

Setsoto Local Municipality

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

FY 2019/2020

Building trust relationships within the municipal environment-the road to sustainable service delivery provision

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EXECUTIVE SUMMARY

TO OUR STAKEHOLDERS

The mid-year budget and performance assessment report is used as a management tool to assess the municipality's performance and financial position against the approved budget by analysing trends and patterns for the first six months of the 2019/2020 financial year, with the view of giving effect to the Executive Mayor and Council's oversight role and to recommend the need for adjustment budget and service delivery and budget implementation plan as envisaged by the Municipal Finance Management Act, 56 of 2003.

STRATEGIC HIGHLIGHTS

The municipality has undertaken a journey to ***building trust relationships within the municipal environment-the road to sustainable service delivery provision***, and the strategic highlights of the period under review was achieving an unqualified report with findings from the Auditor General as well as the testing of the cascading of the performance management systems to lower level employees. With the system we are confident that as a municipality we will be able to generate reliable, accurate and useful performance information, moving forward.

This journey has been the most difficult one, as we have to address employee attitude so that they can embrace the new change. We have partnered with Virgin Activ to develop, configure, data capture and generate reports on the system. This is the last report that will be generated manually by the municipality. The 3rd quarter report will be generated by the system.

FINANCIAL HIGHLIGHTS

The closing balances of call investments accounts amount to **R 4,840,594.65** of the money market is **R 705,154.76**, the MIG investment account is **R 76,328,216.91** as at the 31 December 2019. Interest accumulated on investments is **R 2,332,682.95**. The cash and cash equivalents are a **positive** balance of **R 84,022,208.70**, included in this balance is the primary bank account with the balance of **R 2,148,242.38** and the interest on this is primary bank account is **R 399,907.83**.

OPERATING HIGHLIGHTS

Institutionally the municipality is operating as planned, the only challenge is with regard to achieving all targets that it has set itself to achieve for the financial year. Council, Senior Management and Middle Management need to continuously monitor the planning, implementation and review off all municipal plans and policies to ensure that targets are met.

LOOKING AHEAD

We need to address all the challenges identified by the Auditor General in the Audit Report 2017/2018, take into account the Audit And Performance Audit Committee, Municipal Public Accounts Committee, Risk Management Committee, IDP/PMS Division and the Internal Audit Unit recommendations and the municipality will indeed transition to ***building trust relationships within the municipal environment-the road to sustainable service delivery provision***.

KOALANE
EXECUTIVE MAYOR
January 17, 2020

EXECUTIVE SUMMARY

Purpose

To report to Council on the Mid-Year Budget and Performance Results as at the end of the 2nd quarter of the 2019/2020 financial year as required by Section 52(d) and Section 72 of the Municipal Finance Management Act, 56 of 2003 and more detailed in the Budget and Reporting Regulations.

Strategic Objective

To promote good governance and report on the financial sustainability of the Setsoto Local Municipality.

Background

Sections 52(d) and 72 of the Municipal Finance Management Act, 56 of 2003, and in terms of section 28 of the Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 32 of 2003, Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“The mayor of a municipality-

52(d) must, within 30 days of the end of each quarter, submit a report to Council on the implementation of the budget and financial state of the municipality;”

In compliance with section 52(d) relating to the quarterly reporting period ended 31 December 2019, the 30 days limit expires on 30 January 2018.

Section 72 of the Municipal Finance Management Act, 56 of 2003 stated that-

“The accounting officer of a municipality must by 25 January of each year-

- (a) Assess the performance of the municipality during the first half of the financial year, taking into account-...”

This report is compiled to include the Mid-Year Performance Assessment of the Setsoto Local Municipality.

Furthermore, Section 31(1) of the Government Gazette No 32141 of 17 April 2009 prescribes the following:

“31. (1) the mayor’s quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by section 52(d) of the Act must be-

- (a) in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
- (b) consistent with the monthly budget statement for September, December, March and June as applicable; and
- (c) submitted to the National Treasury and relevant Provincial Treasury within five days of tabling of the report in council.”

EXECUTIVE SUMMARY

A report on such assessment must be submitted to the Executive Mayor, provincial treasury and National treasury in terms of section 72(1)(b) of the Act, 56 of 2003. Once the Executive Mayor has considered the report in terms of section 54(1)(f) of the Act, 56 of 2003, he must table the report with recommendation to council by 31 January of each year.

The following annexures are provided:

Annexure A: Budget and Financial Reporting Performance Report 2019/2020

Annexure B: SDBIP Performance Assessment Report 2019/2020

Annexure C: C Schedule

Operating Revenue

The Net Operating Income for the 2nd quarter ended 31 December 2019 of R 304 929 million is slightly lower than the year to date budget of R 309 645 million. The contributors to the performance for the 2nd quarter of the 2019/2020 financial year that ended 31 December 2019 are as follows:

Description	Original Budget	Year to date Budget	Year to date Actual	Year to Date Variance	Year to date variance Percentage
Property Rates	62 336	31 168	32 793	1 625	5%
Electricity Revenue	82 715	41 357	37 375	- 3 982	-10%
Water Revenue	64 691	32 345	28 811	- 3 534	-11%
Sanitation Revenue	33 021	16 511	16 564	53	0%
Refuse Revenue	42 122	21 061	21 085	24	0%
Interest earned-outstanding debtors	32 573	16 286	17 475	1 189	7%
Dividends	71	35	88	53	151%
Transfers and subsidies	196 383	147 742	147 742	-	0%
Rental of facilities and equipment revenue	175	87	284	197	226%
Interest Earned-External Investment	1 600	800	2 198	1 398	175%
Fines, penalties and forfeits	-	-	434	434	#DIV/0!
Lisenses and permits	40	20	18	- 2	-10%
Other Own Revenue	6 046	3 023	2 011	- 1 012	-33%
Gains on disposal of PPE	1 632	-	249	249	#DIV/0!
Total	523 405	310 435	307 127	- 3 308	-1%

Below follows a synopsis of significant revue variances:

Revenue

It should be noted that property rates and services charges included above are based on the accrual accounting principle and refers to billed/levied income and not actual receipts.

Property Rates and Service Charges

mSCOA requires that monthly billing be done for all service charges and property rates. Consumers who want to be billed annually will have to apply and the cash flow and billing projections will be amended, if necessary, during the Mid-year Adjustment Budget.

Property Rates

Indicate a variance of 5% against the year to date budget

Service Charges-Water

Variance is -11% against the year to date target which is slightly material; it should be noted that water in towns is consumption dependent and that in township there is a flat rate charged;

Service Charges-Electricity

Has a variance of -10% against the budget year to date. It should be noted that electricity revenue is consumption dependent and that consumption is expected to increase in the last quarter of the financial year and the revenue charges will probably increase to be approximate to the budget;

Service Charges-Refuse Removal

Yielded a variance of 0% which implies that this service charges have performed in accordance to budget;

Service Charges-Sanitation

Yield a variance of 0% which implies that this service charges have performed in accordance to budget;

Rental of facilities and equipment

Have a variance of 225% higher than the budget year to date and this will need to be adjusted upwards, it should be noted that properties are rented as and when required and their rentals are paid once-off and that's where most income is earned unlike those that have a long term lease contract. Lessee who have a long-term lease contract have a tendency of not paying their rent until such time when their contract expires and this results on deficit on the budget;

Interest earned-external investments

Has a favourable variance of 175% against the budget year to date and its budget will also need to be adjusted upwards. It should be noted that returns on investment depend on the amount invested as well as the period invested

Interest earned-outstanding debtors

Have a variance of 7% for the period, the increase is as a result of non-payment for services in certain areas;

Transfers and Subsidies

Yielded no variance that means that grants and subsidies were received as budgeted;

Other Own Revenue

Has a variance of -33% against the budget year to date and should be adjusted downwards.

Operating Expenditure

The expenditure to date reflects under spending of R237 006 million when comparing the financial performance of the first six months to the pro-rata budget of R 299 342 million.

Description	Original Budget	Year to date Budget	Year to date Actual	Year to Date Variance	Year to date variance Percentage
Employee Costs	216 114	106 692	96 467	- 10 225	-10%
Councillors Remunerations	13 725	8 227	7 421	- 806	-10%
Debt Impairment	50 673	25 336	33 349	8 013	32%
Depreciation and Assets Impairment	119 015	59 507	10 473	- 49 034	-82%
Finance Charges	7 966	3 983	3 266	- 717	-18%
Bulk Purchases	76 974	38 487	34 874	- 3 613	-9%
Other Materials	37 219	18 610	10 608	- 8 002	-43%
Contracted Services	19 002	9 501	13 137	3 636	38%
Transfers and subsidies	17 314	8 657	12 868	4 211	49%
Other Expenditure	40 683	20 342	14 543	- 5 799	-29%
Loss on disposal of PPE	-	-	-	-	0%
Total	598 685	299 342	237 006	- 62 336	-21%

It should be noted that the following budget items reflected an underspending when compared to the year-to-date budget and is as follows:

Depreciation and asset impairment

Depreciation processed to date amounts to R 10 473 million-and reflects an under performance of R49 034 million when compared to the year-to-date budget of R59 507 million. The budget will be adjusted upwards during the Mid-year Adjustment Budget process.

Other Materials

An under performance of R 8 002 million is noted for other material.

Employee Related Costs

Indicate a variance of -10% for the period against the budget year to date, the variance might increase up to equal the budget when provisions are calculated during the financial year end. Actuarial valuations and provisions on leave and bonus has not been considered;

Remuneration of councillors

Has a variance of -10% than the budget year to date and the budget need to be amended accordingly and consider the implementation of upper limits;

Finance Charges

Variance is -18% and will need to be adjusted downwards. Finance charges consists on expenditure for the interest paid on external borrowings and overdue accounts;

The following line items depict and overspending on the year to date budget:

Contracted Services

Variance is at 38% higher than the budget year to date and its budget must be adjusted upwards to minimize the risk of unauthorized expenditure.

Other Expenditure

Has a favorable variance of 29% for the period due to strict control measures that were implemented to restrict spending on non-essential services.

Debt Impairment

Has a variance of 32% higher than the budget year to date and this will need to be adjusted upwards to avoid unauthorized expenditure;

Capital Expenditure

Description	Original Budget	Year to date Budget	Year to date Actual	Year to Date Variance	Year to date variance Percentage
Municipal Maanager	406	204	34	- 170	-83%
Corporate Services	1 492	946	226	- 720	-76%
Treasury Services	1 492	946	226	- 720	-76%
Engineering Services	114 580	57 327	30 675	- 26 652	-46%
Development Planning and Social Security	53 212	25 392	1 721	- 23 671	-93%
Total	171 182	84 815	32 882	- 51 933	-61%

Expenditure on the capital budget for the six months ended 31 December 2019 is R32 882 million representing a 39% capital spending performance measured against the total capital budget of R 84 815 million which is lower than the spending performance of 56% for the same period in December 2018.

Period	2017/2018	2018/2019	2019/2020
Total Budget	117 495	136 725	171 182
Actual Spending	53 294	56 448	36 232
Spending Performance	45%	41%	21%

Financial Performance Analysis

In order to perform a holistic financial analysis of the municipality, all financial aspects of the municipality should be considered. Ratios are divided into various categories to address the different financial aspects and operations of the municipality. These are categorized as follows:

- Financial Position;
- Financial Performance; and
- Budget Implementation

Financial Position-Assets Management

Capital Expenditure to Total Expenditure

This ratio is used to assess the level of Capital Expenditure to Total Expenditure, which indicates the prioritization of expenditure towards current operations versus future capacity in terms of municipal services.

For the period under review, the percentage capital expenditure ratio is 13.26%. the norm range between 10% and 20%, which means that the municipality is performing as required. But this does not mean that the municipality should invest more in capital infrastructure that is largely directed towards service delivery.

Impairment of Property, Plant and Equipment and Investment property and Intangible Assets (Carrying Value)

Asset impairment refers to the loss in future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset’s future economic benefits or service potential through depreciation.

For the period under review, the ration is **100%**, and the norm is **0%** as this ratio indicate the percentage of impairments compared to the carrying value of the assets, a ratio above **0%** reflects a risk in service delivery and therefore corrective measures should be implemented.

Repairs and Maintenance as a % of property, Plant and Equipment and Investment Property (Carrying Value)

The ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure continued provision of services.

For the period under review the municipality did not record any repairs and maintenance as a percentage of property, plants and equipment and investment property (carrying Value) the norm is **8%** and not reporting on this ratio is dangerous as the ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

Debtor Management

Collection Rate

The ratio is indicative of the collection rate; i.e. level of payments. It measures increase or decrease in debtors relative to the annual billed revenue. In addition, in order to determine the real collection rate, bad debts written-off is taken into consideration.

Assessing the collection ratio provides an indication of the performance against a number of areas, for example:

- Quality of Credit Control-ensuring that what is billed is collected; and
- Quality of Revenue Management-the ability to set affordable tariffs and bill correctly

For the period under review, the collection rate is 40% and the norm is 95%, this below the norm ratio is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. As the municipality is having outstanding debtors it should aim at achieving a collection rate of more than 100%. The result from this ratio should be viewed along with the results from the age analysis and net debtor's day's ratio.

Bad Debts Written-Off as a % of the Bad Debt Provision

The ratio compares the value of bad debts written-off on consumer debtor to bad debts provided for consumer debtors to ensure that the provision for bad debts is sufficient. For the period under review, the percentage for bad debts written-off is 132% and the norm is 100%.

The municipality should only write-off bad debts already provided for. The ratio already exceeded the 100% and this is an indication that the municipality has not previously identified the debtors as having the potential for defaults, which could indicate weakness in calculation of the provision for bad debt, the methodology used and/or poor credit control processes.

Net Debtors Days

This ratio reflects the collection period. Net debtor days refers to average number of days required for a municipality to receive payment from its consumers for bills/invoices issued for them for services. For the period under review the indication is that the municipality takes around 417 days to collect from consumers, whilst the norm is 30 day.

This ratio also indicates that the municipality significant write-offs of irrecoverable debtor balance in the gross debtors days analysis as it only assesses the performance of collectable debtors. In addition, it provides as indication of the quality of credit control policy, the effectiveness of the implementation thereof and the quality of revenue management.

This high ratio indicates that the municipality is exposed to significant cash flow risk and is experiencing challenges in the collection of outstanding amounts due to it. Therefore, a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

C. Liquidity Management

Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants)

The ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during the month. The cost coverage ratio is calculated at 0,07 months, indicating that the municipality will not be able to meet its monthly fixed operational costs.

Current Ratio

The ratio is used to assess the municipality's ability to pay back its short-term liabilities (Debt and Payable) with its short-term Assets (Cash, Inventory, Receivables). For the period under review the current ratio is **10:2** and the norm range between **1,5 to 2:1** which indicate that the municipality will be able to pay its current or short-term obligations and provide a risk cover to enable it to continue operations at the desired levels

Liability Management

Capital Cost (interest Paid and redemption) as a % of Total Operating Expenditure

This ratio indicates the cost required to service the borrowing. It assesses the borrowing or payment obligation expressed as a percentage of total operating expenditure. For the period under review the capital cost ratio is

5.79% and the norm is between 6% and 8%. This ratio indicate that the municipality has the capacity to take additional financing from borrowing to invest in infrastructure projects.

Debt (Total Borrowings)/Total Operating Revenue

The ratio indicates the extent of the total borrowings in relation to the total operating revenue. It indicates short- and long-term debt financing relative to operating revenue of the municipality. For the period under review the ratio is **9.13%** and the norm is **45%**. This ratio indicates that the municipality still has capacity to take increase funding from borrowings, however this should be considered within the cash flow requirements of the municipality.

Sustainability

Level of Cash Backed Reserves (Net Assets-Accumulated Surplus)

The ratio measures the extent to which the other reserves, which are required to be cash backed are actually cash backed. Currently the municipality did not have any reserves and therefore there are no cash backed funds available.

Financial Performance-Efficiency

Net Operating Surplus Margin

The ratio assesses the extent to which the municipality generates operating surpluses. For the period under review the net operating surplus margin 22.83% and the norm is 0%. This ratio indicates that the municipality is able to generate a surplus which could assist to contribute towards its capital funding requirements.

In doing so, the municipality must ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Emphasis is made on Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

Net Surplus/Deficit Electricity

The ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the ratio is to determine the contribution made by the provision of electricity services, being one of the major functions of a municipality. the norm range between **0% and 15%**. The current ratio is **14.5%**

Net Surplus/Deficit Water

The ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the ratio is to determine the contribution made by the provision of water services, being one of the major functions of a municipality. the norm is equal to **0%** and will be superseded by sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation. The current ratio is **80%**.

Net Surplus/Deficit Refuse

The ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the ratio is to determine the contribution made by the provision of refuse services, being one of the major functions of a municipality. the norm range between **0%** and will be superseded by sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation. The current ratio is **38.9%**.

Net Surplus/Deficit Sanitation and Wastewater

The ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and wastewater service. The purpose of the ratio is to determine the contribution made by the provision of sanitation and wastewater services, being one of the major functions of a municipality. the norm range between **0%** and will be superseded by sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation. The current ratio is **55.9%**.

Distribution Losses**Electricity Distribution Losses (Percentage)**

The purpose is to measure the percentage loss of potential revenue from electricity services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that the implementation of free basic service policy is included in the calculation for the sale of electricity.

For the period under review the municipality reported electricity losses of **15.48%**. This ratio depict that electricity losses are not well managed as the norm is between **7% and 10%**. Investigations need to be done in order to identify where the problem is as this could be attributed to the following:

- deteriorating electricity infrastructure;
- poor management of networks;

- theft;
- wastage; and
- inaccurate metering

Water Distribution Losses (Percentage)

The purpose of this ratio is to determine the percentage loss of potential revenue from water services through kiloliters of water purchased but not sold as a result of losses incurred through theft (illegal connections, non-or incorrect metering or wastage as a result of deteriorating infrastructure. It is expected that the implementation of the free basic service policy is included in the calculation for the sale of water.

For the period under review, the municipality recorded a water losses of **41.60%**. this ratio depicts that water losses and water infrastructure is not well managed as the norm is between **15% and 30%**. Attributing factors could be the following:

- ageing water infrastructure;
- poor management of water networks
- theft;
- wastage; and
- incorrect metering

Revenue Management

Growth in Number of Active Consumer Accounts

The ratio measures the actual growth in the revenue base of the municipality brought about by an increase in the consumer base rather than tariff increases.

New reporting ratio and will be reported on from the Third Quarter 2019/2020

Revenue Growth (%)

The ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in expenditure will be funded by increase in revenue base or by some other means.

New reporting ratio and will be reported on from the Third Quarter 2019/2020

Revenue Growth (%)- Excluding Capital Grants

The ratio measures the overall revenue growth. In addition, this ratio will assist in determining if the increase in expenditure will be funded by increase in revenue base or by some other means.

New reporting ratio and will be reported on from the Third Quarter 2019/2020.

Expenditure Management

Creditors Payment Period

The ratio indicates the average number of days taken for trade creditors to be paid. The norm is **30 days**.

New reporting ratio and will be reported on from the Third Quarter 2019/2020.

Irregular, Fruitless and Wasteful and Unauthorised Expenditure/Total Operating Expenditure

The ratio measures the extent to which the municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure. The net amount after condonement should be used in the calculation.

New reporting ratio and will be reported on from the Third Quarter 2019/2020

Remuneration (Employee Related Costs and Councillor Remuneration) as a % of Total Operating Expenditure

The ratio measures the extent of remuneration to the total operating expenditure. The norm range between **25% and 40%** and the ratio for the period under review is **44%** and this indicates inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure.

Contracted Services as a % of Total Operating Expenditure

The ratio measures the extent to which the municipality's resources are committed towards contracted services to perform municipal related functions. The norm range is between 2% and 5% and for the period under review the ratio was 6.54% and this could indicate that many functions are being outsourced to consultants or contracted services are not effectively utilised.

Going forward, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in the ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on contractors.

Grant Dependency

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure

The ratio measures the extent to which the municipality's total capital expenditure is funded through internally generated funds and borrowings.

New reporting ratio and will be reported on from the Third Quarter 2019/2020.

Own Source Revenue to Total Operating revenue (Including Agency Revenue)

The ratio assesses the extent of own source revenue to total operating revenue including agency revenue, hence self-sufficiency. Currently there is no norm in and the ratio for the period under review is 51.89% and the municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency.

Budget implementation

Capital Expenditure Budget Indicator

This ratio measures the extent to which budgeted capital expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with the approved budget.

New reporting ratio and will be reported on from the Third Quarter 2019/2020.

Operating Expenditure Budget Implementation Indicator

The ratio measures the extent to which budgeted operating expenditure has been spent during the financial year, under review. The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with the approved budget. The norm range between **95% and 100%** and the ratio for the period under review is **79.17%** which is an indication that the municipality experiences possible cash flow difficulties or capacity challenges to undertake budgeted/planned service delivery, and/or does not prepare accurate and credible budgets

Operating Revenue Budget Implementation Indicator

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN PERFORMANCE ASSESSMENT

This ratio measures the extent of actual operating revenue (excluding capital grant revenue) received in relation to budgeted operating revenue during the financial year. The norm range is between **95% and 100%** and for the period under review is **98.93%**

Service Charges and Property Rates Revenue Budget Implementation Indicator

The ratio measures the extent of actual service charges and property rates revenue received in relation to the budgeted service charges and property rates revenue during the financial year, under review. The norm range between **95% and 100%** and the ratio for the period under review is **95.91%**

Outstanding Debtors

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment										
Description	Budget Year 2019/20									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	8,123	3,693	3,485	3,325	3,300	2,931	14,206	65,707	104,771	89,470
Trade and Other Receivables from Exchange Transactions - Electricity	5,092	1,174	889	817	665	623	2,456	11,878	23,593	16,438
Receivables from Non-exchange Transactions - Property Rates	7,662	2,731	2,537	2,089	1,988	684	7,611	35,068	60,370	47,440
Receivables from Exchange Transactions - Waste Water Management	4,258	1,914	1,874	1,818	1,797	1,518	7,428	34,694	55,302	47,255
Receivables from Exchange Transactions - Waste Management	5,391	2,455	2,413	2,389	2,370	2,009	9,977	47,393	74,397	64,138
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	5,954	2,829	2,741	2,651	2,554	2,359	13,271	56,027	88,386	76,861
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	3,175	1,359	1,182	(170)	1,199	(609)	5,329	36,725	48,191	42,475
Total By Income Source	39,656	16,157	15,122	12,919	13,874	9,516	60,277	287,491	455,011	384,077
2018/19 - totals only	39,859	14,574	15,444	15,390	14,913	6,557	59,187	268,396	434,321	364,443
Debtors Age Analysis By Customer Group										
Organs of State	4,356	1,903	1,625	(174)	1,005	(1,788)	2,519	10,027	19,473	11,589
Commercial	5,570	1,391	1,157	1,055	1,051	823	4,486	21,008	36,542	28,423
Households	29,110	12,696	12,173	11,894	11,669	10,357	52,627	250,215	390,740	336,761
Other	620	166	166	144	150	123	644	6,242	8,256	7,304
Total By Customer Group	39,656	16,157	15,122	12,919	13,874	9,516	60,277	287,491	455,011	384,077

The above-mentioned data set indicates that consumer debt increased by **R 20 690 million** from December 2018 to December 2019. The increase is mainly due non-payment of municipal services. Council approved debt write offs of **R 86 245 million** at 30 June 2019.

Subsidies and Rebates:

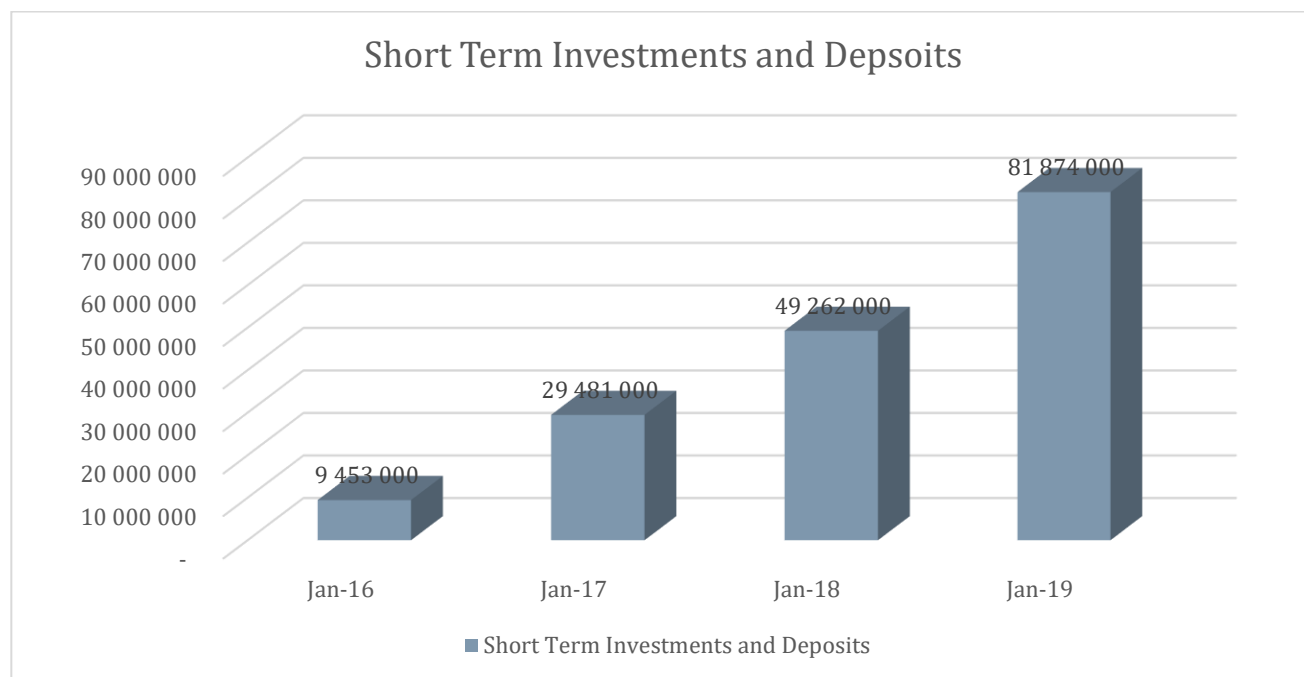
Number of registered indigent families as at 31 December 2018 was 4 717 and number of registered indigent families as at 31 December 2019 is 5 765.

The formal indigent households have increased by 1 048 households due to an increase in re-applications received. The municipality has embarked on an indigent drive through its revenue enhancement strategy to increase the number of household to register as indigents. This will increase as community awareness grows.

Investments

The investment portfolio increased/decreased from **R 49 262 million** as at 31 December 2018 to **R 81 874 million** at 31 December 2019

Description	2016/2017	2017/2018	2018/2019	2019/2020
Short Term Investments and Deposits	9 453	29 481	49 262	81 874



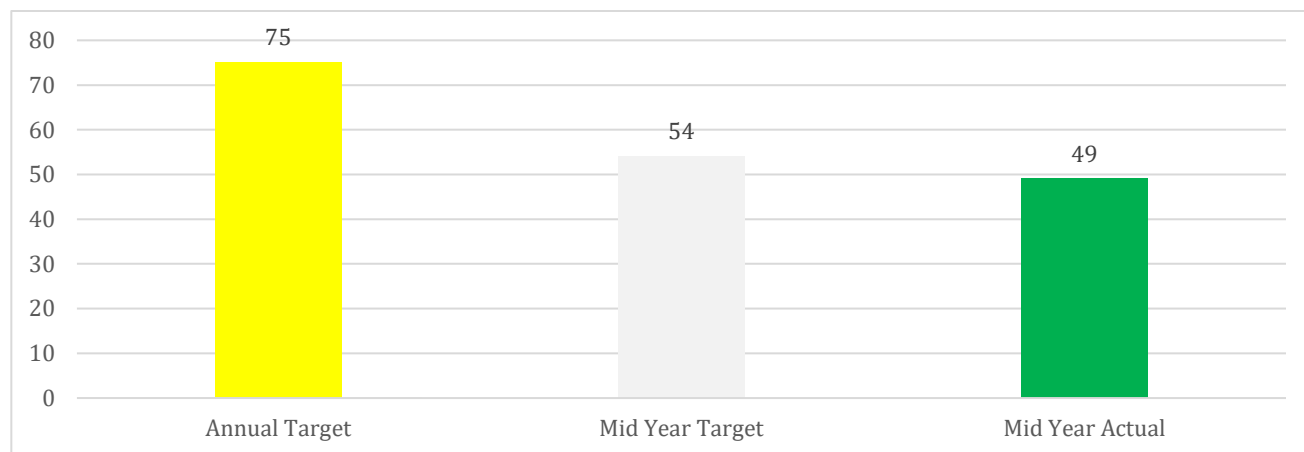
The municipality’s improved position resulted from more efficient cash flow management practices being put in place through stringent cost containment measure and other cost savings strategies amongst other factors, but not limited to the latter as the slow capital spending performance added to the positive situation.

Past year’s Annual Report and progress on resolving problems identified in the Annual Report

Areas of improvement as identified during the previous year’s audit were encapsulated in the Audit Finding Action Plan which addresses areas of concern. This plan and the implementation thereof will be monitored by senior management as well as the Audit and Performance Audit Committee.

The GRAP disclosure checklist in addition to the findings raised in the previous audit will be used to mitigate the risks of recurring audit findings. Of more concern is the fact that material AG findings were raised during the 2018/2019 regulatory audit.

Municipal Manager’s Scorecard

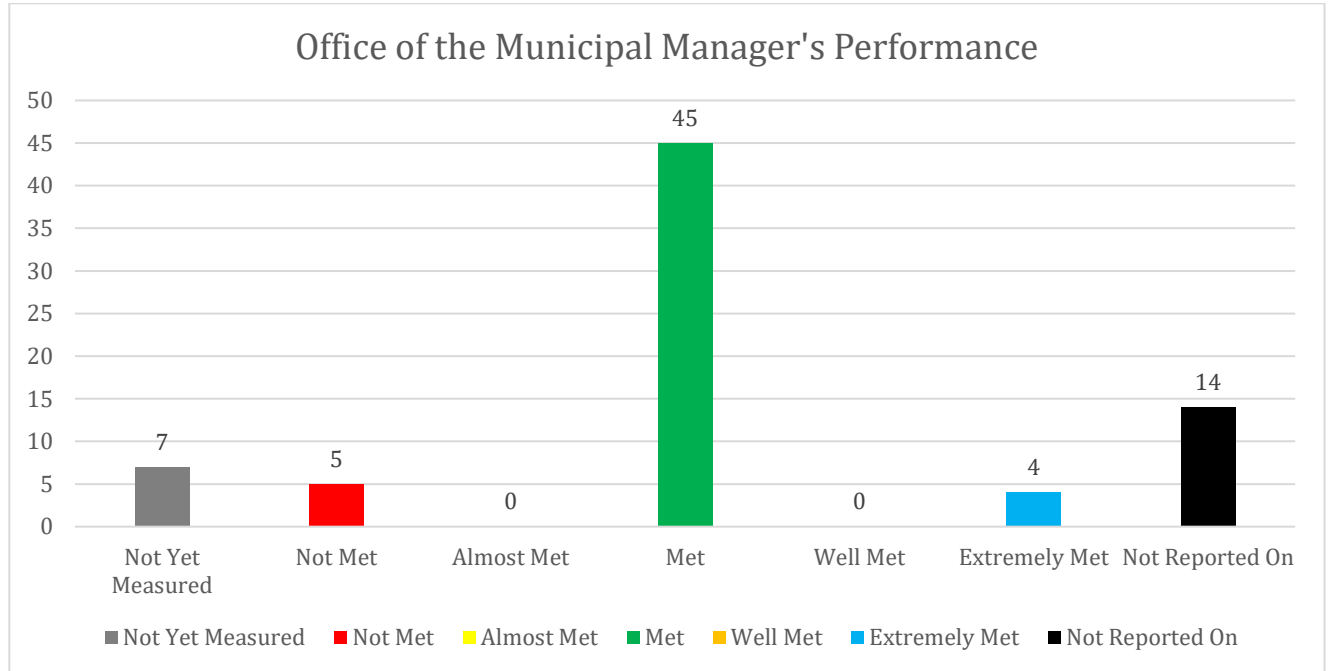


For the period under review the Municipal Manager has met 4 targets of the 9 planned indicators. This translate into 80% achievement, which in terms of the performance evaluation criteria is almost achieved as it falls within the 75%-99% performance range.

This under-performance is also attributed to by the fact that some of the division within the Office of the Municipal Manager did not submit their quarterly reports. These division are the Office of the Speaker and the Office of the Executive Mayor.

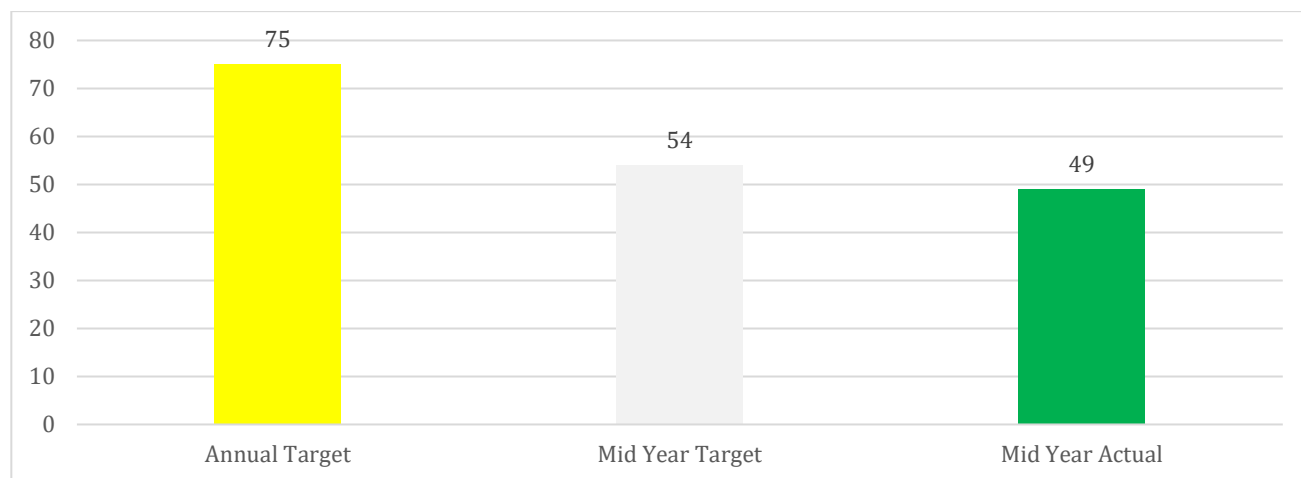
Below is the overall performance of the Office of the Municipal Manager:

Office of the Municipal Manager’s Performance



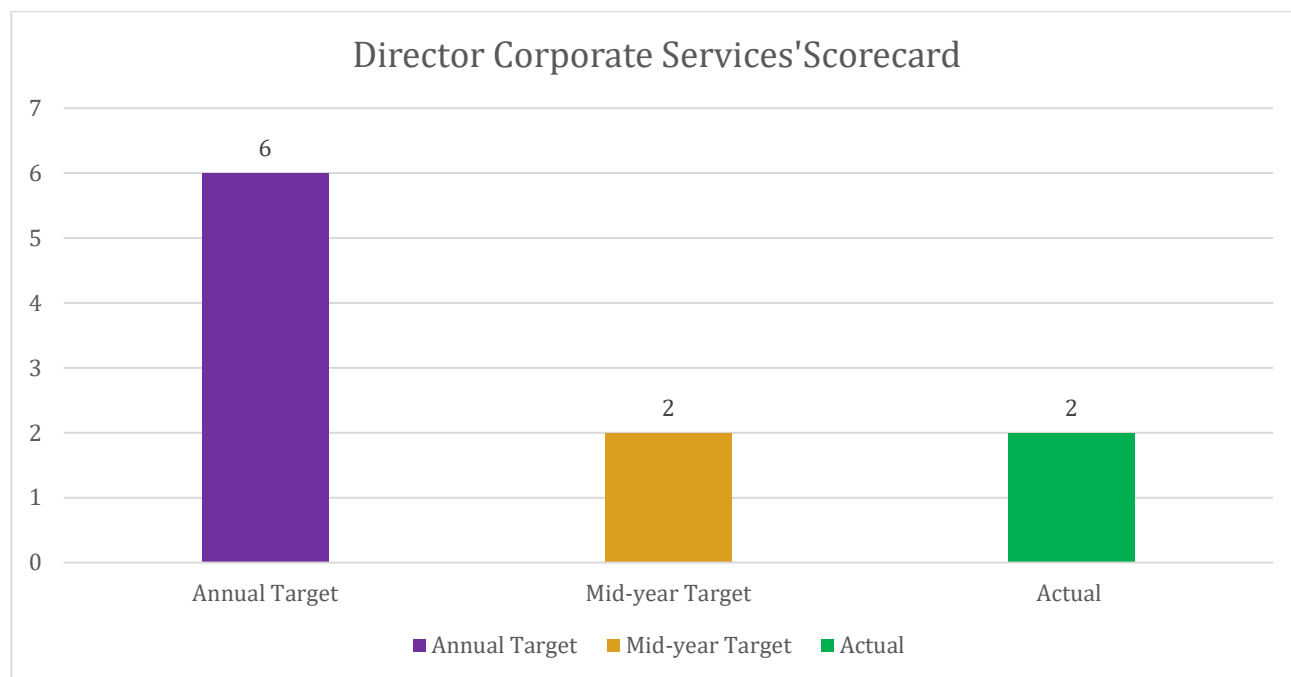
For the period under review, 7 indicators were not due, 5 targets were not met, 0 targets were almost met, 45 targets were met, 0 targets were well met, 0 targets were extremely met, and 14 targets were not reported on. A total of 75 targets were set for the year of which 68 targets (including those not reported on) were set and 49 targets were achieved. If the 14 targets that are not reported on are included in the calculation, departmental performance will be at 72% not at 82% as reported below.

Office of the Municipal Manager: Planned Targets v/s Actual Achievements



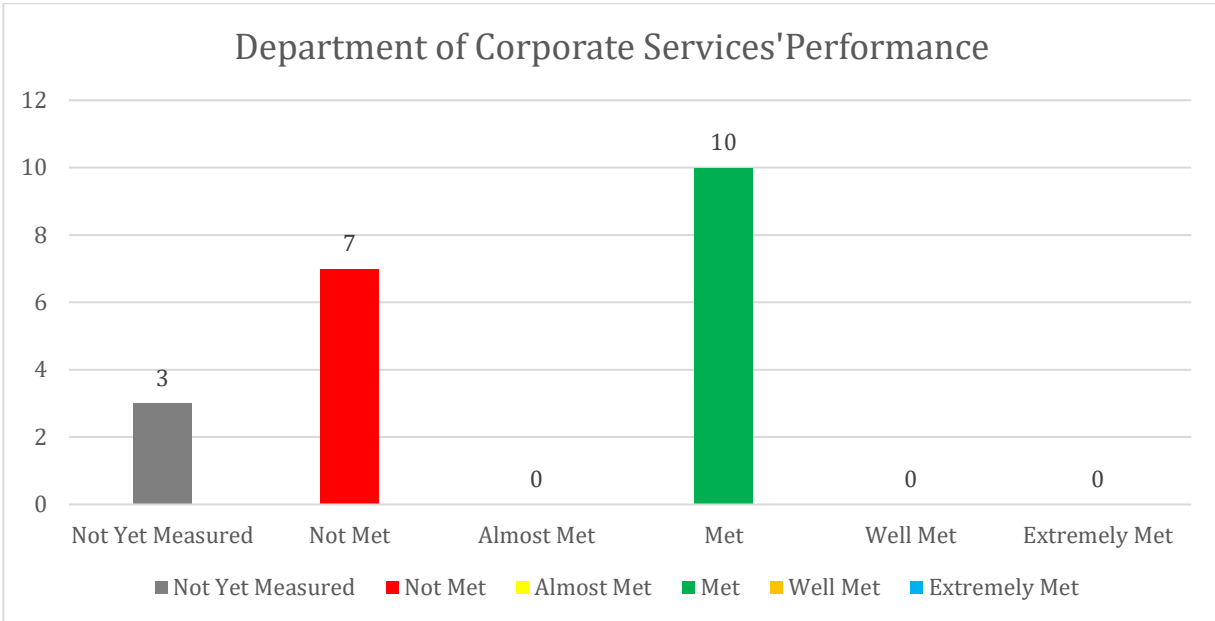
A total of 75 targets were planned for the 2019/2020 financial year, of which 54 targets were planned for quarters one and two. In total 49 (91%) targets were achieved and 5 (9%) targets were not achieved. The current departmental performance is standing at 82% which is 82% **higher** than the year to date performance of 50%. The main reasons for under performance are recorded in the variance columns above.

Director Corporate Services' 'Scorecard



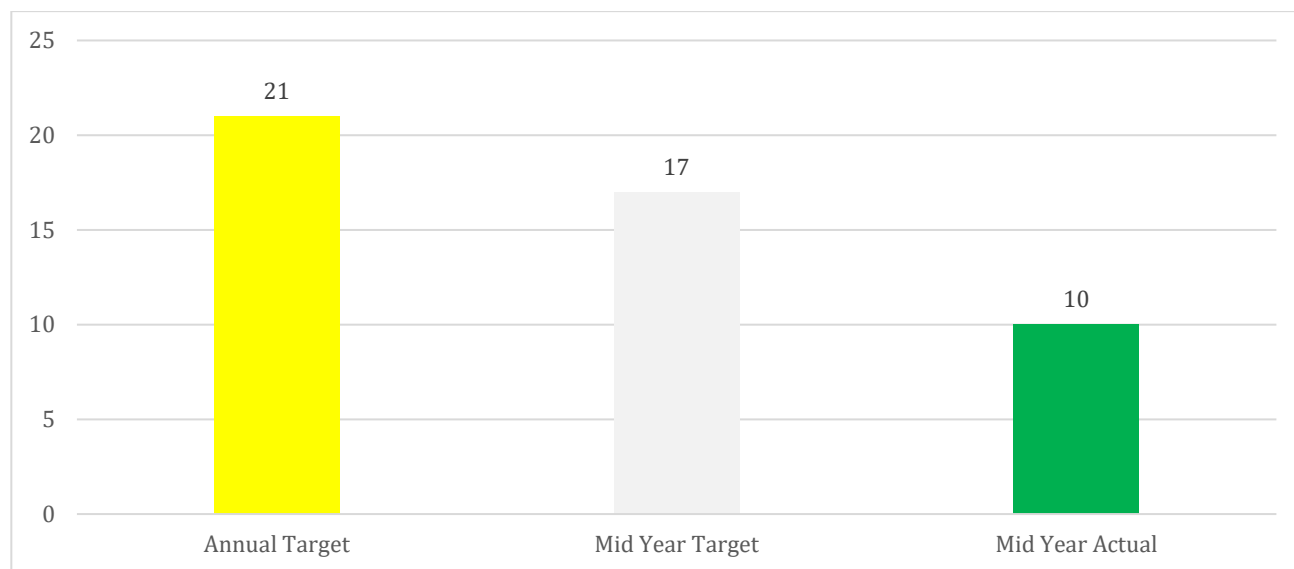
For the period under review the Director Corporate Services has met 2 targets of the 2 planned indicators. This translate into 100% achievement, which in terms of the performance evaluation criteria is almost achieved as it falls within the 100% performance range.

Department Corporate Services' Performance



For the period under review, 3 indicators were not due, 7 targets were not met, 0 targets were almost met, 10 targets were met, 0 targets were well met, 0 targets were extremely met. A total of 21 targets were set for the year of which 17 were set and 10 targets were achieved. The above translate into an 59% departmental performance. In terms of the performance objective for the period under review this is over performance by 9% against the year to date of 50%

Department of Corporate Services: Planned Targets v/s Actual Achievements



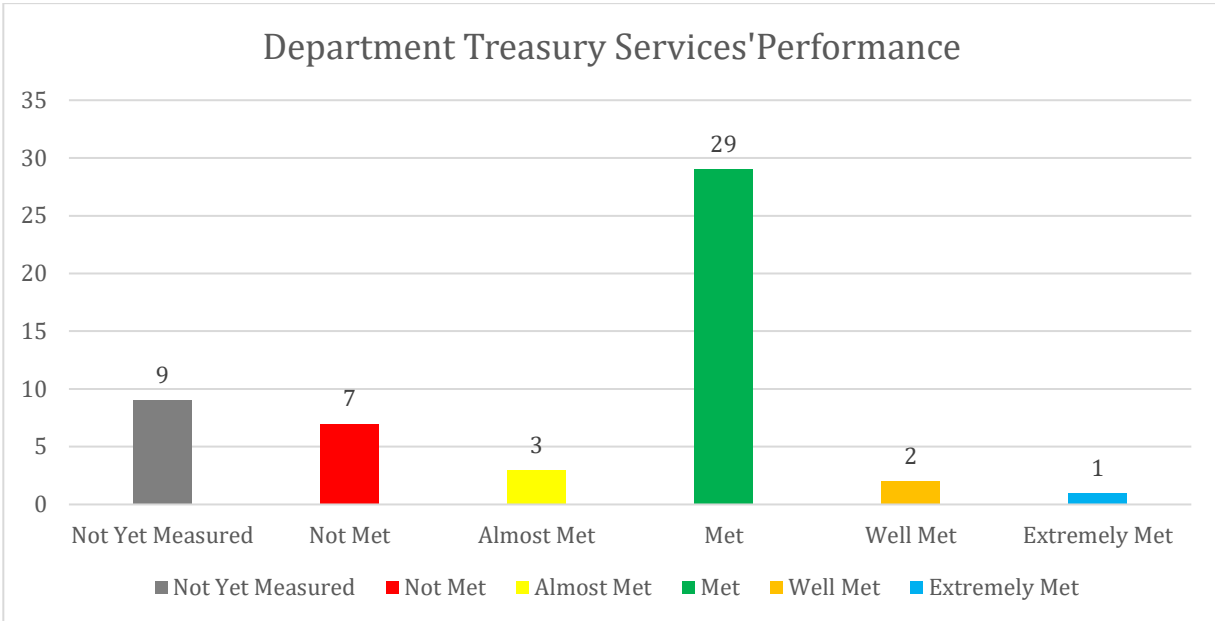
A total of 21 targets were planned for the 2019/2020 financial year, of which 17 targets were planned for quarters one and two. In total 10 (59%) targets were achieved and 7 (41%) targets were not achieved. The current departmental performance is standing at 59% which is 9% higher than the year to date performance of 50%. The main reasons for under performance are recorded in the variance columns above.

Chief Financial Officer's Scorecard



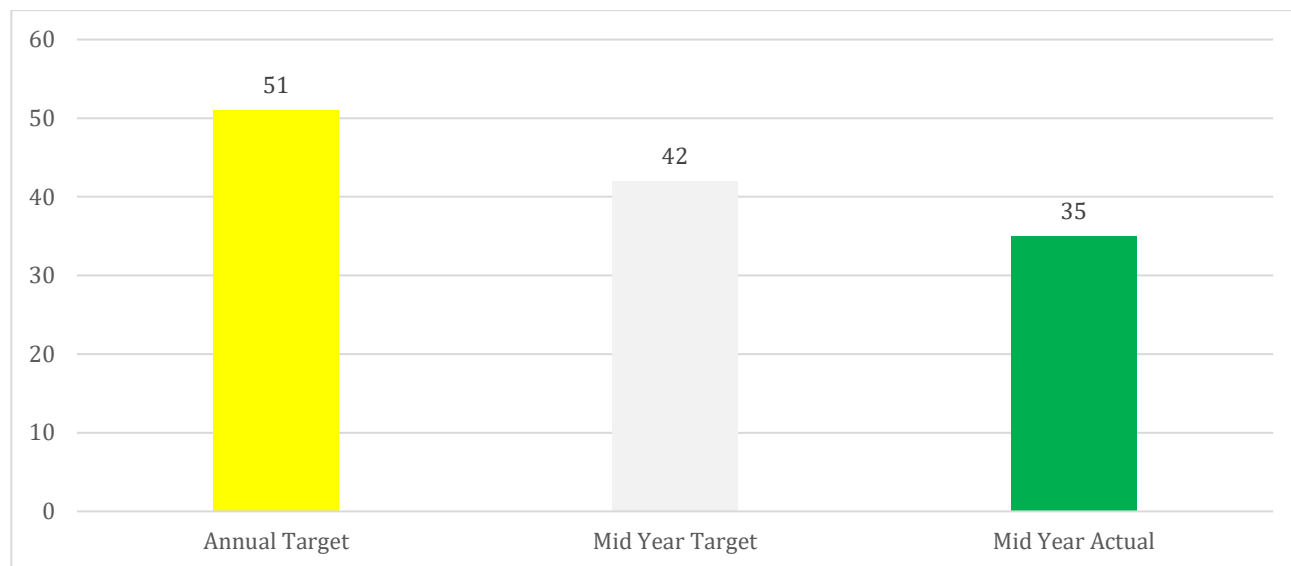
For the period under review the Chief Financial Officer has met 8 targets of the 9 planned indicators. This translate into 89% achievement, which in terms of the performance evaluation criteria is almost achieved as it falls within the 100% performance range. Note must be made that 1 indicator was not reported on. The main reasons for under performance are recorded in the variance columns above.

Department Treasury Services' Performance



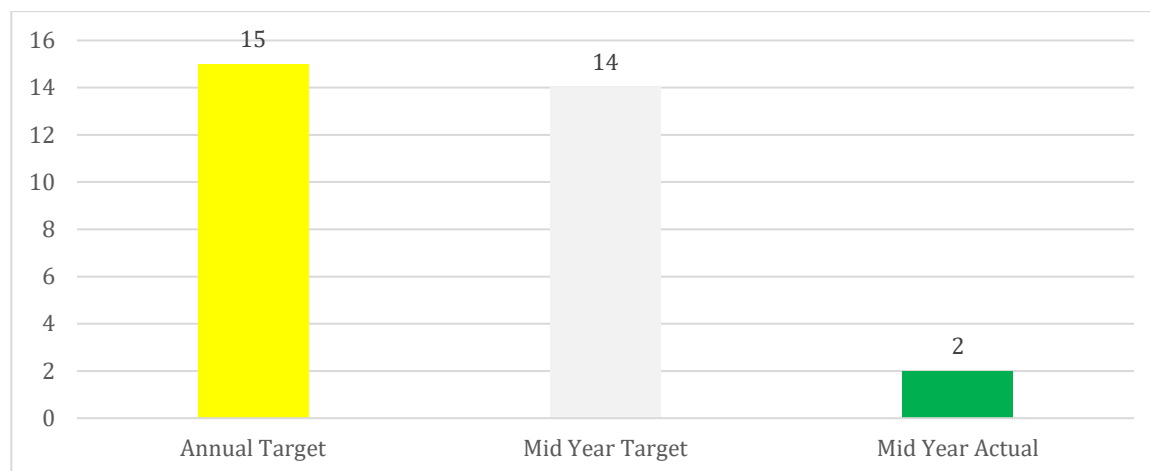
For the period under review, 9 indicators were not due, 7 targets were not met, 3 targets were almost met, 10 targets were met, 0 targets were well met, 0 targets were extremely met. A total of 51 targets were set for the year of which 42 were set for the period under review and 32 targets were achieved. The above translate into an 76% departmental performance. In terms of the performance objective for the period under review this is over performance by 26% against the year to date of 50%

Department of Treasury Services: Planned Targets v/s Actual Achievements



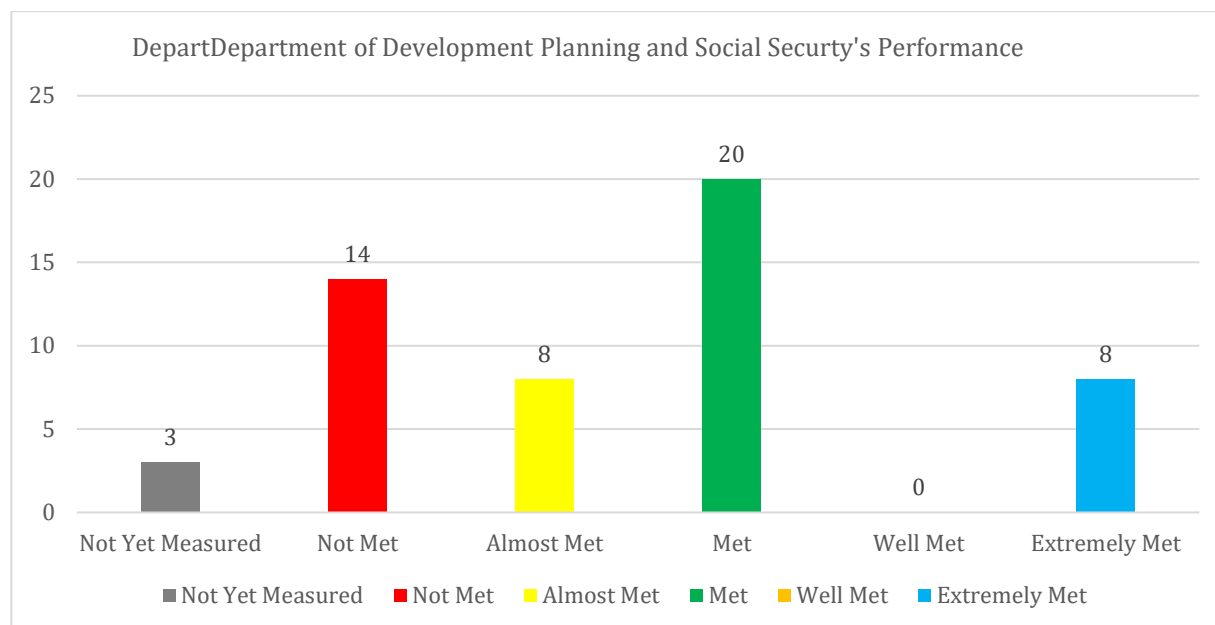
A total of 51 targets were planned for the 2019/2020 financial year, of which 42 targets were planned for quarters one and two. In total 32 (76%) targets were achieved and 7 (24%) targets were not achieved. The current departmental performance is standing at 76% which is 26% more than the year to date performance of 50%. The main reasons divisions sited for non-achievements are recorded in the variance columns above.

Department Engineering Services



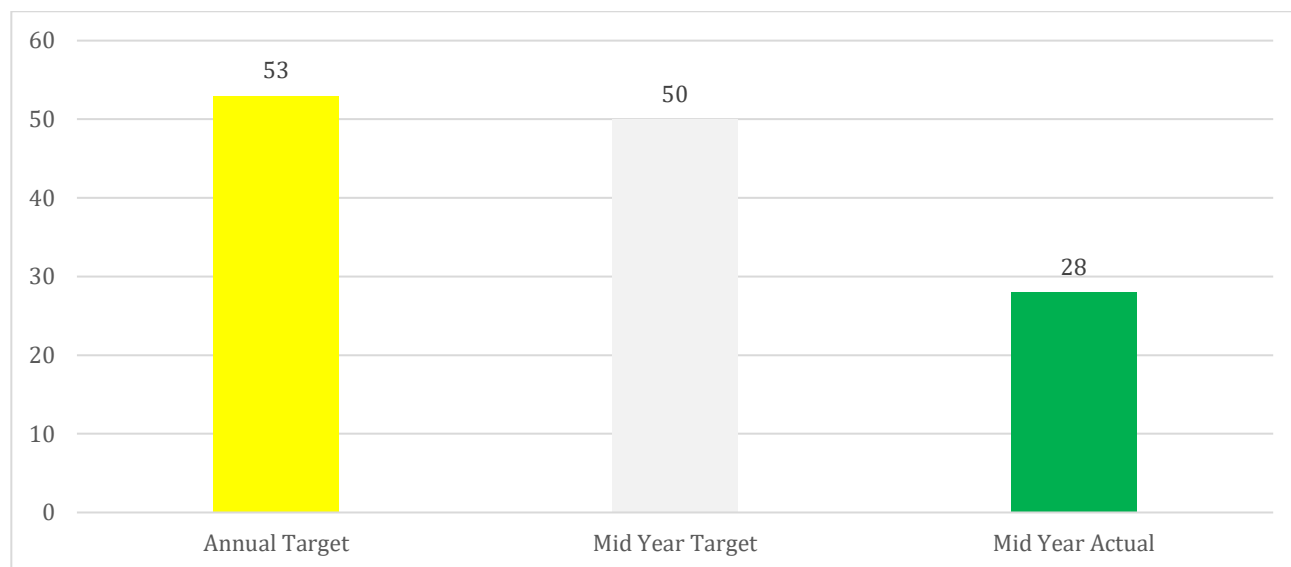
A total of 15 targets were planned for the 2019/2020 financial year, of which 14 targets were planned for quarters one and two. In total 2 (14%) targets were achieved and 12 (86%) targets were not achieved. The current departmental performance is standing at 14% which is 36% lower than the year to date performance of 50%.

Department Development Planning and Social Security's Performance



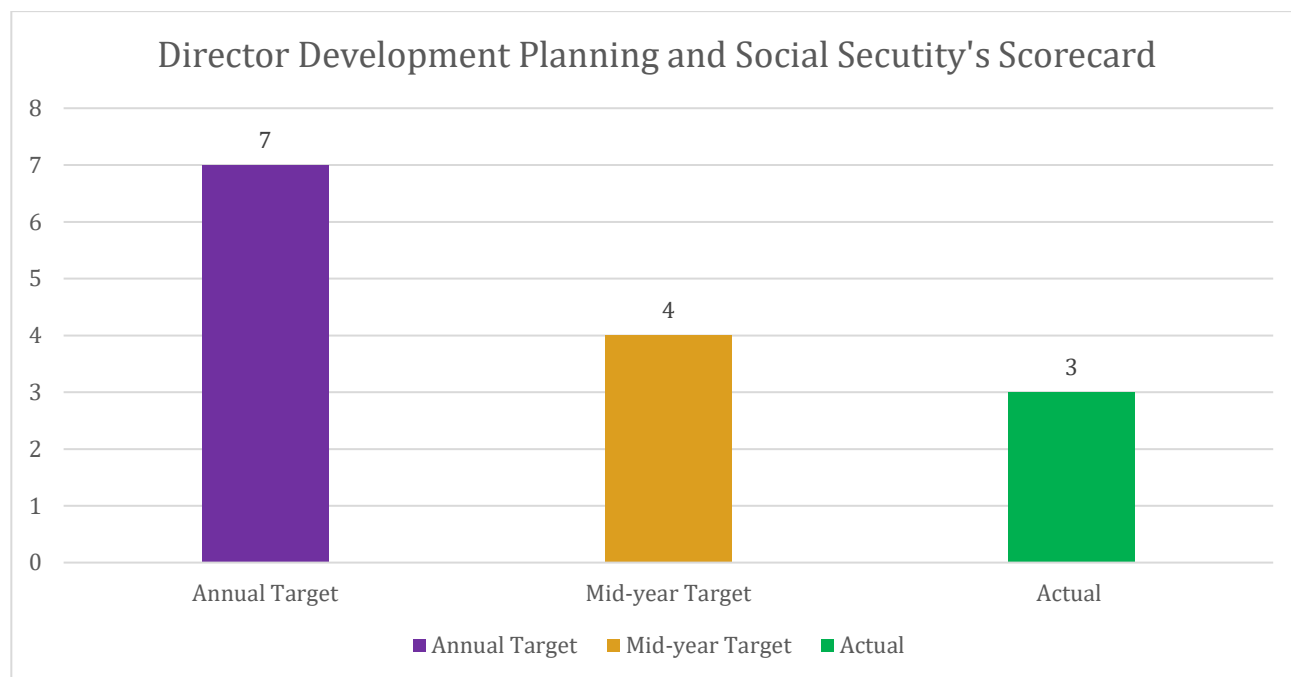
For the period under review, 3 indicators were not due, 14 targets were not met, 8 targets were almost met, 20 targets were met, 0 targets were well met, 8 targets were extremely met. A total of 53 targets were set for the year of which 50 were set for the period under review and 28 targets were achieved. The above translate into an 56% departmental performance. In terms of the performance objective for the period under review this is over performance by 6% against the year to date of 50%. The main reasons for under performance are recorded in the variance columns above.

Department of Development Planning and Social Security: Planned Targets v/s Actual Achievements



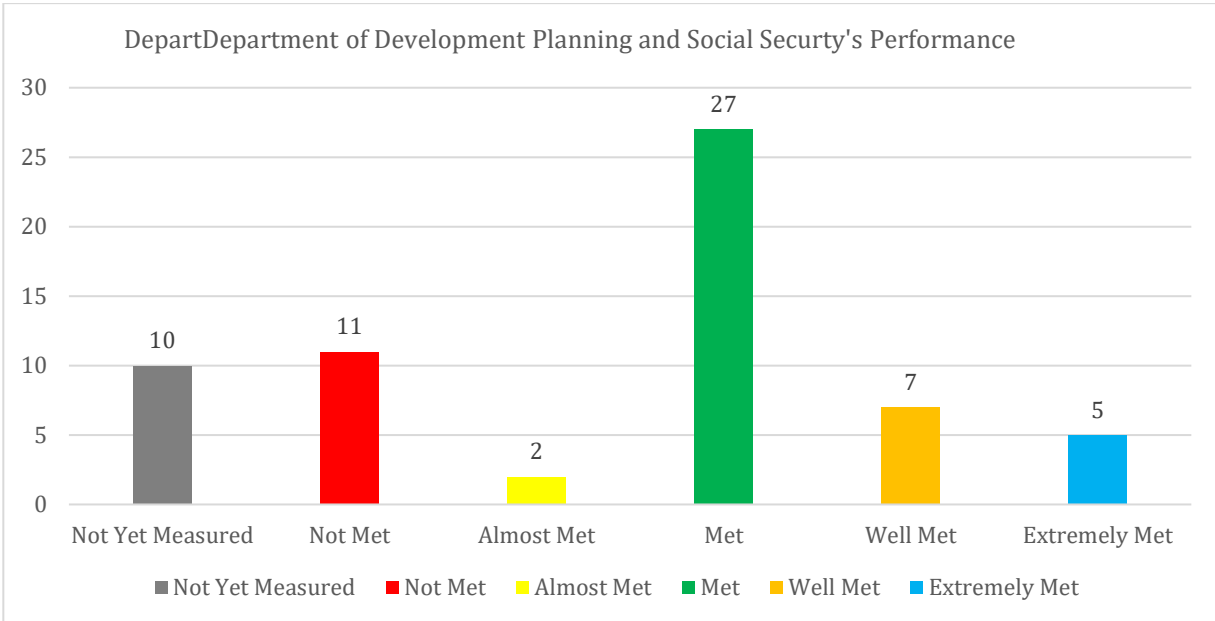
A total of 53 targets were planned for the 2019/2020 financial year, of which 50 targets were planned for quarters one and two. In total 28 (56%) targets were achieved and 22 (44%) targets were not achieved. The current departmental performance is standing at 56% which is 6% more than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

Director Development Planning and Social Security's Scorecard



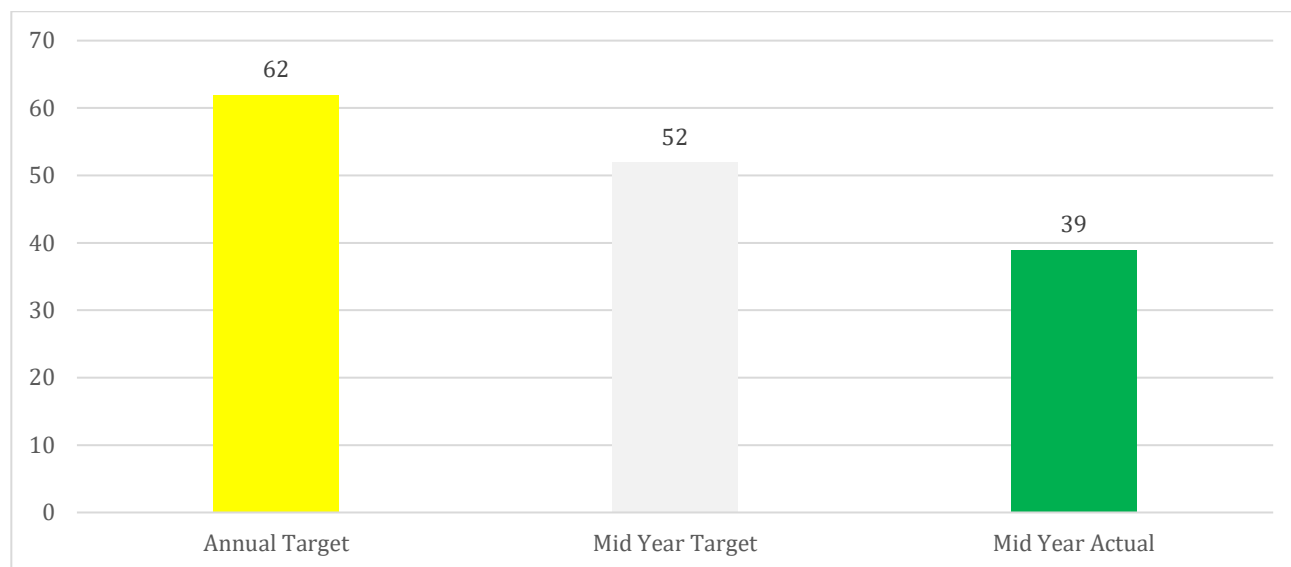
For the period under review the Director Development Planning and Social Security has met 3 targets of the 4 planned indicators. This translate into 75% achievement, which in terms of the performance evaluation criteria is not achieved as it falls within the 0% and 75% performance range.

Department Development Planning and Social Security's Performance



For the period under review, 10 indicators were not due, 11 targets were not met, 2 targets were almost met, 27 targets were met, 7 targets were well met, 5 targets were extremely met. A total of 62 targets were set for the year of which 52 were set for the period under review and 39 targets were achieved. The above translate into an 75% departmental performance. In terms of the performance objective for the period under review this is over performance by 25% against the year to date of 50%

Department of Development Planning and Social Security: Planned Targets v/s Actual Achievements



A total of 62 targets were planned for the 2019/2020 financial year, of which 52 targets were planned for quarters one and two. In total 39 (75%) targets were achieved and 13 (25%) targets were not achieved. The current departmental performance is standing at 75% which is 25% more than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

Organisational and Human Resource Implication

- Office of the Municipal Manager for assessment of the departmental reports and compilation of the Performance Report.
- Internal Audit Unit for quality assurance
- IDP/PMS Division for assessment of the departmental reports and compilation of the Performance Report.

Legal Implication

The report is compiled in accordance with the requirement of the Municipal Finance Management Act, 56 of 2003, Municipal Systems Act, 32 of 2001, Municipal Budget and Reporting Regulations of 2005 and the Municipal Planning and Reporting regulation of 2001.

Communication Implication

The contents of the report must be communicated to the National Treasury, Provincial Treasury, COGTA as well as the Auditor General. The report should also be placed on the official website of the Council.

Other Departments Consulted

- Department Treasury Services for submission of non-financial performance information and recommendations are supported.
- Department Corporate Services for submission of non-financial performance information and recommendations are supported.
- Department Development Planning and Social Security for submission of non-financial performance information and recommendations are supported.
- Department Engineering Services for submission of non-financial performance information and recommendations are supported.

RECOMMENDATION

Recommendation from the Accounting Officer

After assessing the performance of the municipality for the first half of the year, ended 31 December 2019, the following is recommended:

- (a) that the Executive Mayor tables this report to council with the need to approve adjustment budget.
- (b) That the revised projections as contained in this report inform the adjustment budget.

Recommendations from the Executive Mayor

1. That the report on the Financial and Performance Results of the Second Quarter of the 2019/2020 financial year as required by Section 52(d) of the Municipal Finance Management Act, 2003, be discussed and resolution be made as the need for the compilation of Adjustment Budget and Adjusted Service Delivery and Budget Implementation Plan by the 28 February 2020, as a result of the following:
 - The appropriation of additional allocation received and increased realistically and anticipated revenue during the financial year;
 - The reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year-end preparation; and
 - Operational Budget detail to be adjusted to reflect realistically anticipated revenue and expenditure as envisaged by the detail contained in the report to accompany the adjustment budget.
2. That, in compliance with, Section 71 of the Municipal Finance Management Act, 56 of 2003 and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 56 of 2003 Municipal Budget and Reporting Regulations” the statement reflecting the interim financial statement for the 2nd quarter ending 31 December 2019 be submitted by the Accounting Officer to the Executive Mayor.
3. That, in compliance with, Section 52(d) and Section 71 of the Municipal Finance Management Act, 56 of 2003 and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act, 56 of 2003 Municipal Budget and Reporting Regulations” the financial results regarding the operating and capital budgets for the 2nd quarter of the 2019/2020 financial year, and supporting documents as required by National Treasury (Schedule C) as at 31 December 2019, is submitted.
4. In order to comply with Section 31(1) of the Government Notice 32141 dated 17 April 2009 this report be submitted to National Treasury, Free State Provincial Treasury and COGTA within five days of tabling of the report in the Council, in both a Council approved document and in electronic format.

QUALITY CERTIFICATION

I, Ramakarane Tshepiso Rankhotho, the Municipal Manager of Setsoto Local Municipality, hereby certify that the mid-year budget and performance assessment report for the period 01 July 2019 to 31 December 2019 has been prepared in accordance with Section 72 of the Municipal Finance Management Act, 56 of 2003 and Regulations made under the Act and accordingly submit the required report on the state of Setsoto Local municipality's financial performance and budget and service delivery performance.

Name: Ramakarane Tshepiso Rankhotho

Municipal Manager: Setsoto Local Municipality-FS191

Signature: _____

Date: _____

CONTACT DETAILS

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TITLE: ACTING CHIEF FINANCIAL OFFICER

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ANNEXURE A-FINANCIAL PERFORMANCE REPORT

1. Report for the period ended 31 December 2018

This report is based upon financial and non-financial information as at 31 December 2019 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the period are summaries as follows:

1.1 Statement of Financial Performance-Table C4

Statement of Financial Performance is prepared as prescribed in the municipal budget and reporting regulations. The first part of this statement illustrates the municipal revenue by source excluding capital transfers and contributions, the second part illustrate the municipal expenditure by type. The difference between the 1st and the 2nd part determine the surplus or deficit before capital transfers and contributions, while the 3rd part depicts capital and contributions thereafter the surplus and deficit for the municipality.

The actual revenue for the period amount to **R 307,127 million** on the year to date target of **R 310,437 million** resulting in a variance of **-1%** and the expenditure for the period amount to **R 237,004 million** on a year to date target of **R 299,342 million** resulting in a variance of **-21%**.

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	66,372	62,336	-	5,608	32,793	31,168	1,625	5%	65,587
Service charges - electricity revenue	71,317	82,715	-	6,482	37,375	41,357	(3,983)	-10%	74,749
Service charges - water revenue	49,759	64,691	-	5,032	28,811	32,345	(3,534)	-11%	57,622
Service charges - sanitation revenue	26,223	33,021	-	2,761	16,564	16,511	54	0%	33,129
Service charges - refuse revenue	30,971	42,122	-	3,517	21,085	21,061	24	0%	42,170
Rental of facilities and equipment	1,497	175	-	226	284	87	196	225%	568
Interest earned - external investments	3,582	1,600	-	497	2,198	800	1,398	175%	4,395
Interest earned - outstanding debtors	33,531	32,573	-	3,028	17,475	16,286	1,188	7%	34,949
Dividends received	60	71	-	-	88	35	53	149%	177
Fines, penalties and forfeits	1,636	-	-	161	434	-	434	#DIV/0!	867
Licences and permits	23	40	-	3	18	20	(2)	-9%	37
Agency services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	178,184	196,383	-	64,150	147,742	147,742	-	-	196,383
Other revenue	4,781	6,046	-	332	2,011	3,023	(1,012)	-33%	4,022
Gains on disposal of PPE	1,632	-	-	30	249	-	249	#DIV/0!	498
Total Revenue (excluding capital transfers and contributions)	469,567	521,774	-	91,826	307,127	310,437	(3,310)	-1%	515,153

The actual performance for the second quarter ended 31 December 2019 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

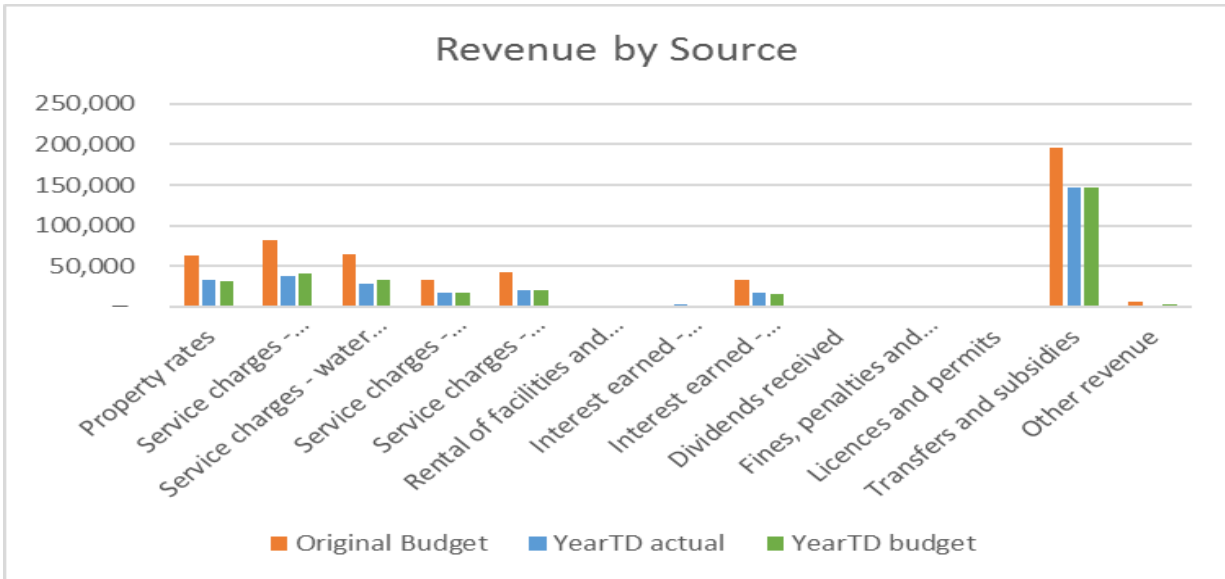
Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Total Revenue (excluding capital transfers and contributions)	469,567	521,774	-	91,826	307,127	310,437	(3,310)	-1%	515,153
Total Expenditure	1,230,858	598,684	-	39,168	237,004	299,342	(62,338)	-21%	572,076
Surplus/(Deficit)	(761,290)	(76,910)	-	52,658	70,123	11,095	59,028	0	(56,923)

Major Revenue Variances against the budget:

- **Property rates** indicate a variance of 5% against the approved budget;
- **Service Charges – electricity revenue** has a variance of -10% against the budget year to date. It should be noted that electricity revenue is consumption dependent and that consumption is expected to increase in the last quarter of the financial year and the revenue charges will probably increase to be approximate to the budget;
- **Service Charges - Water revenue's** variance is -11% against the year to date target which is slightly material; it should be noted that water in towns is consumption dependent and that in township there is a flat rate charged;
- **Service charges - Sanitation Revenue** yield a variance of 0% which implies that this service charges have performed in accordance to budget;
- **Service Charge - Refuse revenue** also yield a variance of 0% which implies that this service charges have performed in accordance to budget;
- **Rental of facilities and equipment** have a variance of 225% higher than the budget year to date and this will need to be adjusted upwards, it should be noted that properties are rented as and when required and their rentals are paid once-off and that's where most income is earned unlike those that have a long term lease contract. Lessee who have a long-term lease contract they have a tendency of not paying their rent until such time when their contract expires and this results on deficit on the budget;
- **Interest earned – external investments** has a favourable variance of 175% against the budget year to date and its budget will also need to be adjusted upwards. It should be noted that returns on investment depend on the amount invested as well as the period invested
- **Interest earned-outstanding debtors** have a favourable variance of 7% for the period, the increase is as a result of non-payment for services in certain areas;
- **Transfers and subsidies** yield no variance that means that grants and subsidies were received as budgeted;
- **Other revenue** has a variance of -33% against the budget year to date and should be adjusted downwards.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

In light of the above it is clear that some revenue line items need to be adjusted either downward or upward, however it should be noted that the tariffs will not be affected and will remain the same, since it is against the prescripts of the MFMA to revise tariffs during the financial year.



FS191 Setsoto - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	66,372	62,336	-	5,608	32,793	31,168	1,625	5%	65,587
Service charges	178,270	222,550	-	17,791	103,835	111,275	(7,439)	-7%	207,671
Investment revenue	3,582	1,600	-	497	2,198	800	1,398	175%	4,395
Transfers and subsidies	178,184	196,383	-	64,150	147,742	147,742	-		196,383
Other own revenue	43,159	38,905	-	3,780	20,559	19,453	1,106	6%	41,118
Total Revenue (excluding capital transfers and contributions)	469,567	521,774	-	91,826	307,127	310,437	(3,310)	-1%	515,153

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

	GRANT	DORA ALLOCATION	YTD RECEIPTS	FUTURE RECEIPTS	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share	R 192,449,000	R 144,337,000	R 48,112,000	R 144,337,000	R -	100%	
Sub-Total	R 192,449,000	R 144,337,000	R 48,112,000	R 144,337,000	R -	100%	
CONDITIONAL							
EPWP	R 1,769,000	R 1,240,000	R 529,000	R 960,855	R 279,145	77%	
FMG	R 2,165,000	R 2,165,000	R -	R 1,943,591	R 221,409	90%	
INEG	R 2,600,000	R 1,820,000	R 780,000	R -	R 1,820,000	0%	
MIG	R 47,203,000	R 33,042,000	R 14,161,000	R 20,291,749	R 12,750,251	61%	
RBIG	R 70,121,000	R 55,233,000	R 14,888,000	R 13,177,321	R 42,055,679	24%	
WSIG	R 25,000,000	R 11,250,000	R 13,750,000	R -	R 11,250,000	0%	
Sub-Total	R 148,858,000	R 104,750,000	R 44,108,000	R 36,373,516	R 68,376,484	35%	
TOTAL	R 341,307,000	R 249,087,000	R 92,220,000	R 180,710,516	R 68,376,484	73%	

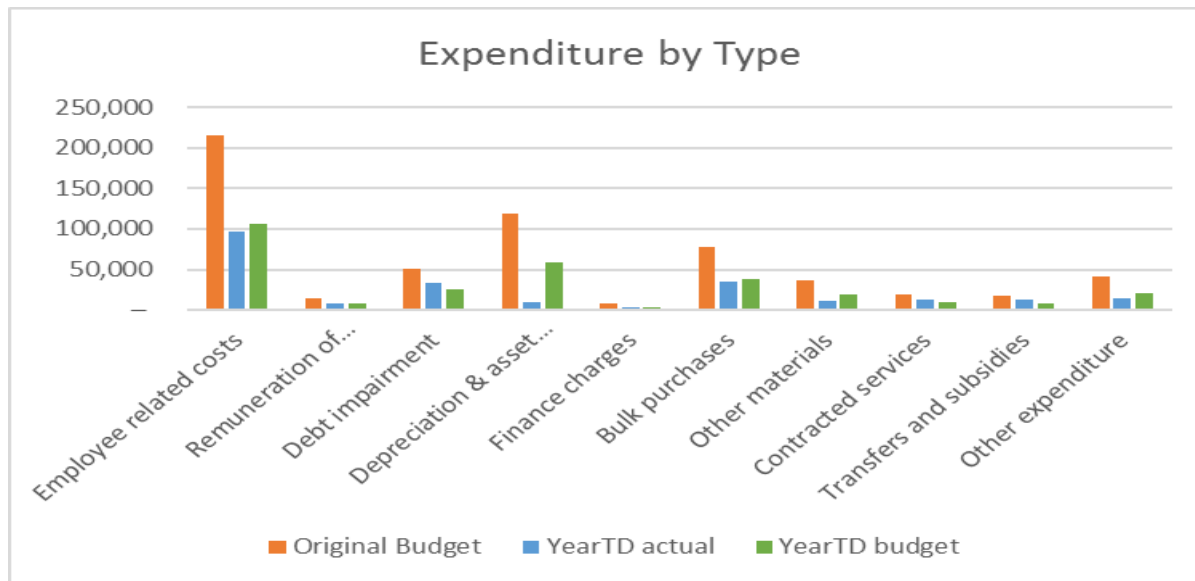
Grants and subsidies received on year to date amount to R 249,087 million included in that is R 144,337 million of equitable share which is regarded as unconditional grant. Conditional grants received amount to R 104,750 million and 35% of it has been spent to date.

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Expenditure By Type									
Employee related costs	187,092	216,114	-	17,397	96,467	106,692	(10,226)	-10%	192,934
Remuneration of councillors	13,350	13,725	-	1,238	7,421	8,227	(806)	-10%	14,842
Debt impairment	104,984	50,673	-	4,042	33,349	25,336	8,012	32%	66,698
Depreciation & asset impairment	226,647	119,015	-	-	10,473	59,507	(49,034)	-82%	119,015
Finance charges	9,266	7,966	-	1,136	3,266	3,983	(717)	-18%	6,531
Bulk purchases	74,869	76,974	-	4,556	34,874	38,487	(3,613)	-9%	69,748
Other materials	14,716	37,219	-	1,703	10,608	18,610	(8,002)	-43%	21,215
Contracted services	12,895	19,002	-	3,507	13,137	9,501	3,636	38%	26,274
Transfers and subsidies	241	17,314	-	3,026	12,868	8,657	4,211	49%	25,735
Other expenditure	38,185	40,683	-	2,563	14,543	20,342	(5,799)	-29%	29,085
Loss on disposal of PPE	548,613	-	-	-	-	-	-	-	-
Total Expenditure	1,230,858	598,684	-	39,168	237,004	299,342	(62,338)	-21%	572,076

ANNEXURE A-FINANCIAL PERFORMANCE REPORT



Major Expenditure Variances against the budget

- **Employee related costs** indicate a variance of -10% for the period against the budget year to date, the variance might increase up to equal the budget when provisions are calculated during the financial year end. Actuarial valuations and provisions on leave and bonus has not been considered;
- **Councilors' remuneration** has a variance of -10% than the budget year to date and the budget need to be amended accordingly and consider the implementation of upper limits;
- **Debt impairment** has a variance of 32% higher than the budget year to date and this will need to be adjusted upwards to avoid unauthorized expenditure;
- **Finance Charges'** variance is -18% and will need to be adjusted downwards. Finance charges consists on expenditure for the interest paid on external borrowings and overdue accounts;
- **Bulk purchases'** is at -9% and it is suggested that the budget should not be adjusted as its' expenditure fluctuates;
- **Other materials** have a variance of -43% against the budget year to date and should be adjusted downwards;
- **Contracted services'** variance is at 38% higher than the budget year to date and its budget must be adjusted upwards to minimize the risk of unauthorized expenditure;
- **Transfers and grants** have a variance of 49% higher than the budget year to date and needs to be adjusted upwards;
- **Other expenditure** has a favorable variance of 29% for the period due to strict control measures that were implemented to restrict spending on non-essential services.

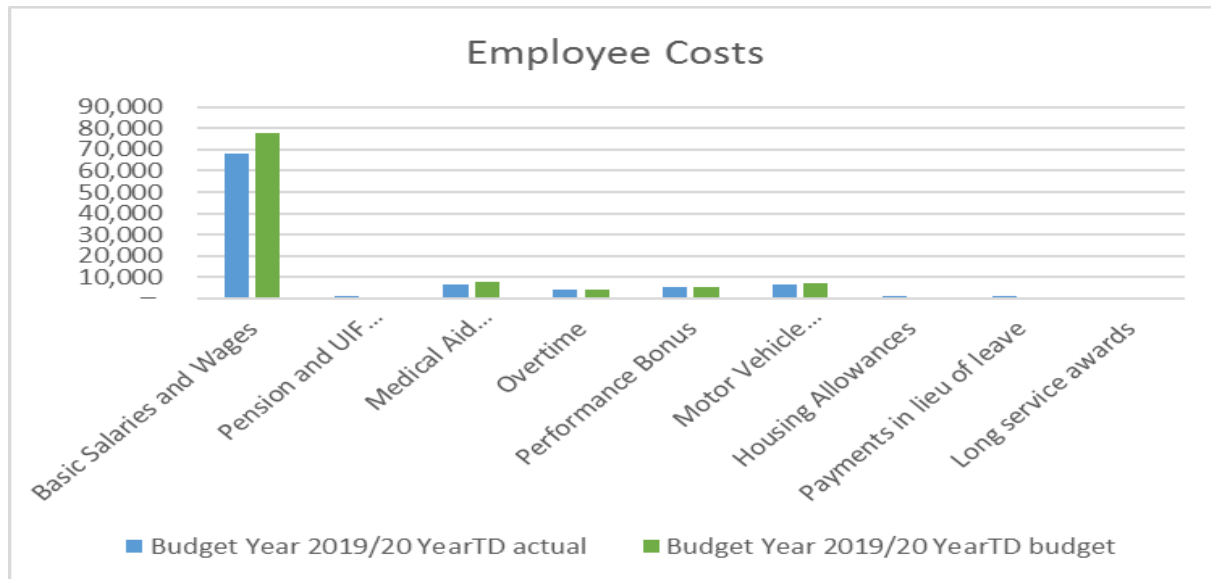
Based on above the total operating expenditure budget needs to be adjusted

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

EMPLOYEE COST

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Other Municipal Staff	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Basic Salaries and Wages	110,001	157,591	-	11,580	68,192	77,431	(9,239)	-12%	136,444
Pension and UIF Contributions	21,303	1,334	-	25	855	667	187	28%	1,334
Medical Aid Contributions	13,770	15,034	-	1,076	6,419	7,517	(1,098)	-15%	12,838
Overtime	9,750	7,690	-	883	4,256	3,845	411	11%	8,512
Performance Bonus	9,207	10,833	-	2,021	5,258	5,416	(158)	-3%	10,517
Motor Vehicle Allowance	12,266	14,573	-	1,144	6,653	7,287	(633)	-9%	13,307
Cellphone Allowance	631	-	-	-	-	-	-	-	-
Housing Allowances	2,314	1,307	-	185	954	654	301	46%	2,222
Other benefits and allowances	4,435	-	-	-	-	-	-	-	-
Payments in lieu of leave	2,644	-	-	84	813	-	813	#DIV/0!	1,627
Long service awards	770	1,112	-	90	483	556	(73)	-13%	966
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	187,092	209,474	-	17,089	93,884	103,372	(9,489)	-9%	187,767

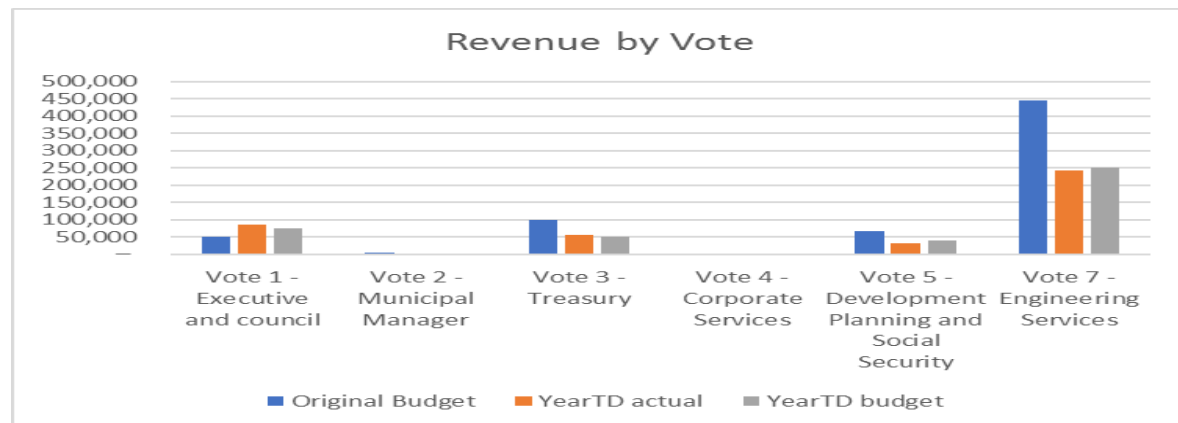


ANNEXURE A-FINANCIAL PERFORMANCE REPORT

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

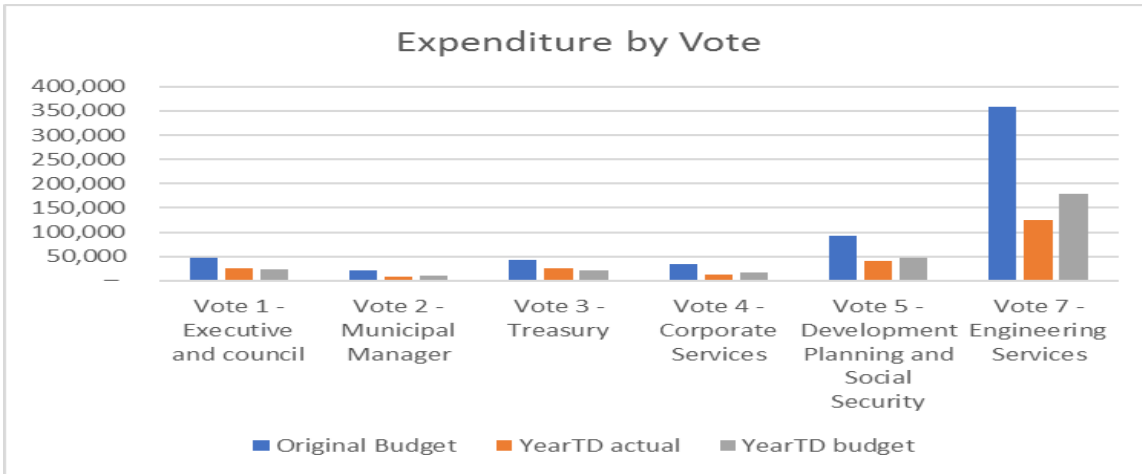
Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Executive and council	45,276	49,727	-	64,151	85,117	75,509	9,608	12.7%	41,934
Vote 2 - Municipal Manager	4,283	4,739	-	-	1,975	3,554	(1,580)	-44.4%	3,949
Vote 3 - Treasury	84,193	99,107	-	9,319	55,198	49,554	5,645	11.4%	100,396
Vote 4 - Corporate Services	370	171	-	6	239	85	153	179.0%	477
Vote 5 - Development Planning and Social Security	56,459	67,563	-	3,822	32,063	39,470	7,407	18.8%	64,127
Vote 7 - Engineering Services	395,950	445,389	-	28,690	241,880	251,610	(9,729)	-3.9%	449,194
Total Revenue by Vote	586,531	666,698	-	105,987	416,472	419,782	11,503	2.7%	660,077



FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Expenditure by Vote									
Vote 1 - Executive and council	38,759	47,535	-	5,718	24,778	23,767	1,011	4.3%	49,557
Vote 2 - Municipal Manager	13,807	21,443	-	1,310	9,053	10,722	(1,669)	-15.6%	18,106
Vote 3 - Treasury	42,111	43,839	-	5,246	26,315	21,919	4,396	20.1%	52,630
Vote 4 - Corporate Services	20,038	34,146	-	2,015	12,053	17,073	(5,020)	-29.4%	24,106
Vote 5 - Development Planning and Social Security	50,844	93,375	-	6,804	39,963	46,688	(6,725)	-14.4%	79,925
Vote 7 - Engineering Services	1,065,299	358,346	-	18,076	124,841	179,173	(54,332)	-30.3%	347,752
Total Expenditure by Vote	1,230,858	598,684	-	39,168	237,004	299,342	(62,338)	-20.8%	572,076
Surplus/ (Deficit) for the year	(644,326)	68,014	-	66,819	179,468	120,440	73,841	61.3%	88,001

ANNEXURE A-FINANCIAL PERFORMANCE REPORT



2. Capital Expenditure-Table C5

The municipality's capital budget is financed through grants and subsidies as well as internally generated funds.

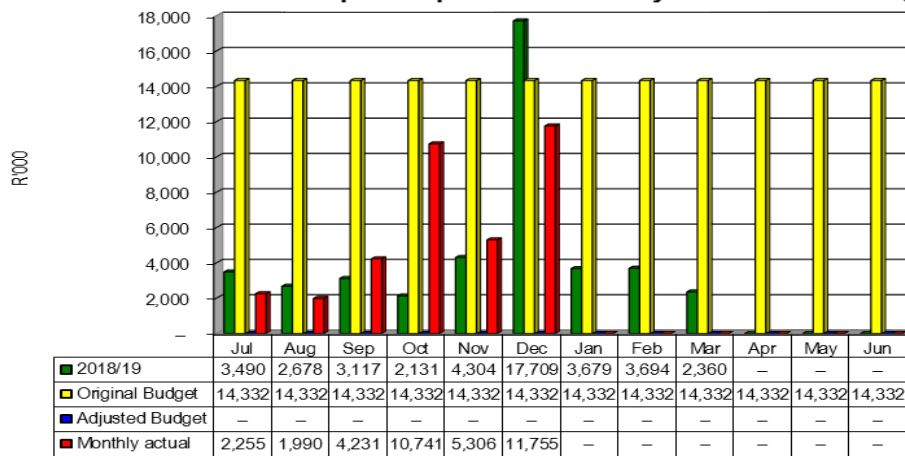
It should be noted that poor expenditure patterns on WSIG, RBIG and INEG affect the capital expenditure negatively.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital Expenditure - Functional Classification									
<i>Governance and administration</i>	804	3,389	-	25	486	2,095	(1,609)	-77%	3,389
Executive and council	331	391	-	-	34	196	(162)	-83%	391
Finance and administration	473	2,983	-	25	452	1,891	(1,439)	-76%	2,983
Internal audit	-	15	-	-	-	8	(8)	-100%	15
<i>Community and public safety</i>	(5,376)	4,595	-	1,291	5,018	1,498	3,521	235%	4,595
Community and social services	376	-	-	881	3,324	-	3,324	#DIV/0!	-
Sport and recreation	(5,752)	3,765	-	399	1,651	1,083	569	53%	3,765
Public safety	-	830	-	-	6	415	(409)	-99%	830
Housing	-	-	-	11	37	-	37	#DIV/0!	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	82,161	1,481	-	-	1	740	(739)	-100%	1,481
Planning and development	25	918	-	-	-	459	(459)	-100%	918
Road transport	82,136	562	-	-	1	281	(280)	-100%	562
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	26,113	161,717	-	10,439	30,727	80,859	(50,132)	-62%	161,717
Energy sources	12,601	17,225	-	-	10,118	8,612	1,506	17%	17,225
Water management	12,710	95,453	-	4,127	8,091	47,727	(39,636)	-83%	95,453
Waste water management	2,025	422	-	6,312	12,454	211	12,244	5808%	422
Waste management	(1,223)	48,617	-	-	64	24,309	(24,245)	-100%	48,617
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	103,703	171,182	-	11,755	36,232	85,191	(48,959)	-57%	171,182

Chart C1 2019/20 Capital Expenditure Monthly Trend: actual v target

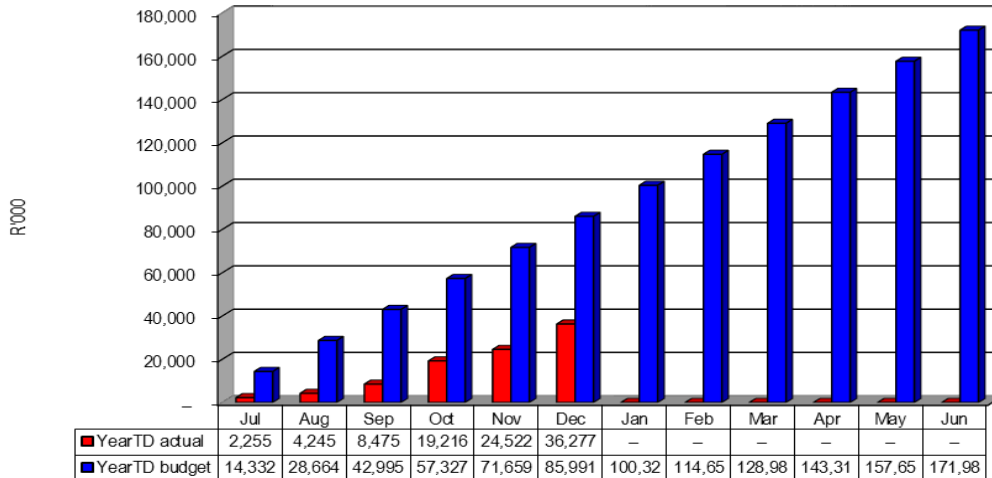


ANNEXURE A-FINANCIAL PERFORMANCE REPORT

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Budget Year 2019/20							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Single Year expenditure appropriation								
Vote 1 - Executive and council	334	-	-	17	167	(150)	-90%	334
Vote 2 - Municipal Manager	1,429	-	-	17	315	(298)	-95%	1,429
Vote 3 - Treasury	179	-	-	33	89	(57)	-64%	179
Vote 4 - Corporate Services	739	-	25	362	370	(8)	-2%	739
Vote 5 - Development Planning and Social Security	4,643	-	1,280	5,020	2,321	2,699	116%	4,643
Vote 6 - Development Planning and Social Security	49,425	-	-	82	24,712	(24,630)	-100%	49,425
Vote 7 - Engineering Services	114,433	-	10,450	30,701	57,216	(26,515)	-46%	114,433
Total Capital single-year expenditure	171,182	-	11,755	36,232	85,191	(48,959)	-57%	171,182

Chart C2 2019/20 Capital Expenditure: YTD actual v YTD target



ANNEXURE A-FINANCIAL PERFORMANCE REPORT

Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	75,582	62,336	-	3,274	99,741	31,168	68,573	220%	62,336
Service charges	83,382	222,550	-	10,519	75,693	111,275	(35,581)	-32%	222,550
Other revenue	4,233	6,261	-	722	2,747	3,131	(384)	-12%	6,261
Government - operating	178,184	196,383	-	-	83,746	146,304	(62,558)	-43%	196,383
Government - capital	116,964	144,924	-	14,161	101,108	72,462	28,646	40%	144,924
Interest	3,582	34,173	-	3,526	19,672	17,086	2,586	15%	34,173
Dividends	60	71	-	-	88	35	53	149%	71
Payments									
Suppliers and employees	(195,500)	(454,390)	-	1,943	(231,172)	(227,195)	3,978	-2%	(454,390)
Finance charges	(109,570)	(7,966)	-	(1,136)	(3,266)	(3,983)	(717)	18%	(7,966)
Transfers and Grants	(9,266)	(17,314)	-	(3,026)	(12,868)	(8,657)	4,211	-49%	(17,314)
NET CASH FROM/(USED) OPERATING ACTIVITIES	147,652	187,028	-	29,983	135,490	141,626	6,136	4%	187,028
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	189	-	-	30	249	-	249	#DIV/0!	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	(1,600)	-	-	-	-	-	-	(1,600)
Decrease (increase) in non-current investments	-	-	-	(34,574)	14,321	-	14,321	#DIV/0!	-
Payments									
Capital assets	(112,002)	(170,382)	-	(11,755)	(36,232)	(36,277)	(45)	0%	(170,382)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(111,813)	(171,982)	-	(46,299)	(21,662)	(36,277)	(14,615)	40%	(171,982)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	(3)	(3,084)	-	(3,084)	#DIV/0!	-
Payments									
Repayment of borrowing	(6,831)	-	-	(297)	(27,100)	-	27,100	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	(6,831)	-	-	(300)	(30,183)	-	30,183	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD	29,008	15,047	-	(16,617)	83,645	105,350			15,047
Cash/cash equivalents at beginning:	378	-	-	-	378	-	-	-	378
Cash/cash equivalents at month/year end:	29,386	15,047	-	-	84,022	105,350	-	-	15,424

The municipality continue to suffer financially, and fails to pay creditors when due, necessary control need to be implemented to increase the cash inflow as well as to decrease the outflow of cash.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

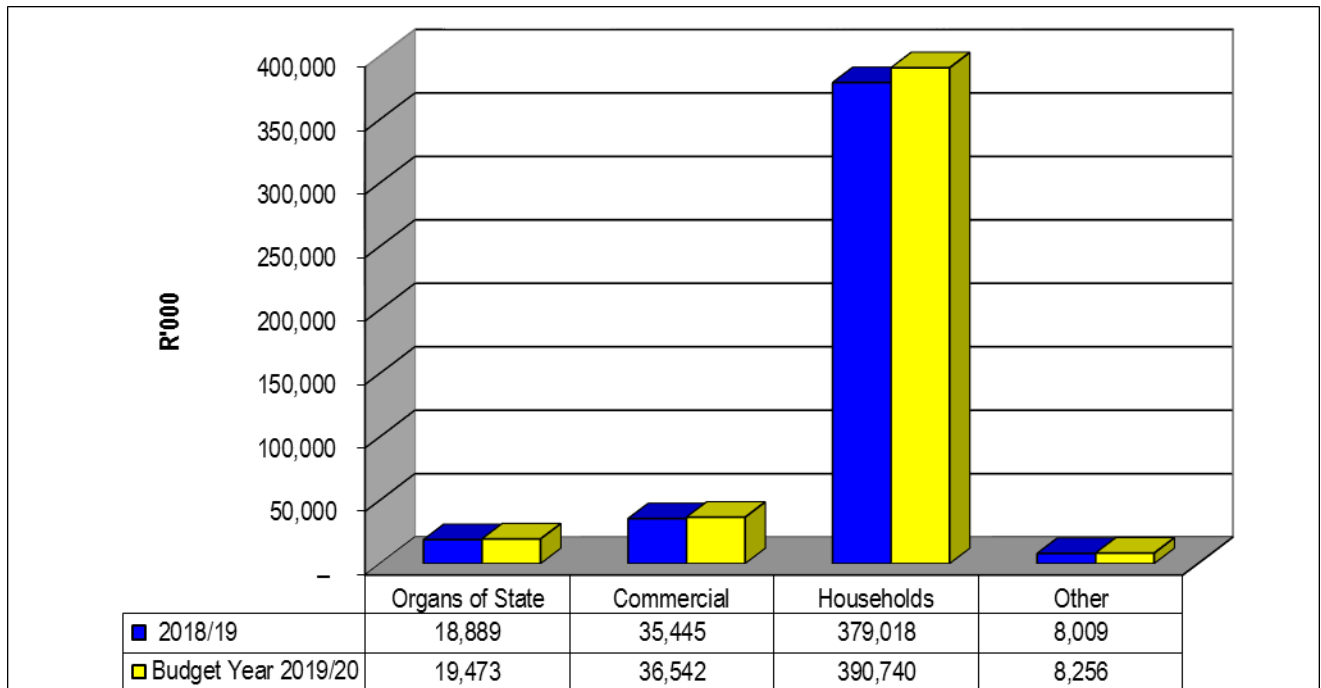
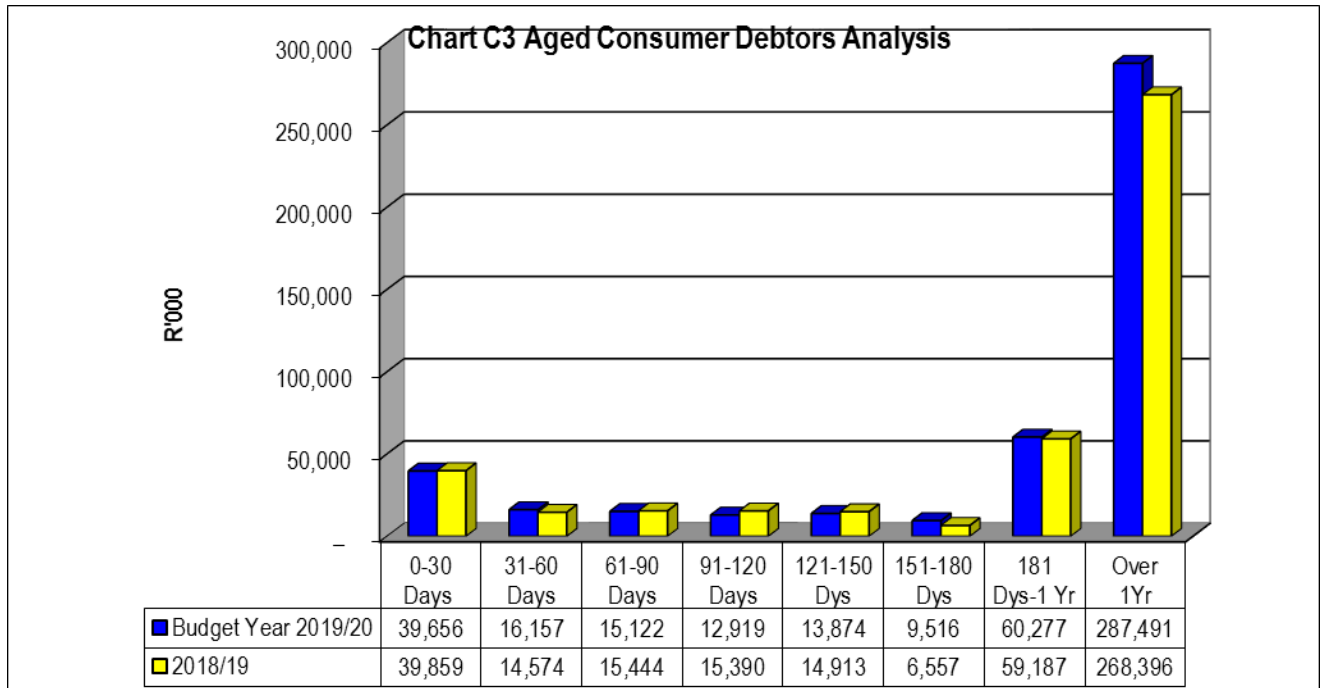
3. Outstanding Debtors Report-Table SC3

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	Budget Year 2019/20									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	8,123	3,693	3,485	3,325	3,300	2,931	14,206	65,707	104,771	89,470
Trade and Other Receivables from Exchange Transactions - Electricity	5,092	1,174	889	817	665	623	2,456	11,878	23,593	16,438
Receivables from Non-exchange Transactions - Property Rates	7,662	2,731	2,537	2,089	1,988	684	7,611	35,068	60,370	47,440
Receivables from Exchange Transactions - Waste Water Management	4,258	1,914	1,874	1,818	1,797	1,518	7,428	34,694	55,302	47,255
Receivables from Exchange Transactions - Waste Management	5,391	2,455	2,413	2,389	2,370	2,009	9,977	47,393	74,397	64,138
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	5,954	2,829	2,741	2,651	2,554	2,359	13,271	56,027	88,386	76,861
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	3,175	1,359	1,182	(170)	1,199	(609)	5,329	36,725	48,191	42,475
Total By Income Source	39,656	16,157	15,122	12,919	13,874	9,516	60,277	287,491	455,011	384,077
2018/19 - totals only	39,859	14,574	15,444	15,390	14,913	6,557	59,187	268,396	434,321	364,443
Debtors Age Analysis By Customer Group										
Organs of State	4,356	1,903	1,625	(174)	1,005	(1,788)	2,519	10,027	19,473	11,589
Commercial	5,570	1,391	1,157	1,055	1,051	823	4,486	21,008	36,542	28,423
Households	29,110	12,696	12,173	11,894	11,669	10,357	52,627	250,215	390,740	336,761
Other	620	166	166	144	150	123	644	6,242	8,256	7,304
Total By Customer Group	39,656	16,157	15,122	12,919	13,874	9,516	60,277	287,491	455,011	384,077

The debtors age analysis report is prepared into categories which by income source and by customer group. In terms of the age analysis by income source the highest owing service is water followed by waste management. Furthermore, the customer group that is owing the most is households followed by commercial. The debtors balance as at 31 December 2019 is R 455,011 million.

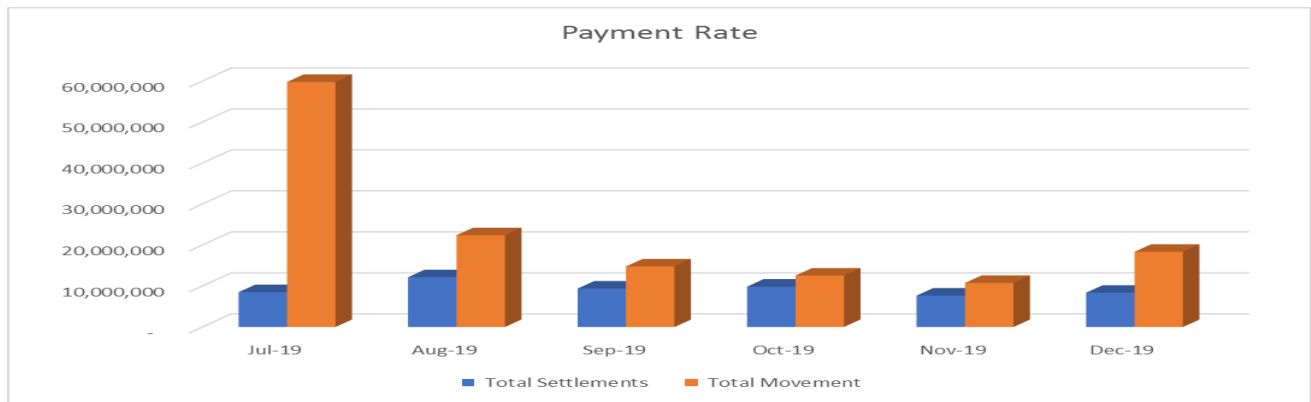
ANNEXURE A-FINANCIAL PERFORMANCE REPORT



ANNEXURE A-FINANCIAL PERFORMANCE REPORT

3.1 Debtors Collection Rate

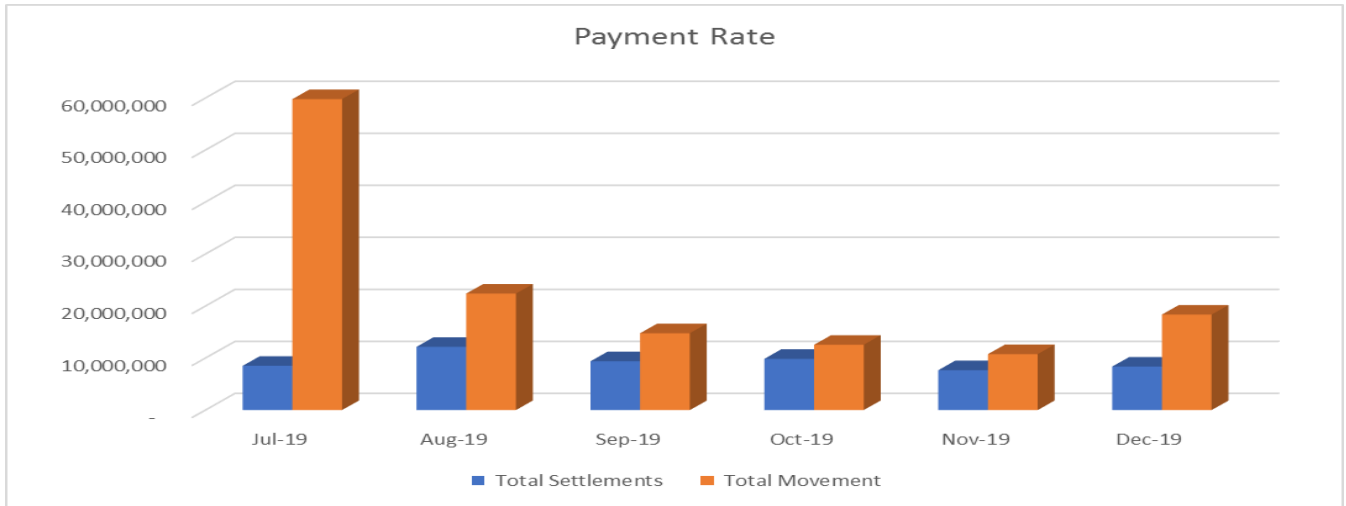
Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Jul-19	8,515,084	59,795,583	21,460,867	-27,377,755	9,659,637	-63,538,332	14%
Aug-19	12,165,518	22,404,238	24,462,090	-858,132	47,265	-1,246,985	54%
Sep-19	9,389,105	14,780,676	23,920,397	-3,710,496	316,843	-5,746,067	64%
Oct-19	9,859,858	12,565,394	23,431,203	-1,207,500	251,928	-9,910,238	78%
Nov-19	7,671,011	10,762,950	22,861,490	-879,137	70,706	-11,290,109	71%
Dec-19	8,370,640	18,364,726	22,861,325	-591,474	91,412	-3,996,538	46%
Total	55,971,216	138,673,566	138,997,373	-34,624,494	10,437,791	-95,728,269	40%



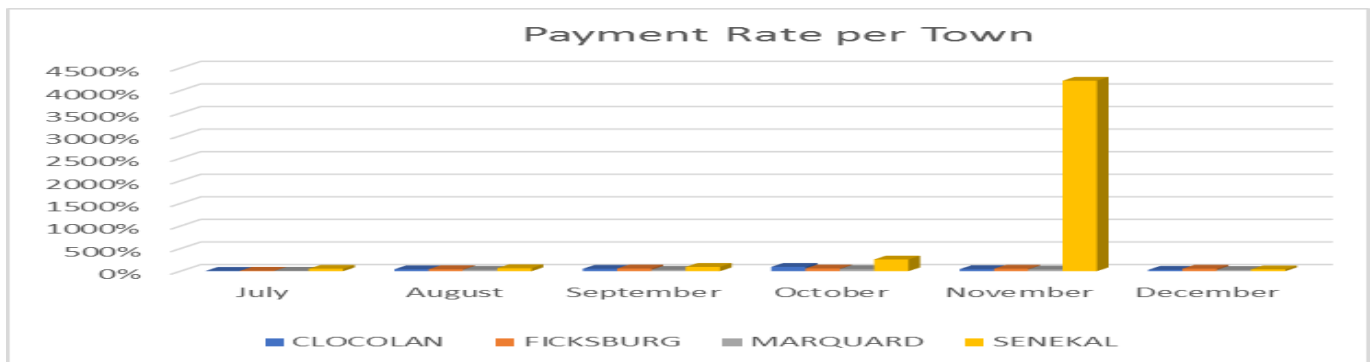
The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is 40% for the period.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

3.2 Payment Rate Graph



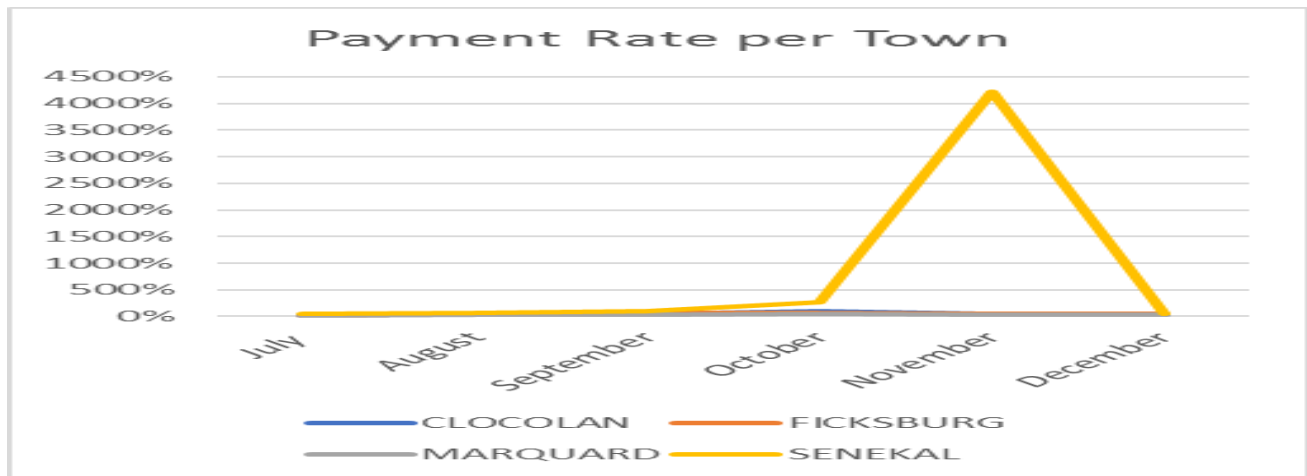
The payment rate needs to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in towns which has payment rates that are lower than 50%.



ANNEXURE A-FINANCIAL PERFORMANCE REPORT

3.3 Payment Rate by Town

Town	July	August	September	October	November	December
CLOCOLAN	9%	44%	54%	97%	47%	32%
FICKSBURG	11%	45%	61%	62%	56%	57%
MARQUARD	10%	33%	32%	48%	40%	29%
SENEKAL	55%	68%	96%	260%	4219%	42%

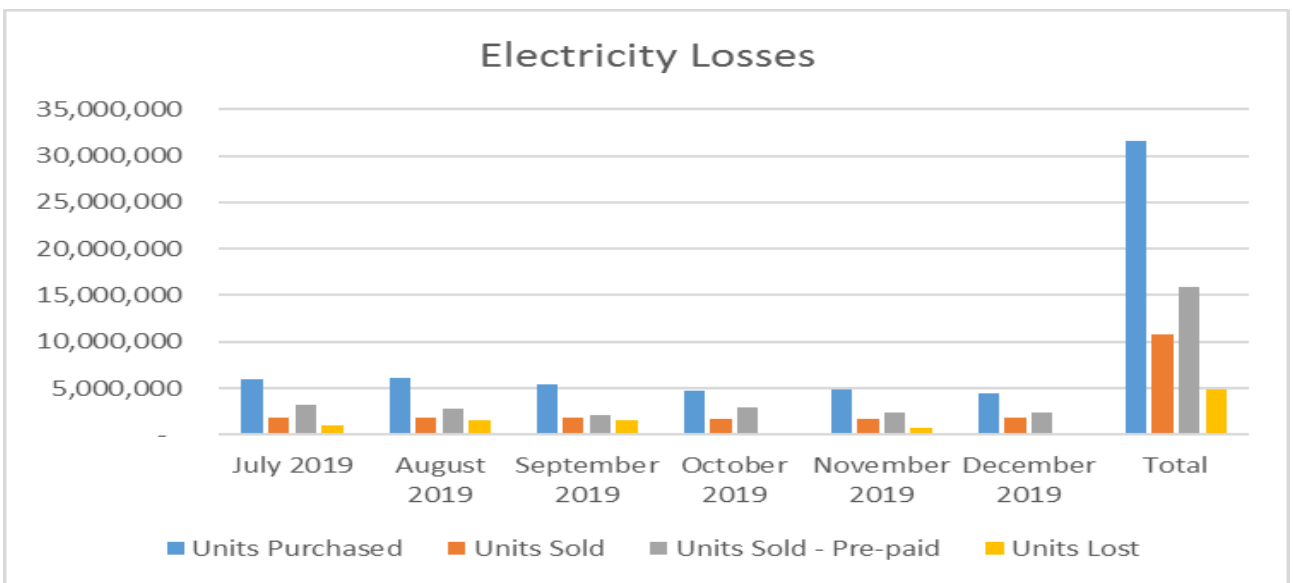
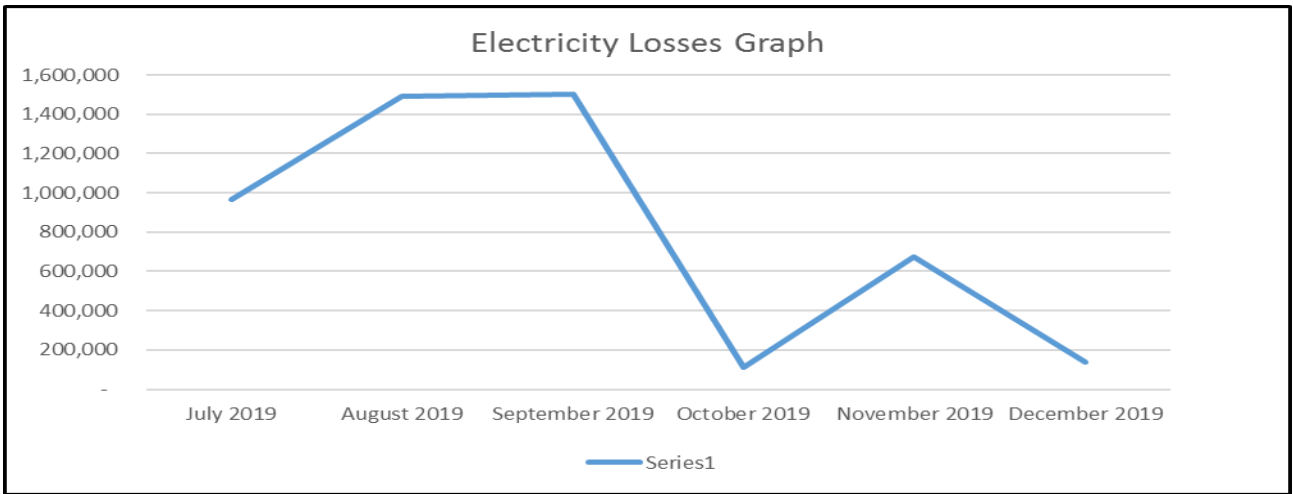


7.4 Electricity losses

ELECTRICITY					
Period	Units Purchased	Units Sold	Units Sold - Pre-paid	Units Lost	% Losses
July 2019	5,898,712	1,793,060	3,139,168	966,484	16%
August 2019	6,144,388	1,794,309	2,861,160	1,488,919	24%
September 2019	5,417,591	1,853,928	2,062,766	1,500,897	28%
October 2019	4,777,253	1,721,033	2,943,490	112,730	2%
November 2019	4,869,781	1,752,039	2,446,022	671,720	14%
December 2019	4,434,042	1,884,546	2,408,988	140,508	3%
Total	31,541,767	10,798,915	15,861,594	4,881,258	15%

Percentage electricity losses account to an average of 15% for year to date. The prescribed norm from National Treasury for electricity losses is estimated to be between 7% and 10%.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

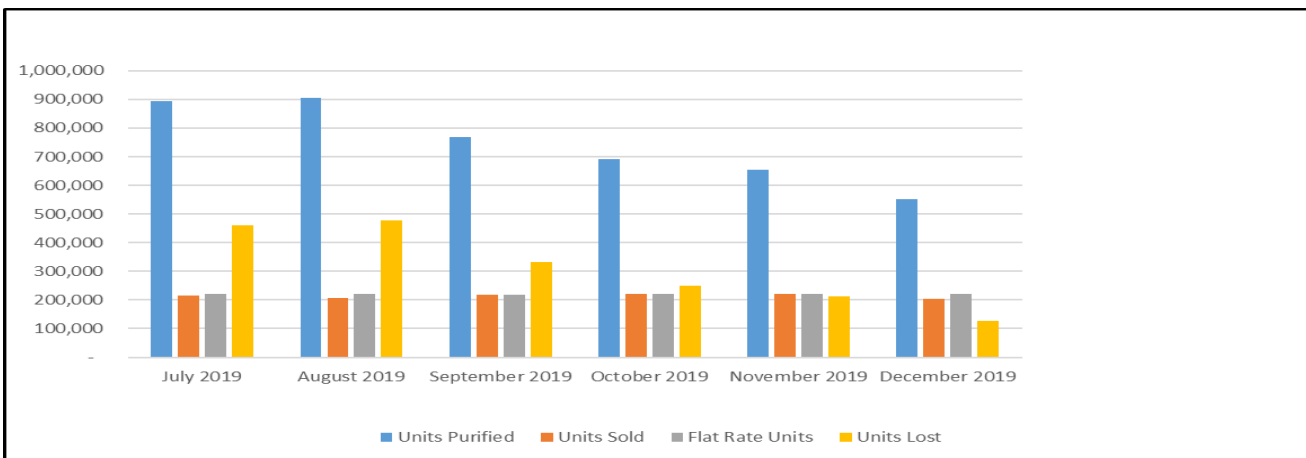
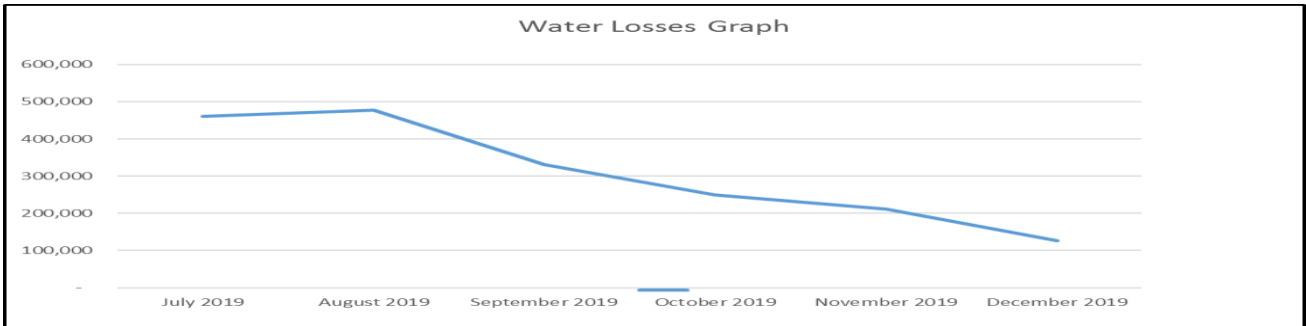


ANNEXURE A-FINANCIAL PERFORMANCE REPORT

7.5 Water Losses

WATER					
Period	Units Purified	Units Sold	Flat Rate Units	Units Lost	% Losses
July 2019	895,075	214,646	219,571	460,858	51%
August 2019	905,000	207,792	219,571	477,637	53%
September 2019	768,315	217,251	219,460	331,604	43%
October 2019	691,415	221,192	220,261	249,962	36%
November 2019	653,471	222,137	220,118	211,216	32%
December 2019	551,067	205,288	219,849	125,930	23%
Total	4,464,343	1,288,306	1,318,830	1,857,207	42%

Percentage water losses account to an average of 42% for year to date and this include units consumed in township with a flat rate because meters are not read. The prescribed norm from National Treasury for water losses is estimated to be between 15% and 30%

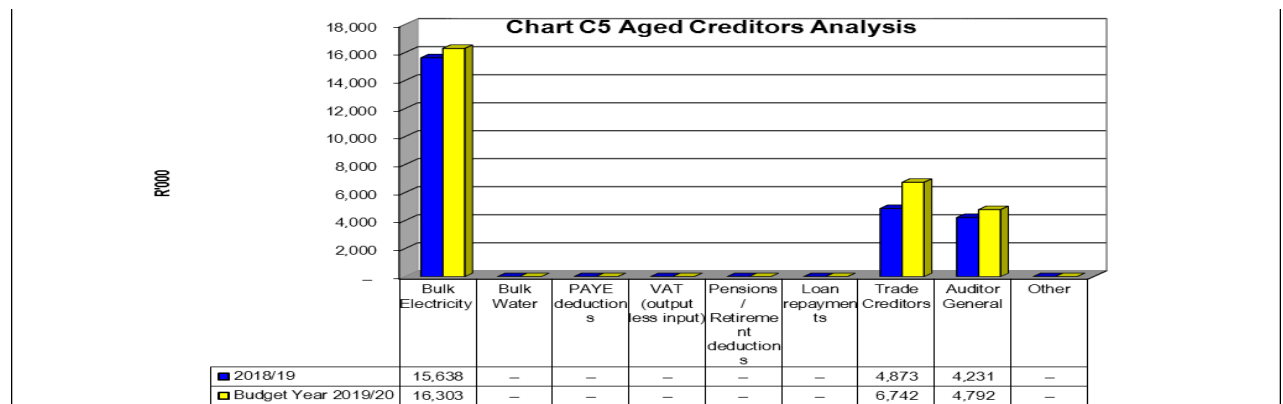


ANNEXURE A-FINANCIAL PERFORMANCE REPORT

4. Outstanding Creditors Report-Table SC4

The table below illustrate the outstanding creditors per age amounting to R 24,741 million. The biggest contributor to the outstanding amount relates to the purchasing of bulk electricity. Payments arrangements have made with creditors.

FS191 Setsoto - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment										
Description	Budget Year 2019/20									Prior year totals for chart (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	5,119	5,751	5,434	-	-	-	-	-	16,303	15,638
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	2,278	2,646	339	-	1,477	-	-	-	6,742	4,873
Auditor General	1,896	2,896	-	-	-	-	-	-	4,792	4,231
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	9,293	11,293	5,773	-	1,477	-	-	-	27,837	24,742



ANNEXURE A-FINANCIAL PERFORMANCE REPORT

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2018/19	Budget Year 2019/20			Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.2%	21.2%	0.0%	1.4%	3.7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		7.1%	0.0%	0.0%	1.8%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	173.6%	0.0%	0.0%	1024.6%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		17.3%	0.0%	0.0%	156.4%	0.0%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		55.3%	0.0%	0.0%	150.4%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	15.0%	15.0%	15.0%	11.0%	11.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		39.8%	41.4%	0.0%	31.4%	37.5%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		50.2%	24.3%	0.0%	1.1%	4.1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		256.0%	256.0%		-167.0%	256.0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		326.0%	326.0%		406.0%	326.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		32.0%	32.0%		224.0%	32.0%

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

5. Borrowings

Loan Acc. No.	Institution	Average Interest rate	Maturity date	Balance 2019-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2019-12-31
LONG-TERM LOANS								
13457	DBSA	16.75%	2020-06-30	387,916.94	0.00	32,855.48	185,964.33	201,952.61
101389	DBSA	11.36%	2024-12-31	3,772,441.82	0.00	216,182.41	254,677.92	3,517,763.90
Total Long-term loans				4,160,358.76	0.00	249,037.89	440,642.25	3,719,716.51

Loan Acc. No.	Institution	Average Interest rate	Maturity date	Balance 2019-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2019-12-31
89515381	ABSA	10.00%	2022-06-01	592,924.23	0.00	27,932.33	86,892.25	506,031.98
89514989	ABSA	10.00%	2022-06-01	428,174.36	0.00	20,171.06	62,748.40	365,425.96
89515861	ABSA	10.00%	2022-06-01	330,935.61	0.00	15,590.21	48,498.13	282,437.48
89516256	ABSA	10.00%	2022-06-01	891,100.65	0.00	41,979.27	130,589.61	760,511.04
89516272	ABSA	10.00%	2022-06-01	891,100.65	0.00	41,979.27	130,589.61	760,511.04
89645110	ABSA	10.00%	2022-07-01	1,612,738.32	0.00	76,128.02	228,949.60	1,383,788.72
89644009	ABSA	10.00%	2022-07-01	731,593.53	0.00	34,534.29	103,859.37	627,734.16
89644076	ABSA	10.00%	2022-07-01	731,593.53	0.00	34,534.29	103,859.37	627,734.16
89516795	ABSA	10.00%	2022-06-01	40,674.60	0.00	1,916.16	5,960.82	34,713.78
89516779	ABSA	10.00%	2022-06-01	40,674.60	0.00	1,916.16	5,960.82	34,713.78
89897519	ABSA	10.00%	2022-09-01	1,069,409.87	0.00	50,667.57	142,771.83	926,638.04
89882457	ABSA	10.00%	2022-09-01	2,388,811.31	0.00	113,179.48	318,918.80	2,069,892.51
89862260	ABSA	10.00%	2022-09-01	1,069,989.87	0.00	50,695.05	142,849.23	927,140.64
89645145	ABSA	10.00%	2022-08-01	1,643,756.88	0.00	77,739.72	226,216.68	1,417,540.20
TOTAL				12,463,478.01	0.00	588,962.88	1,738,664.52	10,724,813.49

Loan Acc. No.	Institution	Average Interest rate	Maturity date	Balance 2019-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2019-12-31
85265501996	WESBANK	12.25%	2022-08-01	584,937.13	23,232.40	11,801.92	106,422.92	501,746.61
85265478490	WESBANK	12.25%	2022-09-01	944,266.16	37,629.11	19,114.28	159,590.74	822,304.53
85264693609	WESBANK	12.25%	2022-08-01	3,170,743.19	119,920.81	64,533.64	529,525.98	2,761,138.02
85264694308	WESBANK	12.25%	2022-08-01	3,170,743.19	119,920.81	64,533.64	529,525.98	2,761,138.02
85266334384	WESBANK	12.25%	2022-09-01	1,186,621.22	47,286.99	24,020.14	200,551.28	1,033,356.93
85266283448	WESBANK	12.25%	2022-09-01	1,186,621.22	47,286.99	24,020.14	200,551.28	1,033,356.93
85266284159	WESBANK	12.25%	2022-09-01	597,470.05	23,809.24	12,094.47	100,978.41	520,300.88
85265374058	WESBANK	12.25%	2022-09-01	944,266.16	37,629.11	19,114.28	159,590.74	822,304.53
TOTAL				11,785,668.32	456,715.46	239,232.51	1,986,737.33	10,255,646.45

DBSA balance is sitting at R3,719,717 as at the end of December 2019, however a loan with the balance of R201,952 will be paid in full in the next payment date.

ABSA loans has a remaining balance of R10,724,813 and are paid on a monthly basis.

Wesbank balance is an amount of R10,255,646 as at 31 December 2019 and are paid quarterly.

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

6. Investment Portfolio

The municipality has adopted cash management and investment policy and all investments are made in terms of that policy and the MFMA.

6.1 Investment balances as at 31 December 2019

FS191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
	Yrs/Months							
Municipality								
Absa Bank	Yearly	Short-Term	30/06/2020			1,309		1,309
Estern FS Co-op	Yearly	Short-Term	30/06/2020			1,288		1,288
FNB	Monthly	Short-Term	31/12/2019	413	0.5%	72,120	9,754	81,874
Sanlam	Yearly	Short-Term	30/06/2020			1,126		1,126
Municipality sub-total				413		75,843	9,754	85,597
TOTAL INVESTMENTS AND INTEREST				413		75,843	9,754	85,597

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET (Account Number: 62151783563)	R 705,154.76	R 4,815.95
BUSINESS CALL (Account Number: 62049046205)	R 4,840,594.65	R 132,642.09
MIG-INVESTMENT (Account Number: 62310540465)	R 76,328,216.91	R 1,795,317.08
TOTAL	R 81,873,966.32	R 1,932,775.12

The closing balances of call investments accounts amount to R 81,874 million at the end of 31 December 2019. Interest accumulated on investments is R 1,933 million.

10.2 Bank balances as at 31 December 2019

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
PRIMARY BANK (Account Number: 62048092647)	R 2,148,242.38	R 399,907.83
TOTAL	R 2,148,242.38	R 399,907.83

ANNEXURE A-FINANCIAL PERFORMANCE REPORT

The closing balance as at 31 December 2019 is an amount of R 84,022 million.

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET (Account Number: 62151783563)	R 705,154.76	R 4,815.95
BUSINESS CALL (Account Number: 62049046205)	R 4,840,594.65	R 132,642.09
MIG-INVESTMENT (Account Number: 62310540465)	R 76,328,216.91	R 1,795,317.08
PRIMARY BANK (Account Number: 62048092647)	R 2,148,242.38	R 399,907.83
TOTAL	R 84,022,208.70	R 2,332,682.95

7. Financial Implications

Based on the information provided above it is evident that the municipality is facing serious financial implications and that some of performance targets will not be achieved. It has also been explained that in some areas items of revenue and expenditure need to be adjusted either upwards or downwards.

It is therefore recommended that the budget of 2019/20 MTREF be adjusted.

ANNEXURE B-NON-FINANCIAL PERFORMANCE REPORT

Top-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

1. Office of the Municipal Manager

National Development Chapter			8. Corruption Levels are High (9)									
National Outcome			9. A responsive, accountable, effective and efficient system of local government									
Back to Basic Principle			Promoting good governance, transparency and accountability									
Free State Growth and Development Strategies 6 Pillars			Good Governance									
Predetermined Objective			Putting people first, promoting good governance, transparency and accountability									
Key Performance Area			Good Governance and Public Participation									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals				Reasons for Variance	Measures Taken to Improve Performance
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Putting People First	Improved Municipal responsiveness	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	Percentage of ward committees with six or more ward committee members (excluding the ward councillors)	Number of ward committees that are established and functional	17	17	17	17	17	17	Target Met	Continue monitoring
Putting People First	Improve municipal responsiveness	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	Number of councillors convened community meetings per ward	Number of councillors who have held ward community meetings as per the ward operational plan	17	17	17	0	17	0	Target Not Met Office of the Speaker did not submit quarterly report	Ensure that reports are submitted as required by law
Good Governance	More effective municipal administration	Audit opinion	Number of repeat findings	Percentage of repeat audit findings responded to and addressed within the required timeframe	100%	100%	100%	95%	100%	95%	Target Almost Met Received qualified audit opinion with repeat findings	Ensure that remedial actions as contained in the audit action plan are implemented to the latter
Good Governance	More effective municipal administration	Audit opinion	Number of councillors who have declared their financial interests	Percentage of councillors who have declared their financial interest	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring
Institutional Development	More effective municipal administration	Audit opinion	Number of administrative staff who have declared their financial interest	Percentage of administrative staff who have declared their financial interest	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring

National Development Chapter			8. Corruption Levels are High (9)									
National Outcome			9. A responsive, accountable, effective and efficient system of local government									
Back to Basic Principle			Promoting good governance, transparency and accountability									
Free State Growth and Development Strategies 6 Pillars			Good Governance									
Predetermined Objective			Putting people first, promoting good governance, transparency and accountability									
Key Performance Area			Good Governance and Public Participation									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals				Reasons for Variance	Measures to improve performance
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Good Governance	Improved council functionality	Average percentage of councillors attending council meetings	Number of council items deferred to the next council meetings	Percentage of council items dealt with and resolved in a council meeting	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring
Financial Management	Zero tolerance of fraud and corruption	Number of alleged fraud and corruption cases reported per 100 000 population	Number of active suspensions longer than three months	Percentage of active suspension on allegation of fraud and corruption longer than three months	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring
Financial Management	Zero tolerance of fraud and corruption	Number of dismissals for fraud and corruption per 100 000 population	Quarterly salary bill of suspended officials	Percentage salary bill of suspended official against the total municipal salary bill	2%	2%	2%	0%	2%	0%	Target Not Met	Directors to report on the outcome indicators that are relevant to their output indicators on a quarterly basis
Financial Management	Zero tolerance of fraud and corruption	Number of convictions for bribery and/or corruption by municipal officials per 100 000 population	Quarterly salary bill of suspended officials	Percentage of convictions for bribery and/or corruption by municipal officials	100%	100%	100%	0%	100%	0%	Target Not Met	Directors to report on the outcome indicators that are relevant to their output indicators on a quarterly basis

1.1 Lower-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Division		Communication										Reasons for variance	Measures to improve performance	
Key Performance Area		Good Governance Transparency and Accountability												
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals						
				Quarter 1		Quarter 2		Quarter 1		Quarter 2				
				Target	Actual	Target	Actual	Target	Actual	Target	Actual			
Promoting good governance, transparency and accountability	Number of Communication Strategy developed	2	2	0	0	1	0	0	0	0	0	0	Target Not Met Still under review by the Communication Office of TMDM	
Promoting good governance, transparency and accountability	Number of Scheduled Interviews	12	12	3	15	3	7	0	0	0	0	0	Target Extremely met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Issued Media Statements	12	12	3	3	3	3	0	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of issued announcements/notices	100%	100%	100%	100%	100%	100%	0	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of received media enquiries	100%	100%	100%	100%	100%	100%	0	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of themed awareness campaigns	4	4	1	1	1	1	0	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of Website Uploads	100%	100%	100%	100%	100%	100%	0	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of Facebook Uploads	100%	100%	100%	100%	100%	100%	0	0	0	0	0	Target Met	Continue monitoring
Total		8	8	7	7	8	7	0	0	0	0	0		

Division		Information Communication Technologies, Communication and Customer Care Relations										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of Information Communication Technology Steering Committee meeting held	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target met	Continue monitoring
Promoting good governance, transparency and accountability	Number of security reports produced	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target met	Continue monitoring
Promoting good governance, transparency and accountability	Number of email internet maintenance reports produced	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Information Communication Technology Policy reviewed	1	1	0	0	0	0	25 479.08	76 898.14	25 479.08	161725.89	Fourth Quarter Target	Ensure that targets are met within required period
Promoting good governance, transparency and accountability	Number of Servers Upgraded	5	1	0	0	1	0	0	0	500 00	0	Target Not Met The tender is still going through the SCM Process	Ensure that awarding of tenders happens within the stipulated timeframe
Promoting good governance, transparency and accountability	Number of CIBECS licenses renewed	200	200	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within required period
Promoting good governance, transparency and accountability	Number of MICROSOST volume licenses renewed	1	1	1	0	0	0	850 000	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Anti-malware and Anti-spyware licenses renewed	280	280	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within required period
Promoting good governance, transparency and accountability	Number of IMPERO licenses renewed	200	200	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within required period
Promoting good governance, transparency and accountability	Number of ePMS licenses renewed	1	1	1	1	0	0	500 000.00	231 594.00	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Disaster Recovery test conducted on HRS-Server	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target Met	Continue monitoring

Division		Information Communication Technologies, Communication and Customer Care Relations										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of Disaster Recovery test conducted on BARN-Server	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Disaster Recovery test conducted on DCO1-Server	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of risk registers updated	4	4	1	1	1	1	25 479.08	76 898.14	25 479.08	161725.89	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of external and internal audit queries responded to and addressed within required timeframe	100%	100%	100%	100%	100%	100%	25 479.08	76 898.14	25 479.08	161725.89	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of monthly updates of progress on Audit Action Plan	2	2	1	1	1	1	25 479.08	76 898.14	25 479.08	161 725.89	Target Met	Continue monitoring
Total		16	16	11	10	10	9						

Division		Internal Audit										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of the reviewed and approved Internal Audit Unit Charter	1	1	1	1	0	0	47 124.27	39 600,00	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of the reviewed and approved Audit and Performance Audit Committee Charter	1	1	1	1	0	0	47 124.27	47 612,41	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of approved Internal Audit Strategic Plan	1	1	1	1	0	0	47 124.27	53 429,69	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of approved Coverage Plan	1	1	1	1	0	0	47 124.27	47 612,41	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of covering letters on quarterly plans drafted	30	24	3	11	7	12	78 540.47	33 878,18	94 248.54	98 254.00	Target Well Met	
Promoting good governance, transparency and accountability	Number of progress report in implementation of Coverage Plan	4	4	1	1	1	1	70 686.42	47 612,41	70 686.42	72 987,00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Percentage on ad hoc audit conducted	40%	100%	100%	0%	100%	0%	47 124.27	0,00	47 124.27	0	Target Not Met	Priority was given to other audits as per level of risk.
Promoting good governance, transparency and accountability	Number of Internal Audit Procedural Manual reviewed and approved	1	1	1	1	0	0	47 124.27	47 612,41	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Procurement Plan developed	1	1	1	1	0	0	47 124.27	22 450,90	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of Attendance Registers; Leave and Overtime processed	100%	100%	100%	100%	100%	100%	47 124.27	47 178,00	47 124.27	45 567,00	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of reviewed Quality Assurance and Improvement Programme	1	1	1	1	0	0	47 124.27	47 612,41	0	0	Target Met	Continue monitoring

Division		Internal Audit										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of quarterly audit reports compiled and submitted	31	31	3	4	9	14	141 372.81	167 000,00	188 497.08	198 567,00	Target Extremely Met	
Promoting good governance, transparency and accountability	Number of follow-up audit reports	4	4	1	1	1	1	47 124.27	47 612,41	47 124.27	45 567,00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of internal assessment reports	4	4	1	1	1	1	47 124.27	47 612,41	47 124.27	45 567,00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of Quality Assurance Reports compiled and submitted to Audit and Performance Audit Committee.	4	4	1	1	1	1	78 540.47	89 250,00	78 540.47	89 453,00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of quality assurance reports submitted on action plan.	2	2	1	1	0	0	47 124.27	47 500,00	0	0	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of quality assurance reports compiled and submitted to Council.	4	4	1	2	1	1	78 540.47	94 540,23	78 540.47	62 212,42	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of resolution registers compiled and submitted to Audit and Performance Audit Committee.	4	4	1	2	1	1	47 124.27	47 612,41	47 124.27	47 124.27	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of Audit and Performance Audit Committee reports submitted to council	4	4	1	1	1	1	47 124.27	47 270,12	47 124.27	47 124.27	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of audit steering meetings coordinated	4	4	1	2	1	3	47 124.27	27 500,00	47 124.27	42 897.00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of risk management registers updated	4	4	1	1	1	1	47 124.27	32 000,00	47 124.27	45 567,00	Target Met	Continue Monitoring
Promoting good governance, transparency and accountability	Number of Internal Audit Findings Control Registers compiled	4	4	1	1	1	1	47 124.27	38 540,67	47 124.27	45 567,00	Target Met	Continue Monitoring
Total			22	22	21	14	13						

Division		Integrated Development Planning and Performance Management Systems										Reasons for variance	Measures to improve performance
Key Performance Area		Public Participation and Good Governance											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Putting people first	Number of Integrated Development Planning Process Plan developed and approved	1	1	1	1	0	0	235 909	235 909	235 909	235 909	Target Met	Continue monitoring
Putting people first	Number of progress reports on the implementation of Back to Basic Principles	4	4	1	1	1	1	75 828	0	75 828	75 828	Target Met	Continue monitoring
Putting people first	Number of quarterly performance reports developed and submitted	4	4	1	1	1	1	75 828	0	75 828	75 828	Target Met	Continue monitoring
Putting people first	Number of Performance Management Systems Handbook reviewed and approved	1	1	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that target is met within required period
Putting people first	Number of draft Integrated Development Plan document developed, reviewed and approved	1	1	0	0	0	0	0	0	0	0	Third Quarter Target	Ensure that target is met within required period
Putting people first	Number of Integrated Development Plan document developed, reviewed and approved	1	1	0	0	0	0	0	0	0	75 828	Fourth Quarter Target	Ensure that target is met within required period
Putting people first	Number of employee appraisals conducted	4	4	1	0	1	0	75 828	0	75 828	75 828	Target Not Met	Financial constraints-could not constitute the appraisal committee most of them are external people
Putting people first	Number of Service Delivery and Budget Implementation Plan developed and approved	1	1	1	1	0	0	235 909	235 909	235 909	235 909	Target Met	Continue monitoring

Division		Integrated Development Planning and Performance Management Systems										Reasons for variance	Measures to improve performance
Key Performance Area		Public Participation and Good Governance											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Putting people first	Number of Adjusted Service Delivery and Budget Implementation Plan developed and approved	1	1	1	1	0	0	235 909	235 909	0	0	Third Quarter Target	Ensure that target is met within required period
Putting people first	Number of Risk Registers developed and submitted	1	1	1	1	0	0	235 909	235 909	0	0	Target Met	Continue monitoring
Putting people first	Number of progress report on the implementation of Audit Action Plan	4	4	1	1	1	0	75 828	75 828	75 828	75 828	Target Not Met	Action Plan to be approved on 24 January 2020
Putting people first	Percentage internal and external audit queries responded to and addressed	100%	100%	100%	100%	100%	100%	75 828	75 828	75 828	75 828	Target Met	Continue monitoring
Total		12	12	9	8	4	3						

Division		Risk Management										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of Risk Management Committee meetings held	4	4	1	2	1	1	0	0	0	0	Target Extremely Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of Risk Management Committee Reports submitted	4	4	1	1	1	1	0	0	0	0	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of awareness campaigns on fraud prevention	1	1	0	0	0	1	0	0	0	0	Target Extremely Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of workshops held to facilitate the execution of Enterprise Risk Management process	4	4	1	1	1	1	0	0	0	0	Target Met	Continue monitoring
Total		4	4	3	3	3	4	0	0	0	0		

Division		Office of the Executive Mayor										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Putting people first	Number of Communication Strategies developed and approved	0	1	0		0		0		0			
Putting people first	Number of HIV/AIDS programmes implemented	4	4	1		1		75 000		75 000			
Putting people first	Number of programmes for people living with disabilities implemented	4	1	1		1		75 000		75 000			
Putting people first	Number of gender programmes implemented	4	4	1		1		75 000		75 000			
Putting people first	Number of programmes for orphanage and vulnerable children implemented	8	8	2		2		75 000		75 000			
Putting people first	Number of programmes for senior citizens implemented	8	8	2		2		75 000		75 000			
Putting people first	Number of youth programmes implemented	20	20	5		5		275 000		275 000			
Putting people first	Number of Motlapula games held	1	1	0		1		0		250 000			
Putting people first	Number of Mayoral Cups held	1	1	1		0		250 000		0			
Putting people first	Number of Mayoral Imbizos held	8	8	2		2		31 000		31 000			
Total		9	10	8		8							

Division		Office of the Speaker										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Putting people first	Visit of farms by the Speaker.	2	4	1	0	1		0		0			
Putting people first	Speaker Imbizos.	0	4	1	0	1		0		0			
Putting people first	Number of operational plans developed.	0	17	17	0	0		0		0			
Putting people first	Training of ward committees.	2	4	1	0	1		0		0			
Putting people first	Stakeholder's forum meetings.	0	0	1	0	1		0		0			
Putting people first	Reports of the Speaker to Council meetings.	4	4	1	0	1		0		0			
Putting people first	Ward committee's reports to Council meetings.	4	4	1	0	1		0		0			
Total		4	6	7	7	6		0	0				

2. Top-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Department of Corporate Services

National Development Chapter			9. South Africa remains a divided society								Reasons for variance	Measures to improve performance
National Outcome			9. A responsive, accountable, effective and efficient local government system									
Back to Basic Principle			5. Building institutional resilience and administrative capability									
Free State Growth and Development Strategies 6 Pillars			6. Good Governance									
Predetermined Objective			Building institutional resilience and administrative capability									
Key Performance Area			Institutional Capacity									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals					
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Building institutional resilience and administrative capability	Improved municipal capability	Percentage of municipal skills development levy recovered	Percentage of municipal budget allocated to skills development	Percentage actual spending of the municipal budget on skills development	1%	1%	1%	2.8%	1%	6.2%	Target Extremely Met	Continue monitoring
Building institutional resilience and administrative capability	Improved municipal capability	Top Management Stability (% of days in a year that all s56 positions are filled by full-time, appointed staff not in an acting capacity)	Staff vacancy rate	Percentage of fulltime appointed s56 Managers	100%	100%	100%	40%	100%	40%	Target Not Met	Interview for two positions conducted. Appointment to confirmed for the third quarter.
Building institutional resilience and administrative capability	Improved municipal capability	Top Management Stability (% of days in a year that all s56 positions are filled by full-time, appointed staff not in an acting capacity)	Average time taken by the municipality to make an appointment	Number of days taken by the municipality to make an appointment	0	60	60	66	60	63	Target Not Met	Interview for two positions conducted. Appointment to confirmed for the third quarter.
Building institutional resilience and administrative capability	Improved municipal capability	Percentage effectiveness on the implementation of the Health and Safety Programmes in the workplace	Percentage towards awareness made on Health and safety programmes at the workplace	Percentage towards awareness made on Health and safety programmes at the workplace	100%	100%	100%	100%	100%	100%	Target met	Continue monitoring

National Development Chapter		9. South Africa remains a divided society									Reasons for variance	Measures to improve performance
National Outcome		9. A responsive, accountable, effective and efficient local government system										
Back to Basic Principle		5. Building institutional resilience and administrative capability										
Free State Growth and Development Strategies 6 Pillars		6. Good Governance										
Predetermined Objective		Building institutional resilience and administrative capability										
Key Performance Area		Institutional Capacity										
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals					
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Building institutional resilience and administrative capability	Improved municipal capability	Human Resources Management	Percentage of the effectiveness on the Human Resources Administration	Percentage of the effectiveness on the Human Resources Administration	100%	100%	100%	0%	100%	0%	Target Not Met	Targeted for the third quarter
Building institutional resilience and administrative capability	Improved municipal capability	Legal Services and Contract Management	Percentage of the effectiveness on the Legal Services and Contract Management	Percentage of the effectiveness on the Legal Services and Contract Management	100%	100%	100%	0%	100%	15%	Target Not met	Target set at 30 April 2020 to finalise outdated contracts

2.1 Lower-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Division		Human Resource Development										Reasons for variance	Measures to improve performance
Key Performance Area		Institutional Capacity											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Building institutional resilience and administrative capability	Percentage to which planned WSP programmes are Implemented and achieved	85%	100%	100%	6%	100%	18%	261 878.6	185 419	261 878.60	52845.93	Target not achieved due to cost containment	Ensure that there are enough funds available to achieve targets
Building institutional resilience and administrative capability	Number of approved Workplace Skills Plans	1	1	0	0	0	0	261 878.6	185 419	261 878.60	52845.93	4 th Quarter Target	Ensure that targets are achieve within required period
Building institutional resilience and administrative capability	Percentage of municipality's budget spent on implementing its Workplace Skills Plan	100%	100%	100%	71%	100%	20%	261 878.6	185 419	261 878.60	52845.93	Target not achieved due to cost containment	Ensure that there are enough funds available to achieve targets
Building institutional resilience and administrative capability	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's Employment Equity Plan	45%	100%	60%	3.3%	60%	5%	261 878.6	185 419	261 878.60	52845.93	Target not achieved due to cost containment and slow recruitment	Ensure that there are enough funds available to achieve targets
Building institutional resilience and administrative capability	Percentage reduction in Disciplinary Hearings	49%	100%	50%	29%	50%	21%	261 878.6	185 419	261 878.60	52845.93	Target not achieved as a result for postponement from parties. SALGBC take long time to issue set down notices for Conciliations and Arbitrations	Ensure that disputes are resolved as per the collective agreements' timeframes

Total	5	5	4	4	4	0	0		
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Division		Human Resource Management										Reasons for variance	Measures to improve performance
Key Performance Area		Institutional Capacity											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Building institutional resilience and administrative capability	Percentage of coordinated positions filled	100%	100%	100%	100%	100%		356 447.40	283 156.20	356 447.40			
Building institutional resilience and administrative capability	Percentage of the effectiveness on the administration of Human Resources Management	100%	100%	100%	0%	100%	0%	356 447.40	283 156.20	356 447.40	277 969.42	Targeted Not Met The review of the organizational structure is intended to be finalized after the appointment of all Section 56 Managers	Ensure that targets are achieved within the required period
Building institutional resilience and administrative capability	Percentage of employee benefits administered	100%	100%	100%	100%	100%	100%	356 447.40	283 156.20	356 447.40	277 969.42	Target Met	Continue monitoring
Building institutional resilience and administrative capability	Percentage towards awareness made on Health and Safety at the workplace	100%	100%	100%	100%	100%	100%	356 447.40	283 156.20	356 447.40	277 969.42	Target Met	Continue monitoring
Building institutional resilience and administrative capability	Percentage towards the effectiveness of impact on wellness programmes conducted	100%	100%	100%	100%	100%	100%	356 447.40	283 156.20	356 447.40	277 969.42	Target Met	Continue monitoring
Total		5	5	5	4	5	3						

Division		Administration and Support Services										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance, Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Percentage of planned Records Management programmes implemented	100%	100%	100%	100%	100%	67%	151 101	98 782	151 102	173 394	Target Not met 2 out of 3 programmes implemented. Awareness Campaign was not held in 2 nd Quarter due to unavailability of Housing Officials	Target will be achieved during 3 rd and 4 th Quarter accordingly.
Promoting good governance, transparency and accountability	Percentage of resolutions implemented	100%	100%	100%	100%	100%	100%	604 031	406 749	88 491	74 612	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of complaints attended to in respect of Telephone and Reprographic Services and System	100%	100%	100%	100%	100%	100%	871 391	581 070	871 392	87 576	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of cleaning programmes implemented	100%	100%	100%	100%	100%	100%	115 744	75 539	148 244	648 588	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number By-laws development and/or reviewed	21	2	0	0	2	2	0	0	204 992	37 650	Target Met	Continue monitoring
Total		5	5	4	4	5	5						

Division		Payroll Services										Reasons for variance Target Met	Measures to improve performance Continue monitoring
Key Performance Area		Good Governance, Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of payrolls processed on or before 25 th of every month	12	12	3	3	3	3	262 187	172 092	262 187	173 206	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Number of months that Third parties are processed on or before the 3 rd of every month	12	12	3	3	3	3	262 187	172 091	262 187	173 206	Target Met	Continue monitoring
Promoting good governance, transparency and accountability	Percentage of leave processed	100%	100%	100%	100%	100%	100%	262 187	172 091	262 187	173 207	Target Met	Continue monitoring
Total		3	3	3	3	3	3						

Division		Legal Services and Contract Management										Reasons for variance	Measures to improve performance
Key Performance Area		Good Governance, Transparency and Accountability											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Promoting good governance, transparency and accountability	Number of audit analysis conducted to measure the effectiveness of legal services on contingent liability	1	1	0	0	0	0	399 344	535115	399 344	389 382	4th quarter target.	
Promoting good governance, transparency and accountability	Number of audit analysis conducted to measure the effectiveness of contract management	0	1	0	0	0	0	149 345	267558	149 345	194 692	4th quarter target.	
Promoting good governance, transparency and accountability	Number of Corporate Policies developed, reviewed and approved	35	8	2	0	2	1	149 345	267558	149 345	194 692	Target Not Met Target partially met due to departmental backlogs.	Ensure that all backlogs are addressed by the end of the third quarter
Total		2	3	1	0	1	1						

3. Top-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Department of Engineering Services

National Development Chapter			7. Public services are uneven and often of poor quality (10)								Reasons for variance	Measures to improve performance
National Outcome			10. Environmental assets and natural resources that are well protected and continually enhanced									
Back to Basic Principle			2. supporting the delivery of municipal services to the high quality and standards									
Free State Growth and Development Strategies 6 Pillars			3. Improved Quality of Life									
Predetermined Objective			Supporting the delivery of municipal services to the right quality and standard									
Key Performance Area			Service Delivery and Infrastructure									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals					
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Improved affordability of electricity	Percentage of household with access to electricity	Number of dwellings provided with connections to the mains electricity supply by the municipality	Percentage of households with access to basic electricity	83%	100%	100%	83%	100%	83%	Target Almost Met	
Supporting the delivery of municipal services to the right quality and standard	Improved affordability of electricity	Households receiving free basic electricity as a percentage of all household with electricity	Free Basic Electricity provision levels as a percentage of total residential electricity provision (in terms of MWh)	Percentage of households receiving free basic electricity in terms of the municipality's Indigent Policy	6%	18%	18%	9%	18%	9%	Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Improved reliability of electricity	System average interruption duration index	Percentage of unplanned outages that are restored to supply within industry standard timeframes	Percentage unplanned outages restored within required timeframe	100%	100%	100%	100%	100%	100%	Target Met	
Supporting the delivery of municipal services to the right quality and standard	Improved energy sustainability	Percentage total electricity losses	Currency in rand and cents of the electricity losses against the total bulk purchases	Percentage electricity losses	0	0%	0%	0%	0%	23%	Target Met	
Supporting the delivery of municipal services to the right quality and standard	Improved access to sanitation	Percentage of households with access to basic sanitation	Number of sewer connections meeting the minimum standards	Percentage of households with access to basic sanitation	97%	100%	100%	82%	100%	82%	Target Almost Met	

National Development Chapter			7. Public services are uneven and often of poor quality (10)								Reasons for variance	Measures to improve performance
National Outcome			10. Environmental assets and natural resources that are well protected and continually enhanced									
Back to Basic Principle			2. supporting the delivery of municipal services to the high quality and standards									
Free State Growth and Development Strategies 6 Pillars			3. Improved Quality of Life									
Predetermined Objective			Supporting the delivery of municipal services to the right quality and standard									
Key Performance Area			Service Delivery and Infrastructure									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals					
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Improved access to water	Percentage of households with access to basic water supply	Number of new water connections meeting minimum standards	Percentage of household with access to basic water supply	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Improved quality of water and sanitation services	Frequency of sewer blockages	Percentage of complaints/callouts responded to within 24 hours for water and sanitation provision	Percentage of unplanned water interruptions and sewer blockages complaints/callouts responded to within require timeframe	100%	100%	100%	93%	100%	96%	Target Almost Met	
Supporting the delivery of municipal services to the right quality and standard	Improved quality of water	Percentage drinking water compliance to SANS241	Percentage portable water complying to SANS241	Percentage blue drop	73%	100%	100%	0%	100%	0%	Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Improved quality of water	Percentage waste quality compliance to the water use license	Percentage waste quality compliance to the water use license	Percentage green drop	30%	15%	15%	0%	15%	0%	Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Improved water sustainability	Total water losses	Currency in rand and cents of the total water losses	Percentage of total water losses	0	0%	0%	49%	0%	49%	Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Improved access to adequate housing, including security of tenure	Percentage of households living in adequate housing	Number of subsidized housing units completed	Percentage of household with subsidized housing	45%	70%	70%	0%	70%	0%	Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Improved access to adequate housing, including	Percentage of households living in adequate housing	Number of formal sites serviced	Percentage of formal sites serviced	100%	100%	100%	82%	100%	82%	Target Almost Met	

3.1 Lower-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Division		Electricity										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of streetlights & High mast lights Repaired/ Replaced	1172	500	125	154	125	328	3 117 428		3 117 428		Target Extremely Met After material was received more was done to address the backlog.	Continue monitoring
0Supporting the delivery of municipal services to the right quality and standard	Number of substations maintained	1	1	0	0	0	0	3 117 428		3 117 428		Fourth Quarter Target	Ensure that targets are achieved within the required timeframe
Supporting the delivery of municipal services to the right quality and standard	Number of sub & mini substations cleaned	95	100	25	37	25	40	3 117 428		3 117 428		Target Extremely Met Due to lack of material for other KPI priorities were shift to this KPI	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Kilometers of HV & LV network repaired/replaced	5	7	2	0.741	2	1.971	3 117 428		3 117 428		Target Almost Met Delays in appointment of contractor due to budget	Secure additional funding
Supporting the delivery of municipal services to the right quality and standard	Number of Standing Committee Reports generated	12	12	3	3	3	3	3 117 428		3 117 428		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Energy forum meeting on	4	4	1	1	1	1	3 117 428		3 117 428		Target Met	Continue monitoring

Division		Project Management Unit										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of progress on capital project implementation	10%	90%	30%	30%	55%		34 500 000	8 234 759.86	34 500 000		Target Not Met RBIG projects in Senegal had over performed on progress and expenditure has improved.	The department has approved the implementation of the WSIG projects and the PSPs would be appointed on the third quarter.
Supporting the delivery of municipal services to the right quality and standard	Number of reports on the implementation of capital projects generated	0	57	15	15	15	15		0	0		Target met	Continue monitoring
Total													

Division		Roads and Storm Water										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage Flexible Pavement Road Maintained	100%	100%	25%	29%	25%	0	444 353		444 353			Budget to be made available.
Supporting the delivery of municipal services to the right quality and standard	m ² of Potholes Repaired	2 000	8 000	2 000	4579.389	2 000	4 222.9	222 177		444 353		Target Extremely Met 6 500 bags of cold asphalt were procured for the patching of potholes	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Speed Hump installed	0	4	1	0	1	0	222 177		444 353		Target not Met	Budget to be made available
Supporting the delivery of municipal services to the right quality and standard	Km of re-graveled	26.0km	40km	10.0 km	11.518	10.0km	8.508	222 177		444 353		Target Almost met	Budget to be made available
Supporting the delivery of municipal services to the right quality and standard	Percentage of Stormwater Infrastructure Maintained	100%	100%	25%	73%	25%	3.641%	444 353		444 353		Target not Met	Budget to be made available
Supporting the delivery of municipal services to the right quality and standard	Km of channel cleaned/Repaired	10.0km	34km	8 km	4.614	8km	3.641	222 177		444 353		Target not Met	Budget to be made available
Supporting the delivery of municipal services to the right quality and standard	No of Kerb-Inlet/catch pit Cleaned/Repaired	120	100	25	79	25	109	222 177		444 353		Target Extremely Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Km of Sidewalk Cleaned and Repaired	4km	6km	1,5 km	0.795	1.5km	4.613	444 353		444 353		Target Extremely Met	Continue monitoring
Total													

Division		Planning and Property Management										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of progress of Formalization of Masaleng informal settlements	40%	60%	10%	5%	30%	10%	200 000		600 000		Target Not Met The division was concentrating on the allocation of sites in both Meqheleng and Matwabeng.	
Supporting the delivery of municipal services to the right quality and standard	Percentage of progress of Formalization of Baipehing informal settlements	40%	60%	10%	10%	30%	10%	200 000		600 000		Target Not Met Performance is dependent on the provincial department of human settlements	
Supporting the delivery of municipal services to the right quality and standard	Percentage of progress of rezoning, amendment of general plan and subdivision of erf 855, 1339, 1529, 1530, 3780 and 3367	0	100%	0%	0%	40%	20%	0		51 400		Target Not Met A letter was sent to DESTEA requiring exemption from studies	
Supporting the delivery of municipal services to the right quality and standard	Number of adopted SPLUMA compliant Spatial Development Framework	1	1	0	0	1	0	571 000		571 000		Target not met Awaiting final maps from HDA and DRDLR	
Supporting the delivery of municipal services to the right quality and standard	Number of Municipal Planning Tribunal seating held	4	4	1	0	1	0	150 000		150 000		Target Not Met We did not form a quorum due to unavailability of external members	Advertise for additional external members
Supporting the delivery of municipal services to the right quality and standard	Number of illegal land use reports	8	8	2	2	2	2	571 000		571 000		Target Met	Continue monitoring

Supporting the delivery of municipal services to the right quality and standard	Percentage of zoning certificates issued	100%	100%	100%	100%	100%	100%	571 000		571 000		Target Met	Continue monitoring
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Division		Planning and Property Management										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of land development applications developed	100%	100%	100%	100%	100%	100%	571 000		571 000		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of liquor registrations applications processed	100%	100%	100%	100%	100%	100%	571 000		571 000		Target Met	Continue monitoring
Total													

Division		Water and Sewer-Operations and Maintenance										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of water pipes repaired.	100%	100%	100%	99.53%	100%	100%	716 668.50		716 668.50		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of water meters repaired or replaced.	100%	100%	100%	91.55%	100%	90.57%	716 668.50		716 668.50		Target Almost Met Shortage of material.	To order more material for the stores.
Supporting the delivery of municipal services to the right quality and standard	Percentage of fire hydrants repaired.	100%	100%	100%	100%	100%	100%	716 668.50		716 668.50		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of water valves repaired.	100%	100%	100%	86.67%	100%	80%	716 668.50		716 668.50		Target Almost Met Shortage of material.	To order more material for the stores.
Supporting the delivery of municipal services to the right quality and standard	Percentage of sewer pipes repaired.	100%	100%	100%	75%	100%	100%	716 668.50		716 668.50		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of unblocked sewer spillages.	100%	100%	100%	99.25%	100%	99.31%	716 668.50		716 668.50		Target Almost met The jet vac truck broke down.	To repair the jet vac
Supporting the delivery of municipal services to the right quality and standard	Percentage of repaired/replaced sewer manholes.	100%	100%	100%	100%	100%	100%	716 668.50		716 668.50		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of buckets removed	100%	100%	100%	100%	100%	100%	716 668.50		716 668.50		Target Met	Continue monitoring

Division		Water and Sewer-Operations and Maintenance										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of VIP and Sceptic tanks serviced.	100%	100%	100%	95.44%	100%	30.40%	716 668.50		716 668.50		Target Not Met The two Suction trucks broke down and had to be send for repairs in Bloemfontein as a result of clutch.	The appointment of Suction truck operators with appropriate experience and relevant drivers' licenses and a labour requisition has been done.
Supporting the delivery of municipal services to the right quality and standard	Number of Section 80 Committee Reports generated.	12	12	3	3	3	3	716 668.50		716 668.50		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Unit Administration Reports generated	16	16	4	1	4	0	716 668.50		716 668.50		Target Not Met No meetings were held.	Provision will be made for more meetings in the third quarter.
Supporting the delivery of municipal services to the right quality and standard	Number of risk register updated	4	4	1	1	1	1	716 668.50		716 668.50		Target Met	Continue monitoring
Total													

Division		Bulk Water and Sewer Operations										Reasons for variance	Measures to improve performance
Key Performance Area		Basic Service											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Access of good quality Water to all households	100%	100%	100%	100%	100%	100%					Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Megaliter of water purified	8948.2	8948.2	2237	2568.07	2 237	1 896					Target Almost Met	
Supporting the delivery of municipal services to the right quality and standard	Liters of Flocculent to be used	357110	357110	89278	92686.50	89 278	105 664					Target Extremely Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Kilograms of Chlorine to be used/dosed	29150	29150	7287	7322	7 287	8 229					Target Extremely Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Water quality compliant report	825	825	206	203	206	161					Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Number of full SANS 241 analysis report generated	2	2	1	0	0	0					Fourth Quarter Target	Ensure that targets are achieved within required timeframe
Supporting the delivery of municipal services to the right quality and standard	Number of water quality operations monitoring analysis	5934	5934	1484	1525	1 484	1 460					Target Almost Met	
Supporting the delivery of municipal services to the right quality and standard	Number of reservoir inspections conducted	192	192	48	207	48	196					Target Extremely Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Access of good quality Sanitation to all households	100%	100%	100%	100%	100%	100%					Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Megaliters of Wastewater treated	1711	1711	428	131	428	103					Target Not Met	

Supporting the delivery of municipal services to the right quality and standard	Kilogram of Chlorine to be used for disinfection	3275	3275	819	524	819	716						Target Almost Met	
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Division		Bulk Water and Sewer Operations										Reasons for variance	Measures to improve performance	
Key Performance Area		Basic Service												
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals						
				Quarter 1		Quarter 2		Quarter 1		Quarter 2				
				Target	Actual	Target	Actual	Target	Actual	Target	Actual			
Supporting the delivery of municipal services to the right quality and standard	Number of Quality Compliance reports generated	460	460	115	85	115	20						Target Not Met	
Supporting the delivery of municipal services to the right quality and standard	Number of Water Services Development Plan developed and approved	1	1	0	0	0	0						Fourth Quarter Target	
Total														

4. Top-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Department of Treasury Services

National Development Chapter			5. The economy is unstable (resource intensive)								Reasons for variance	Measures to improve performance
National Outcome			9. A responsive, accountable, effective and efficient local government system									
Back to Basic Principle			4. ensuring sound financial management and accounting									
Free State Growth and Development Strategies 6 Pillars			6. Good Governance									
Predetermined Objective			Ensuring sound financial management and accounting									
Key Performance Area			Financial Management									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals					
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Improved financial management	Percentage of the total municipal expenditure on awarded tenders against municipal budget	Average length of time from advertisement of a tender to the letter of award	Percentage municipal expenditure on awarded tenders against the annual municipal budget	100%	100%	100%	100%	100%	100%	Target Met	
Ensuring sound financial management and accounting	Improved financial management	Percentage of the total municipal expenditure on awarded tenders against municipal budget	Average length of time from advertisement of a tender to the letter of award	Percentage expenditure of the annual MIG allocation year-to-date	100%	100%	100%	100%	100%	100%	Target Met	
Ensuring sound financial management and accounting	More effective poverty alleviation	Percentage of all qualifying households in the municipal area classified as indigent	Percentage of the municipality's operating budget spent on free basic services to indigent households	Percentage of the municipality's operating budget spent on free basic services to indigent households	100%	100%	100%	100%	100%	100%	Target Met	
Ensuring sound financial management and accounting	More effective poverty alleviation	Percentage of all qualifying households in the municipal area classified as indigent	Percentage of the municipality's operating budget spent on free basic services to indigent households	Number of work opportunities created through EPWP, CWP and other related infrastructure programmes	2 000	2 000	2 000		2 000			

National Development Chapter			5. The economy is unstable (resource intensive)								Reasons for variance	Measures to improve performance
National Outcome			9. A responsive, accountable, effective and efficient local government system									
Back to Basic Principle			4. ensuring sound financial management and accounting									
Free State Growth and Development Strategies 6 Pillars			6. Good Governance									
Predetermined Objective			Ensuring sound financial management and accounting									
Key Performance Area			Financial Management									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets and Actuals				Reasons for variance	Measures to improve performance
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Improved financial management	Percentage of the total municipal budget spending against the approved budget	Percentage deviation on the approved budget	Percentage spending on the approved budget	100%	100%	100%	79%	100%	79%	Target Almost Met Not achieved - Cashflow situation depicts	To improve debt collection through pre-payment vending system
Ensuring sound financial management and accounting	Improved financial management	Percentage of the total revenue collected against the approved revenue budgeted for	Percentage revenue collection	Percentage payment rate	55%	75%	75%	31%	75%	62%	Target Almost Met Not achieved due to Financial economic climate	To improve debt collection through pre-payment vending system

4.1 Lower-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Division		Asset Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Percentage of Compliant Asset Registers as per GRAP requirement	100%	100%	100%	100%	100%	100%	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of updates completed on the asset register	12	12	3	3	3	3	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of verifications conducted on the asset register	1	4	1	1	1	1	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of reconciliations completed between the fixed asset register and the general ledger	12	12	3	3	3	3	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of audit external and internal audit queries responded to and addressed	90%	100%	100%	100%	100%	100%	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of asset management policy reviewed and approved	1	1	0	0	0	0	54 891	46 330	54 891	220 361	Fourth Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Number of the policy review	1	1	0	0	0	0	54 891	46 330	54 891	220 361	Fourth Quarter Target	Ensure that targets are

													achieved within the required period
Ensuring sound financial management and accounting	Number of section 71 Reports submitted to Finance Committee	12	12	3	3	3	3	54 891	46 330	54 891	220 361	Target Met	Continue monitoring
Total		8	8	6	6	6	6						

Division		Budget and Reporting										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Percentage of legislative compliance	100%	100%	100%	100%	100%	100%	17 942.50	11,427.65	7 942.50	20 395.33	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of mSCOA compliant draft budget submitted	1	1	0	0	0	0	0	0	0	0	Third Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Number of mSCOA compliant final budget submitted	1	1	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Number of mSCOA compliant adjustment budget submitted	1	1	0	0	0	0	0	0	0	0	Third Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Percentage reporting in relation to spending within the approved budget	100%	100%	100%	100%	100%	100%	35 885.41	22,855.56	35 885.41	40 791.13	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of section 71 reports submitted	12	12	3	3	3	3	71 770.75	45,711.08	71 770.75	81582.19	Target Met	Continue monitoring

Ensuring sound financial management and accounting	Number of Mid-year Budget and Performance Assessment reports submitted	1	1	0	0	0	0	0	0	0	0	0	Third Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Number of section 52 (d) submitted	1	1	1	1	0	0	119 618.04	76,185.21	119 618.04	135 970.45	135 970.45	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of GRAP compliant Annual Financial Statements compiled and submitted	1	1	1	1	0	0	478 472.00	304,740.75	478 472.00	543 881.62	543 881.62	Target Met	Continue monitoring

Division		Budget and Reporting										Reasons for variance	Measures to improve performance	
Key Performance Area		Financial Management												
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals						
				Quarter 1		Quarter 2		Quarter 1		Quarter 2				
				Target	Actual	Target	Actual	Target	Actual	Target	Actual			
Ensuring sound financial management and accounting	Number of Budget related policies reviewed and approved	3	3	0	0	0	0	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Percentage debt coverage ratio	80%	80%	80%	356%	80%	-167%	35 885.41	22,855.56	35 885.41	40 791.13	40 791.13	Target Not met	
Ensuring sound financial management and accounting	Percentage outstanding service debtor's ratio	103%	103%	103%	361%	103%	406%	35 885.41	22,855.56	35 885.41	40 791.13	40 791.13	Target Not met	
Ensuring sound financial management and accounting	Percentage cost coverage ratio	1%	1%	1%	198%	1%	224%	35 885.25	22,855.46	35 885.41	40 791.13	40 791.13	Target Extremely Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of audit opinion received on clean audit	100%	100%	100%	100%	100%	100%	35 885.25	22,855.46	35 885.41	40 791.13	40 791.13	Target Not met	
Total														

Division		Expenditure Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Percentage of reports on the actual amount of cash on hand in terms of cash flow forecast	12	12	3	3	3	3	622 718	622 590	622 718	352 743	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of creditors paid within 30 days	65%	65%	60%	59%	60%	64%	622 718	622 590	622 718	352 743	Target Well Met The payments of the small ESKOM accounts and the SMME's are forced	Continue monitoring

												payments and do have an impact on the percentage	
Ensuring sound financial management and accounting	Percentage of reconciled creditors	90%	90%	85%	89%	85%	87%	622 718	622 590	622 718	352 743	Target Well met	Continue monitoring
Ensuring sound financial management and accounting	Number of Insurance reports generated	12	12	3	3	3	3	622 718	622 590	622 718	352 743	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of section 32 report submitted	12	12	3	3	3	3	622 718	622 590	622 718	352 743	Target Met	Continue monitoring
Total		5	5	5	5	5	5						

Division		Supply Chain Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Percentage of reviewed SCM policy submitted for approval	100%	100%	0	0	0	0	10 253	0	10 253	0	Fourth Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Number of stock take conducted	4	4	1	1	1	1	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Monthly update of progress on audit action plan	90%	100%	100%	100%	0%	0%	10 253	0	10 253	0	Third and Fourth Quarter Target	Ensure that targets are achieved within the required period
Ensuring sound financial management and accounting	Percentage of queries cleared within time frames	100%	100%	95%	95%	95%	95%	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of workshops with departments on SCM Challenges	5	5	2	0	2	0	10 253	0	10 253	0	Target Not Met	Meetings to be conducted in Q3
												Meetings hampered by audit program	

Ensuring sound financial management and accounting	Number of quarterly updates of supplier database	4	4	1	1	1	1	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of BSC meetings held	90%	100%	100%	100%	100%	100%	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of BEC meetings held	90%	100%	100%	100%	100%	100%	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of BAC meetings held	90%	100%	100%	100%	100%	100%	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of supply chain management deviation reports submitted	12	12	3	3	3	3	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of quarterly SCM contracts registers updated	4	4	1	1	1	1	10 253	0	10 253	0	Target Met	Continue monitoring

Division		Supply Chain Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Number of reports on the preparation and monitoring of the procurement plan	4	4	1	1	1	1	10 253	0	10 253	0	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of quarterly updates of risk registers against progress of risk actions	4	4	1	1	1	1	10 253		10 253	0	Target Met	Continue monitoring
Total													

Division		Revenue Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Ensuring sound financial management and accounting	Percentage payment rate on monthly billing	55%	70%	75%	58%	75%	62%	555 720.00	907 651	555 720.00	869 887	Target Almost Met Historical resistance to pay for services especially in the townships	Cut-off in town where Setsoto is the supplier of electricity. Debt collection via the pre-paid system to be implemented from 25/01/2020
Ensuring sound financial management and accounting	Number of monthly billing conducted	12	12	3	3	3	3	555 720.00	907 651	555 720.00	869 887	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Number of Indigent registered households	6,833	7,000	2,000	3173	4 500	5765	555 720.00	907 651	555 720.00	869 887	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage queries resolved within 3 days	60%	75%	60%	66%	65%	80%	555 720.00	907 651	555 720.00	869 887	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage of daily cash banked	100%	100%	100%	100%	100%	100%	555 720.00	907 651	555 720.00	869 887	Target Met	Continue monitoring
Ensuring sound financial management and accounting	Percentage Implementation of valuation roll	100%	100%	100%	100%	100%	100%	555 720.00	907 651	555 720.00	869 887	Target Met	Continue monitoring

Ensuring sound financial management and accounting	Number of Revenue Related policies reviewed	5	5	0	0	0	0	555 720.00	907 651	555 720.00	869 887	Fourth Quarter Target	Ensure that targets are met within required period
Total		7	7	6	6	6	6						

5. Top-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Department of Development Planning and Social Security

National Development Chapter			3. Infrastructure is poorly located, inadequate and under - maintained								Reasons for variance	Measures to improve performance
National Outcome			3. All people in South Africa									
Back to Basic Principle			2. Supporting the delivery of municipal services to the high standards									
Free State Growth and Development Strategies 6 Pillars			3. Improved Quality of Life									
Predetermined Objective			Supporting the delivery of municipal services to the right quality and standard									
Key Performance Area			Service Delivery and Local Development									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets				Target Met	
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Improved Municipal responsiveness	Protest incidents per 10 000 population	Percentage of official complaints resolved per norms and standards for the municipal complaint management system	Percentage protest complaints reported and resolved within required timeframe	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Increased access to refuse removal	Percentage of households with basic refuse removal services or better	Percentage of known informal settlements receiving integrated waste handling services	Percentage of households receiving basic refuse removal services	90%	90%	90%	90%	92%	92%	Target Met	Continue monitoring

Supporting the delivery of municipal services to the right quality and standard	Compliance with national legislation	Integrated Waste Management Plans developed and approved	Number of plans developed and approved	Number of Integrated Waste Management Plans developed, reviewed and approved	1	1	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within the required period
Supporting the delivery of municipal services to the right quality and standard	Mitigated effects of emergencies and disasters	Number of fire related deaths per 1 000 population	Percentage compliance with the required attendance time for structural and veld firefighting incidents	Percentage firefighting, disaster and emergencies incidents attended to within the required timeframe	100%	100%	100%	100%	100%	100%	Target Met	Continue monitoring

National Development Chapter			3. Infrastructure is poorly located, inadequate and under - maintained						Reasons for variance		Measures to improve performance			
National Outcome			3. All people in South Africa											
Back to Basic Principle			2. Supporting the delivery of municipal services to the high standards											
Free State Growth and Development Strategies 6 Pillars			3. Improved Quality of Life											
Predetermined Objective			Supporting the delivery of municipal services to the right quality and standard											
Key Performance Area			Service Delivery and Local Development											
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets							
							Quarter 1						Quarter 2	
							Target	Actual	Target	Actual				
Supporting the delivery of municipal services to the right quality and standard	Growing local economies	Gross Value added by the municipality per capita	Average time take to process business license applications and permits	Percentage business license applications and permits processes and approved within the required timeframe	100%	100%	100%	0	100%	0	Target Not Met There are 46 applications that have been received but none have been approved yet. This is because applications need to be verified by	Ensure that targets are met within the required period		

												Building Inspectorate Fire Inspector and Town Planning and this process may take more than 30 days to resolve and in some instances requires law enforcement to be involved	
Supporting the delivery of municipal services to the right quality and standard	Improved personnel, community and municipal property safety	Disaster Management Plans developed and approved	Number of plans developed and approved	Number of Disaster Management Plans developed, reviewed and approved	1	1	0	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within the required period

National Development Chapter			3. Infrastructure is poorly located, inadequate and under - maintained								Reasons for variance	Measures to improve performance
National Outcome			3. All people in South Africa									
Back to Basic Principle			2. Supporting the delivery of municipal services to the high standards									
Free State Growth and Development Strategies 6 Pillars			3. Improved Quality of Life									
Predetermined Objective			Supporting the delivery of municipal services to the right quality and standard									
Key Performance Area			Service Delivery and Local Development									
Planning Statement	Outcome	Outcome Indicator	Output Indicator	Key Performance Indicator	Baseline Indicator	Annual Target	Quarterly Targets				Fourth Quarter Target	Ensure that targets are met within the required period
							Quarter 1		Quarter 2			
							Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Ensuring that the municipal environment is conduct for the development of local economy	Number of employment opportunity created through the municipality's approved LED Strategy	Number of approved LED Strategies	Number of LED Strategies developed and approved	1	1	0	0	0	0	Fourth Quarter Target	Ensure that targets are met within the required period

5.1 Lower-Layer Service Delivery and Budget Implementation Plan 2019/2020 Performance

Division		Waste Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Percentage of household with access to basic service level of refuse removal	91%	90%	90%	86%	90%	92%	3 753 165	781 722.56	3 753 165	899 548.79	Target Almost Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of businesses with access to basic service level of refuse removal	674	674	674	674	674	674	3 753 165	781 722.56	3 753 165	899 548.79	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Public Awareness campaigns conducted with the Friday Mayoral Cleaning Campaign.	35	36	9	9	9	3	3 753 165	781 722.56	3 753 165	899 548.79	Target Not Met Operational challenges due to resources	Enhance collection rate to ensure the availability of resources

Supporting the delivery of municipal services to the right quality and standard	Percentage compliance of the four (4) landfill sites as per quarterly evaluation	62%	50%	50%	55%	50%	50%	46 235	781 722.56	46 235	899 548.79	Target Well Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of reports of data collected at Ficksburg landfill site submitted to the S A Waste Information Centre	12	12	3	3	3	3	46 235	781 722.56	46 235	899 548.79	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of reports of data collected at Senekal landfill site submitted to the S A Waste Information Centre	12	12	3	3	3	3	46 235	781 722.56	46 235	899 548.79	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of partnerships forged with local recyclers.	4	4	1	1	1	1	46 235	781 722.56	46 235	593 702	Target t Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Reports submitted as designated Waste Management Officer	0	4	1	1	1	1	46 235	781 722.56	46 235	899 548.79	Target Met	Continue monitoring

Division		Waste Management										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of Integrated Waste Management Plan reviewed.	1	1	0	0	0	0	46 235	781 722.56	46 235	899 548.79	Fourth Quarter Target	Ensure that targets are met within required period
Supporting the delivery of municipal services to the right quality and standard	Number of updates on the risk register	4	4	1	0	1	1	46 235	781 722.56	46 235	899 548.79	Target Not Met	Ensure that targets are met achieved within the required period
Supporting the delivery of municipal services to the right quality and standard	Percentage internal/ external audit responds to and addressed within three days	100%	100%	100%	100%	100%	100%	46 235	781 722.56	46 235	899 548.79	Target Met	Continue monitoring

Total	10	11	10	10	10	10						
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Division		Parks and Cemeteries										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of parks managed	9	9	9	6	7	7	408 149	366 485. 53	408 149	405 345.88	Target Not Met	Enhance collection rate to ensure the availability of resources
Supporting the delivery of municipal services to the right quality and standard	Number of recreational facilities managed	7	7	7	3	6	6	408 149	366 485. 53	408 149	405 345.88	Target Not Met	Enhance collection rate to ensure the availability of resources
Supporting the delivery of municipal services to the right quality and standard	Number of trees planted in public places	152	150	160	194	0	0	408 149	366 485. 53	408 149	405 345.88	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of halls cleaned and prepared	13	10	10	11	11	10	408 149	366 485. 53	408 149	405 345.88	Target Almost Met Mapenyadira hall excluded	Ensure that targets are achieved within

													because is not functional	required period
Supporting the delivery of municipal services to the right quality and standard	Number of approved reviewed Integrated Environmental Management Plan	1	1	0	0	0	0	408 149	366 485. 53	408 149	405 345.88		Fourth Quarter Target	Ensure that targets are achieved within required period
Supporting the delivery of municipal services to the right quality and standard	Number of cemeteries managed	21	8	8	8	8	8	297 771	366 485. 53	297 771	405 345.88		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Burial Registers updated	8	8	8	8	8	8	297 771	366 485. 53	297 771	405 345.88		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of updates on the risk register	4	4	1	0	1	1	297 771	366 485. 53	297 771	405 345.88		Target Not Met	Ensure that targets are achieved within required period

Division		Parks and Cemeteries										Reasons for variance	Measures to improve performance	
Key Performance Area		Financial Management												
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals						
				Quarter 1		Quarter 2		Quarter 1		Quarter 2				
				Target	Actual	Target	Actual	Target	Actual	Target	Actual			
Supporting the delivery of municipal services to the right quality and standard	Percentage external and internal audit queries responded to and addressed within timeframe	100%	100%	100%	100%	100%	100%	297 771	366 485. 53	297 771	405 345.88		Target Met	Continue monitoring
Total		9	9	8	8	8	8							

Division		Security Services and Property Maintenance										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of employees submitted for vetting (Security Clearance)	29	20	0	0	10	12	315 449	286 271.31	315 449	294 026.60	Target Well Met High number it is as result of trying to address backlog of employees that must be vetted in order to ensure their security competency	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of security awareness campaigns	1	2	0	0	0	0	315 449	286 271.31	315 449	294 026.60	Third and Fourth	Ensure that targets are achieved

												Quarter Targets	within the required period
Supporting the delivery of municipal services to the right quality and standard	Number of Security Managers Forum meetings attended	4	4	1	1	1	1	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring

Division		Security Services and Property Maintenance										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of properties provided with security	23	23	23	26	23	28	315 449	286 271.31	315 449	294 026.60	Target Well Met Due to crime increase regarding cable theft and vandalism of municipal properties the division had to improve security measures	Continue monitoring

												on those properties	
Supporting the delivery of municipal services to the right quality and standard	Number of municipality properties to be installed with alarm systems and CCTV Cameras [New KPI]	17	4	0	0	1	1	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of Section 4 meetings held	100%	100%	100%	100%	100%	100%	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of security committee established	0	1	1	0	0	0	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of maintenance plan developed	1	1	0	1	0	0	315 449	286 271.31	315 449	294 026.60	Target Extremely Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of properties repaired	100%	100%	100%	100%	100%	100%	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring

Division		Security Services and Property Maintenance										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of updates on the risk register	4	4	1	1	1	1	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage external and internal audit queries responded to and addressed within timeframe	100%	100%	100%	100%	100%	100%	315 449	286 271.31	315 449	294 026.60	Target Met	Continue monitoring
Total		10	11	7	7	8	8						

Division		Public Safety										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of traffic operational plan compiled and approved	1	1	1	1	0	0	231 354	212 456.62	231 354	230 483.92	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of roadblocks conducted	30	30	6	10	10	13	231 354	212 456.62	231 354	230 483.92	Target Well Met This was due to unplanned roadblocks from Provincial and National	Continue monitoring

Supporting the delivery of municipal services to the right quality and standard	Percentage of Traffic fines issued	100%	100%	100%	100%	100%	100%	231 354	212 456.62	231 354	230 483.92	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage on point duty and escorts performed	100%	100%	100%	100%	100%	100%	231 354	212 456.62	231 354	230 483.92	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of Rand received from escorts performed	100%	100%	100%	100%	100%	100%	231 354	212 456.62	231 354	230 483.92	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Percentage of emergencies incidents reported and attended to	100%	100%	100%	100%	100%	100%	231 354	212 456.62	231 354	230 483.92	Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Public Awareness campaigns conducted [Fire; Climate change; Disaster management]	12	24	6	6	6	3	231 354	212 456.62	231 354	230 483.92	Target Not Met This was due to Water crisis that as Disaster Coordinator was leading the programme	Ensure that targets are achieved within required period

Division		Public Safety										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Supporting the delivery of municipal services to the right quality and standard	Number of Disaster Management For a meeting attended	1	2	0	0	1	0	231 354	212 456.62	231 354	230 483.92	Target Not Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Fire Clearance Certificates issued	12	100	25	1	25	5	231 354	212 456.62	231 354	230 483.92	Target Not Met Fire Inspection Officer was hospitalized for long period and there is no	Ensure that targets are achieved within required period

													one who could act on his behalf.	
Supporting the delivery of municipal services to the right quality and standard	Number of risk assessments conducted for events hosted	0	3	1	1	2	2	231 354	212 456.62	231 354	230 483.92		Target Met	Continue monitoring
Supporting the delivery of municipal services to the right quality and standard	Number of Disaster Management Plans reviewed and approved	1	1	0	0	0	0	231 354	212 456.62	231 354	230 483.92		Fourth Quarter Target	Ensure that targets are achieved within required period
Supporting the delivery of municipal services to the right quality and standard	Number of updates on the risk register	4	4	1	0	1	1	231 354	212 456.62	231 354	230 483.92		Target Not Met	Ensure that targets are achieved within required period
Supporting the delivery of municipal services to the right quality and standard	Percentage external and internal audit queries responded to and addressed within timeframe	100%	100%	100%	100%	100%	100%	231 354	212 456.62	231 354	230 483.92		Target Met	Continue monitoring
Total		7	7	6	6	7	6	0	0					

Division		Local Economic Development, Tourism and Sports, Arts and Culture Development										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Creating a conducive environment for economic development	Number of office Walk-Ins by SMME's, Street Traders, Cooperatives and NPO/NGO for assistance, advice, referrals for financing, skills development and registrations.	200	200	50	85	50	92	6 513	18 289.47	6 513	22 053 .89	Target Extremely Met	Continue monitoring
												There was a high influx of entrepreneurs who came to enquire about the Container Hub rental and also for	

												submission of applications.	
Creating a conducive environment for economic development	Number of Entrepreneurs capacitated through trainings; workshops; awareness campaigns; roadshows, information sharing sessions and seminars conducted	0	400	100	614	100	46	6 513	18 289.47	6 513	22 053 .89	Target Extremely Met During the first quarter, there was an increase in the number of trainings and workshops offered by SEDA compared to the second quarter. There was also a high number of attendees in the first quarter compared to the limited sessions offered during the second quarter.	Continue monitoring

Division		Local Economic Development, Tourism and Sports, Arts and Culture Development										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Creating a conducive environment for economic development	Number of SMME's; Cooperatives; NPO/NGO recruited for Incubation Programme and assisted with start-up process; skills development and funding proposal	0	40	0	0	0	0	6 513	18 289.47	6 513	22 053 .89	Fourth Quarter Target	Ensure that targets are achieved within the require period

Creating a conducive environment for economic development	Number of updated Vendor database	1	1	0	0	0	0	6 513	18 289.47	6 513	22 053 .89	Fourth Quarter Target	Ensure that targets are achieved within the require period
Creating a conducive environment for economic development	Number of Business Forum meetings facilitated in each of the 4 Towns of Setsoto municipality	16	16	4	4	4	6	6 513	18 289.47	6 513	22 053 .89	Target Well Met There were urgent issues that needed to be discussed with business that necessitated extra meetings	Continue monitoring
Creating a conducive environment for economic development	Number of Hawkers Associations meetings facilitated in all 4 Towns of Setsoto municipality	4	16	4	1	4	5	6 513	18 289.47	6 513	22 053 .89	Target Well Met There were urgent issues that needed to be discussed concerning Lesotho hawkers	Continue monitoring
Creating a conducive environment for economic development	Number of people assisted through Agricultural Development initiatives undertaken specifically targeting Youth and Women	60	60	30	48	20	146	6 513	18 289.47	6 513	22 053 .89	Target Extremely Met The two 1Household 1Hectare project assisted have high number of beneficiaries	Continue monitoring

Division		Local Economic Development, Tourism and Sports, Arts and Culture Development										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Creating a conducive environment for economic development	Number of projects monitored and evaluated	32	32	8	4	8	9	6 513	18 289.47	6 513	22 053 .89	Target Not Met We need to do extra number in order to catch up with the backlog on this activity	Ensure that targets are achieved within the require period

Creating a conducive environment for economic development	Number of approved Sector Plans [LED Strategy review]	0	1	0	0	0	0	6 513	18 289.47	6 513	22 053 .89	Fourth Quarter target	Ensure that targets are achieved within the require period
Creating a conducive environment for economic development	Number of databases for Arts & Crafters updated	1	1	1	1	0	0	6 513	18 289.47	6 513	22 053 .89	Fourth Quarter target	Ensure that targets are achieved within the require period
Creating a conducive environment for economic development	Number of updated tourism Establishment database	1	1	0	0	1	1	6 513	18 289.47	6 513	22 053 .89	Fourth Quarter target	Ensure that targets are achieved within the require period
Creating a conducive environment for economic development	Number of Crafters & Tourism SMME's assisted in development programmes [e.g. crafters market; exhibitions; tour guide Programme]	68	50	25	39	25	28	6 513	18 289.47	6 513	22 053 .89	Target Extremely Met The target was slightly exceeded because there were more crafters participating in the Cherry Exhibitions	Continue monitoring

Division		Local Economic Development, Tourism and Sports, Arts and Culture Development										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Creating a conducive environment for economic development	Number of Business Licenses issued	200	200	50	0	0	0	6 513	18 289.47	6 513	22 053 .89	Target Not Met There are 46 applications that have been received	Ensure that targets are achieved within the require period

													but none have been approved yet. This is because applications need to be verified by Building Inspectorate Fire Inspector and Town Planning and this process may take more that 30 days to resolve ad in some instances requires law enforcement to be involved	
Creating a conducive environment for economic development	Number of Hawker permits issued	50	80	20	0	20	43	6 513	18 289.47	6 513	22 053 .89	Target Well Met	The law enforcement conducted operations during December that is why the hawkers came forward to pay for permits	Ensure that targets are achieved within the require period
Creating a conducive environment for economic development	Number of activities on sports, arts and culture programmes implemented	4	6	2	2	2	2	6 513	18 289.47	6 513	22 053 .89	Target Met		Continue monitoring
Creating a conducive environment for economic development	Number of sports council meeting facilitated	0	4	1	1	1	0	6 513	18 289.47	6 513	22 053 .89	Target Met		Continue monitoring
Creating a conducive environment for economic development	Number of Sports and Recreation Council training/ workshop conducted	0	2	0	0	0	0	6 513	18 289.47	6 513	22 053 .89	Third and Fourth Quarter Target		Ensure that targets are achieved within the require period

Division		Local Economic Development, Tourism and Sports, Arts and Culture Development										Reasons for variance	Measures to improve performance
Key Performance Area		Financial Management											
Planning Statement	KPI	Baseline Indicator	Annual Target	Service Delivery and Budget Implementation Plan Quarterly Targets and Actuals				Budget Quarterly Targets and Actuals					
				Quarter 1		Quarter 2		Quarter 1		Quarter 2			
				Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Creating a conducive environment for economic development	Number of updates on the risk register	4	4	1	1	1	1	6 513	18 289.47	6 513	22 053 .89	Target Met	Continue monitoring
Creating a conducive environment for economic development	Percentage external and internal audit	100%	100%	100%	100%	100%	100%	6 513	18 289.47	6 513	22 053 .89	Target Met	Continue monitoring

	queries responded to and addressed within timeframe.													
Total		14	19	14	14	13	13							