

# Phumelela Local Municipality



## Mid-Year Budget and Performance Report 2011/2012



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# P A R T A

## Executive Summary



# Mid-Year Budget and Performance Report

*for the period 1 July – 31 December 2012*

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## 1.1 Legislative Requirement

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This Report is compiled in compliance with the requirements of section 72 of the Municipal Finance Management Act, 2003 (Act 56 of 2000; as amended).

*Requirements of section 72 of the MFMA:*

### **Mid-year budget and performance assessment**

**72.** (1) 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-

- (i) the monthly statements referred to in section 71 for the first half of the financial year;
- (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan; and
- (iii) the past year's annual report, and progress on resolving problems identified in the annual report;
- (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and

(b) submit a report on such assessment to-

- (i) the mayor of the municipality;
- (ii) the National Treasury; and
- (iii) the relevant Provincial Treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

(3) The accounting officer must, as part of the review--

(a) make recommendations as to whether an adjustments budget is necessary; and

(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.



## 1.2 Assessment of Service Delivery Performance in terms of the 2010/11 Service Delivery and Budget Implementation Plan (SDBIP)

### 1.2.1 Service Delivery Highlights, in respect of priority performance areas

Highlight	Implications for the 2011/12 Adjustment budget
Municipality providing water and sewerage infrastructure to new development areas in Memel-Zamani (350) and Warden-Ezenzeleni (400) (Greenfield areas).	Funded by Human Settlements Budgeted funds adequate. No implications foreseen
350 erven in Warden and Ezenzeleni: Busy installing water and sanitation infrastructure. Changing level of services from community taps to yard connections. 6 months projects, started in November 2011 – will be finished by end of May. (Due to rain, there may be an extension to the end of June).	Adequate funds. Provision has been made for contingencies. No implications for the adjustment budget
All registered indigent households receiving free basic water according to national requirements	Adequate funds. No implications for the adjustment budget
Training of 10 quality process controllers that are currently in process	Adequate funds. No implications for the adjustment budget
Process of the construction of the new dam at Warden has commenced: Project divided into three categories: 1. Built a water reservoir and pressure in Ezenzeleni (20% completed – contractor on site) 2. Complete pipeline from the Dam to the reservoir (to be advertised in first week of February) 3. Building of new dam (to commence in August 2012)	Project to be undertaken in phases: Budget to be handled accordingly
All sections of the population has access to sanitation, but on different levels: <ul style="list-style-type: none"> <li>In Zamani only 142 use waterborne sewerage system; rest of stands have VIP and pit toilets (750)</li> <li>In Ezenzeleni / Thembalihle all households use full waterborne, except the informal settlements</li> <li>All other areas have full waterborne systems</li> </ul>	In Thembalihle, 226 houses require toilet structure R1,38 million
Households provided with sewerage infrastructure = 250 in the municipal area. The process is 98% completed, but no houses are built at this stage – bulk sanitation infrastructure are provided to greenfield at this stage	MIG Project (budget adequate)
15 sanitation units for DuRandt Single community constructed	No implications
Replace the asbestos pipes with plastic pipes (meters): 400 meters	R500,000 required for second semester
Construction of phase III of the Memel water purification works: 98% completed	Adequate funding available (MIG) – no implications for the adjustment budget. Phase III to be registered in next financial year
Full waterborne systems of sanitation in Memel (oxidation ponds): Project 80% completed. Has been advertised. Site handover on the 9 <sup>th</sup> of January (8 weeks to complete)	R2,000,000 from district. Total project cost = R2,3 million. R300,000 to be approved by Council. (Budgeted for R1,9 – but R2 million was subsequently received from the district)
Sewerage treatment works in Warden – project registered for R15 million. R6,8 million spent to date on phases I and II. Municipality to budget to complete the Project (to be funded by MIG). Registered in 2006 – due to delays there is a possibility that the registered amount may be exceeded. Municipality intends to advertise remaining scope.	The possible shortfall will inform the budget adjustment, or COGTA will be approach to increase the registered amount. Not to be addressed in the current financial year.
Human Settlements has funded the municipality to do a study about the construction of landfill sites. Municipality aware of where legal dumping sites must be constructed.	Municipality to budget for at least one of the legal dumping sites to be constructed in next financial year



Highlight	Implications for the 2011/12 Adjustment budget
All households have access to electricity (100%)	No implications for the adjustment budget
Electricity audit has been conducted. Report has been submitted to Council.	Commencing of repair activities to be budgeted as from the 2012/13 financial year
Service provider has been appointed and a seal has been installed to meters to prevent defaulting. (More than 10 has been achieved)	Budgeted for – no implications for the adjustment budget
<b>Sport facilities:</b> One multi-purpose center under construction Warden. R10,2 million (include construction and professional fees). Funded by Human Settlements; Upgrading of tennis, volleyball court and netball court in Thembalihle (not paid by municipality)	External funding and funded by a donor. No implications for the adjustment budget
<b>Job creation:</b> One company (Seriti) running the local community works development programme = 100 temporary jobs per town (300). Started in September = 1,200 jobs On capital project (labour recruitment from the community)(EPWP)	R46,680 required in 2 <sup>nd</sup> semester, because of the municipality paying the workers for two months
<b>Addressing outstanding debtors:</b> Debtors increasing on a monthly basis. Council has therefore approved the amnesty (50/50) to increase value of monthly collection. Data cleansing may reduce value of debtor's book – real values will only be available after cleansing. Only then realistic targets for collection could be set	Function adequately funded - No implications for the adjustment budget
Appointment of a Creditors (1) and (2) Payroll Clerk	Posts have been budgeted for – fully funded, no implications for the adjustment budget
Review of the Municipal staff establishment (structure)	Function adequately budgeted for – no implications for the adjustment budget
Filling of key vacancies: <ul style="list-style-type: none"> <li>Budget and Treasury Manager</li> <li>SCM Manager (interviews have been conducted)</li> <li>Fleet officer</li> </ul>	Function adequately budgeted for – no implications for the adjustment budget

## 1.2.2 Key Challenges in Service Delivery

Challenges	Implications for the 2011/12 Adjustment budget
Number of rural households benefiting from boreholes: Only budgeted for maintenance. Additional expansions shifted to next financial year's budget	Only budgeted for maintenance. No implications for the adjustment budget
Audit opinion: All departments and sections of the municipality need to integrate and intensify efforts to implement and improve internal controls	No immediate implications for the adjustment budget
Need to review and upgrade the Water Services Development and Water Safety Plans	Provision must be made for the funding of the WSDP during the adjustment budget process (R250,000)
Upgrade and maintain existing public toilets facilities in the municipal area: Facilities at cemeteries (graveyards) (Inadequate funds on budget for the current financial year: Needs to be extended to the next financial year)	To be budgeted for in the next financial year (2012/13).
Approval of an improved cemetery maintenance system Identification of sites for new cemeteries. Building inspector submit report about new cemeteries sites to be approved by Council prior to establishing it. Was submitted to Council, but still under consideration.	Budgeted funds adequate, no implications for the adjustment budget foreseen
The municipality's inadequate powers and resources to deal with local disasters: Disasters are handled by the District. The Municipality must only provide a report to the district. The municipality was forced to fix some of the houses damaged in a storm in December 2011.	Cost of replacing roofs – additional funding requirements to be considered. Specific amount not yet available
Persistent problems due to the valuation roll that does not reconcile with value on the financial system. There is an urgent need to reconcile valuation roll with system data (ABAKUS).	Adequate funds available.
Risks not yet identified, and therefore no 3 year rolling audit plan could be submitted to the Audit Committee	Function adequately budgeted for – no implications for the adjustment budget
Lack of Audit Committee functions: Using shared service with the district	Function adequately budgeted for – no implications



Challenges	Implications for the 2011/12 Adjustment budget
(Thabo Mofutsanyana Audit Committee)	for the adjustment budget



## Part B

A detailed analysis of the performance of the Municipality in terms of its IDP priorities and SDBIP targets for the period 1 July – 31 December 2011 is included in Part B of this Report.

### 1.3 Performance Issues from the 2010/11 Annual Report

Issues specifically mentioned in the 2010/11 Annual Report that required action in the 2011/12 financial year, and that have subsequently enjoy attention are as follows:

2010/11 Annual Report	2011/12 Mid-Year Performance Assessment
Finalize arrangements for the functions of the audit committee to be performed	A shared services agreement with the district for the utilization of the district's Audit Committee has been concluded
Review of the organizational structure: Revised staff establishment. Several vacancies in key management and operational posts	Strengthening of the organizational structure: Filling of key vacancies, based on the requirements of the Employment Equity Plan
Finalisation of targets to promote BBBEEs and SMMEs in municipal SCM planning documents: Establishment of a SCM unit to record transactions and check for SMME and BBBEE compliance	SCM Unit established; in the process of being operationalized and resourced with skilled staff
Multiple LED targets included in SDBIP for which the municipality does not have the capacity to implement and achieve	LED targets concentrate on realistic targets and are mostly aimed at job creation
Sports Development Programme to be developed	Sports Development Programme not yet developed – target has been changed to reflect the realistic expectation for the upgrading of sporting facilities
Updating the indigent register	Indigent register has been updated
Water Services Development Plan	Water Services Development Plan review still on the SDBIP: Will be addressed as a matter of urgency. Funds to be requested as part of the adjustment budget process
Construct public toilets facilities (one in each town) (Not achieved)	The target has been withdrawn the 2011/12 SDBIP
Ensure that all schools in rural areas have access to sanitation	Inadequate funds and capacity. The target has been removed from the 2011/12 SDBIP.
A service provider has been appointed to assist the municipality to maintain landfill sites in Vrede.	The process of constructing of legal landfill sites also features in the 2011/12 SDBIP and a feasibility study has since been completed.



## 1.4 Performance Improvement Measures

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The managers of the Phumelela Municipality have identified the following issues as priority focus areas for intervention during the second semester of the 2011/12 financial year:

- In Zamani not all the Greenfields will be covered with the provision of water infrastructure – approximately 200 stands will not have yard connections and are still using the communal taps. This must be covered in the next financial year's budget.
- Provision of infrastructure and services to cemeteries is a major priority for the community.
- Sewerage treatment works in Warden – project registered for R15 million. R6,8 million spent to date on phases I and II. Municipality to budget to complete the Project (to be funded by MIG). Registered in 2006 – due to delays there is a possibility that the registered amount may be exceeded. Municipality intends to advertise remaining scope. The possible shortfall will then inform the budget adjustment, or COGTA will be approach to increase the registered amount.
- Sewerage in Zamani 95% completed (equivalent to allocated amount). R1,6 needed to complete in full.
- Revenue collection – vending machine in township required (R50,000) – next financial year - Ezenzeleni
- Municipality must budget for water and sanitation to cemeteries in next financial year.
- Training of all finance officials in the use of the financial system (ABAKUS)
- Ensure that all critical vacant positions in the Finance Department are filled: SCM Manager, Budget and Treasury Officer, Senior Debtors Clerk (3 temporary personnel appointed on a month-to-month basis to fulfill the vacant clerical roles)
- Establish an independent credit and debt management unit (10 officials)
- Draw up an Action Plan to address the audit queries
- Sourcing capacity-building interventions from Provincial Treasury and COGTA
- Measures to avoid over-expenditure
- Establishment of IT infrastructure and accessibility of Internet connections to all staff members are critical for Finance to perform its functions
- Posts budgeted for but not yet filled: Director Community Services, Town Planner (in terms of report from COGTA), IDP and PMS Manager, Municipal Manager, HR Manager and Electrician

The municipality has also prepared an action plan to improve its performance management, monitoring and reporting processes. These initiatives include the following:

- The Municipality is in the process of reviewing its IDP and SDBIP programmes and projects to make sure that only those programmes and projects that are affordable and implementable are reflected in the strategic documents. The majority of the KPIs and targets listed in the audit report originated from unrealistic IDP and SDBIP plans.
- Managers will have to start relating their planned activities and aims for a specific future financial year into measurable, precise terminologies, and convey it as such to whoever is responsible for the review of the IDP and SDBIPs.
- The Municipality has introduced improved capital budgeting templates and controls, which will enable it to better anticipate its capacity to undertake certain programmes and projects over the coming MTREF and 5-year planning periods.
- Technical IDP and SDBIP workshop[s] that will also serve as training (coaching / mentoring) sessions have been scheduled to ensure that objectives, key performance indicators and targets to be included in the 2012/13 IDP and SDBIP will be specific, measurable and time-bound.



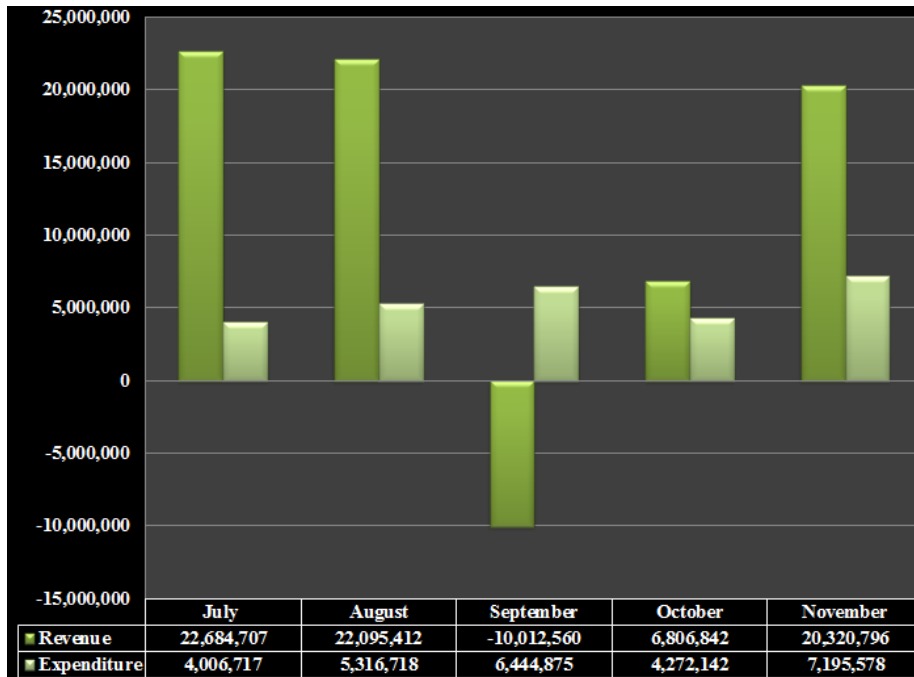


- The objectives, KPIs and targets included in the 2011/12 SDBIP will be reviewed to improve the specific, measurable and time-bound requirements thereof during the mid-year performance and budget review processes to be conducted during January – February 2011.
- A template that may guide managers in translating service plans and activities into measurable terms has been made available to the senior managers.
- Measures have been introduced since August 2011 to conduct official quarterly performance assessment and evaluation workshops, related back to the actual performance of the Municipality in terms of the Municipal SDBIP. Minutes of these meetings will in future be filed for record-keeping and audit purposes.
- The Municipality will in future decide about strategies to improve performance during the indicated performance assessment sessions and workshops. Minutes of these meetings will be held for audit purposes.
- The Internal Auditor will validate the performance reports (information) provided by managers twice a year, as required in terms of the Planning and Performance Management Regulations, 2001. This will include verifying the performance data provided by managers on a sample basis; especially in respect of the Mid-Year Budget and Performance and the Annual Reports and visit projects and other initiatives indicated in the SDBIP to verify progress reported.
- The recommended Shared Service with the District in terms of the finalization of a Performance Level Agreement to make available the services of an Audit Committee to the Phumelela Local Municipality must be concluded as soon as possible.
- The internal record-keeping and procedural communication procedures of the Municipality has been refined; including re-assigning responsibilities, to ensure that the performance reports are in future submitted to Treasury and the Office of the AG as required in legislation.
- A checklist has been compiled and distributed to the different relevant managers to ensure that all the statutory required information is included in the Annual Report.
- Inadequate record-keeping of community engagement opportunities have since enjoyed attention through improved control measures and re-assigning responsibilities.

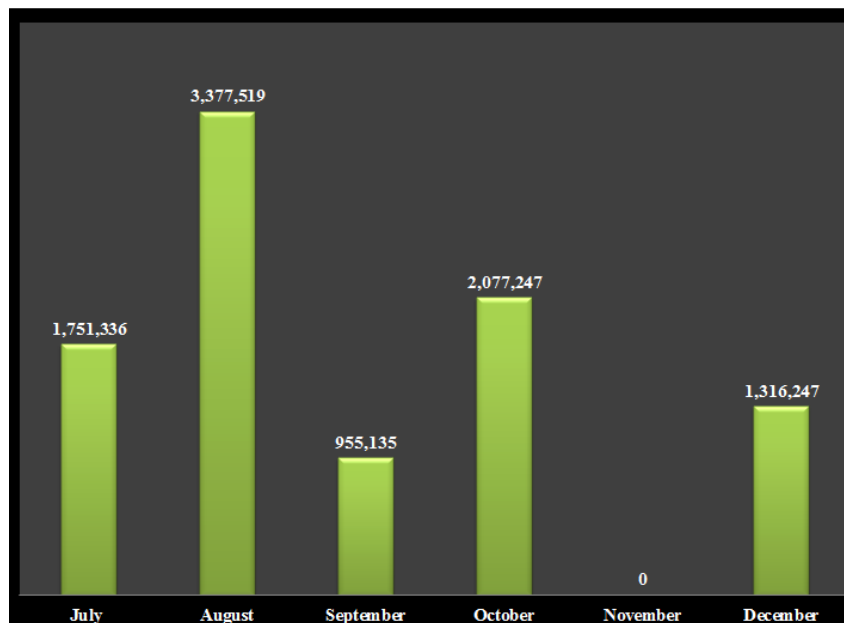


## 1.5 Summary of Financial Position of the Municipality, based on the Section 71 Reports for the First Six Months of the Financial Year

### 1.5.1 Operating Expenditure

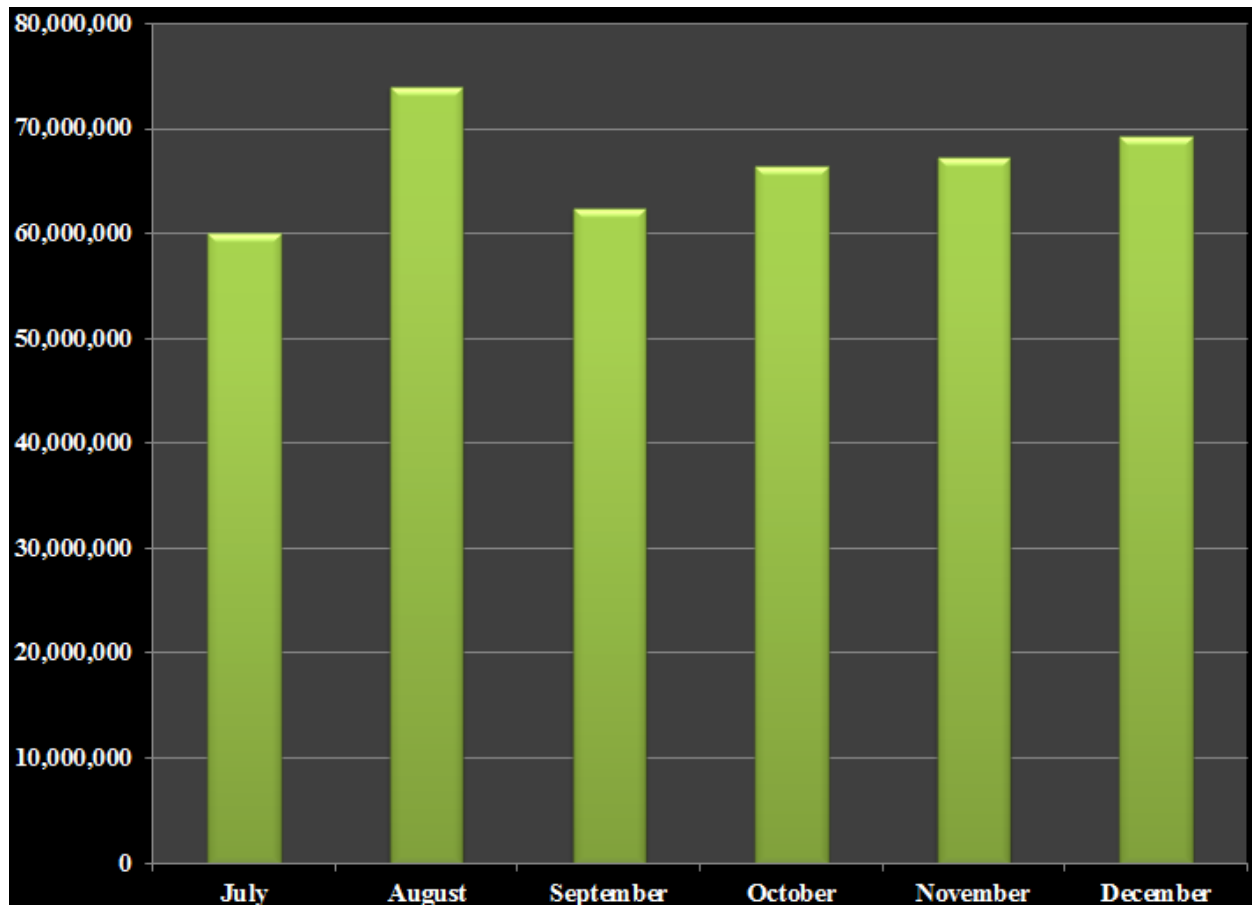


### 1.5.2 Capital Expenditure





### 1.5.3 Age Analysis of Outstanding Debtors



#### Part C

A detailed analysis of the monthly section 71 reports for the period 1 July – 31 December 2011 is included in Part C of this Report.



# P A R T B

## Evaluation of Actual Performance against SDBIP Targets for the period 1 July- 31 December 2011



## 2.1 Priority 1: Water

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Base-line (performance reflected in Annual Report, 2010/11)	Unit of measurement	Quarter 1	Quarter 2	Actual performance + Motivation of deviations	Adjustment budget	Annual Target
To ensure that all (100%) of households have basic level of water by 2014.	Percentage of household with access to basic level of water provision Construction of community taps in Warden	100%	<ul style="list-style-type: none"> <li>Percentage of households receiving basic level of water supply</li> <li>In Zamani not all the Greenfields will be covered – approximately 200 stands will not have yard connections and are still using the communal taps. This must be covered in the next financial year's budget</li> </ul>	100%	100%	<p>100%</p> <p>New development areas in Memel-Zamani (350) and Warden-Ezenzeleni (400) (Greenfield areas). Municipality providing water and sewerage infrastructure.</p>	Funded by Human Settlements Budgeted funds adequate. No implications foreseen	100%
		Warden=6 Zamani = 11	<ul style="list-style-type: none"> <li>Number of communal taps constructed</li> </ul>		350	<p>Busy installing water and sanitation infrastructure. Changing level of services from community taps to yard connections. 6 months projects, started in November 2011 – will be finished by end of May. (Due to rain, there may be an extension to the end of June).</p>	<p><b>Budget:</b> Adequate funds. Provision has been made for contingencies. No implications for the adjustment budget</p>	350
		4 boreholes servicing the municipality	<ul style="list-style-type: none"> <li>Number of rural households benefiting from boreholes</li> </ul>			Shifted to next financial year.	Only budgeted for maintenance. No implications for the adjustment budget	6 rural house-holds



IDP Objective	Key Performance Indicator	Base-line (performance reflected in Annual Report, 2010/11)	Unit of measurement	Quarter 1	Quarter 2	Actual performance + Motivation of deviations	Adjustment budget	Annual Target
To ensure that all (100% of) indigent households to have access to Free Basic Water by 2014.	Percentage of indigent households receiving Free Basic Water.	127 completed in previous financial year	Number of water meters installed	30 meters per month = 90	30 meters per month = 90	Target achieved.	<b>Adjustment budget:</b> Current allocations are adequate	All households serviced
To ensure that acceptable water quality (DWA standards) is maintained at all times (to be achieved by 2014)	<ul style="list-style-type: none"> <li>• Participation in the blue drop assessment process</li> <li>• Train the communities about awareness when dealing with water</li> </ul>	1 awareness campaign in previous financial year (September) Daily tests are conducted	Number of awareness campaigns	1	1	None conducted. Department of Water Affairs drive the programme; municipality just assist.	External funding	4
			Finalisation of Water Safety Plan		1	All documentation submitted to DWA. Feedback awaited	No budgeted implications	1
			Training of qualified process controllers			Current in process. Started September 2011 (10 people).	<b>Budget implications:</b> Submitted to SETA. Must be refunded. However, no refunds are expected during the current financial year	10
			Daily testing of water samples for quality control purposes	Daily	Daily	Daily tests are conducted. Monthly submissions to accredited lab – results to be published (as from end of January)	<b>Budget</b> R16,000 per month that must be addressed with the adjustment budget process	Daily
To reduce and limit unaccounted for water losses to below 20% by 2014	<ul style="list-style-type: none"> <li>• Regularity of meter readings</li> <li>• Installation of water meters (measured in terms of the number installed)</li> </ul>		Regularity of meter readings	According to municipal schedule	According to municipal schedule	Department of Water Affairs identified and repaired water leakages that caused water losses. Approximately 20-25% of the municipal area was covered	R800,000 Funded by DWA. No implications for the adjustment budget	According to municipal schedule
			Number of	1	1	An water awareness	<b>Budget</b>	4



IDP Objective	Key Performance Indicator	Base-line (performance reflected in Annual Report, 2010/11)	Unit of measurement	Quarter 1	Quarter 2	Actual performance + Motivation of deviations	Adjustment budget	Annual Target
	<ul style="list-style-type: none"> <li>Awareness campaigns about water leakages (measured in terms of number)</li> </ul>		awareness campaigns			campaign was launched before the project to repair leakages commenced	Municipal own funding will be considered during the adjustment budget process to supplement budget for additional requirements	
To review and approve the Water Services Development Plan according to legislative requirements before the closing of the 2011/12 financial year	Regulatory and statutory requirements for the compilation of a (1) WSDP	Not reviewed – 2004 plan in place	Number of WSDPs reviewed			<p>Official attended workshop for WSDP in Bloemfontein</p> <p><b>Budget:</b> Provision must be made for the funding of the WSDP during the adjustment budget process</p>	<b>Adjustment budget</b> R250,000 required	1
To ensure uninterrupted water supply to all formal settlements during the scope of the 2011/12 financial year	Construction of new dam in Warden	Planning started	New dam in Warden completed			<p>Project divided into three categories:</p> <p>3. Built a water reservoir and pressure in Ezenzeleni (20% completed – contractor on site)</p> <p>4. Complete pipeline from the Dam to the reservoir (to be advertised in first week of February)</p> <p>5.3. Building of new dam (to commence in August 2012)</p>	Project to be undertaken in phases: Budget to be handled accordingly	1



## 2.2 Priority 2: Sanitation

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual performance + motivation of deviations	Implications for the adjustment budget	Annual Target
To ensure that all (100%) of households in formal residential areas have basic level of sanitation by 2014	Percentage of households having access to basic level of sanitation	Percentage of households having access to basic level of sanitation	100%	100%	100%	All sections of the population has access, but on different levels: In Zamani only 142 use waterborne sewerage system; rest of stands have VIP and pit toilets (750) In Ezenzeleni / Thembalihle all households use full waterborne, except the information settlements All other areas have full waterborne systems	<b>Adjustment budget:</b> In Thembalihle, 226 houses require toilet structure R1,38 million)	100%
		Number of houses in extension 4 provided with full waterborne systems of sanitation	New			Households provided with sewerage infrastructure = 250 Process 98% completed, but no houses – just Greenfield at this stage	MIG Project (budget adequate)	400
		Sanitation for DuRandt Single Community: Number of sanitation units	New	15: Sanitation for DuRandt Single community		Target achieved	None	15
		Replace the asbestos pipes with plastic pipes (meters)			400 meters: replacement of asbestos pipes	Replaced on an ad hoc-basis; as the need arises	<b>Adjustment budget</b> R500,000 required for second semester	400 meters
		Opening of			100%	Done according to community needs	<b>Budget</b>	100% by





IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual performance + motivation of deviations	Implications for the adjustment budget	Annual Target
		blocked pipes in Warden town (% according to need / requirement)				(as reported) – target of 100% achieved	R10 million required. Business Plan to be submitted to COGTA / Human Settlements	the closing of the financial year
All indigent households (100% of those registered on the indigent register) to have access to FBS by 2014.	Percentage indigent households benefiting from free basic sanitation services	Number of public toilets (Upgrade and maintain existing public toilets facilities in the municipal area): Facilitates at cemeteries (graveyards)		100% of facilities at all graveyards in the Phumelela municipal area		Not yet attended. Important, because it is a high priority to the local community	<b>Budget</b> To be budgeted for in the next financial year (2012/13).	100% of facilities at all graveyards in the Phumelela municipal area
Develop a Water Treatment Masterplan (Review of the Infrastructure Master Plan before the closing of the 2011/12 financial year)	Annual review of the Infrastructure Master plan	Number of public toilet facilities at percentage of taxiranks upgraded	Plan available			To be addressed in the fourth quarter	Budgeted funds adequate	1
To ensure that schools and households in the rural areas have access to sanitation that at least comply to minimum RDP standards (long-term objective:	Number of schools using the VIPs.	Number of public toilet facilities at percentage of pension pay-out points upgraded				Part of Masterplan. To be reviewed in fourth quarter	No implications for the adjustment budget - Budgeted funds adequate	1



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual performance + motivation of deviations	Implications for the adjustment budget	Annual Target
2011/12 objective: Complete a needs analysis at schools and rural households; assistance to 2 rural schools to construct VIP toilet facilities)								
To ensure acceptable quality of waste water management, as measured in terms of the municipality's green drop certificate process result (output). (Green drop certification by 2012)	Participation in the green drop assessment process (Measurable target: Green drop certification status).	Review of the Infrastructure Master plan (Number of plans reviewed)				Pre-Assessment was attended in November. Final one on 20 February 2012. Pre-assessment – requirements were communicated	No implications for the adjustment budget - Budgeted funds adequate	Green drop certification
		Perform a needs analysis to determine needs and prioritize (number of needs analyses' completed)				Training has commenced and 10 officials are attending classes	No implications for the adjustment budget - Budgeted funds adequate	10
	Assist 2 rural schools – VIPs (Number of schools)				Part of green drop assessment process.	No money available in current financial year. To be budgeted for in next financial year	1 Water Safety Plan	
	Number of sanitation health awareness campaigns	Participation in the 2011 Green Drop assessment process (certification status achieved)				Sewerage and water campaign conducted by DWA - finalised	External funding – no implications for the adjustment budget	1 campaign
To ensure maintenance of	Sewerage purification	Construction of phase III of the				98% completed.	Adequate funding available (MIG) – no	Complete the works



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual performance + motivation of deviations	Implications for the adjustment budget	Annual Target
sanitation infrastructure and services. For the 2011/12 financial year the targets will relate to the completion of Phase III of the Memel water purification works and the provision of full waterborne systems in Memel to replace the oxidation ponds.	on and reticulation (Progress with purification works and installation of waterborne sanitation systems)	Memel water purification works					implications for the adjustment budget. Phase III to be registered in next financial year	and commission it.
		Full waterborne systems of sanitation in Memel (oxidation ponds)				Project 80% completed. Has been advertised. Site handover on the 9 <sup>th</sup> of January (8 weeks to complete)	<b>Adjustment budget</b> R2,000,000 from district. Total project cost = R2,3 million. R300,000 to be approved by Council. (Budgeted for R1,9 – but R2 million was subsequently received from the district)	100% completed

- Provision of infrastructure and services to cemeteries is a major priority for the community.
- Sewerage treatment works in Warden – project registered for R15 million. R6,8 million spent to date on phases I and II. Municipality to budget to complete the Project (to be funded by MIG). Registered in 2006 – due to delays there is a possibility that the registered amount may be exceeded. Municipality intends to advertise remaining scope. The possible shortfall will then inform the budget adjustment, or COGTA will be approach to increase the registered amount.
- Sewerage in Zamani 95% completed (equivalent to allocated amount). R1,6 needed to complete in full.



## 2.3 Priority 3: Streets & Stormwater

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
To annual review and update the streets and storm water infrastructure master plan before the closing of the 2011/12 financial year	Streets and storm water infrastructure are included in the comprehensive Infrastructure Maintenance Plan finalized during the 2010/11 financial year. Plan to be reviewed as part of annual review.	Number of reviews of the Masterplan for 2011/12				Masterplan will inform the prioritisation of streets and stormwater infrastructure maintenance and upgrading	Will be done in the 2012/13 financial year	1

## 2.4 Priority 4: Waste Management

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
To ensure that waste disposal sites are developed and regulated in all areas and according to legal requirements and environmental health	Construction of legislative compliant waste disposal sites in Warden and Zeleleni	Start with construction of waste disposal site in Warden and Zeleleni	Feasibility studies completed	No target	No target	Human Settlements has funded the municipality to do a study about the construction of landfill sites. Municipality aware of where legal dumping sites must be constructed.	Municipality to budget for at least one of the legal dumping sites to be constructed in	Construction commenced



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
standards (100% compliance with prescribed legislative requirements) (2011/12 target: Construction of waste disposal site in Warden and Zezeleni to start before closing of financial year)							next financial year	

## 2.5 Priority 5: Electricity

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
To compile an electricity maintenance manual before the closing of the 2011/12 financial year to ensure proper maintenance of networks under control of the municipality	Electricity Maintenance Manual compiled	<ul style="list-style-type: none"> <li>Number of manuals compiled</li> <li>All targets = 100% in terms of the requirements of the Electricity Maintenance Manual and functional/operational need</li> </ul>	Not yet performed	On-going maintenance in Warden as and when the need is identified	On-going maintenance in Warden as and when the need is identified	Service provider has been appointed to assist the municipality Electricity Maintenance Manual to be developed before losing of the FY	Budgeted for – no implications for the adjustment budget	1 = completion of the Electricity Maintenance Manual On-going maintenance in Warden as and when the need is identified
To refurbish the electricity network to reduce costs	Percentage maintenance of the electricity	Percentage maintenance according to the	100%	100%	100%	All households have access to electricity	No implications for the	100%



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
accumulating due to leakages and losses in Warden (100%, according to the maintenance needs and requirements of the town in respect of the 2011/12 financial year)	network in Warden	maintenance needs and requirements of the town					adjustment budget	
To perform an electricity audit, to be finalised before the closing of the 2011/12 financial year	Number of electricity audits finalized	Finalization of the electricity audit	Electricity audit conducted	No target	No target	Audit has been conducted. Report has been submitted to Council.	Commencing of repair activities to be budgeted as from the 2012/13 financial year	1
To maintain and expand access to electricity. (Long-term objective. For 2011/12, the objective will be measured in terms of the reduction in the number of account defaulters)	Number of defaulting accounts decreased	Reduced the number of accounts by 10 defaulters	New target	Annual target	Annual target	Service provider has been appointed and a seal has been installed to meters to prevent defaulting. (More than 10 has been achieved)	Budgeted for – no implications for the adjustment budget	10
		Percentage of users of pre-paid electricity meters to could purchase electricity over weekends when required	100% (with some delays and non-availability at times)	100%	100%	Electricity available to all over weekends	No implications	100%

- Revenue collection – vending machine in township required (R50,000) – next financial year for Ezenzeleni



## 2.6 Priority 6: Cemeteries

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Budget implications	Annual Target
To provide and maintain sufficient cemeteries and facilities in all urban areas within the next year, as measured in terms of the following indicators for 2011/12: <ul style="list-style-type: none"> <li>• Approval of an improved cemetery maintenance system; and</li> <li>• Identification of 2 sites for new cemeteries</li> </ul>	<ul style="list-style-type: none"> <li>• An improved cemetery maintenance system developed and implemented</li> <li>• Identification of 2 sites for new cemeteries</li> </ul>	Approval of an improved cemetery maintenance system Identification of sites for new cemeteries	Cemetery maintenance system inadequate	No target	No target	Building inspector submit report about new cemeteries sites to be approved by Council prior to establishing it. Was submitted to Council, but still under consideration.	Budgeted funds adequate, no implications for the adjustment budget foreseen	1 Improved cemetery maintenance system completed and approved 1 New cemetery site in Warden and 1 in Vrede

- Municipality must budget for water and sanitation to cemeteries in next financial year.



## 2.7 Priority 7: Disaster and Environmental Management

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the adjustment budget	Annual Target
To provide local assistance with the alleviation of disasters as and when required during the 2011/12 financial year	Local assistance provided for the alleviation of disasters	Respond to emergencies as and when required, within the capacity of the municipality		Disaster response assistance as and when required. No specific targets have been set. Measures will depend on the occurrence of events requiring assistance.		Disasters are handled by the District. The Municipality must only provide a report to the district. The municipality was forced to fix some of the houses damaged in a storm in December 2011.	<b>Adjustment Budget:</b> Cost of replacing roofs – additional funding requirements to be considered. Specific amount not yet available	District function – Municipality must only assist
To promote a safe and secure environment. (For 2011/12 the target relates to 4 awareness campaigns)	Promote environmental awareness through quarterly awareness campaigns	Number of awareness campaigns			1	One awareness campaign was conducted. Municipality is mostly monitoring disasters. Another event planned for second part of the financial year	Budgeted funds adequate – no implications for the adjustment budget	2





## 2.8 Priority 8: Sport and Recreation

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
To develop and implement a Municipal Sports Development Programme before the closing of the 2011/12 financial year. (The objective will be measured in terms of the development of a Sports Development Programme and the functionality of the local Sports Council).	Sports Development Programme developed (annual review) and implemented.	Sports Development Programme not developed			<ul style="list-style-type: none"> <li>One multi-purpose center under construction Warden. R10,2 million (include construction and professional fees). Funded by Human Settlements</li> <li>Upgrading of tennis, volleyball court and netball court in Thembalihle (not paid by municipality)</li> </ul>	External funding and funded by a donor. No implications for the adjustment budget	Sports Development Programme reviewed Sports Council functional (at least one meeting in the financial year)
Number of libraries opened to the public and functional throughout the 2011/12 financial year	Libraries operated and managed effectively	5 Libraries operated and managed effectively	5	5	5	Budget adequate - No implications for the adjustment budget	5
To maintain parks and other recreational facilities throughout the financial year 2011/12, as measured in terms of the maintenance of parks and other recreational facilities according to identified needs and/or internal municipal schedules	Uninterrupted maintenance of existing parks and recreational facilities according to demands and municipal schedules	Uninterrupted maintenance of existing parks and recreational facilities according to demands and municipal schedules-100%	100%	100%	100% Registered project (priority 3): New park in Thembalihle	Registered project – new park. To be budgeted in next financial year	100%



## 2.9 Priority 9: Local Economic Development

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
To create a minimum of 1,040 permanent and temporary jobs in the Phumelela LM area during 2011/12	Number of jobs created in the Phumelela LM area during the 2011/12 financial year	Number of jobs created	No reliable statistics available	No target – annual target	No target – annual target	One company (Seriti) running the local community works development programme = 100 temporary jobs per town (300). Started in September = 1,200 jobs On capital project (labour recruitment from the community)(EPWP)	<b>Adjustment budget</b> R46,680 required in 2 <sup>nd</sup> semester	1,040 (accumulative over the 4 quarters of The FY)
To promote SMMEs and BBBEs in the municipality (For the 0211/12 financial year, this objective will be measured in terms of the incorporation of the BBBE and SMME promotion into the SCM systems and processes of the Municipality)	SMME and BBBE promotion	Establishment of fully functional SCM Unit	SCM Unit was not in place – no capacity to maintain data-bases	No target	100%	Two officials have been appointed. Section will be fully functional. Part of responsibilities will be SMME and BBBE compliance and bidding processes	No implications for the adjustment budget	100%



## 2.10 Priority 10: Financial Management

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
To improve the financial viability of the Municipality during the 2011/12 financial year as measured in terms of the following outcomes: <ul style="list-style-type: none"> <li>• Increase the operational cash flows of the Municipality by 15%</li> <li>• Collection rate: 70% per quarter</li> <li>• Creditors to be paid within 30 days</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage increase in the operational cash flows of the Municipality by 15%</li> <li>• Value of monthly collections on arrears</li> <li>• Quarterly collection rate (collection vs billings)</li> <li>• Payment period (payment of creditors)</li> </ul>	Revenue collection rate maintained	65%	65%	65%	Current collection rate = 60%. Action plan provides for data purification: billing (main problem with water billing) Challenges: Valuation roll does not agree with value on the financial system. Need to reconcile valuation roll with system data (ABAKUS)	Function adequately funded - No implications for the adjustment budget	65%
		Value of monthly collections on arrears	Total debtors book = R58 million (60% older than 120 days)	Annual target	Annual target	Debtors increasing on a monthly basis. Council has therefore approved the amnesty (50/50) to increase value of monthly collection. Need to act on accounts on arrears Data cleansing may reduce value of debtor's book – real values will only be available after cleansing. Only then realistic targets for collection could be set	Function adequately funded - No implications for the adjustment budget	Reduce outstanding debtors in arrears by 40%
		Payment period (payment of creditors)	Payments often not processed within 30 days	Creditors to be paid within 30 days	Creditors to be paid within 30 days	Major improvement. Some invoice submitted is older than 60 days but senior	Function adequately funded - No implications	Creditors to be paid within 30 days



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
						managers are busy formulating strategy to address the issue.	for the adjustment budget	
To improve the financial management of the Municipality, as measured in terms of the following indicators for the 2011/12 financial year: <ul style="list-style-type: none"> <li>• Appointment of a Creditors and Payroll Clerk;</li> <li>• An updated policy register;</li> <li>• Implementation of internal controls according to the internal Action Plan;</li> <li>• Incorporation of the fixed assets register into the financial system;</li> <li>• Regular updating of the Investment Register; and</li> <li>• Regular updating of the Loans Register.</li> <li>• Upgrade / improve the debt control / debt</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of a Creditors (1) and (2) Payroll Clerk;</li> <li>• An updated policy register (measured: register 100% updated during any and all performance evaluation periods);</li> <li>• Implementation of internal controls according to the internal Action Plan (measured in terms of the responsibilities and targets in the Action Plan);</li> <li>• Incorporation of the fixed assets register into the financial system (measured: register 100% updated during any and all performance evaluation periods);</li> <li>• Regular updating of the Investment</li> </ul>	Appointment of a Creditors (1) and (2) Payroll Clerk	CFO and other critical vacancies filled	No target	No target	Appointments have been made.	Posts have been budgeted for – fully funded, no implications for the adjustment budget	2
		An updated policy, asset, investment, and loans registers: Percentage updated during any and all performance evaluation periods	No policies approved and enforced	100%	100%	Not yet achieved. Audit queries in Management Letter. Action Plan to address the matter will be prepared.	Budget adequate	100%
		Amount of irrecoverable debt written off	No write-offs; waiting for amnesty period to lapse	First target: R20 million of irrecoverable that needs to be written off		From July – December - Not written off	Function adequately funded - No implications for the adjustment budget	First target: R20 million of irrecoverable that needs to be written off



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
collection capacity of the Municipality • Updating of the indigent register	Register (measured: register 100% updated during any and all performance evaluation periods); and • Regular updating of the Loans Register (measured: register 100% updated during any and all performance evaluation periods). • Amount written off in respect of irrecoverable revenue							

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
To implement an asset management system, as measured against the following indicators (iro the 2011/12 financial year): • Finalization of an asset and	Number of asset acquisition and disposal policies approved	Number of asset acquisition and disposal policies approved	No asset acquisition and disposal policies approved		1	Not yet approved	Function adequately budgeted for – no implications for the adjustment budget	Asset acquisition and disposal policies approved



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment budget	Annual Target
disposal, acquisition and disposal policy • Implementation and updating of an asset register. • Valuation of assets.								
To implement and execute the Property Rates Act, according to internal schedules, deadlines and responsibilities during the 2011/12 financial year	Property Rates Act implemented, as measured in terms of – • The percentage of property owners included on the billing system; • Property rates collection rates	The percentage of property owners included on the billing system	Unreliable data; clash between data on internal system and that on valuation roll	100%	100%	Dependent on data cleansing. Valuation roll does not correspond with information on system. Not yet achieved.	Function adequately budgeted for – no implications for the adjustment budget	Property rates Act adequately implemented

1. Training of all finance officials in the use of the financial system (ABAKUS)
2. Ensure that all critical vacant positions in the Finance Department are filled: SCM Manager, Budget and Treasury Officer, Senior Debtors Clerk (3 temporary personnel appointed on a month-to-month basis to fulfill the vacant clerical roles)
3. Establish an independent credit and debt management unit (10 officials)
4. Draw up an Action Plan to address the audit queries
5. Sourcing capacity-building interventions from Provincial Treasury and COGTA
6. Measures to avoid over-expenditure
7. Establishment of IT infrastructure and accessibility of Internet connections to all staff members are critical for Finance to perform its functions



## 2.11 Priority 11: Organisational Development and Development

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the Adjustment budget	Annual Target	
<p>To implement a programme of organizational design and development during the 2011/12 financial year according to the following key measures:</p> <ul style="list-style-type: none"> <li>• Annual review of the municipal staff establishment;</li> <li>• Filling of key vacancies; and</li> <li>• Review of the Employment Equity Plan.</li> </ul>	Review of the organizational structure (Revised staff establishment)	Number of reviews of the municipal staff establishment	1 Review conducted	No target	No target	Has been revised. Final proposed structure to be presented to Council	Function adequately budgeted for – no implications for the adjustment budget	1	
	Filling of key vacancies, based on the requirements of the Employment Equity Plan	<ul style="list-style-type: none"> <li>• Key vacancies</li> <li>• Town Planner (in terms of report from COGTA)</li> <li>• IDP Manager</li> <li>• Municipal Manager</li> <li>• HR Manager</li> </ul>	Several key management positions, as well as key operational staff positions filled	No target	No target	<ul style="list-style-type: none"> <li>• Budget and Treasury Manager</li> <li>• SCM Manager (interviews have been conducted)</li> <li>• Fleet officer</li> <li>• <b>Still vacant</b></li> <li>• Director Community Services</li> <li>• Town Planner (in terms of report from COGTA)</li> <li>• IDP and PMS Manager</li> <li>• Municipal Manager</li> <li>• HR Manager</li> <li>• Electrician</li> </ul>	Function adequately budgeted for – no implications for the adjustment budget	Critical funded vacancies filled	
	Annual review of the Employment Equity Plan	Number of reviews of the Employment Equity Plan	1			1	Still to be reviewed	Function adequately budgeted for – no implications for the adjustment budget	Employment Equity plan to be submitted after annual review
	To review and implement the Workplace Skills	Number of reviews of the WSP	1			1	Reviewed and submitted to LGSETA	Function adequately budgeted for –	1



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Implications for the Adjustment budget	Annual Target
	Plan before the closing of the 2011/12 financial year						no implications for the adjustment budget	
To compile and thereafter annually review and implement an HR Strategy before the closing of the 2011/12 financial year	Review of an HR Strategy	Number of reviews of the HR Strategy	1		1	Reviewed	Function adequately budgeted for – no implications for the adjustment budget	1

Posts budgeted for but not yet filled:

- Director Community Services
- Town Planner (in terms of report from COGTA)
- IDP and PMS Manager
- Municipal Manager
- HR Manager
- Electrician





## 2.12 Priority 12: Good Governance and Public Participation

### Performance Assessment According to SDBIP targets: 1 July – 31 December 2011

IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment Budget (Implications)	Annual Target
To facilitate intergovernmental dialogue and co-operation with relevant district, national and provincial institutions, as measured in terms of the following indicators: <ul style="list-style-type: none"> <li>• Participation in the activities of a functional Corporate Services' Forum for the district</li> <li>• Participation in the activities of a functional CFO's Forum for the district</li> <li>• Participation in the activities of a functional Municipal manager's Forum for the district</li> </ul> <i>(indicators relate to the 2011/12 financial year)</i>	Percentage of meetings of the following forums attended if no apology is tendered: <ul style="list-style-type: none"> <li>• Coporate Managers' Forum</li> <li>• CFO Forum</li> <li>• Municipal Managers' Forum</li> </ul>	Percentage of meetings attended: Coporate Managers' Forum, CFO Forum, Municipal Managers' Forum	Forums established but not functional (Not direct responsibility of the municipality)	100% (when scheduled)	100% (when scheduled)	IGR Forums not operational yet. Only the Local Labour Forum operational. Provincial forums are attended: CFO Forum, Corporate Services Forum, Municipal Manager Forum	Function adequately budgeted for – no implications for the adjustment budget	100% (when scheduled)
Implementation and annual review of the Performance Management System (PMS) for the 2011/12 financial year	<ul style="list-style-type: none"> <li>• Review of the PMS Policy</li> <li>• Review of the Performance Plans and Performance Contracts of</li> </ul>	Performance evaluations and reports	Reviews / compilations done and completed	Annual Review of the PMS Framework and Policy Review of Performance Agreements and		Framework and policy were reviewed	Function adequately budgeted for – no implications for the adjustment budget	Annual Review of the PMS Framework and Policy (1 <sup>st</sup> quarter) Review of Performance Agreements



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment Budget (Implications)	Annual Target
	section 57 managers <ul style="list-style-type: none"> <li>• Evaluation of the performance of section 57 managers</li> <li>• Compilation of the Municipal and Departmental SDBIPs</li> <li>• Quarterly performance reports to Council</li> </ul>			Performance Plans of section 57 managers				and Performance Plans of section 57 (1 <sup>st</sup> quarter) managers Mid-year and annual evaluation Mid-year: 3 <sup>rd</sup> quarter Annual Report: 3 <sup>rd</sup> quarter Compilation of the Municipal and Departmental SDBIPs 4 <sup>th</sup> quarter Quarterly evaluation of organizational performance
To ensure that the Municipality's regulatory framework is finalized to facilitate legislative compliance in the manner in which the Municipality is governed and managed by the closing of the 2011/12 financial year	Batho Pele implementation programme developed	Number of Plans compiled and approved	No done (new)		1	Part of communication strategy	Function adequately budgeted for – no implications for the adjustment budget	
To formalize audit and risk systems and procedures in the Municipality to ensure a	<ul style="list-style-type: none"> <li>• Annual financial statements</li> </ul>	Annual financial statements compiled and	1 (Disclaimer)	1		Submitted late: For 2010/11 submitted on 15 September 2011	Function adequately budgeted for – no	



IDP Objective	Key Performance Indicator	Unit of measurement	Base-line (performance reflected in Annual Report, 2010/11)	Quarter 1	Quarter 2	Actual Performance + Motivation of performance deviations	Adjustment Budget (Implications)	Annual Target
clean audit by 2014	compiled and submitted • Risks are identified, evaluated and managed • Number of sittings by the audit committee	submitted					implications for the adjustment budget	
		Risks are identified, evaluated and managed	No risks identified No 3-year audit plan approved Internal auditor appointed	No target	No target	Risks not yet identified, and therefore no 3 year rolling audit plan could be submitted to the Audit Committee	Function adequately budgeted for – no implications for the adjustment budget	Risks identified 3-year internal audit plan submitted for approval
		Number of sittings by the audit committee	Shared services agreement with district concluded in 4 <sup>th</sup> quarter. No sittings		1	Using shared service with the district (Thabo Mofutsanyana Audit Committee)	Function adequately budgeted for – no implications for the adjustment budget	Participation in at least four sittings of the Audit Committee of the district (shared service)



# P A R T C

## Summary of the Section 71 (Monthly Budget) Reports: 1 July- 31 December 2011



<b>Operating Expenditure</b>													
Category	Sub-category	July		August		September		October		November		December	
		Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
<b>Municipal Governance and Administration</b>	Executive and Council	0	884,266	0	709,150	0	545,182	0	563,223	292,880	602,865	0	1,134,921
	Budget and Treasury Office	19,542,505	1,089,327	12,849,325	585,412	-	857,967	225,973	523,025	10,640,250	1,253,405	259,466	677,281
	Corporate Services	27,440	248,887	15,763	254,723	64,861	340,025	1,772,132	364,990	1,217,780	343,327	308,547	368,580
		<b>19,569,945</b>	<b>2,222,480</b>	<b>12,865,088</b>	<b>1,549,285</b>	<b>-</b>	<b>1,743,174</b>	<b>1,998,105</b>	<b>1,451,238</b>	<b>12,150,910</b>	<b>2,199,597</b>	<b>568,013</b>	<b>2,180,782</b>
<b>Community and Public Safety</b>	Community and Social Services	635,827	109,701	14,466	122,738	11,253	158,714	10,826	131,873	493,694	121,426	10,903	211,590
	Sport and Recreation	0	139,953	0	118,144	0	81,032	0	182,561	0	121,155	0	94,619
	Public Safety	3,850	29,502	20,100	29,334	7,550	55,075	6,150	34,027	10,120	28,485	4,750	62,614
	Housing	0	0	0	0	0	0	0	0	0	0	0	0
	Health	42,430	0	0	0	0	0	0	0	32,470	0	0	0
	<b>682,107</b>	<b>279,156</b>	<b>34,566</b>	<b>270,216</b>	<b>18,803</b>	<b>294,821</b>	<b>16,976</b>	<b>348,461</b>	<b>536,284</b>	<b>271,066</b>	<b>15,653</b>	<b>368,823</b>	
<b>Economic and Environmental Services</b>	Planning and Development	263	439,276	1,459	767,824	4,295	771,080	562	740,872	263	881,363	730	882,445
	Road Transport	0	0	0	193,312	0	110,580	0	0	0	81,340	0	86,860
	Environmental Protection	0	0	0	0	0	0	0	0	0	0	0	0
		<b>263</b>	<b>439,276</b>	<b>1,459</b>	<b>961,136</b>	<b>4,295</b>	<b>881,660</b>	<b>562</b>	<b>740,872</b>	<b>263</b>	<b>962,703</b>	<b>730</b>	<b>969,305</b>
<b>Trading Services</b>	Electricity	0	0	696,784	1,070,706	590,871	2,001,087	554,443	130,683	3,625,830	1,397,773	612,449	1,282,076
	Water	0	0	7,405,345	384,850	530,103	437,804	3,262,761	452,356	2,002,504	880,571	1,379,394	708,037
	Waste Water Management	1,522,705	567,731	554,874	626,390	556,337	590,693	473,873	678,345	1,216,939	873,384	475,394	694,756
	Waste Management	909,687	498,074	537,296	454,135	538,700	495,636	500,122	470,187	788,066	610,484	503,631	553,884
	Other	0	0	0	0	0	0	0	0	0	0	0	0
		<b>2,432,392</b>	<b>1,065,805</b>	<b>9,194,299</b>	<b>2,536,081</b>	<b>2,216,011</b>	<b>3,525,220</b>	<b>4,791,199</b>	<b>1,731,571</b>	<b>7,633,339</b>	<b>3,762,212</b>	<b>2,970,868</b>	<b>3,238,753</b>
	<b>22,684,707</b>	<b>4,006,717</b>	<b>22,095,412</b>	<b>5,316,718</b>	<b>-</b>	<b>6,444,875</b>	<b>6,806,842</b>	<b>4,272,142</b>	<b>20,320,796</b>	<b>7,195,578</b>	<b>3,555,264</b>	<b>6,757,663</b>	



<b>Capital Expenditure</b>							
<b>Category</b>	<b>Sub-category</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
<b>Municipal Governance and Administration</b>	Executive and Council	0	0	0	0	0	0
	Budget and Treasury Office	0	0	0	0	0	0
	Corporate Services	0	0	0	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Community and Public Safety</b>	Community and Social Services	0	0	0	0	0	0
	Sport and Recreation	0	0	0	0	0	0
	Public Safety	0	0	0	0	0	0
	Housing	0	0	0	0	0	0
	Health	0	0	0	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Economic and Environmental Services</b>	Planning and Development	0	0	0	0	0	0
	Road Transport	61,560	1,220,349	289,088	820,006	1,639,843	0
	Environmental Protection	0	0	0	0	0	0
		<b>61,560</b>	<b>1,220,349</b>	<b>289,088</b>	<b>820,006</b>	<b>1,639,843</b>	<b>0</b>
<b>Trading Services</b>	Electricity	680,048	38,660	0	0	0	0
	Water	0	1,312,802	439,358	0	0	0
	Waste Water Management	1,071,288	2,026,057	515,777	2,077,247	0	1,316,247
	Waste Management	0	0	0	0	0	0
	Other	0	0	0	0	0	0
		<b>1,751,336</b>	<b>3,377,519</b>	<b>955,135</b>	<b>2,077,247</b>	<b>0</b>	<b>1,316,247</b>



<b>Outstanding Debtors</b>						
<b>Outstanding Debtors</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
0-30 days	6,928,175	14,271,124	1,221,710	4,331,426	2,004,232	1,701,143
31-60 days	1,605,663	6,995,184	2,402,722	1,683,541	4,290,049	2,853,120
61-90 days	1,381,078	1,826,201	7,285,834	2,898,865	2,446,064	5,249,370
91-120 days	2,668,111	1,188,410	1,426,248	6,349,652	2,089,351	1,449,669
121-150 days	47,403,612	49,725,832	50,039,045	51,157,623	56,421,061	57,959,833
151-180 days	0	0	0	0	0	0
181 days - 1 year	0	0	0	0	0	0
Over 1 year	0	0	0	0	0	0
	<b>59,986,639</b>	<b>74,006,751</b>	<b>62,375,559</b>	<b>66,421,107</b>	<b>67,250,757</b>	<b>69,213,135</b>



# P A R T D

## **Statistical View on Service Delivery Performance**



