

# **BELA-BELA LOCAL MUNICIPALITY**



## **MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 2019/2020**

**Compiled in terms of Section 72 of the Local Government:  
Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)  
and Schedule C (In-Year Reports of Municipalities) of the Municipal  
Budget and Reporting Regulations**

## ACRONYMS AND TERMS

The report contains information which is at times presented in abbreviations and terms, therefore for the purpose of this report the terms and acronyms below bear the following meaning:

IDP	Integrated Development Plan
SDBIP	Service Delivery and Budget Implementation Plan
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
KPA	Key Performance Area
KPI	Key Performance Indicator
Annual Target	Planned level of performance for 2019/20 Financial Year
Actual Performance	The actual performance from 1 July 2019 to 31 December 2019
First quarter target	Planned level of performance from 1 July to 31 December 2019
Baseline	Status quo at the beginning of 2018/2019 financial year
Budget allocated	Budget approved in the annual budget for 2019/2020 Financial Year
Budget spent	Budget spent in the first half of 2019/2020 financial year
Corrective Measures	Steps to be taken to improve performance
LED	Local Economic Development
MWIG	Municipal Water Infrastructure Grant
MIG	Municipal Infrastructure Grant
EIA	Environmental Impact Assessment
SDF	Spatial Development Framework
LUMS	Land Use Management Scheme
GIS	Geographical Information System
GoHSTA	Co-operative Governance, Human Settlement & Traditional Affairs
BBLM	Bela-Bela Local Municipality
RMC	Risk Management Committee
AC	Audit Committee
AG	Auditor General
AFS	Annual Financial Statements
PMS	Performance Management System
HR	Human Resources
LGSETA	Local Government Sector Education and Training Authority
OHS	Occupational Health and Safety
LLF	Local Labour Forum
IGR	Intergovernmental Relations
YTD	Year to date
CBD	Central Business District
DoE	Department of Energy
CSS	Community & Social Services
TSS	Technical Services
PED	Planning & Economic Development
BTO	Budget & Treasury Office
CS	Corporate Services

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## PART 1: IN-YEAR REPORT

### 1. Mayor's report

Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA), stipulate 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—

(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;

(iii) the past year's annual report, and progress on resolving problems identified in the annual report; and

(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.

In addition to section 72 stipulated above and as required by Section 34 of the Local Government Municipal Systems Act (MSA), the Municipality has reviewed and approved the 2019/2020 Integrated Development Plan (IDP), approved the 2019/2020 Annual Budget in terms of Section 24 of the Local Government: Municipal Finance Management Act and the Mayor approved the Service Delivery and Budget Implementation Plan (SDBIP) in terms of Section 53 of the Local Government: Municipal Finance Management Act (MFMA No 56 of 2003). The purpose of the aforementioned documents is to provide strategic guidance on the objectives to be implemented by the municipality during the financial year. The documents also present the budget available for the implementation of the said objectives, and set out the targets on when the implementation will take place. As part of regular reporting the Administration is expected to compile reports on the performance of the municipality.

Furthermore, Section 52 (d) of the MFMA requires the Mayor of the Municipality to submit a report to the Municipal Council on the implementation of the budget and the

financial state of affairs of the municipality within 30 days of the end of the quarter. Section 72 of the MFMA further requires the Municipal Manager to assess the performance of the municipality during the first half of the financial year, by the 25<sup>th</sup> of January each year. This report therefore serves two primary purposes, namely;

1. To reflect on the performance of the municipality for the first half of the financial year. This exercise will enable the municipality to revise the current plans and budget going forward into the next six months, and also inform reprioritisation and funding thereof in the new financial year; and
2. Ensure compliance with the letter and spirit of the MFMA by comparing the actual performance of the municipality with the performance indicators and targets as set out in its 2019/2020 Integrated Development Plan (IDP), Annual Budget and Service Delivery and Budget Implementation Plan (SDBIP) from the 1<sup>st</sup> of July 2019 to 31 December 2019 which makes the first half of the 2019/2020 Financial Year.

The performance reflected in the report is in terms of the five (6) National Government's Strategic key Performance Areas for local government, which are as follows:

- Basic Service Delivery;
- Local Economic Development;
- Municipal Institutional Transformation and Development;
- Municipal Financial Viability and Management;
- Good Governance and Public Participation, and
- Spatial Rationale

Even further, these Strategic Key Performance Areas are a component of the bigger national picture of eliminating poverty and reducing inequality as envisioned in the National Development Plan. The Service Delivery and Budget Implementation Plan contained in this report outlines the municipality's contribution to these national imperatives of broadening access to basic services, providing social security in the form of indigent support and increasing investments in infrastructure such as roads and storm water, to name a few.

## 2. Resolutions

The recommendations dealing with section 72 report of local government as prescribed by Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and Schedule C (In-Year Reports of Municipalities) of the Municipal Budget and Reporting Regulations is hereby presented to council. It is recommended:

- a) The Council note the mid-year budget and performance assessment and other supporting documents included in the report in terms of section 72 of the Act.
- b) The Council note the state of affairs for the municipality referred to in section 52(d) of the Act.
- c) The adjustment budget be compiled in terms of section 28 of the MFMA.
- d) That the Municipal Manager submits the Mid-year budget and performance assessment report to the National Treasury and Provincial Treasury.

### 3. Executive summary

A Service Delivery and Budget Implementation Plan (SDBIP), and Departmental Service Delivery and Budget Implementation Plans for each of the departments of the municipality, in line with appropriate guidelines and legislation, are developed annually and continually reviewed. Section 56 Employees are required to sign a Performance Agreement, as prescribed in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to the Municipal Manager, in line with published regulations and/or amendments

Two review sessions are held annually as follows:

- a) A midyear review is conducted in January to assess the relevance of the objectives as well as the Employee's performance against the objectives. The mid-year performance score is used to determine the link to nonfinancial rewards.
- b) A compulsory formal final review is conducted at the end of the financial year i.e. in June (assessment to be conducted in July). The final performance score is used to determine the link to financial and non-financial rewards. A learning plan for the Employee must be developed at the end of the final review

Despite the collective effort in driving municipality performance agreement by all departments, municipality had regressed in its 2018/2019 audit opinion. The audit finding which led to qualification was as result of migrated balance from old chart to mSCOA which was done by the system with an error and only discovered later during the audit.

Audit finding which led to qualification are well known and quantified by the Municipality and this will form part of the developed AGSA action plan. Extra effort will continue to be put in place through establishment of the AGSA action plan committee which will seek to address any issues raised. To ensure the committee is effectively discharge; the accounting officer will oversee the committee as the chairperson. Municipality plan to archive clean audit in the 2019/2020 financial year and will use the current financial year as the learning curve to any shortcoming experienced.

Commented [LM1]: DPCFO

Mid-year overall financial performance is depicted bellow. Municipality revenue for the first month of the financial year is seating at 47% of the annual budget with expenditure (including non-cash item of R24 million reported at 45% from the annual budget.

Description	2018/18	Budget Year 2019/20			Full Year variance (Spent to date)
	Audited Outcome	Original Budget	Monthly actual	Year TD actual	
R thousands					
Total Revenue (excluding capital transfers and contributions)	331 891	413 908	45 822	193 039	47%
Total Expenditure	458 638	406 627	26 115	183 614	45%
Surplus/(Deficit)	(126 747)	7 281	19 706	9 425	

**A fully functional Performance Management System (PMS) has been introduced in the Bela-Bela Local Municipality, consisting of the following elements (or sub systems):**

(1) IDP goals and objectives represent the long-term (5 year) performance indicators and targets for the municipality over the term of the elected Council which started just after the beginning of 2018 financial period.

(2) The IDP indicators and targets are annually aligned to the municipal budget on an activity level (programs and projects) as part of the IDP review process.

(3) Funded IDP goals, objectives, strategies, programs and projects are annually cascaded down into the municipal Service Delivery and Budget Implementation Plan (SDBIP), where it is translated into annual municipal key performance indicators and targets.

(4) IDP activities are also cascaded down to Departmental SDBIPs (one for each of the different Departments of the Municipality); a process whereby the responsibility for the implementation of the IDP is aligned with the --

(5) Annual individual Performance Plans (which is part of the Performance Agreements of the respective section 56 managers), because the departmental SDBIPs are used as a reference source for the formulation of the key performance indicators and targets against which the different section 56 managers will be evaluated and performance assessed.

The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the approved 2019/2020 SDBIP are assessed and the feedback are reflected in the report in a form of a colour legend. Hence the table below exemplified the assessment methodology utilised.

Colour Legend	Category	Explanation
	KPI Not Applicable	KPIs with no Targets or Actual results for the selected period
	KPI Not Met	Actual vs Target Less than 75%
	KPI Almost Met	Actual vs Target between 75% and 100%
	KPI Met	Actual vs Target 100% Achieved
	KPI Met Well	Actual vs Target More Than 100% and Less Than 150% Achieved
	KPI Extremely Met Well	Actual vs Target More Than 150%

#### 4. In-year budget statements

Bela-Bela local municipality present the in-year budget statement tables bellow as prescribed by schedule C of the Municipality Budget and Reporting Regulations. The tables depict our midyear performance assessment as at 31 December 2019.

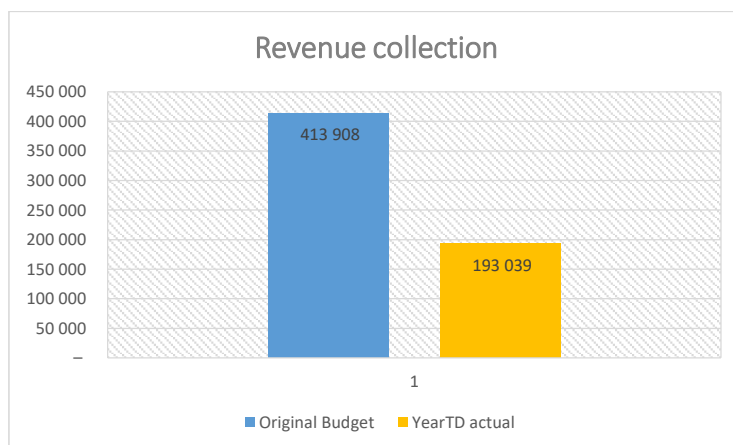
**Table 1: C1 - Monthly Budget Statement Summary**

Description	2017/18	Budget Year 2018/19								Full Year variance (Spent to date)	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	%		
<b>R thousands</b>											
<b>Financial Performance</b>											
Property rates	62 003	84 996	-	6 543	37 244	42 498	(5 254)	-12%	44%	84 996	
Service charges	150 649	192 018	-	12 044	79 644	96 009	(16 366)	-17%	41%	192 018	
Investment revenue	742	4 069	-	38	178	2 034	(1 856)	-91%	4%	4 069	
Transfers and subsidies	77 791	84 840	-	26 629	62 144	42 420	19 724	46%	73%	84 840	
Other own revenue	40 705	47 985	-	568	13 829	23 993	(17 965)	-75%	29%	47 985	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>331 891</b>	<b>413 908</b>	<b>-</b>	<b>45 822</b>	<b>193 039</b>	<b>206 954</b>	<b>(21 717)</b>	<b>-10%</b>	<b>47%</b>	<b>413 908</b>	
Employee costs	125 469	127 526	-	11 779	58 758	63 763	(5 005)	-8%	46%	127 526	
Remuneration of Councillors	6 869	8 774	-	630	3 242	4 387	(1 145)	-26%	37%	8 774	
Depreciation & asset impairment	59 079	48 000	-	-	24 000	24 000	(24 000)	-100%	50%	48 000	
Finance charges	12 295	7 317	-	32	2 885	3 659	(774)	-21%	39%	7 317	
Materials and bulk purchases	94 302	133 190	-	7 399	59 118	66 595	(7 477)	-11%	44%	133 190	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	
Other expenditure	160 623	81 819	-	6 276	35 611	40 910	(5 299)	-13%	44%	81 819	
<b>Total Expenditure</b>	<b>458 638</b>	<b>406 627</b>	<b>-</b>	<b>26 115</b>	<b>183 614</b>	<b>203 313</b>	<b>(43 700)</b>	<b>-21%</b>	<b>45%</b>	<b>406 627</b>	
<b>Surplus/(Deficit)</b>	<b>(126 747)</b>	<b>7 281</b>	<b>-</b>	<b>19 706</b>	<b>9 425</b>	<b>3 641</b>	<b>21 983</b>	<b>604%</b>	<b>129%</b>	<b>7 281</b>	

#### Note: Performance review on the monthly budget summary

The Municipality performance result for the first half of the 2019/2020 financial period reported a surplus of R9.4 million including a non-cash item of R24 million relating to depreciation. Municipality anticipate archiving at least R7.2 million surpluses by the end of 2019/2020 financial year based on original budget. The overall revenue budget is seating at R431 million as compared to year to date budget of R206 million. This resulted in 10% year to date budget variance as depicted in the monthly budget summary table above.

Notable material variances of 10% or more are discussed below



### Property rates

Property rates depict year to date budget variance of 12% less based on six-month budget. The overall actual revenue collected against full year budget is depicted at 44%. This variance will be considered as part of the budget adjustment review. The adjustment process will ensure over or under budgeting is avoided by the end of the financial year period.

The reported variance on property rates was as result of the following:

- This is due to decrease in initial market values of properties arising from the outcome of valuation queries logged by property owners. There are properties that are omitted from the valuation roll and also those that are categorised incorrectly, however, E-valuations (municipal valuers) is in the process of reconciling and verifying our billing data to ensure that every owner is charged rates correctly as per the valuation roll, deeds and property rates policy.

### Services charges

Service charges depict variance of 17% less based on estimated six-month budget period. The resulted variance was impacted by services charge relating to electricity and refuse. Electricity is seating at 21% and refuse at 24% less when comparing six-month actual against estimated six-month budget. However, on average total actual collected for the first half of the year against full year forecast is seating at an average of 35%.

### Investment revenue

The investment income is less by 91% in the first six month of the budget year. This variance will be considered as part of the budget adjustment process to be conducted by the municipality. The adjustment process will ensure over or under budgeting is avoided by the end of the financial year period.

### **Other own revenue**

Material variance is made up of traffic fine fines, rental of facilities and licence & permit. The variances are dependent on consumption or number of offences on the local roads which lead to traffic fines being issued. These items are marked for review during the budget adjustment process.

### **Employee cost**

Employee cost's original budget is depicted at R127 million. The first half of the financial year reported total spending of R58 million. Total spent on employee cost is 46% against 2019/2020 annual budget.

### **Remuneration of councillor**

Remuneration of councillor is seating 37% spending when comparing actual against annual budget. The decrease is as result of timing difference in the implementation of upper limit as stipulated in Remuneration of Public Office Bearers Act, 1998 (Act No.20 of 1998). The implementation of upper limit take place just after mid-year assessment review. However, the full year budget is expected to be sufficient to meet the needs of the councillor and it is fully budgeted in accordance to the upper limit as stipulated in Remuneration of Public Office Bearers Act, 1998 (Act No.20 of 1998).

### **Depreciation and impairment**

Although this item is a non-cash item, it is vital for the municipality to budget accurately on the non-cash item as it will relate to future funding to renew assets infrastructure. Detail assessment will be made on the asset's infrastructure during the adjustment process to ensure all assets are depreciated in accordance to GRAP standard and all mSCOA requirements are met.

### **Material bulk purchases**

Material and bulk purchases is seating at 44% spending in the first half of the year against annual budget. Monitoring will continue to take place during the remainder of the financial year to ensure there is no over spending which can result in unauthorised expenditure.

**Table 2: C2-Monthly Budget Statement - Financial Performance (Standard classification)**

Description	Ref	2017/18	Budget Year 2018/19							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		87 284	285 213	-	33 778	105 593	119 122	(13 529)	-11%	285 213
Executive and council		-	39 469	-	-	-	-	-	-	39 469
Finance and administration		87 284	245 744	-	33 778	105 593	119 122	(13 529)	-11%	245 744
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		229	441	-	-	1 151	1 151	-	-	441
Community and social services		229	380	-	-	-	-	-	-	380
Sport and recreation		-	-	-	-	1 151	1 151	-	-	-
Public safety		0	61	-	-	-	-	-	-	61
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		548	2 263	-	809	5 678	5 678	-	-	2 263
Planning and development		461	2 203	-	-	-	-	-	-	2 203
Road transport		88	60	-	809	5 678	5 678	-	-	60
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		85 733	219 101	-	19 546	111 789	127 558	(15 769)	-12%	219 101
Energy sources		56 398	149 286	-	9 304	57 816	72 139	(14 323)	-20%	149 286
Water management		15 249	-	-	4 204	23 568	23 336	232	1%	-
Waste water management		9 289	69 790	-	5 480	26 364	26 749	(385)	-1%	69 790
Waste management		4 797	25	-	558	4 042	5 333	(1 291)	-24%	25
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	173 795	507 018	-	54 133	224 212	253 509	(29 297)	-12%	507 018
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		118 606	185 715	-	8 620	53 427	88 662	(35 234)	-40%	185 715
Executive and council		2 705	49 334	-	630	3 242	4 387	(1 145)	-26%	49 334
Finance and administration		115 901	136 381	-	7 990	50 185	84 274	(34 089)	-40%	136 381
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		5 174	23 796	-	1 425	6 459	4 154	2 305	55%	23 796
Community and social services		548	14 215	-	1 425	6 459	4 154	2 305	55%	14 215
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 625	9 581	-	-	-	-	-	-	9 581
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		6 709	44 591	-	4 212	28 680	39 667	(10 987)	-28%	44 591
Planning and development		1 014	6 411	-	-	-	-	-	-	6 411
Road transport		5 694	38 180	-	4 212	28 680	39 667	(10 987)	-28%	38 180
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		56 473	152 525	-	11 858	71 047	70 831	216	0%	152 525
Energy sources		51 880	115 905	-	7 104	53 561	51 697	1 865	4%	115 905
Water management		3 503	5 482	-	1 646	7 962	8 713	(751)	-9%	5 482
Waste water management		-	20 963	-	3 108	9 524	10 422	(898)	-9%	20 963
Waste management		1 090	10 174	-	-	-	-	-	-	10 174
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	186 962	406 627	-	26 115	159 614	203 313	(43 700)	-21%	406 627
<b>Surplus/ (Deficit) for the year</b>		(13 167)	100 391	-	28 018	64 598	50 196	14 403	29%	100 391

The tables above depict year to date variance which is based on the full year budget versus full year forecast.

Based on the year to date expenditure variance, it is depicted that, Governance and administration actual spending on the six-month budget is having a variance of -40% and with economic and environmental having 28% variance. The reported variance on the first half of the financial year depicts that, less spending was done by the Municipality. Lesser spending can be attributable to cash flow problem experienced in the past which led to fully implementation of cost containment measure and development of measures to reduce

expenditure which are not linked directly to service delivery. Despite the cash flow issues experienced, management ensured service delivery areas are not affected by prioritising on the spending.

**Table 3: C3-Monthly Budget Statement - Financial Performance (Vote classification)**

Vote Description	Ref	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Chief Financial Officer	1	86 666	204 257	-	33 694	106 015	97 144	8 871	9.1%	204 257
Vote 2 - Chief Financial Officer		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		683	1 939	-	118	650	970	(319)	-32.9%	1 939
Vote 4 - Mayor		-	-	-	-	-	-	-	-	-
Vote 5 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Economic Development		461	3 893	-	-	-	-	-	-	3 893
Vote 8 - Social and Community Services		5 048	22 930	-	708	5 777	18 762	(12 984)	-69.2%	22 930
Vote 9 - Speaker		-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		14 774	69 850	-	4 204	23 568	14 770	8 798	59.6%	69 850
Vote 11 - Technical Services		66 163	204 148	-	15 712	90 600	90 827	(227)	-0.2%	204 148
Vote 12 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 13 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>173 795</b>	<b>507 018</b>	<b>-</b>	<b>54 436</b>	<b>226 611</b>	<b>222 472</b>	<b>4 138</b>	<b>1.9%</b>	<b>507 018</b>
<b>Expenditure by Vote</b>										
Vote 1 - Chief Financial Officer	1	21 862	78 533	-	987	(21 213)	39 266	(60 479)	-154.0%	78 533
Vote 2 - Chief Financial Officer		-	3 069	-	-	996	1 534	(538)	-35.1%	3 069
Vote 3 - Corporate Services		40 025	56 678	-	3 311	25 275	28 339	(3 064)	-10.8%	56 678
Vote 4 - Mayor		277	880	-	11	64	440	(376)	-85.4%	880
Vote 5 - Municipal Manager		1 014	5 359	-	26	1 111	2 680	(1 569)	-58.6%	5 359
Vote 6 - Internal Audit		1 129	4 011	-	15	584	2 005	(1 421)	-70.9%	4 011
Vote 7 - Planning and Economic Development		1 161	14 545	-	71	1 972	7 272	(5 300)	-72.9%	14 545
Vote 8 - Social and Community Services		14 263	43 578	-	2 215	16 071	21 789	(5 718)	-26.2%	43 578
Vote 9 - Speaker		2 180	6 484	-	14	3 130	3 242	(112)	-3.5%	6 484
Vote 10 - Technical Services		18 281	68 884	-	1 034	9 289	34 442	(25 153)	-73.0%	68 884
Vote 11 - Technical Services		55 709	123 482	-	147	45 148	61 741	(16 594)	-26.9%	123 482
Vote 12 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 13 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>155 901</b>	<b>405 504</b>	<b>-</b>	<b>7 831</b>	<b>82 427</b>	<b>202 752</b>	<b>(120 324)</b>	<b>-59.3%</b>	<b>405 504</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>17 894</b>	<b>101 514</b>	<b>-</b>	<b>46 605</b>	<b>144 183</b>	<b>19 721</b>	<b>124 463</b>	<b>631.1%</b>	<b>101 514</b>

Based on the annual budget versus revenue collected in the first half of the year, social and community services lesser variance of 69%. This is followed by corporate services department with a reported variance of 32%.

Expenditure by vote for certain vote structure depict lesser spending when annualised, however, certain votes expenditure will be reviewed during the adjustment budget. The major impact for such variances was as result of improper allocation to alignment of old chart to new chart (mSCOA).

**Table 4: C4-Monthly Budget Statement - Financial Performance (Revenue and Expenditure)**

Description	Ref	2017/18	Budget Year 2018/19							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		62 003	84 996	-	6 543	37 244	42 498	(5 254)	-12%	84 996
Service charges - electricity revenue		103 167	133 286	-	8 256	52 320	66 643	(14 323)	-21%	133 286
Service charges - water revenue		25 122	29 540	-	2 141	15 002	14 770	232	2%	29 540
Service charges - sanitation revenue		15 101	17 332	-	1 089	8 281	8 666	(385)	-4%	17 332
Service charges - refuse revenue		7 260	10 666	-	558	4 042	5 333	(1 291)	-24%	10 666
Service charges - other		-	1 194	-	-	-	597	(597)	-100%	1 194
Rental of facilities and equipment		1 216	1 939	-	118	650	970	(319)	-33%	1 939
Interest earned - external investments		742	4 069	-	38	178	2 034	(1 856)	-91%	4 069
Interest earned - outstanding debtors		9 103	10 604	-	385	2 266	5 302	(3 036)	-57%	10 604
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		15 526	19 598	-	-	7 802	9 799	(1 997)	-20%	19 598
Licences and permits		3 926	7 259	-	-	-	3 630	(3 630)	-100%	7 259
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		77 791	84 840	-	26 629	62 144	42 420	19 724	46%	84 840
Other revenue		10 934	8 585	-	65	3 111	4 292	(1 181)	-28%	8 585
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>331 891</b>	<b>413 908</b>	<b>-</b>	<b>45 822</b>	<b>193 039</b>	<b>206 954</b>	<b>(13 915)</b>	<b>-7%</b>	<b>413 908</b>
<b>Expenditure By Type</b>										
Employee related costs		125 469	127 526	-	11 779	58 758	63 763	(5 005)	-8%	127 526
Remuneration of councillors		6 869	8 774	-	630	3 242	4 387	(1 145)	-26%	8 774
Debt impairment		33 484	17 000	-	46	2 655	8 500	(5 845)	-69%	17 000
Depreciation & asset impairment		59 079	48 000	-	-	24 000	24 000	(0)	0%	48 000
Finance charges		12 295	7 317	-	32	2 885	3 659	(774)	-21%	7 317
Bulk purchases		88 088	103 393	-	7 104	53 561	51 697	1 865	4%	103 393
Other materials		6 215	29 797	-	294	5 557	14 898	(9 342)	-63%	29 797
Contracted services		21 976	24 926	-	4 276	19 377	12 463	6 914	55%	24 926
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		54 763	39 893	-	1 953	13 578	19 947	(6 369)	-32%	39 893
Loss on disposal of PPE		50 399	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>458 638</b>	<b>406 627</b>	<b>-</b>	<b>26 115</b>	<b>183 614</b>	<b>203 313</b>	<b>(19 700)</b>	<b>-10%</b>	<b>406 627</b>
<b>Surplus/(Deficit)</b>		<b>(126 747)</b>	<b>7 281</b>	<b>-</b>	<b>19 706</b>	<b>9 425</b>	<b>3 641</b>	<b>5 785</b>	<b>0</b>	<b>7 281</b>
<i>Transfers and subsidies - capital (in-kind) contributions</i>										
(National / Provincial and District)		85 302	93 110	-	8 312	38 975	46 555	(7 580)	(0)	93 110
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(41 445)</b>	<b>100 391</b>	<b>-</b>	<b>28 018</b>	<b>48 400</b>	<b>50 196</b>			<b>100 391</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(41 445)</b>	<b>100 391</b>	<b>-</b>	<b>28 018</b>	<b>48 400</b>	<b>50 196</b>			<b>100 391</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(41 445)</b>	<b>100 391</b>	<b>-</b>	<b>28 018</b>	<b>48 400</b>	<b>50 196</b>			<b>100 391</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(41 445)</b>	<b>100 391</b>	<b>-</b>	<b>28 018</b>	<b>48 400</b>	<b>50 196</b>			<b>100 391</b>

Abnormal variances on different revenue category has been properly explained under monthly budget summary statement above.

**Table 5: C5-Monthly Budget Statement – Capital Expenditure**

Vote Description	Ref	2017/18		Budget Year 2018/19						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Chief Financial Officer		-	-	-	-	-	-	-	-	-
Vote 2 - Chief Financial Officer		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Mayor		-	-	-	-	-	-	-	-	-
Vote 5 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 8 - Social and Community Services		-	12 075	-	-	1 151	1 151	-	-	12 075
Vote 9 - Speaker		-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		-	65 712	-	7 263	32 328	32 328	-	-	65 712
Vote 11 - Technical Services		-	15 580	-	1 048	5 496	5 496	-	-	15 580
Vote 12 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 13 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4.7	-	93 367	-	8 312	38 975	38 975	-	-	93 367
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Chief Financial Officer		-	-	-	-	-	-	-	-	-
Vote 2 - Chief Financial Officer		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Mayor		-	-	-	-	-	-	-	-	-
Vote 5 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Economic Development		-	3 000	-	-	-	-	-	-	3 000
Vote 8 - Social and Community Services		7 220	-	-	-	-	-	-	-	-
Vote 9 - Speaker		-	-	-	-	-	-	-	-	-
Vote 10 - Technical Services		51 881	-	-	-	-	-	-	-	-
Vote 11 - Technical Services		24 928	-	-	-	-	-	-	-	-
Vote 12 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 13 - Balance Sheet		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	84 028	3 000	-	-	-	-	-	-	3 000
<b>Total Capital Expenditure</b>		84 028	96 367	-	8 312	38 975	38 975	-	-	96 367
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		7 220	12 075	-	-	1 151	1 151	-	-	12 075
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		7 220	12 075	-	-	1 151	1 151	-	-	12 075
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		17 111	12 271	-	809	5 678	5 678	-	-	12 271
Planning and development		-	3 000	-	-	-	-	-	-	3 000
Road transport		17 111	9 271	-	809	5 678	5 678	-	-	9 271
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		59 698	72 021	-	7 502	32 145	32 145	-	-	72 021
Energy sources		24 928	15 580	-	1 048	5 496	5 496	-	-	15 580
Water management		15 024	32 497	-	2 063	8 566	8 566	-	-	32 497
Waste water management		19 746	23 944	-	4 391	18 083	18 083	-	-	23 944
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	84 028	96 367	-	8 312	38 975	38 975	-	-	96 367
<b>Funded by:</b>										
National Government		84 028	91 367	-	8 312	38 975	38 975	-	-	91 367
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		84 028	91 367	-	8 312	38 975	38 975	-	-	91 367
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		-	5 000	-	-	-	-	-	-	5 000
<b>Total Capital Funding</b>		84 028	96 367	-	8 312	38 975	38 975	-	-	96 367

Municipality full year budget of R96 million on capital expenditure depicted is anticipated to be fully utilised by the end of the financial year. Full details on capital projects are explain under the additional supporting document below.

**Table 6: C6-Monthly Budget Statement – Financial Position**

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		4 175	45 000	–	4 740	45 000
Call investment deposits		–	–	–	24 805	–
Consumer debtors		16 997	29 335	–	–	29 335
Other debtors		20 428	12 422	–	1 847	12 422
Current portion of long-term receivables		–	–	–	–	–
Inventory		206	120	–	206	120
<b>Total current assets</b>		<b>41 807</b>	<b>86 877</b>	<b>–</b>	<b>31 598</b>	<b>86 877</b>
<b>Non current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		282 015	181 000	–	282 015	181 000
Investments in Associate		–	–	–	–	–
Property, plant and equipment		690 180	676 758	–	690 180	676 758
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		2 495	3 000	–	2 495	3 000
Other non-current assets		725	–	–	725	–
<b>Total non current assets</b>		<b>975 416</b>	<b>860 758</b>	<b>–</b>	<b>975 416</b>	<b>860 758</b>
<b>TOTAL ASSETS</b>		<b>1 017 223</b>	<b>947 635</b>	<b>–</b>	<b>1 007 014</b>	<b>947 635</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		7 165	–	–	–	–
Consumer deposits		5 650	–	–	5 669	–
Trade and other payables		152 557	67 856	–	61 347	67 856
Provisions		6 331	11 550	–	7 454	11 550
<b>Total current liabilities</b>		<b>171 703</b>	<b>79 407</b>	<b>–</b>	<b>74 470</b>	<b>79 407</b>
<b>Non current liabilities</b>						
Borrowing		–	–	–	–	–
Provisions		86 214	43 427	–	–	43 427
<b>Total non current liabilities</b>		<b>86 214</b>	<b>43 427</b>	<b>–</b>	<b>–</b>	<b>43 427</b>
<b>TOTAL LIABILITIES</b>		<b>257 917</b>	<b>122 833</b>	<b>–</b>	<b>74 470</b>	<b>122 833</b>
<b>NET ASSETS</b>	2	<b>759 306</b>	<b>824 802</b>	<b>–</b>	<b>932 543</b>	<b>824 802</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		759 306	824 802	–	932 543	824 802
Reserves		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>759 306</b>	<b>824 802</b>	<b>–</b>	<b>932 543</b>	<b>824 802</b>

**Table 7: C7-Monthly Budget Statement – Cash Flow**

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		65 000	84 996	–	5 680	27 402	42 498	(15 095)	-36%	84 996
Service charges		124 927	192 018	–	19 584	76 591	96 009	(19 418)	-20%	192 018
Other revenue		29 564	37 381	–	183	(282)	18 691	(18 973)	-102%	37 381
Government - operating		52 289	84 840	–	26 327	62 996	62 996	–	–	84 840
Government - capital		86 304	93 110	–	17 423	68 395	68 395	–	–	93 110
Interest		9 845	14 673	–	323	1 219	7 337	(6 118)	-83%	14 673
Dividends		–	–	–	–	–	–	–	–	–
<b>Payments</b>										
Suppliers and employees		(263 610)	(351 310)	–	(29 157)	(152 608)	(175 655)	(23 047)	13%	(390 729)
Finance charges		–	(7 317)	–	(275)	(2 070)	(3 659)	(1 589)	43%	(7 317)
Transfers and Grants		–	–	–	–	–	–	–	–	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>104 318</b>	<b>148 391</b>	<b>–</b>	<b>40 088</b>	<b>81 644</b>	<b>116 612</b>	<b>34 968</b>	<b>30%</b>	<b>108 972</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current debtors		–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–
<b>Payments</b>										
Capital assets		(71 186)	(96 367)	–	(8 312)	(39 796)	(94 073)	(54 277)	58%	(96 367)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(71 186)</b>	<b>(96 367)</b>	<b>–</b>	<b>(8 312)</b>	<b>(39 796)</b>	<b>(94 073)</b>	<b>(54 277)</b>	<b>58%</b>	<b>(96 367)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	13	501	–	501	–	–
<b>Payments</b>										
Repayment of borrowing		(16 193)	–	–	–	(29 895)	–	29 895	–	(18 530)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(16 193)</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>(29 394)</b>	<b>–</b>	<b>29 394</b>	<b>–</b>	<b>(18 530)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>										
		<b>16 940</b>	<b>52 024</b>	<b>–</b>	<b>31 788</b>	<b>12 453</b>	<b>22 538</b>			<b>(5 925)</b>
Cash/cash equivalents at beginning:		1 301	1 301	–	–	55 236	1 301	–	–	55 236
Cash/cash equivalents at month/year end:		18 241	53 326	–	–	67 690	23 839	–	–	49 312

Municipality cash and cash equivalent at year end depict a positive balance of R49 million. Municipality intend to maintain the positive balance through continuance implementation of cash flow plan. This tool is considered vital by municipality since it will eliminate possibility of having to incur unauthorised expenditure.

Commented [LM2]: DM B&R

## PART 2: SUPPORTING DOCUMENTATION

### 5. Debtors' analysis

Section 78(1)(d) of the MFMA determines that each senior manager of a municipality and each official of a municipality exercising financial management responsibilities (cost centre managers) must take all reasonable steps within their respective areas of responsibility to ensure that all revenue due to the municipality is collected. It is therefore not only the responsibility of the Department: Budget and Treasury to ensure that all revenue gets billed and collected.

Tables 8 and 9 below depicts the debtors age analysis by revenue resource and customer group billed and collected in co-operation with the Department: Budget and Treasury. The overall collection rate for the first half of the 2019/2020 financial year is seating at average of 88%.

**Table 8: Debtors aging per services types**

Ageing Per Type of Service									
TYPE_OF_SERVICE	201812 (Current)	201811 (30 Days)	201810 (60 Days)	201809 (90 Days)	201808 (120 Days)	201807 (150 Days)	201806-201802 (180 Days)	201801+ (210 DAYS to Over 1 Year)	Total
DEPOSITS	5 166	- 4 503	- 2 074	- 5 414	- 2 077	- 7 260	- 17 827	- 155 289	- 189 277
RECEIPTS	- 960 188	- 486 503	- 412 006	- 151 857	- 272 375	- 1 650 762	- 2 261 922	- 9 649 239	- 15 844 852
INTEREST	1 041 848	960 750	920 401	885 604	851 672	825 676	4 461 127	27 541 306	37 488 384
AGREEMENTS	14 140	872	872	872	4 621	672	6 017	39 331	67 399
SUSPENSE VOTE	-	-	-	-	-	-	-	- 3 407	- 3 407
FEES	593 702	374 503	204 267	243 974	9 919	207 410	791 294	1 507 162	3 932 230
ADMIN FEE	84	-	-	-	-	1 064	1 493	6 923	9 564
WATER	2 094 924	1 216 810	781 504	660 319	554 398	520 653	2 940 417	11 769 103	20 538 128
ELECTRICITY	3 227 313	549 883	192 112	59 990	56 171	35 036	90 802	1 772 007	5 983 313
KVA	1 050 948	219 740	83 081	66 655	64 225	54 218	151 771	704 254	2 394 893
BASIC ELECTRICITY	7 620	3 028	1 524	1 415	1 817	1 053	2 047	561 853	580 356
RE-IMBURSEMENT	- 38 199	-	-	-	-	-	-	- 273	- 38 472
CASH POWER	-	-	-	-	-	-	-	324 197	324 197
RENTAL CHARGES	75 832	43 010	37 541	25 561	25 346	29 986	56 349	590 387	884 012
SUNDRY SALE OF LAND	-	-	-	-	-	-	-	234 312	234 312
WRITTING OF DEBT (RATES)	516	-	-	-	-	-	-	88 055	88 571
INDIGENT WRITTE OFF RATES	-	-	-	-	-	-	-	- 2 182	- 2 182
INDIGENT WRITTE OF SERVICE	-	-	-	-	-	-	-	- 8 586	- 8 586
HOUSING	-	-	-	-	-	-	-	- 17 364	- 17 364
RATES	4 909 534	2 640 649	2 141 861	1 801 736	1 827 234	2 201 076	7 442 503	43 403 246	66 367 840
REFUSE	524 359	249 192	166 196	139 621	116 737	13 647	461 079	2 906 417	4 549 954
SEWERAGE	1 141 348	592 516	439 277	373 196	320 870	282 026	1 209 494	6 128 509	10 487 236
MISCELLANEOUS VAT	-	-	-	-	-	-	-	316 752	316 752
MISCELLANEOUS NO VAT	-	-	-	-	-	-	-	1 374 990	1 374 990
VAT	1 339 194	500 910	303 444	256 683	189 512	192 700	796 430	5 405 635	8 984 509
WRITTING OFF DEBT	13 518	- 895	- 609	- 2 328	- 166	15 372	- 82 607	- 344 330	- 402 045
<b>TOTAL</b>	<b>15 041 660</b>	<b>6 859 963</b>	<b>4 857 390</b>	<b>4 356 028</b>	<b>3 747 905</b>	<b>2 695 275</b>	<b>16 048 467</b>	<b>94 025 146</b>	<b>147 631 834</b>

**Table 9: Debtors aging per type**

Ageing Per Account Type									
ACCOUNT_TYPE	201812 (Current)	201811 (30 Days)	201810 (60 Days)	201809 (90 Days)	201808 (120 Days)	201807 (150 Days)	201806-201802 (180 Days)	201801+ (210 DAYS to Over 1 Year)	Total
	66 363	43 898	42 557	31 687	29 776	29 615	152 031	984 949	1 380 877
None	22 206	8 654	16 128	16 506	3 152	7 858	32 934	1 169 497	1 276 936
Non Profit Comp	11 071	8 216	6 047	6 372	11 061	2 710	10 851	136 546	192 874
COMMERCIAL	5 222 171	1 337 821	494 081	498 083	420 205	590 013	1 818 552	16 756 744	27 137 672
LAND REFORMED	-	-	-	-	-	-	-	9	9
RURAL DEVELOPM	177 645	173 027	170 429	168 948	167 276	164 303	394 801	1 940 805	2 567 633
EDUCATION	401 151	207 868	146 715	158 460	107 832	91 387	1 503 747	622 094	3 239 255
AGRICULTURAL	1 544 941	1 066 030	1 025 527	910 556	826 484	1 063 635	3 619 574	18 451 281	28 508 029
HOUSING	1 081	-	2 446	814	93	431	376	5 398	1 205
PUBLIC INFRASTR	8 951	7 429	4 959	2 949	3 668	26 670	8 265	70 269	57 390
PLCS OF WORSHIP	52 647	21 112	11 650	16 139	10 795	14 775	43 110	323 897	494 125
MUNICIPAL PROP	63 025	104 380	126 538	7 765	30 517	1 436 932	357 160	5 471 859	7 598 177
P/WORKS PROVINC	103 511	85 225	83 384	58 999	58 722	88 955	70 991	181 672	553 548
RESIDENTIAL	6 661 530	3 290 713	2 561 748	2 192 164	1 768 714	1 561 732	7 507 065	53 535 270	79 078 934
AGRIC-RES	48 118	34 476	34 258	32 380	36 004	378 055	179 120	240 817	983 227
FARM-COMMERCIAL	79 683	28 703	27 725	27 620	27 300	26 341	491 171	118 549	827 093
FARM-NOT USED	12 063	13 373	11 312	32 755	58 990	21 168	39 912	46 913	170 974
FARM-OTHER	2 901	2 418	2 153	28 252	2 125	2 113	16 225	31 805	31 489
DEPT OF HEALTH	211 357	225 520	1 980	-	-	-	-	-	438 858
P/WORKS NATIONA	165 427	163 373	137 186	112 044	89 489	92 507	182 992	1 043 056	1 986 073
PRIVATE EST-RES	5 227	4 185	3 755	3 466	3 315	3 286	7 515	18 189	48 937
RES-PENSIONER	345	2	-	-	-	-	-	-	347
SASSA	7 000	-	-	-	-	-	-	-	7 000
AGRI-PENSIONER	539	417	533	632	532	52	-	1 626	246
FARM-PROP DEV	10 957	10 834	10 820	10 806	10 792	-	-	-	54 208
RES-INDIGENT	287 800	231 883	188 536	182 073	142 285	198 713	1 132 535	3 831 677	6 195 502
<b>TOTAL</b>	<b>15 041 660</b>	<b>6 859 963</b>	<b>4 857 390</b>	<b>4 356 028</b>	<b>3 747 905</b>	<b>2 695 275</b>	<b>16 048 467</b>	<b>94 025 146</b>	<b>147 631 834</b>

During the first half of 2019/2020 financial year, total debtors' book is sitting at R147 million. Rates are the highest with R66 million (45%) out of total debtor's book followed by interest.

In terms of debtors per account type, residential is seating at R79 million (54%) followed by commercial and agriculture at R28 million (19%) and R27 million (18%) respectively.

Municipality will continue to monitor the progress made by debt collectors and to implement mechanism to help reduce the debt. Policy on the write off of uncollectable debts was approved by the council during the previous financial years. This will help in writing off certain debts which is seating on our debtors' book which have been considered to be non-collectable.

**Plans to reduce the debts**

- a) The Municipality has handed over several accounts to the debt collectors and couldn't recover some debt due to liquidations/sequestrations, Accountholder are deceased, increase in unemployed/pensioner (indigent), etc. We received a report from the debt collectors and the amount recommended for a write-off is about R14 971 069.43. The debt was taken to council to request approval for write-off, however, it was not approved due to insufficient information submitted. The report will be revised and re-submitted in the next council meeting in January 2019.
- b) There are approved indigents who are failing to settle their accounts due to lack of income or low income. We are therefore unable to recover the debt from this group of customers. The debt was taken to council to request approval for write-off, however, it was not disapproved due to budget availability.
- c) Communications will be sent out through stating that interest will be written off when the account is settled in full (as per Doubtful and Irrecoverable Debt Policy). The aim is to encourage more consumers to settle their accounts in full.

- d) We are also in the process of correcting the billing data in Spa Park to ensure completeness and accuracy of revenue. There are about 184 stands that we are currently verifying physically as most of these stands were opened incorrectly on the system due to encroachments of the stands in this area. Most of their bills are incorrect.
- e) We are going to bill earlier to allow our potential consumers to pay their debts before embarking on vacation for the December holidays.
- f) Top 100 businesses will be prioritised for immediate collection from month of January 2019.
- g) All consumers who failed to make full payment on the due date will result in their electricity being disconnected excluding consumers who honoured their agreements.

Commented [LM3]: DM REVENUE

## 6. Creditor's analysis

Table 10: Creditors ageing

Creditor Name	Creditors Age Analysis					Total
	Sum of 0days	Sum of 30days	Sum of 60days	Sum of 90days	Sum of 120days	
ESKOM (5740387734)	-	24 700 675	-	-	-	24 700 675
MAGALIES WATER	1 004 343	1 243 220	-	22 925	37 335	2 307 823
LATERAL UNISON INS. BROKERS	-	-	-	-	1 291 854	1 291 854
DEPT OF PUBLIC TRANSPORT	834 404	-	-	-	-	834 404
LSO CONSULTING ENGINEERS	-	728 284	67 556	-	-	795 839
Aurecon South Africa (Pty) Ltd	-	-	-	-	509 125	509 125
I@CONSULTING	180 854	-	-	-	-	180 854
MOLOTO ATTORNEYS	-	-	-	-	131 104	131 104
AUDIT & RISK MANAGEMENT SOLUTI	100 000	-	-	-	-	100 000
RTMC	59 112	-	-	-	-	59 112
ROAD TRAFFIC INFRINGEMENT	44 591	-	-	-	-	44 591
ROZWAI TRADING ENTERPRISE	29 988	-	-	-	-	29 988
BABINATLOU MOTOR REWINDING AND	-	28 995	-	-	-	28 995
SALGA	25 229	-	-	-	-	25 229
PRODIBA (PTY) LTD	24 253	-	-	-	-	24 253
BURIKA ICT SOLUTIONS	21 313	-	-	-	-	21 313
MORULENG TRAVEL & PROJECTS	-	-	9 395	-	-	9 395
<b>Total</b>	<b>2 324 087</b>	<b>26 701 173</b>	<b>58 161</b>	<b>22 925</b>	<b>1 969 418</b>	<b>31 075 764</b>

Municipality total debts amounting to R31 million include Eskom bill of R24 million which account to 79% over total debts.

Commented [LM4]: DM EXPENDITURE

Add all the arrangements which the municipality has entered into and the schedule (narrate)

## 7. Investment portfolio analysis

Table 11: Investment account summary

Particulars of investments as at 31 December 2018				
Bank	Account Description	Account Number	Account Type	Balance
ABSA	Savings Account	9295745884	Depositor Plus	R 23 249 405.86
ABSA	Call: Bela-Bela Municipality	4078360937	Depositor Plus	R 1 555 735.68
<b>TOTAL</b>				<b>R 24 805 141.54</b>

Bela-Bela Local municipality held various investments in accordance to Municipal Investment Regulation, 2005 issued by the National Treasury. Total investment as at 31 December 2019 was reported at R24 million.

Commented [LM5]: DV B&R

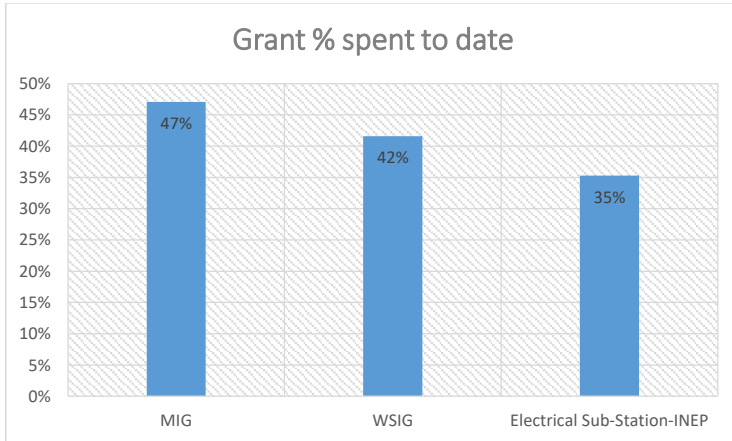
### 8. Allocation and grant receipt and expenditure

Table 12: Grant receipt and expenditure

Capital Expenditure per Project							
Project Name	Department	Funding source	2018/2019	Expenditure- December 2018	Expenditure to date	Unspent budget	Spent to date
Bela-Bela: Upgrade Moloto Street stadium	Technical Services	MIG	12 075 000	-	1 151 218	10 923 782	10%
Bela-Bela: Upgrade Pienaarsrivier Waste Water Treatment Works	Technical Services	MIG	7 885 352	610 230	3 612 045	4 273 307	46%
Bela-Bela: widening Mile street bridge	Technical Services	MIG	5 127 501	379 692	4 520 979	606 522	88%
Bela-Bela: Road Paving X 4,6,7 78	Technical Services	MIG	2 992 697	-	727 826	2 264 871	24%
Bela-Bela: Stormwater Marikana Street (X6)	Social & Community Services	MIG	1 150 304	429 555	429 555	720 749	37%
Bela-Bela: Waste Water Treatment Masakhane	Technical Services	MIG	6 555 923	1 968 328	6 404 858	151 065	98%
<b>TOTAL MIG</b>			<b>35 786 777</b>	<b>3 387 805</b>	<b>16 846 482</b>	<b>18 940 295</b>	<b>47%</b>
Upgrade of bela-bela raw water pump station and security of reservoirs	Technical Services	WSIG	3 000 000	-	1 411 381	1 588 619	47%
Bela- Bela Water Conservation and Demand	Technical Services	WSIG	14 930 342	1 386 654	4 672 065	10 258 277	31%
Upgrade of Bela- Bela Waste Water Scheme- Upgrade of waste water treatment Works	Technical Services	WSIG	9 502 754	1 812 499	8 066 181	1 436 573	85%
Upgrade of Bela- Bela water Treatment Works	Technical Services	WSIG	12 566 904	676 383	2 482 857	10 084 047	20%
<b>TOTAL WSIG</b>			<b>40 000 000</b>	<b>3 875 536</b>	<b>16 632 485</b>	<b>23 367 515</b>	<b>42%</b>
Electrical Sub-Station-INEP	Technical Services	INEP	15 580 000	1 048 399	5 495 999	10 084 001	35%
<b>Total</b>			<b>91 366 777</b>	<b>8 311 740</b>	<b>38 974 966</b>	<b>42 307 810</b>	<b>43%</b>

Total spending on the MIG budget of R 35 million is seating at R16 million as at 31 December 2019 which represent 47% spending when expressed as percentage followed by WSIG with 42% spent to date.

Commented [LM6]: DV B&R PMU



### 9. Councillor and board member allowances and employee benefits

**Table 13: Councillor Allowances**

DESCRIPTION	BUDGET	SPENT	VARIANCE
Councillor salaries	8 774 000	3 242 000	5 532 000

Lower spending on the councillor allowance as depicted on table above is as result of upper limit which only get implemented just after the mid-year review. The total budget of R8.7 million already considered the budgeted upper limit which is not yet implemented in the first half of the financial year.

**Commented [LM7]:** DVM EXPENDITURE SALARIES

**Table 14: Audit committee members**

COMMITTEE MEMBER	DESCRIPTION	AMOUNT
NKE HS RR	Chairperson: Audit Committee	31 590.00
MABISTELA AK	Ordinary Member	10 846.86
MOHLABI GL	Ordinary Member	4 537.61
NETSHIOMBO	Ordinary Member	22 221.99
<b>TOTAL TO DATE</b>		<b>69 196.46</b>

During the first half of the 2019/2020 budget year, Municipality only had three audit committee members.

**Commented [LM8]:** DM INTERNAL AUDIT

**Table 15: Employee benefits**

Descriptions	Budget	Actual	YTD Variances	YTD variance%
Employee benefits	14 075 572.85	11 436 558.04	2 639 014.81	19

**Commented [LM9]:** DV EXPENDITURE

Add narration

## 10. Material variances to the service delivery and budget implementation plan

Municipality Budget and Reporting Regulation require in-year statement to contain material variance to services delivery and budget implementation. These variances has been detailed above under individual budget table relating to either services delivery or budget implementation plan

## 11. Capital programme performance

MIG actually spent during the 1<sup>st</sup> six months of the financial year amounts to R 16 million or 47% of the current year budget totals. Based on current spending patterns as well as tenders already awarded, the projected capital expenditure for the 2019/2020 financial year are anticipated to be fully utilised.

The capital projects per directorate and per cost centre will not be discussed any further but more detail about each capital project's performance in the Capital Project Implementation Plan (CPIP) is available for councillors at PMU unit. The CPIP is submitted to Executive Management on a monthly basis where the Municipal Manager monitors progress. The CPIP clearly indicates the planned supply chain processes and the actual performance per capital project (included actual and committed spending).

## 12. Other supporting documents

### a) Progress made on the mSCOA implementation

In terms of m-SCOA regulation of 2014, all municipalities were expected to implement the standard Charts of Accounts by 1 July 2018. In order to comply with regulation, there were various processes that needed to be undertaken by municipality to ensure full compliance on 1st July 2018 which include amongst other, implementation plan indicating the project milestones.

Bela-Bela Local Municipality has successfully migrated into m-SCOA as from 1<sup>st</sup> of July 2018. Municipality had for the 2018/2019 financial period manage to compile its annual financial statement on the m-SCOA chart of account.

Challenges were however experienced during the compilation of the annual financial statement relating to misclassification of accounts and certain balance which were not properly migrated to new chart accurately by the system.

### Progress made on the compliance with the minimum competency regulations

All the municipal finance officials are attending the accredited courses on the minimum competencies. Some of the affected officials have completed the course during the end of December 2018. New intake is expected to start during the beginning of the second half of the 2019/2020 financial year

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**b) The 2020/2021 budget schedule and progress made in achieving the milestone and timelines specified in the circular detailing the compilation of 2020/2021 MTREF**

In terms of subsection 16 (1) of the MFMA (Act no 56 of 2003), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Based on the MFMA requirement above, The Municipality has initiated the budget process plan in preparation of 2020/2021 budget. The plan is scheduled to be tabled to council during February council seating. Municipality has also taken into consideration MFMA budget circular 93.

Proper planning in drafting 2020/2021 budget will ensure accurate and compliance budget is achieved by the municipality.

### **13. Service delivery performance analysis (Overall SDBIP),**

Bela-Bela Local Municipality hereby submits the 2019/2020 Mid-Year Organizational Service Delivery and Budget Implementation Plan (SDBIP) Performance Report to Council in terms of Section 52 (d) of the Municipal Finance Management Act (MFMA) No 56 of 2003. This report covers the performance information from 01 July 2019 to 31 December 2019. The report further focuses on the implementation of the 2019/2020 SDBIP in conjunction with the 2019/2020 Budget, in relation to the objectives as summarized in the Approved 2019/2020 Municipality's Integrated Development and Plan (IDP).

This Report reflects actual performance of the Municipality as measured against the performance indicators and targets in its 2019/2020 Integrated Development Plan (IDP), 2019/2020 Budget and 2019/2020 Service Delivery and Budget Implementation Plan (SDBIP). Furthermore, the report depicts the performance of the Municipality as per the five (5) National Government's Strategic key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management, (5) Good Governance and Public Participation, and (6) Spatial Rationale as added.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area (KPA). Each Key Municipal KPA have number of Municipal Programmes/Key Focus Areas (KFA's) which was deliberately designed by the Bela-Bela Local Municipality to focus its development initiatives in a more coherent and organised manner.

### **a) Legislative Imperative**

This 2019/2020 Mid -Year Report Performance Report has been compiled in compliance with the requirements of Section 72 (d) of the Local Government: Municipal Finance Management Act No 56 of 2003; which stipulates as follows:

(a) -----

(b) -----

(c) *the Mayor must take all reasonable steps to ensure that the Municipality performance its constitutional and statutory functions within the limits of the Municipality's approved budget.*

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." It is therefore in this regard that the Municipality compiled the 2019/2020 Mid -Year Organizational Performance Report.

### **b) The Service Delivery and Budget Implementation Plan**

*The Organisational Performance is evaluated by means of a Municipal Scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery, Budget and Implementation Plan (SDBIP) at departmental levels.*

*The SDBIP is a plan that converts the IDP and Annual Budget into measurable operational targets on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to Departments and/or Divisions to deliver the services in terms of the IDP and Budget:*

*The MFMA Circular No. 13 prescribes that:*

- *The IDP and budget must be aligned;*
- *The budget must address the strategic priorities;*

- The SDBIP should indicate what the municipality is going to do during next 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the Budget /IDP processes.

The SDBIP was prepared as described in the paragraphs below and approved by the Mayor. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology as depicted in Table 1 below:

Colour Legend	Category	Explanation
	KPI Not Yet Measured	KPIs with no Targets or Actual results for the selected period
	KPI Withdrawn	KPI withdrawn for whatsoever reason
	KPI Not Met	Actual vs Target Less than 75%
	KPI Almost Met	Actual vs Target between 75% and 100%
	KPI Met	Actual vs Target 100% Achieved
	KPI Met Well	Actual vs Target More Than 100% and Less Than 150% Achieved
	KPI Extremely Met Well	Actual vs Target More Than 150%

### **c) Planned Targets versus the 2019/2020 Mid - Year Actual Performance as aligned to the National Key Performance Areas**

This section of the 2019/2020 Mid - Year Performance Service Delivery and Budget Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Due to the fact that the Municipality has aligned its KPAs to the Six (6) National KPA's the Bela-Bela Local Municipality will report as such.

### **d) Explanation on calculating of the 2019/2020 Mid - Year Actual Performances**

The calculations were done in accordance with the following six (6) Departments within the Municipality, viz:

- Office of the Municipal Manager;
  - Internal Audit Unit;
  - Risk Management Unit and
  - Communications and Public Participation
- Budget and Treasury;
- Corporate Services; Social and Community Services;

d) Planning and Economic Development; and

e) Technical Services

All the percentages under the column on 2019/2020 actual performance were added together per Department and divided by the number of indicator planned to be performed by that particular Department.

In instances where the 2019/2020 Mid - Year Performance Target was any figure other than 100%, the figure indicated as achievement under the column for Actual Performance was then divided by that under the 2019/2020 Mid - Year Target Column and multiplied by 100 to get the actual percentage achieved, which is indicated in a bracket in most instances.

The totals from all the Departments were then averaged to arrive at the Organizational Score.

Commented [LM12]: M.M OFFICE

SM MAKHUBELA

MUNICIPAL MANAGER

DATE

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## 1. Key Performance Indicators

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste Management and Cleansing	Percentage of formal households with access to Solid Waste Removal by June 2019	KPI 1	%	100% 10005	100% 9779 of formal households with access to Solid Waste Removal	100% 9779	Achieved 9779 (100%)			Council Approved Schedule of Collection	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste Management and Cleansing	Percentage of informal households with access to waste collection by June 2019	KPI 2	%	100% 6183	100% 3 088 of informal households with access to Solid Waste Removal	100% 3 088	Achieved 3 088 (100%)			Council Approved Schedule of Collection	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the Welfare of the Community	Waste Management and Cleansing	Percentage of non-residential properties (business, schools & hospital) with access waste collection by June 2019	KPI 3	%	0	100% 604 Percentage of non-residential properties (business, churches, schools & hospitals) with access to basic level of Solid Waste Removal (kerbside collection)	100% 604	Achieved 604 (100%)			Council Approved Schedule of Collection	Council Approved Schedule of Collection

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
							once a week						
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste Management and Cleansing	Number of awareness campaigns conducted by June 2019	KPI 4	#	5x Waste Management awareness campaigns conducted	5x Waste Management awareness campaigns to be conducted	3x Waste Management awareness campaigns	Not Achieved 2x Waste Management awareness campaigns (80%)			Attendance Registers and Reports	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste Management and Cleansing	Number of illegal dumping areas Transformed into aesthetically landscaped areas by June 2019	KPI 5	#	0	2x illegal dumping areas Transformed into aesthetically landscaped	1x illegal dumping areas to be Transformed into aesthetically landscaped	Achieved 1x illegal dumping area Transformed into aesthetically landscaped (Spa Park) (100%)			Photos	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste management and cleansing	Number of Landfill Site Audit conducted by June 2019	KPI 6	#	4	5	2 x Report	Achieved 3xReport (150%)			Audit Reports	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Waste management and cleansing	Number of Waste Minimization Initiatives implemented by June 2019	KPI 7	#	2x Waste Minimization Initiatives conducted	2x Waste Minimization Initiatives to be conducted	1x Initiatives	Achieved 1x Initiatives (100%)			Reports	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Protection and Emergency Services	Number of road blocks conducted by June 2019	KPI 8	#	60x Road Blocks conducted	24x Road blocks to be conducted	12x Roadblocks	Achieved 12x Roadblocks			Staff signed attendance Registers and Reports	Social and Community Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
									(300%)				
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Protection and Emergency Services	Number of reports on road traffic maintenance tabled to Council by June 2019	KPI 9	#	4	4	2x Report	Achieved 2x Report (100%)			Reports with Council Resolutions	Social and Community Services
Basic Service Delivery and Infrastructure Development	Promote the welfare of the community	Social and Community Services	Audit number of paying households & Informal Settlement  Develop and by-laws (i.e. waste collection, animal keeping & Noise pollution)	KPI 10	#	0	1	Not Applicable	Not Applicable			Council resolution to approve by laws	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	Protection and Emergency Services (Licensing)	Number of reports on licensing activities generated by June 2019	KPI 11	#	48x Reports	48x Reports	24x Reports	Achieved 24x Reports (100%)			Reports	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	Parks and community facilities	Number of community halls maintained by June 2019	KPI 12	#	5x community halls to be maintained	5x community halls to be maintained	5x community halls maintained	Achieved 5x community halls maintained (100%)			Maintenance Register/schedule	Social and Community Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Basic Service Delivery and Infrastructure Development	Satisfied communities	Parks and community services	Number of cemeteries maintained by June 2019	KPI 13	#	3x cemeteries maintained	3x cemeteries to be maintained	3x cemeteries maintained	Achieved 3x cemeteries maintained (100%)			Maintenance Register/schedule	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	Sports and recreation	Number of sports facilities maintained by June 2019	KPI 14	#	14x sports facilities maintained	14x sports facilities to be maintained	14x sports facilities maintained	Achieved 14x sports facilities maintained (100%)			Maintenance Register/schedule	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	Sports and recreation	Number of parks maintained by June 2019	KPI 15	#	5x parks maintained	5x parks to be maintained	5x parks maintained	Achieved 5x parks maintained (100%)			Maintenance Register/schedule	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	sports and recreation	Number of reports submitted to Council on the establishment of sports confederation by June 2019	KPI 16	#	0	2x Reports to be submitted to Council on the establishment of sports confederation	1x Reports to be submitted to Council on the establishment of sports confederation	Not Achieved			Maintenance Register/schedule	Social and Community Services
Basic Service Delivery and Infrastructure Development	Satisfied communities	Sports and recreation	Number of policy on Utilisation of sports and recreation developed by June 2019	KPI 17	#	0	1x Policy	Not Applicable	Not Applicable			Council Resolution	Social and Community Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Basic Service Delivery and Infrastructure Development	Satisfied communities	Arts and Culture	Number of reports submitted to Council on the establishment of Arts and Culture Forum by June 2019	KPI 18	#	0	1x Report	Not Applicable	Not Applicable			Council Resolution	Social and Community Services
Good Governance and Public Participation	Plan for the Future	Integrated Development Plan	Number of IDP/PMS/Budget Process Plan approved by Council 30 June 2019	KPI 19	#	2019/2020 IDP/Budget/PMS Process Plan	1x 2019/2020 IDP/Budget/PMS Framework	Not applicable	Not applicable			2019/2020 Council approved Process Plan with Council Resolution	Planning & Economic Development
Good Governance and Public Participation	Plan for the Future	Integrated Development Plan	Number of IDP/LED Representative Forums held by 30 June 2019	KPI 20	#	4x IDP/LED Representative Forums	4x IDP/LED Representative Forums	Achieved 2x IDP/LED Representative Forum	Achieved 2x IDP/LED Representative Forum held on the 26 September and 22 November 2019 (100%)			Signed attendance register	Planning & Economic Development
Good Governance and Public Participation	Plan for the Future	Integrated Development Plan	Number of 2019/2020 IDP reviewed and approved by Council by 30 May 2019	KPI 21	#	1x 2019/2020 reviewed IDP	2019/2020 IDP reviewed and approved by Council	Not applicable	Not applicable			Council approved IDP and the Council Resolution	Planning & Economic Development
Good Governance and Public Participation	Clean Governance	Performance Management System	PMS Framework and Process protocol implemented by 30 June 2019	KPI 22	Q	PMS Framework developed	Development of the detailed PMS cascading methodology	Not applicable	Not applicable			Council approved PMS Methodology	Planning & Economic Development

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of Annual and Oversight reports compiled and tabled to Council for approval by 31 March 2019	KPI 23	#	2016-2018 Oversight Report	1x 2018-2019 Oversight Report	Not applicable	Not applicable			Council Approved Report with Council Resolution	Planning & Economic Development
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of MFMA Section 72 Mid - Year reports compiled and submitted to Council for approval by 30 January 2019	KPI 24	#	1x 2018/18 Section 72 MFMA Report	1x 2019/2020 Section 72 MFMA Report	Not Applicable	Not applicable			Council approved 2019/2020 Section 72 Mid-Year Report with a Council Resolutions.	Planning & Economic Development
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of MFMA Section 52 reports compiled and submitted to Council for approval by 30 June 2019	KPI 25	#	4x Quarterly performance reports	4x Quarterly performance reports	2x Quarter performance report	Achieved 2x Quarter performance report (100%)			2 sets of Quarterly performance report	Planning & Economic Development
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of Back to Basics reports compiled and submitted to CoGHSTA by 30 June 2019	KPI 26	#	4x Reports	4x Reports	2x Report	Achieved 2x Report (100%)			2 sets of Back to Basics Reports	Planning & Economic Development

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of SDBIPs approved by the Mayor 28 days after the approval of the budget	KPI 27	#	1x 2018/18 Approved SDBIP	1x 2019/2020 Approved SDBIP	Not Applicable	Not Applicable			2019/2020 Approved SDBIP	Planning & Economic Development
Good Governance and Public Participation	Clean Governance	Performance Management System	Number of Section 56 Performance Agreements signed by 30 July each year	KPI 28	#	3x Signed Performance	6x Signed Performance Agreements	6x Signed Performance Agreements	Not Achieved 4x Signed Performance Agreements (66.6%)			Signed Performance Agreements	Planning & Economic Development
Local Economic Development	Promote and Encourage Sustainable Economic Environment	Local Economic Development	Number of Municipal Growth and Development 2030 Strategy developed and approved by 30 June 2019	KPI 29	Q	2008 LED Strategy	Develop and approve the LED Strategy	Not Applicable	Not Applicable			Approved LED Strategy with Council Resolution	Planning & Economic Development
Local Economic Development	Promote and Encourage Sustainable Economic Environment	Local Economic Development	Number of reports compiled on jobs created through EPWP/Municipal initiatives tabled to Council by 30 June 2019	KPI 30	#	4x Reports	4x Reports	2x Reports	Achieved 2x Reports (100%)			2 sets of reports with Council Resolution	Planning & Economic Development
Spatial Planning and Land Use Management	Liveable and Integrated Communities	Land Use	SDF and LUS reviewed and approved by Council by 30 June 2019	KPI 31	Q	Approved 2016 SDF and LUS	Approved 2019 SDF and LUS	Final approval 2019 SDF and LUS	Not Achieved			Council resolution	Planning & Economic Development

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Spatial Planning and Land Use Management	Liveable and Integrated Communities	Housing	Number of township establishment finalized by 30 June 2019	KPI 32	#	1X finalized township establishment (Bela-Bela Extension 8)	1X Finalized township establishment process ( Masakhane ,Radium, Sparpark ext, Bela-Bela Extension 7 & 9	1 x Finalized township establishment Extension 7 & 9	Not Achieved			Proclamation Notice on Government Gazette	Planning & Economic Development
Spatial Planning and Land Use Management	Liveable and Integrated Communities	Housing	Submit a request both Provincial and National Dept for Land purchase for Integrated Human Settlement	KPI 33	Q	None	1 report submit a request both Provincial and National Dept for Land purchase for Integrated Human Settlement	Not Applicable	Not Applicable			Proof of submission and acknowledgment letter	Planning & Economic Development
Spatial Planning and Land Use Management	Liveable and Integrated Communities	Building Control	Number of awareness campaigns on Building Control/LUS/ Housing compliance conducted by 30 June 2019	KPI 34	#	4x Awareness campaigns	4x Awareness Campaigns	2x Awareness Campaigns	Achieved 2x Awareness campaign held on the 29 to 30 August and 22 November 2019			Attendance register	Planning & Economic Development

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water	Number of formal households with access to basic level of water by 30 June 2019	KPI 35	#	17 052 HH were provided with basic level of water	17 752 Formal HH	17752 Formal HH	Achieved  17752 Formal HH provided with basic level of water  (100%)			Billing Report	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water	Number of informal households with access to basic level of water by 30 June 2019	KPI 36	#	4302 Informal HH were provided with relief level of water	3002 Informal HH to be provided with access to	3002 Informal HH	Achieved  3002 Informal HH provided with basic level of water  (100%)			Water and sanitation services Council report and resolution	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water	Number of non-residential properties (business, churches, schools & hospitals) with access to basic level of water by 30 June 2019	KPI 37	#		392 Number of non-residential properties (business, churches, schools & hospitals) with access to basic level of water by 30 June 2019	392 Number of non-residential properties	Achieved  392 Number of non-residential properties provided with basic level of water  (100%)			Billing Report	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water	Number of quarterly Water Meter Audit conducted by 30 June 2019	KPI 38	#	2 Water Meter Audit	2x Water Meter Audit	1x Water Meter Audit	Achieved  1x Water Meter Audit  (100)			Quarterly Reports	Technical Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Sanitation	Number of formal households with access to basic level of Sanitation by 30 June 2019	KPI 39	#	17 052 formal HH were provided with access to basic level of Sanitation	17 752 formal HH to be provided with access to basic level of Sanitation	17752 formal HH	Achieved  17752 formal HH provided with access to basic level of Sanitation (100%)			Billing information or GIS information	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Sanitation	Number of informal households with access to basic sanitation (VIP toilets) by 30 June 2019	KPI 40	#	1600 Informal households had access to basic sanitation with (VIP's Toilets)	100 Informal households with access to basic sanitation	100 Informal households with access to basic sanitation e	Achieved  100 Informal households with access to basic sanitation (100%)			Magalies close up report	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Sanitation	Number of non-residential properties (business, churches, schools & hospitals) with access to basic level of sanitation by 30 June 2019	KPI 41	#	747 Number of non-residential properties (business, churches, schools & hospitals) with access to basic level of sanitation	747x Number of non-residential properties	747x Number of non-residential properties	Achieved  747x Number of non-residential properties (business, churches, schools & hospitals) provider with access to basic level of sanitation (100)			Billing information or GIS information	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water & Sanitation	Number of quarterly Water and Waste Water Treatment Plant performance	KPI 42	#	4 Quarterly Assessment Reports	4 Quarterly assessments reports	2x Quarterly assessments reports	Achieved  2x Quarterly assessments reports (100%)			Quarterly reports with Council Resolutions	Technical Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			conducted by 30 June 2019										
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Water & Sanitation	Number of Quarterly reports on Water and Waste Water Quality compiled by 30 June 2019	KPI 43	#	4x quarterly Reports	4x Quarterly Water and Waste Water quality reports	2x reports	Achieved  2x Quarterly Water and Waste Water quality reports (100)			Quarterly reports with Council Resolutions	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Sanitation	Number of household to be connected to sewer system by 30 June 2019	KPI 44	#	17 052 household to be connected to sewer system	700 household to be connected to sewer system	Not Applicable	Not Applicable			Technical report from COGHSTA	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Electricity	Number of households with access to basic level of electricity by 30 June 2019	KPI 45	#	18695 HH were provided with access to basic level of Electricity	200 HH will be provided with access to basic level of Electricity	Not Applicable	Not Applicable			Quarterly Report	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Electricity	Number of Electricity Meter Audit conducted by 30 June 2019	KPI 46	#	220 Electricity Meter Audit conducted by 30 June 2019	244 Electricity Meter Audit to be conducted	124x Electricity Meter Audit to be conducted	Achieved  124x Electricity Meter Audit conducted (100%)			Quarterly Report	Technical Services
Basic Service Delivery and Infrastructure Development	Resource Management of Infrastructure and Services	Roads and Storm Water	Number of Kilometres of roads constructed by 30 June 2019	KPI 47	Km	111.73 Km	Construct 3.5 km roads and storm water by 2019	1.74 KM	Not Achieved  1.3 km were regravelling  0.128 km were surfaced at			Appointment letters of service providers and Completion Certificate	Technical Services

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
									entrance of Bela Bela Total road constructed Is 1.428				
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Council Administration	Number of Council meetings convened by 30 June 2019	KPI 48	#	7x Council meetings	4xCouncil meetings	2x Council Meeting	Achieved  2x Council Meeting held on the 31 <sup>st</sup> July & 24 October 2019  (100%)			Signed Attendance Registers	Corporate Services
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Council Administration	Number of Section 79 Committee meetings convened by 30 June 2019	KPI 49	#	33x Section 79 Committee meetings convened	33x Section 79 Committee meetings to be convened	18x Section 79 Committee meetings	Not Achieved  13x Section 79 Committee held 2 held on the 24 July, 3 held on the 11 September, 2 held on the 27 September, 3 held on the 17 October, 3 held on the 21 November 2019 (100%)	The Subcommittee of Social and community Services did not quorate on the 24 September 2019 and the subcommittee Budget & Treasury/ Governance & Transformation did not quorate 27.September 2019. And on the month of December on subcommittee meetings were held.		Signed Attendance Registers	Corporate Service

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	IT and Support	Number of ICT Policies and Standards Procedures developed/ reviewed and approved by Council by 30 June 2019	KPI 50	#	15 ICT Policies Reviewed	8 ICT Policies to be reviewed/ developed	4x ICT Policies	Achieved  4x ICT Policies reviewed/ developed. ICT information security, ITC change management policy, ICT backup policy, ICT firewall policy  (100%)			Council Resolution	Corporate Service
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	IT and Support	Number of ICT Steering Committee meetings held by 30 June 2019	KPI 51	#	4x Steering Committee meetings	4x Steering Committee meetings	2x Steering Committee meeting	Achieved  2x Steering Committee meeting held 26 September & 30 November 2019  (100%)			Signed Attendance Registers	Corporate Service
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Legal Services	Number of by-laws reviewed and promulgated by 30 June 2019	KPI 52	#	7x By-Laws	4x By-Laws	Not Applicable	Not Applicable			Notice of Gazette	Corporate Service

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Legal Services	Number of Litigation Reports compiled and submitted to Council by 30 June 2019	KPI 53	#	4x Litigation Reports	4x Litigation Reports	2x Litigation Report	Achieved 2x Litigation Report (100%)			2 Sets of Litigation Report	Corporate Service
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Human Resources	Number of training in labour relations held by 30 June 2019	KPI 54	#	5x Labour Relations Training was conducted	5x officials to be trained on Labour	5x officials to be trained on Labour	Achieved 41x Officials (100%)			Signed Attendance Register, Report with Council Resolution	Corporate Service
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Human Resources	Number of Employee Wellness Programmes held by 30 June 2019	KPI 55	#	1x Employee Wellness Programme	1x Employee Wellness Programmes	1x Employee Wellness	Achieved 1x Employee Wellness held on the 28 November 2019 (100%)			Signed Attendance Registers	Corporate Service
Municipal Transformation and Institutional Development	To Improve Administrative and Governance Capacity	Human Resources	Number of Wellness campaigns and workshops held by 30 June 2019	KPI 56	#	6x Employee Wellness Campaigns	4x Employee Wellness Campaigns	2x Employee Wellness Campaign	Achieved 5x Employee Wellness Campaign held on the 12-13 July 2019, 28-29 August 2019, 18 September 2019, 21 September 2019 & 02 November 2019 (250%)			Signed Attendance Registers	Corporate Service
Municipal Transformation and	To Improve Administrative and	Human Resources	Number of LLF meetings held by 30 June 2019	KPI 57	#	8 x LLF Meetings	8 x LLF Meetings	4x LLF Meetings	Achieved 4x LLF Meetings			Signed Attendance Registers	Corporate Service

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Institutional Development	Governance Capacity								23 July 2019, 20 August 2019, 26 September 2019 & 26 November 2019 (100%)				
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	Human Resources	Number of Organograms Reviewed and approved by 30 June 2019	KPI 58	#	1x 2019/2020 Approved Organogram	1x 2019/2020 Organogram reviewed and approved	Not Applicable	Not Applicable			Approved 2019/2020 Organogram	Corporate Service
Municipal Transformation and Institutional Development	To Improve, Attract, Develop and Retain Human Capital	Human Resources	Number of Employment Equity Report compiled and submitted to Department of Labour by 30 January 2019	KPI 59	#	2018/2019 Employment Equity Report	1x 2019/2020 Employment Equity Report	Not Applicable	Not Applicable			Copy of the Report and the Proof of Submission	Corporate Service
Municipal Transformation and Institutional Development	Development of HRM AND HRD Strategy	Human Resources & Development	Number of WSP developed and submitted to LGSETA by 30 April 2019	KPI 60	#	2019/2020 WSP	1x 2019/2020 WSP	Not applicable	Not Applicable			A copy of WSP and Proof of submissions	Corporate Service

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Municipal Transformation and Institutional Development	Development of HRM and HRD Strategy	Human Resources & Development (Training )	Number of Official and Councillors trained by 30 June 2019	KPI 61	#	89 officials and 2 trained	73 Train Officials and 17 Councillors (90)	33 Train Officials and 17 Councillors	Not Achieved  Achieved  41 Official trained			Signed Attendance Registers and Report	Corporate Service
Municipal Transformation and Institutional Development	Development of HRM and HRD Strategy	Human Resources & Development (Training )	100% of the municipal budget allocated spent on WSP implementati by June 2019	KPI 62	%	100%	100% of the municipal budget allocated to be spent on WSP	Not Applicable	Not Applicable			Signed Attendance Registers and Report	Corporate Service
Good Governance and Public Participation	Clean Governanc e and Community Participatio n	Customer Care	Number of Customer Satisfaction Survey conducted by 30 June 2019	KPI 63	#	Established Customer Care Unit	1x Customer Satisfaction Survey conducted	Not applicable	Not Applicable			Report on the Customer Satisfaction Survey with Council Resolution	Office of the Municipal Manager
Good Governance and Public Participation	Improve Community Participatio n	Customer Care	Number of media statements issued to communities on quarterly basis by 30 June 2019	KPI 64	#	None	4x quarterly media statements to be released	2x Media Statements	Achieved  3x Media Statements  125%			Newspaper articles	Office of the Municipal Manager

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Good Governance and Public Participation	Clean Governance	Special Programmes	Number of Special programmes initiatives implemented (e.g. youth; People with disability; women and elderly people) by 30 June 2019	KPI 65	#	None	2x Number of Special programmes initiatives implemented to be implemented (e.g. youth)	1x Special programmes initiative	Achieved  1x Special programmes initiative for golden games for elderly people was held on the 16 August 2019  (100%)			Minutes, and Signed Registers	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Ward Committees	Number of Ward Committees reports submitted to Speaker by 30 June 2019	KPI 66	#	None	4 x Ward Committees reports	2x Quarterly Report	Achieved  2x Quarterly Report  (100%)			2x Sets of Reports	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Communication	Number of Communication Strategy reviewed and approved by Council by 30 June 2019	KPI 67	#	2008 Communication Strategy	Reviewed and approved Communication Strategy	Communication Strategy to be reviewed and approved by Council	Achieved  Communication Strategy is reviewed and approved by Council  (Resolution number MC92/10/2019)  (100%)			Communication Strategy with Council Resolution	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Audit	Number of Audit Committee Charter reviewed by 30 June 2019	KPI 68	#	1x Audit Committee Charter Reviewed	1x Audit Committee Charter to be reviewed	1x Audit Committee Charter to be reviewed	Achieved  1x Internal Audit Charter  (100%)			Attendance Register	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Audit	Number of Internal Audit Charter reviewed by 30 June 2019	KPI 69	#	1x Internal Audit Charter Reviewed	1x Internal Audit Charter to be reviewed	1x Internal Audit Charter to be reviewed	Achieved  1x Internal Audit Charter to be reviewed  (100%)			Not Applicable	Office of the Municipal Manager

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Good Governance and Public Participation	Clean Governance	Audit	Obtain Unqualified Audit Opinion by 30 June 2019	KPI 70	Q	2016/2018 Qualified Audit Opinion	Obtain Unqualified 2018/2019 Audit Opinion	2018/2019 Unqualified Audit Opinion	Not Achieved 2018/2019 Qualified Audit Opinion (100%)			Auditor General's Report	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Audit	Number of Audit Committee meetings held by 30 June 2019	KPI 71	#	2x Audit Committee Meetings	4x Audit Committee Meetings	2x Audit Committee Meeting	Achieved 2x Audit Committee Meeting 16 & 28 August and 30 November 2019 (100%)			Signed Attendance Registers and Minutes	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Audit	Number of Performance Audit Committee meetings held by 30 June 2019	KPI 72	#	2x Performance Audit Committee	2x Performance Audit Committee	1x Performance Audit Committee	Achieved 17 & 28 August 8x Performance Audit Committee (100%)			Signed Attendance Registers and Minutes	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Audit	Number of Audit Committee Reports tabled to Council by 30 June 2019	KPI 73	#	4x Audit Committee Reports	4x Audit Committee Reports	2x Audit Committee Report	Not Achieved 1x Audit Committee Report (50%)			2 sets of Audit Reports with Council Resolutions	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Risk Management	Number of Strategic Risk Management	KPI 74	#	1x 2019/2020 Strategic Risk Register	1x 2019/2020 Strategic	Not Applicable	Not Applicable			Reviewed 2019/2020 Risk Management	Office of the Municipal Manager

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			Registers Reviewed by 30 June 2019				Risk Register reviewed					Register, Signed Attendance Registers.	
Good Governance and Public Participation	Clean Governance	Risk Management	Number of Risk Management meetings held by 30 June 2019	KPI 75	#	4x Risk Management meetings	4x Risk Management Meetings	2x Risk Management Meeting	Not Achieved 1x Risk Management Meeting held on the 8 August 2019 (50%)			Signed Attendance Registers	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Risk Management	Number of MPAC meetings held by 30 June 2019	KPI 76	#	4x MPAC meetings	4x MPAC meetings	2x MPAC meeting	Not Achieved 1x MPAC meeting held on the 05 July 2019			Signed Attendance Registers	Office of the Municipal Manager
Good Governance and Public Participation	Clean Governance	Risk Management	Number of Fraud and Anti-Corruption Prevention plan reviewed	KPI 77	#	1 x Number of Fraud and Anti-Corruption Prevention plan reviewed	1 x Anti-Corruption Prevention plan	Not Applicable	Not Applicable			Approved plan by council	Internal Audit
Good Governance and Public Participation	Clean Governance	Risk Management	Number of Anti-Corruption and Fraud awareness campaigns conducted	KPI 78	#	1 x Number of Anti-Corruption and Fraud awareness campaigns to be conducted	1 x Anti-Corruption and Fraud awareness campaigns	Not Applicable	Not Applicable			Signed Attendance register	Internal Audit
Municipal Financial Viability and Management	Improve Financial Viability	Budget and Reporting	Number of Annual Financial Statements compiled and submitted to	KPI 79	#	1x 2016/2018	1x 2018/2019 AFS	1x 2018/2019 AFS	Achieved 1x 2018/2019 AFS compiled and submitted to the Auditor General by			2018/2019 AFS and Proof of Submissions to the	Budget & Treasury

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			the Auditor General by 30 June 2019						the 31 August 2019 (100%)			Auditor General	
Municipal Financial Viability and Management	Improve Financial Viability	Budgeting & Reporting	Number of Action Plan for 2018/2019 AG Audit Queries developed and submitted to Council by 31 January 2019	KPI 80	#	1x 2016/2018 Action Plan	1x Action Plan for 2018/2019 AG audit queries compiled	Not Applicable	Not Applicable			2018/2019 Action Plan with Council Resolution	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Budgeting & Reporting	Percentage of AG queries resolved as per the Action Plan by 30 June 2019	KPI 81	%	95%	95% of AG queries to be resolved	Not Applicable	Not Applicable			Progress Report on the implementation of the Action Plan	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Budget and Reporting	Number of 2019/2020 Annual Budget approved by Council by 31 May 2019	KPI 82	#	1x 2019/2020 Approved Budget	1x 2019/2020 Approved Budget	Not Applicable	Not Applicable			Council Approved 2019/2020 Budget with Council Resolution	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Budget and Reporting	Number of MFMA Section 71 Reports submitted to the Mayor, Provincial and National Treasury by no later than 10 days after	KPI 83	#	12 Monthly Section 71 Reports for 2018/18 FY	12 Monthly Section 71 Reports for 2019/20 FY	6x Monthly Financial Reports	Achieved 6x Monthly Financial Reports (100%)			Section 71 Reports, Council Resolutions and proof of Submission to the Provincial and National Treasury	Budget & Treasury

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			the end of each month										
Municipal Financial Viability and Management	Improve Financial Viability	Budget and Reporting	Percentage of Maintainance of cost coverage of 100% by 30 June 2019	KPI 84	%	1%	1%	1%	Not Achieved -2.7%			Monthly Report and Bank Statements	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Budget and Reporting	Percentage capital budget payment on budgted capital projects identified for 2019/2020 financial year i.t.o IDP	KPI 85	%	To be finalised by the end of 2018/2019 FY	100%	57%	Not Achieved 40%			Report	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	Budget and Reporting	Percentage MIG payment on the MIG grants approved projects by 30 June 2019	KPI 86	%	To be finalised by the end of 2018/2019 FY	100%	67%	Not Achieved 47%			Report	Budget & Treasury
Municipal Financial Viability and Management	To improve financial viability	Budget and Reporting	Percentage WSIG payment on the WSIG grants approved	KPI 87	%	To be finalised by the enf of 2018/2019 FY	100%	51%	Not Achieved 42%			Report	Budget & Treasury

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			projects by 30 June 2019										
Municipal Financial Viability and Management	Improve Financial Viability	Asset Management	Number of quarterly asset verification reports complied - movables (sampling) compiled by 30 June 2019	KPI 88	#	4x quarterly asset verification reports for 2018/2019 FY	4x quarterly asset verification reports for 2019/2020 FY	2x quarterly asset verification reports for 2019/2020 FY	Achieved 2x quarterly asset verification reports for 2019/2020 FY  (100%)			2 Sets of Quarterly asset verification reports	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Revenue Management	Number of Revenue Enhancement Strategy developed and approved by 30 June 2019	KPI 89	#	None	1x Approved Revenue Enhancement Strategy	Not Applicable	Not Applicable			Council Approved Revenue Enhancement Strategy with Council Resolution	Budget & Treasury
Municipal Financial Viability and Management	Financial Stability	Revenue Management	Number of Indigent Registers developed and verified by 30 June 2019	KPI 90	#	1x 2018/2019 indigent register	1x 2019/2020 indigent register	Not Applicable	Not Applicable			2019/2020 Indigent Register	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Revenue Management	Percentage of Registered Indigents with access to Free Basic Services by 30 June 2019	KPI 91	%	100%	100%	100%	Achieved 100%  (100%)			Billing Report	Budget & Treasury

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
Municipal Financial Viability and Management	Improve Financial Viability	Revenue Management	Percentage reduction of Service Debtors Revenue to below 50% (R-value total outstanding service debtors divided by R-value annual revenue actually received for services) by 30 June 2019	KPI 92	%	48%	45%	45%	Achieved 38% (100%)			Monthly Reports	Budget & Treasury
Municipal Financial Viability and Management	Improve Financial Viability	Revenue Management	Percentage Maintenance of 95% debtors collection rate (Consumer cash collected / Consumer billing) by	KPI 93	%	92% 2018/18	95%	95%	Achieved (100%)			Monthly Report	Budget & Treasury

Key Performance Area	Strategic Goal	Programme	Key Performance Indicator (KPI)	KPI Code	Unit of measure (MoU)	Baseline 2018/2019	2019/2020 Annual Targets	2019/2020 Mid Year Performance Target					Department
								Mid Year Targets	Actual Performance form 1 July to 31 December 2019	Reasons for Variations if any	Corrective Measures	Evidence Required	
			30 June 2019										
Municipal Financial Viability and Management	Financial Stability	Supply Chain Management	Number of SCM Bid Committee Members and other officials trained by 30 June 2019	KPI 94	#	3	5	Not Applicable	Not Applicable			Signed Attendance Register	Budget & Treasury
Municipal Financial Viability and Management	Financial Stability	Supply Chain Management	Number of reports on the implementation of SCM Policy compiled and tabled to Council by 30 June 2019	KPI 95	#	4x SCM reports	4x SCM Reports	2x SCM Reports	Achieved 2x SCM Reports (100%)			Reports with Council Resolutions	Budget & Treasury
Municipal Financial Viability and Management	Financial Stability	Supply Chain Management	Number of Budget related policies reviewed by 30 June 2019	KPI 96	#	15	16	Not Applicable	Not Applicable		16x Budget related policies reviewed	Council Approved Policies with Council Resolution	Budget & Treasury

2.1 2019/2020 Projects

Number	Programme	Project Description	Allocated Budget	Source	Mid Year Milestone	Actual performance by 31 December 2019	Reasons for variations if any	Corrective Measures	Evidence Required	Department
<b>INEP</b>										
1.	Electricity	10MVA Substation. (Multi-year) – phase 2	R 15 580 000	INEP	R 7,8m expenditure 51% construction	Achieved R5 .495 999 expenditure 80% construction	Delay in payment of suppliers		Quarterly progress report	Technical Services
<b>MIG</b>										
2.	Roads	Bela Bela: Road Paving X's 4,6,7 & 8 (Multi-year Phase 1 :1km)	R 4 407 803.55	MIG	R3. 0m expenditure 75% construction	R 727 826 0% construction	The money was spend on designs The project implementation was rescheduled to the last quarter		Quarterly progress report and completion certificate	Technical Services
3.	Sanitation	Bela -Bela: Pienaarsrivier WWTW (Multi-year)	R 6 893 152.00	MIG	R6.21M expenditure 70% construction	R 3. 612 045 expenditure 45% construction	The execution methodology is different form that of initial projection		Quarterly progress report	Technical Services
4.	Sanitation	Masakhane WWTW	R 6 554 069.00	MIG	R3.61m expenditure 60% construction	Achieved R 6.404 858 expenditure 80% construction			Quarterly progress report	Technical Services
5.	Sports	Bela Bela: Moloto Street	R 12 075 000.000	MIG	R 4.514m expenditure 30% construction	Not Achieved R 1. 151 218 expenditure 0% Construction	The money was spend on designs. The project had to be rewordender		Quarterly progress report	Technical Services

Number	Programme	Project Description	Allocated Budget	Source	Mid Year Milestone	Actual performance by 31 December 2019	Reasons for variations if any	Corrective Measures	Evidence Required	Department
6.	Roads & Stormwater	Bela Bela: Stormwater Spa -Park (Multi-year)	R 300 000.00	MIG	The project has been move to the outer year (2019/2020)	The project has been move to the outer year (2019/2020)	The project has been move to the outer year (2019/2020)		Quarterly progress report and	Technical Services
7.	Roads & Stormwater	Bela Bela: Stormwater Marikana street EXT 6	R 1 150 304.25 (Rollover)	MIG	R0.0 expenditure  0% construction	R0.0 expenditure  0% construction	The project has been move to the last quarter of 2019/2020		Quarterly progress report and completion certificate	Technical Services
8.	Roads & Stormwater	Bela Bela: Widening Mile Street Bridge	R 4 636 848.00	MIG	R4.270m Expenditure  60% construction	Achieved  R4. 520 978 expenditure  100% construction			Quarterly progress report and completion certificate	Technical Services
<b>MWIG</b>										
9.	Water	Bela-Bela WCDM Project (multi- year) Phase 2.	R 14 930 342.00	MWIG	R 8.000 000 expenditure  58% construction	Not Achieved  R 4. 672 064.87 expenditure  31% construction	Delayed payment to contractor		Quarterly progress report and completion certificate	Technical Services
10.	Water	1 Megalitre contact tank WTW	R 12 566 904.00	MWIG	R4.7 expenditure  19% construction	Achieved  R 2.482 857 expenditure  25% construction			Quarterly progress report and completion certificate	Technical Services
11.	Water	Upgrade Raw Water Pump Station And Secure Lapa	R 3 000 000.00	MWIG	R2.7m expenditure  91% construction	R 1.411 381  76% construction	Appointment os subcontractors delayed the project		Quarterly progress report and completion certificate	Technical Services
12.	Sanitation	Upgrade of Bela- Bela Waste Water Scheme (Multi-year)	R 9 502 754.00	MWIG	R 4.7m expenditure  49% construction	Achieved  R 8. 066 181  90% construction			Quarterly progress report and completion certificate	Technical Services

<i>Number</i>	<i>Programme</i>	<i>Project Description</i>	<i>Allocated Budget</i>	<i>Source</i>	<i>Mid Year Milestone</i>	<i>Actual performance by 31 December 2019</i>	<i>Reasons for variations if any</i>	<i>Corrective Measures</i>	<i>Evidence Required</i>	<i>Department</i>
<i>Own Source</i>										
13.	<i>Good Governance</i>	<i>Cascading of PMS</i>	<i>R 3 000 000.00</i>	<i>Own</i>	<i>Automation of PMS</i>	<i>1<sup>st</sup> &amp; 2<sup>nd</sup> Quarter 2019/2020 SDBIP are been uploaded in the PMS System (The process is on going)</i>				<i>Corporate Services</i>

#### 14. Comments on the 2018/2019 annual report

The municipality has been subjected to statutory audit from the beginning of August 2019 to the end of November 2019. The Office of the Auditor General is responsible for all the statutory audit function of the Municipality. Despite collective effort put by Municipality, the audit resulted in qualified audit opinion.

The audit finding which led to qualification was as result of migrated balance from old chart to mSCOA which was done by the system with an error and only discovered later during the audit.

Audit finding which led to qualification are well known and quantified by the Municipality and this will form part of the developed AGSA action plan. Extra effort will continue to be put in place through establishment of the AGSA action plan committee which will seek to address any issues raised. To ensure the committee is effectively discharge; the accounting officer will oversee the committee as the chairperson. Municipality plan to archive clean audit in the 2019/2020 financial year and will use the current financial year as the learning curve to any shortcoming experienced.

#### 15. Adjustment budget

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia, for the following:

*“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment report has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”*

Accordingly, a report on adjustments to the budget will be submitted for consideration by Council before 28 February 2019.

#### 16. Municipal manager’s quality certification

I, \_\_\_\_\_, the municipal manager of Bela-Bela Local Municipality, hereby certify that:-

❖ The mid-year budget and performance assessment

As at **31<sup>st</sup> December 2019** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name \_\_\_\_\_

Municipal Manager of \_\_\_\_\_

Signature \_\_\_\_\_