

CENTRAL KAROO DISTRICT  
MUNICIPALITY  
SENTRAAAL KAROO DISTRIK  
MUNISIPALITEIT

**Section 72**

**Mid-year Budget and Performance Assessment  
Report for the period ending 31 December 2017**

**19 January 2018**

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## MIDYEAR ASSESSMENT REPORT ON BUDGET PERFORMANCE – 2017/18 FINANCIAL YEAR

### 1. MAYOR'S REPORT

Central Karoo District Municipality adopted the vision “Working Together in Development and Growth”, and to fulfil its vision and mission the following strategic objectives: -

- Facilitate good governance principles and effective stakeholder participation.
- Build a well capacitated workforce, skilled youth and communities.
- Improve and maintain district roads and promote safe road transport.
- Prevent and minimize the impact of possible disasters and improve public safety in the region.
- Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service.
- Promote regional, economic development, tourism and growth opportunities
- Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region.

A vision and mandate that will be executed by council that came into office August 2016. A Council that wants to serve its communities with excellence and pride by working together in an integrated, participative and collaborative manner with all local, provincial and national spheres of government.

The municipality's budget is being implemented in line with the current SDBIP. However, the Adjustment Budget to be tabled in February 2018 will result in changes that will have to be made to the current SDBIP to ensure alignment. Details of the current status of the SDBIP are contained in the Report.

CKDM continuous to remain grant dependent and cautious implementation of the budget will have to be maintained to ensure that the cash outflows remains in tandem with the cash inflows.

Further details are contained in the report dealing with:

- The status of CKEDA
- The status of the progress of implementation of the past year's annual report challenges identified.
- The status of the progress made on the 2016/2017 Audit Report findings and recommendations
- The impact of the National and Provincial Adjustment Budgets
- The reasoning behind the recommendation that an Adjustment Budget be prepared for CKDM

The commitment of Council to the Youth of our communities remains budget priority. Huge strides have been made towards the execution of this strategic objective. The agreement entered in to with Transnet regarding the use of the Karoo Recreational Facility will assist greatly as we the facilities provides us with the necessary space to commence making a visible

difference. The agreement entered in to with Transnet will have to be taken in to account in the Adjustment Budget.

Swartberg Pass was opened to the public at the beginning of December 2017, the goal to ensure that the Pass became available before the annual tourism season fully takes off in South Africa was therefore met.

The Financial Management Capacity Building Grant allowed the Municipality to provide study assistance to three students, all of whom showed successful results for the year and they are able to continue with their second years' study. The Municipality will continue the support of those students during 2018 and we look forward to assisting three additional students during the 2018 academic year.

The successful implementation of the Local Government Graduate Internship Grant by the Municipality through the appointment of an intern resulted in the Grant being re-allocated for another financial year.

The CHIETA learnership programmes are continuing with additional funding being made available to extend the programme.

## 2. INTRODUCTION

Section 72 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows: -

Mid-year budget and performance assessment

72. (1) The accounting officer of a municipality must by 25 January of each year—

- (a) assess the performance of the municipality during the first half of the financial year, taking into account—
  - (i) the monthly statements referred to in section 71 for the first half of the financial year;
  - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
  - (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.

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

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

- (a) make recommendations as to whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Section 54 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:-

Budgetary control and early identification of financial problems

54. (1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must-

- (a) consider the statement or report;
- (2) If the municipality faces any serious financial problems, the mayor must-
  - (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include-
    - (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;
    - (ii) the tabling of an adjustments budget; or
    - (iii) steps in terms of Chapter 13; and
  - (b) alert the council and the MEC for local government in the province to those problems.
- (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

Section 28 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:-

Municipal adjustments budgets

28. (1) A municipality may revise an approved annual budget through an adjustments budget.

- (2) An adjustments budget-
  - (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
  - (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
  - (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
  - (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
  - (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been

foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;

- (f) may correct any errors in the annual budget; and
- (g) may provide for any other expenditure within a prescribed framework.

Section 23 of the Municipal Finance Management Act, 2003 (56/2003): Municipal budget and reporting regulations 393 of 2009 stipulates as follows:-

Timeframes for tabling of adjustments budgets

23. (1) An adjustments budget referred to in section 28 (2) (b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

### **3. PURPOSE OF THIS REPORT**

The purpose of this report is to submit the outcome of the assessment carried out in terms of section 72 of the MFMA, for the period 1 July 2017 to 31 December 2017, to the Mayor of the CKDM with a view to:-

- a. make recommendations as to whether an adjustments budget is necessary; and
- b. recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Further, in terms of section 54 of the MFMA the Mayor must take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

### **4. BACKGROUND**

A high level assessment of the actual results for the period 1 July 2017 to 31 December 2017 was conducted. The purpose of this review was to enable the Accounting Officer to make recommendations as to whether an adjustments budget for the 2017/2018 financial year is necessary.

To ensure successful outcome only a high level review of the Total Council Summary was undertaken. It should therefore be noted that this report does not provide for an assessment of each individual line item/ vote number contained in the approved budget of CKDM for the 2017/2018 financial year.

This report merely highlights the status quo of key revenue and expenditure vote numbers that may require the revision of the approved annual budget through an adjustments budget in terms of section 28 of the MFMA.

It must further be noted that the operating expenditure reflects direct expenditure and excludes non-cash transactions e.g. depreciation, provisions and deferred finance charges etc. which expenditure is not accounted for on a monthly basis but rather an annual basis.

In addition, this report does not necessarily provide the detail on how revised projections for revenue and expenditure will be derived at. Such exercise by the management team of the municipality will be a natural outflow of this report being dealt with by the Mayor in terms of section 54 (2) of the MFMA.

## 5. MID-YEAR OUTCOMES – FINANCIAL

### 5.1. OPERATING REVENUE

#### Summary of Revenue per source:

Description	2016/17	Budget Year 2017/18					
	Audited Outcome	Original Budget	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Investment revenue	481 740	550 000	237 945	275 000	- 37 055	-13%	475 889
Transfers and subsidies	27 792 832	26 905 300	19 705 811	13 452 650	6 253 161	46%	26 905 300
Other own revenue	37 381 837	45 021 476	20 349 128	22 510 738	- 2 161 610	-10%	40 698 257
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	882 942	800 000	870 000	400 000	470 000	118%	800 000
	66 539 350	73 276 776	41 162 884	36 638 388	4 524 496		82 325 768

### 5.2 DISCUSSION OF REVENUE BY ITEM

#### Investment revenue

The investment revenue figure for the year to date is lower than expected due to the increased spending rates, cash surpluses are not available to invest.

#### Transfers and subsidies

The final Equitable Share tranche is only receivable in March 2018 and the final EPWP tranche is receivable after 31 December 2017.

#### Other own revenue

The payments from the WC Provincial Roads Department re the Roads expenditure had not been received by 31 December 2017. The transfers are expected early in 2018.

#### Transfers and subsidies – Capital

The WC Financial Management Support Grant (Fire Fighting Capacity Building) was received in full at the beginning of the 2017/2018 financial year. In addition the Municipality received an additional amount of R 70 000 re Disaster Management. This amount will be moved to operating receipts during the Adjustment Budget.

The total anticipated adjustment on revenue is an increase of R5.675 million that will be reflected in the Adjustment Budget as additional grant funding had become available to the Municipality.

### 5.3 SUMMARY OF OPERATING EXPENDITURE

#### Operating Expenditure

Description	2016/17	Budget Year 2017/18					
	Audited Outcome	Original Budget	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Employee costs	35 465 746	37 598 072	19 801 014	18 799 036	1 001 978	5%	37 598 072
Remuneration of Councillors	3 610 659	4 204 120	1 818 822	2 102 060	- 283 238	-13%	3 637 645
Depreciation & asset impairment	325 828	250 500	161 048	125 250	35 798	29%	322 096
Finance charges	11 438	-	-	-	-		-
Materials and bulk purchases	1 214 120	215 316	94 636	107 658	- 13 022	-12%	189 273
Other expenditure	24 135 354	29 514 361	14 465 420	14 757 181	- 291 761	-2%	28 930 840
<b>Total Expenditure</b>	<b>64 763 144</b>	<b>71 782 369</b>	<b>36 340 941</b>	<b>35 891 185</b>	<b>449 756</b>	<b>1%</b>	<b>72 681 882</b>

### 5.4 DISCUSSION OF EXPENDITURE BY ITEM

#### Employee Related Costs

The Municipality's salary budget appears to be overspent re the year to date expenditure. The effect of the bonuses paid in December must not be disregarded, the figures to December 2017 effectively reflects 7 months expenditure vs a year to date budget of 6 months.

Various posts have undergone T-grade assessments during the period 1 July 2017 to 31 December 2017 and a number of posts' T-grade reviews remain outstanding. A detailed salary budget will be prepared during the Adjustment Budget process to reflect the impact of the assessments as well as inflationary adjustments in employee benefits such as medical aid contributions.

#### Remuneration of Councillors

The expenditure year to date remained lower than expected as the effects of Government Notice No. 1440 in Government Gazette No. 41335 dated 15 December 2017 applicable to a Grade 3 Municipal Council the Minister for Cooperative Governance and Traditional Affairs, determined the upper limits of the salaries, allowances and benefits of the different members of municipal councils for the 2017/2018 financial year does not reflect yet. Should any adjustments be required as a result of the implementation of the Upper Limits Notice, it will be taken in to account in the Adjustment Budget, but no such adjustment is expected.

#### Depreciation and asset impairment

The comparison between the current budget and the actual expenditure incurred re 2016/2017 clearly indicates that the budget will need to be adjusted upwards when doing the Adjustment Budget.



The biggest impact on the budget line item remains Central Karoo Economic Development Agency as the loans that CKDM are making towards the entity has to fully impaired. CKEDA will continue to incur costs re preparation of financial statements and audit costs until it is fully liquidated.

#### Materials and bulk purchases

The budget appears to be adequate and no significant adjustments are foreseen.

#### Other expenditure

The budget appears to be adequate and no significant adjustments are foreseen.

It is anticipated that operational expenditure will have to increase thus ensuring a realistic budget. The original budget was funded and this will also be the case with the adjustment budget.

## 6. DISCUSSION OF INCOME STATEMENT

#### Total Operating Revenue:

Revenue will have to be increased with approximately R 5.675 million

#### Total Operating Expenditure:

Finalizing the projected adjustments for expenditure as discussed above will result in additional expenditure which is mainly contributed to the increase in debt impairment, provisions and the associated increases in the expenditure re grants received.

#### Net Surplus:

The effect of the increase in revenue and increase in expenditure will result in a net surplus as the budget will remain cash backed.

## 7. DISCUSSION ON CONDITIONAL GRANTS RECEIVED AND EXPENDITURE THEREON

The following table reflects conditional grants received and actual expenditure thereon:

Grant	Amount gazetted	Amount Received	Expenditure YTD	% spent of allocation received
Financial Management Grant	1 250 000	1 250 000	353 008	28%
EPWP	1 095 000	274 000	283 694	104%
Local Government Equitable Share	22 595 000	16 947 000	11 297 500	67%
Rural Roads Asset Management Systems Grant	1 917 000	1 342 000	771 233	57%
WC Financial Management Support Grant (Fire Fighting Capacity Building)	800 000	800 000	1 210	0%
Capacity building grant (bursaries)	240 000	240 000	-	0%

### Financial Management Grant

The budget allowed for the acquisition of a generator for the server room to address shortages in the current disaster contingency plans. The SCM process has been finalised and indications are that the costs of the generator will be less than originally anticipated.

The FMG Plan and budget will be re-aligned with the emerging needs of the Municipality during the Adjustment Budget.

### EPWP

The EPWP expenditure was slow at the commencement of the financial year, but has subsequently accelerated.

The second tranche of the EPWP grant will be received during the beginning of 2018.

### Equitable Share

The final tranche of the Equitable Share is receivable in March 2018.

### RAMMS

The expenditure is in line with the projected expenditure patterns.

### WC Financial Management Support Grant (Fire Fighting Capacity Building)

The SCM process re the acquisition and repurposing of the vehicle suitable for purpose has been concluded and the Municipality is awaiting delivery.

### Capacity Building Grant

The grant expenditure will be incurred at the commencement of the 2018 academic year.

The following additional grants have been allocated to the Municipality during the National and Provincial Adjustment Budget and additional fund raising efforts resulting in the need to do an Adjustment Budget:

Supporting document	ADDITIONAL ALLOCATIONS AND ROLL-OVERS	
Provincial gazette extraordinary 7841	WC Financial Management Support Grant	1 775 000
Provincial gazette extraordinary 7848	Local Government Graduate Internship Grant	66 000
Provincial gazette extraordinary 7848	Disaster Management Grant	70 000
Provincial gazette extraordinary 7848	Ground Water Level Monitoring Grant	800 000
MOA	CHIETA - Strategic Project 1027	470 000
MOA	CHIETA - Strategic Project 1028	940 000
Contract	CHIETA - Contract No. 0198	355 200
Roll-over outcome letter	Roll-over approval (WC Financial management Support Grant) Shared Services	868 571
Roll-over outcome letter	Roll-over approval (Capacity building grant (bursaries))	5 044
Roll-over outcome letter	Roll-over approval (Fire Service Capacity Building Grant)	417 058
Roll-over outcome letter	Roll-over approval (Municipal Drought Support Grant)	218 370
Roll-over outcome letter	Roll-over approval (Local Government Graduate Internship Grant)	45 031
		6 310 275

## 8. SUMMARY OF CAPITAL EXPENDITURE

The following table illustrates the capital expenditure for the period ending 31 December 2017:

	Description	Total Budget	YTD actual	Available Budget
Corporate	Furniture and Equipment	30 000	12 833	17 167
Health	Office Equipment	6 000	-	6 000
Health	Water Quality monitoring equipment	5 000	-	5 000
Health	Health and safety equipment	5 000	-	5 000
Health	Computer equipment	15 000	1 745	13 255
Health	Health and safety equipment - fridge	2 000	-	2 000
Roads	Furniture and Equipment	100 000	-	100 000
Finance	Furniture and Equipment	30 000	-	30 000
Strategic Planning	Furniture and Equipment	30 000	-	30 000
Municipal Manager	Computer equipment	30 000	42 921	-12 921
Finance	Furniture and Equipment	200 000	-	200 000
Civil Defence	Health and safety equipment	701 754	1 210	700 544
		<b>1 154 754</b>	<b>58 708</b>	<b>1 096 046</b>

### 8.1 DISCUSSION OF CAPITAL EXPENDITURE

The capital budget for CKDM is currently underspent as the biggest item, a vehicle for the Civil Defence unit, will be bought via a Regulation 32 process through a Government Garage tender.

In addition, certain operational changes, such as the occupation of the old clinic building, necessitates changes to both the Furniture and Equipment budget and the Computer Equipment budget.

Additional grants has been made available through the Western Cape Provincial government and capital roll-overs were also approved – the spending relating to the additional funds will form part of the adjustment budget.

## 9. MID-YEAR ASSESSMENT – NON FINANCIAL

### Progress on IDP process plan

Progress made on the IDP process plan are indicated in the table included in Annexure A.

### Progress on KPA'S – SDBIP

A full mid-year performance report addressing the Municipality's service delivery performance during the first half of the financial year addressing the service delivery targets and performance indicators set in the service delivery and budget implementation plan is attached as Annexure C.

Highlights from annual report 2016/2017

During the year under review, progress has been made in certain areas:

Development Priority	Project Description
Building the institution and Employee Capacity	<p>Personnel are being capacitated through ongoing training. This is to enable them to perform within the prescript of the law in order to improve audit outcomes. Personnel has been trained in various fields such as financial systems (SEBATA) Certificate in Municipal Financial Management in order to comply with National Treasury minimum competency level to improve control and compliance requirements</p> <p>To this extent there is great improvement in our reporting to National Treasury and other spheres of government. Information submitted is correct and credible.</p> <p>The Skills Development Facilitator position was filled in order to fast track training and capacity building of employees.</p>

Development Priority	Project Description
Enhance Community Services	<p>In an endeavour to improve the quality of life and to build, the capacity of the residents of CKDM training is always provided to local contractors to enhance their capacity so that they can benefit where there are projects to be constructed. The municipality is doing well in creating jobs to communities through the Extended Public Works Programme. The municipality will continue empowering communities in various fields where they will benefit in their future endeavours.</p> <p>The Skills Development Facilitator position was filled in order to fast track training and capacity building through learnership programmes.</p>

Development Priority	Project Description
Economic Development/Tourism	<p>Tourism is still seen as one of the financial contributors to our economy, both as a stopover region or sleep over towns.</p> <p>We however do not see the spin offs of this industry in other areas, Wesgro has since introduced a funding mechanism for events hosted in respective areas including ours. The aim of this program is to ensure that there are activities that would attract local and international tourist to our region. A list of activities have been submitted by LTO's for funding.</p>

Development Priority	Project Description
Basic Infrastructure	<p>To enhance the quality of life of the inhabitants of the Central Karoo District the maintenance and improvements of the regional roads remains the priority.</p> <p>The damaged Swartberg Pass was prioritized by the Roads Department to ensure that it opened for the public before the commencement of the December tourism season.</p>

## **10. CENTRAL KAROO ECONOMIC DEVELOPMENT AGENCY**

CKEDA is currently dormant, the only economic activity that remains is the preparation of the Annual Financial Statements, the annual audit fees and the costs associated with the liquidation of the entity.

Liquidation of the entity has commenced and therefore no Section 88 report was received from the entity.

The entity does not have an IDP, Budget, SDBIP or any monthly, quarterly or half-yearly reports.

No staff are currently employed by the entity.

## **11. OPPORTUNITIES ARISING**

In line with the strategic vision of CKDM to focus on economic development and specifically youth development, the opportunity arose to acquire the Karoo Recreational Hall and surrounding facilities by the Municipality. The facilities are ideal for the creation and establishment of a Youth Café.

The rental of the property and eventual purchase of the property will result in expenditure adjustments in the Adjustment Budget and changes in the IDP for 2018/2019.

The property have established rental occupants, and the Adjustment Budget will reflect the foreseen income and will make provision for the rental tariffs.

## **12. SECTION 71 BUDGET TABLES – THE SIX MONTHS ENDING 31 DECEMBER 2017**

Please refer to Annexure B

## **13. PROGRESS RE RESOLVING PROBLEMS IDENTIFIED IN THE AUDIT REPORT DATED 30 NOVEMBER 2017 (FINANCIAL YEAR END 30 JUNE 2017)**

An audit action plan re the audit findings relating to the 2016/2017 financial year had been drafted and was submitted to the Auditor-General after being work-shopped with the administrative staff of the Municipality.

The audit action plan will be submitted to the Audit Committee and MPAC to ensure continuous monitoring during the period leading up to the 31 August 2018 submission of the 2017/2018 Annual Financial Statements.

**14. EXECUTIVE SUMMARY**

The impact of the National and Provincial Adjustment Budgets and the additional funding sourced through CHIETA necessitates the drafting and tabling of an Adjustment Budget for CKDM.

The budget managers will have to take greater care to ensure that year to date expenditure does not exceed year to date budgets and the due date of grant tranches must guide spending patterns.

The Municipality will have to make provision for the emerging opportunities, such as the Youth Café, in the adjustment budget to enable CKDM to meet the strategic objectives set and to make a tangible difference in the daily lives of the community.

The rate of Capital Expenditure will pick up towards March 2018 and all responsible parties must ensure that pro-active planning takes place to avoid unnecessary roll-over applications.

**15. QUALITY CERTIFICATE**

**QUALITY CERTIFICATE**

I, **S Jooste**, the Municipal Manager of Central Karoo District Municipality, hereby certify that

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid – year budget and performance assessment

For the mid-year ending 31 December 2017 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print Name : S JOOSTE**  
Municipal Manager: Central Karoo District Municipality



**Signature** .....

**Date:** 19 January 2018

## 16. RECOMMENDATIONS

- a) That the Mayor's report be noted.
- b) That the Report of the Municipal Manager to the Mayor of the CKDM on the assessment carried out in terms of section 72 of the MFMA be noted.
- c) That the Mayor considers the report in terms of section 54 (1) of the MFMA.
- d) That the Mayor, in terms of section 54(1)(f) of the MFMA, submits the report to the Council by 31 January 2018.
- e) That the Mayor, in terms of section 54(2)(a)(ii) of the MFMA, tables an Adjustments Budget as contemplated in section 28(a), (b), (d), (e) and (f) of the MFMA.
- f) That the Adjustments Budget, in terms of section 23 of the Municipal Budget and Reporting Regulations 393 of 2009, be tabled in the Municipal Council not later than 28 February 2018.

Annexure A

**Progress on IDP process plan**

PHASES	TARGET/ACTIVITY	ROLE PLAYERS / STAKEHOLDERS	TIME FRAMES	MECHANISM / TOOLS	Achieved
PREPARATION	Development of IDP & Budget Schedule	IDP Coordinator	July – Aug 2017	Desktop	Yes
	Internal IDP Steering Committee	Internal Departments	August 2017	Meeting	Yes
	Advertise for public comments	IDP Coordinator	July 2017	Media	Yes
	IDP Managers Forum	District & Local Municipalities	August 2017	Forum	Yes
	District IDP Representative Forum	Sector Departments, NGO's	August 2017	Forum	Yes
	Adoption of Time Schedule	Council	August 2017	Council Meeting	Yes
ANALYSIS	Internal IDP & Budget Steering Committee (Analysis)	Internal Departments	September 2017	Meeting	Yes
	Review & Collate information	IDP Coordinator	October 2017	Desktop work	Yes
	Analyze information and draft situational analysis	IDP Coordinator	October 2017	Desktop work	Yes
	IDP Managers Forum	District & Local Municipalities	October 2017	Forum	Yes
	IDP Representative Forum	Sector Departments, NGO's	November 2017	Forum	Yes
	First Draft Situational Analysis	IDP Coordinator	November 2017	Desktop work	
STRATEGY PHASE	Internal IDP & Budget Steering Committee (Feedback on situational analysis)	Internal Departments	October 2017	Meeting	Yes
	Joint Planning / Indaba	Sector Departments	October 2017	Meeting	Yes
	Engagement with Finance Department	IDP Coordinator & Budget Office	November 2017	Meeting	Yes
	Public Participation / IDP Roadshows	Council / Officials	November 2017	Roadshows	Yes
PROJECT PHASE	Internal IDP & Budget Steering Committee (Prioritize projects & programmes)	Internal Departments	December 2017	Meeting	Yes
	IDP Managers Forum (Alignment)	District & Local Municipalities	January 2018	Forum	
	Develop project proposals in preparation for submission	District & Local Municipalities	January 2018	Desktop work	
	IDP Representative Forum (Alignment)	Sector Departments, NGO's	November 2017	Forum	Yes
	Tabling of budget	Finance Department	March 2018	Council	
INTEGRATION	Internal IDP & Budget Steering Committee (Alignment)	Internal Departments	January 2018	Meeting	
	Integration Of Projects & Programmes	Sector Departments	January 2018	Desktop work	
	Presentation of draft IDP & Budget to MAYCO	IDP Coordinator	February 2018	Meeting	
APPROVAL	District Finalisation of IDP's	IDP Coordinator	March 2018	Desktop work	



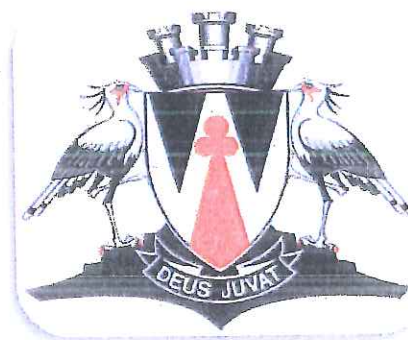
**Annexure B**

**Section 71 Budget Tables – The Six Months Ending 31 December 2017**

**Annexure C**

**Progress on KPA'S – SDBIP**

CENTRAL KAROO DISTRICT MUNICIPALITY



MID-YEAR PERFORMANCE  
ASSESSMENT REPORT

2017/18

*"Working together in development and growth"*

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## MID-YEAR PERFORMANCE ASSESSMENT FOR CENTRAL KAROO DISTRICT MUNICIPALITY

### Purpose of report

To submit to the Executive Mayor an assessment report on the Municipality's Performance covering the period 1 July 2017 to 31 December 2017.

### 1. Summary

In terms of Section 72 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the accounting officer of a municipality must, by 25 January of each financial year, assess the performance of the Municipality during the first half of the financial year and submit a report on such an assessment to the Mayor of the Municipality, the National Treasury and the relevant provincial treasury. The Mayor must in turn, comply with the provisions of Section 54, which includes submitting the report to Council by 31 January of each year.

### 2. Constitutional and Policy Implications

The process is driven by our PMS Framework that was approved in 2013. We are currently in the process of reviewing the Policy.

### 3. Legal Implications

3.1 Section 72 (1), Local Government: Municipal Finance Management Act, 2003 (Act 55 of 2003), referred to as the MFMA

3.2 Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (Chapter 6 and sections 16 and 26 of Chapters 4 and 5, respectively), as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003)

### 4. Background

4.1 In terms of Section 72 (1) of the MFMA, 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 the 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 and shared control of the municipality, taking into account report in terms of section 88 from any such entity; 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

4.2 Thereafter, the mayor must, in terms of Section 54 (1) -

- (a) Consider the report
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;

- (d) Issue any appropriate instructions to the accounting officer to ensure-
  - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
  - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year

## **5. Service delivery performance analysis**

### **(a) Performance Framework**

Performance management is prescribed by Chapter 6 of the Municipal Systems Act (MSA), Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation 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 responsibilities of the different role players."* This framework, *inter alia*, reflects the linkage between the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual and service provider performance.

The Central Karoo District Municipality does have an approved Performance Management Framework in place which was reviewed in 2013. We are currently in the process of Reviewing the Framework for adoption by Council.

### **(b) Implementation of Performance Management**

The IDP 2017/2022 was compiled and approved by Council on 25 May 2017. Performance is evaluated by means of a municipal scorecard (Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) at organisational level and through the Departmental SDBIP at Departmental level.

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality is implemented. It also allocates responsibilities to Departments to deliver services in terms of the IDP and Budget.

The TL SDBIP was prepared and approved by the Executive Mayor on 10 June 2017.

### (c) Monitoring performance

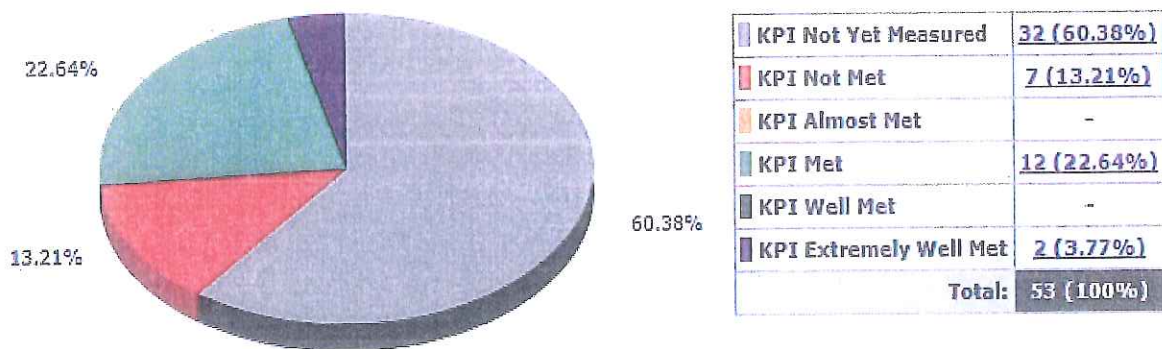
The SDBIP is loaded on an electronic web based system (after approval). The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against Key Performance Indicator (KPI) Targets for the previous month's performance. The actual results against monthly targets set, are discussed in monthly Executive Management Team (EMT) meetings to determine early warning indicators and discuss corrective measures if needed.

Category	Colour	Description
<i>KPI's Not Yet Measured</i>		
<i>KPI's Not Met</i>		$0\% \geq \text{Actual/Target} < 75\%$
<i>KPI's Almost Met</i>		$75\% \geq \text{Actual/Target} < 100\%$
<i>KPI's Met</i>		$\text{Actual/Target} = 100\%$
<i>KPI's Well Met</i>		$100\% > \text{Actual/Target} < 150\%$
<i>KPI's Extremely Well Met</i>		$\text{Actual/Target} \geq 150\%$

### 5.1 Overall service delivery performance

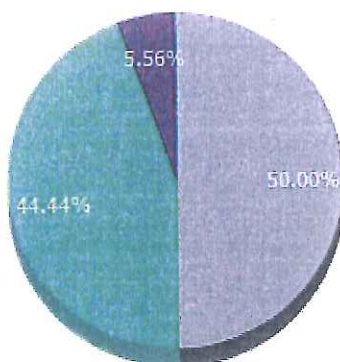
#### (a) Summary of performance against the National KPA's

The graph below illustrates the performance of the Central Karoo District Municipality against the National Key Performance Area's (NKPA's).

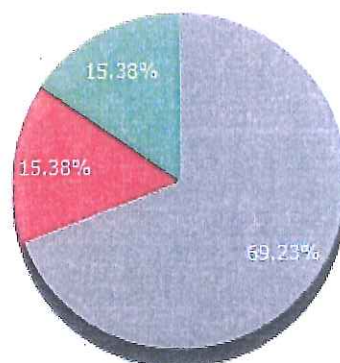


#### National KPA

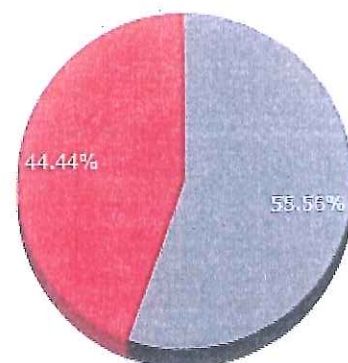
##### Basic Service Delivery



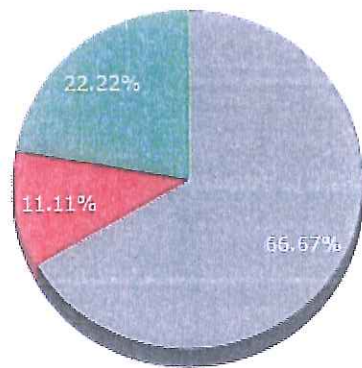
##### Good Governance and Public Participation



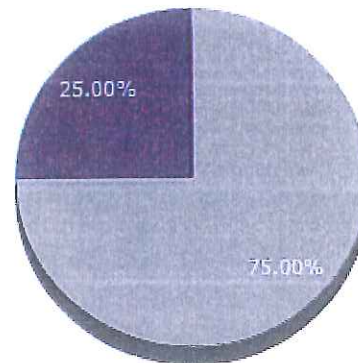
##### Local Economic Development



Municipal Financial Viability and Management



Municipal Transformation and Institutional Development

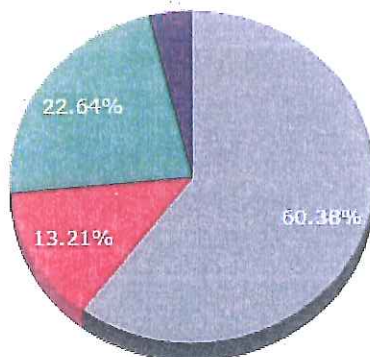


	Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
<b>KPI Not Yet Measured</b>	<u>9 (50.00%)</u>	<u>9 (69.23%)</u>	<u>5 (55.56%)</u>	<u>6 (66.67%)</u>	<u>3 (75.00%)</u>
<b>KPI Not Met</b>	-	<u>2 (15.38%)</u>	<u>4 (44.44%)</u>	<u>1 (11.11%)</u>	-
<b>KPI Almost Met</b>	-	-	-	-	-
<b>KPI Met</b>	<u>8 (44.44%)</u>	<u>2 (15.38%)</u>	-	<u>2 (22.22%)</u>	-
<b>KPI Well Met</b>	-	-	-	-	-
<b>KPI Extremely Well Met</b>	<u>1 (5.56%)</u>	-	-	-	<u>1 (25.00%)</u>
<b>Total:</b>	<b>18 (33.96%)</b>	<b>13 (24.53%)</b>	<b>9 (16.98%)</b>	<b>9 (16.98%)</b>	<b>4 (7.55%)</b>

**b) Summary of performance against the Municipal Strategic Objectives**

The graph below illustrates the performance of the Central Karoo District Municipality against the Municipality's Strategic objectives as derived from the Municipality Integrated Development Plan (IDP).

**Central Karoo District Municipality**

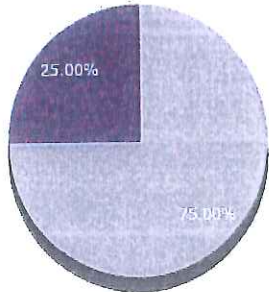


<b>KPI Not Yet Measured</b>	<u>32 (60.38%)</u>
<b>KPI Not Met</b>	<u>7 (13.21%)</u>
<b>KPI Almost Met</b>	-
<b>KPI Met</b>	<u>12 (22.64%)</u>
<b>KPI Well Met</b>	-
<b>KPI Extremely Well Met</b>	<u>2 (3.77%)</u>

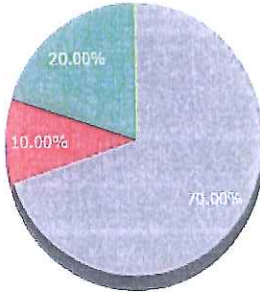


**Strategic Objective**

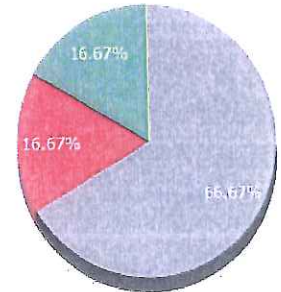
Build a well capacitated workforce, skilled youth and communities



Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region



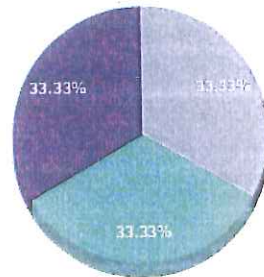
Facilitate good governance principles and effective stakeholder participation



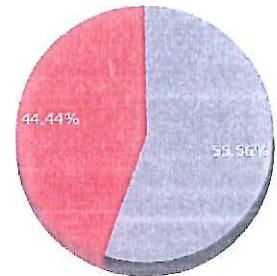
Improve and maintain district roads and promote safe roads transport



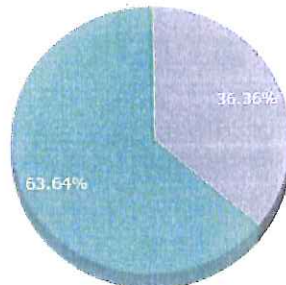
Prevent and minimize the impact of possible disasters and improve public safety in the region



Promote regional, economic development, tourism and growth opportunities



Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service



**6. 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 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.”*

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to Council by 28 February 2018 with the necessary motivation where key performance indicators require adjustment/ amendment/s as a result of the Adjustments Budget.

## 7. Summary

**Appendix A** is the unaudited Top Layer SDBIP for the first half of the financial year 2017/18 ending 31 December 2017, which measures the Central Karoo District Municipality's overall performance per MKPA. The report, furthermore, includes the corrective measures indicated for targets not achieved.

The Central Karoo District Municipality is committed to ensuring that our vision of "Working together in development and growth" becomes a reality through integrated and informed planning and ensuring that we inculcate a culture of performance excellence within our Municipality.

During the first half of the 2017/18 financial year only 7 KPI's were not met (13.21%) with 12 KPI's (22.64%) met and 2 extremely well met (3.77%).

To ensure that the Central Karoo District Municipality is able to achieve its strategic objective we will be amending some TL KPI's where required.

**Appendix B** includes recommendations with regard to the Report.

## 8. Appendices

**Appendix A** — Top Layer SDBIP 2017/18 per Municipal Department and assessment of targets achieved per Directorate as well as corrective measures where applicable.

**Appendix B** — Recommendations

**Appendix A — Top Layer SDBIP 2017/18 performance per Municipal Department and assessment of targets achieved**

**Office of the Municipal Manager**

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance		
					Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
D30	Hold quarterly Risk, Internal Audit and Legal District Shared Services meetings with local municipalities during the 2017/18 financial year	Number of quarterly meetings held	Attendance register, invitations	4	0	0	0	0	0	1	0	1	0	0	0	1	0	1	R
D31	Review and submit the Spatial Development Framework to Council for approval by 30 June 2018	Policy reviewed and submitted to Council for approval by 30 June 2018	Agenda of the Council meeting	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
D32	Develop an Integrated Waste Management Plan and submit to Council by 30 June 2018	Plan developed and submitted to Council by 30 June 2018	Agenda of the Council meeting	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
D33	Table the draft Annual Report in Council by 31 January 2018	Draft Annual Report tabled in Council by 31 January 2018	Agenda of the Council meeting	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
D34	Spend 90% of the municipal capital budget on capital projects by 30 June 2018 {(Actual amount spent on	% of capital budget spent	Report generated from the financial system	90	0%	0%	0%	0%	0%	0.28%	0%	0%	0%	0%	0%	0%	5.08%	40%	R

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance		
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R
	projects/Total amount budgeted for capital (projects) X100}																		
D35	Revise the Risk Based Audit Plan (RBAP) and submit to the Audit Committee for approval by 30 June 2018	RBAP revised and submitted to the Audit Committee for approval by 30 June 2018	Minutes of the Audit Committee meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A
D36	Complete 70% of audits as per the RBAP by 30 June 2018 [Audits completed for the year/audits planned for the year according to the RBAP] X100}	% audits completed	RBAP, Quarterly progress reports and minutes of the Audit Committee	70	0%	0%	N/A	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
D37	Develop and submit a Youth, Disability and Gender Implementation Plan to Council for approval by 31 December 2017	Implementation Plan developed and submitted to Council for approval by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	1	0	0	R
D38	Creates full time equivalent (FTE's) through expenditure with the EPWP job creation initiatives by 30 June 2018	Number of full time equivalent (FTE's) created by 30 June 2018	Job sheets of FTE's	15	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A
D39	Review and submit the LED Strategy to Council for	LED Strategy reviewed and submitted to Council for	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance			
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target
D40	approval by 31 May 2018 Establish a Youth Café_ in partnership with the Department of Social Development by 30 June 2018	approval by 31 May 2018 Youth Café_ established by 30 June 2018	Project completion certificate, handover certificate	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A	
D41	Develop a Implementation Plan the Vukupile Small Contracted Programme in conjunction with the National Department of Public works and submit to Council for consideration by 31 December 2017	Implementation plan developed and submitted to Council for consideration by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	1	0	0	0	0	0	1	1	5
D42	Conduct research on the viability of CKEDA and submit report to Council for consideration by 31 December 2017	Report submitted to Council for consideration by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	1	0	0
D43	Conduct research on the viability of Agri-Parks and submit report to Council for consideration by 31 December 2017	Report submitted to Council for consideration by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	1	0	0
D44	Develop a Tourism Development	Tourism Development Plan developed	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance		
					Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
D45	Develop a Tourism Marketing Plan and submit to Council for consideration by 30 June 2018	Tourism Marketing Plan developed and submitted to Council for consideration by 30 June 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A

### Corporate Services

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance		
					Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
TL4	Review 10 corporate and HR policies and submit to Council for approval by 30 June 2018	Number of policies reviewed and submitted to Council for approval by 30 June 2018	Agenda of the Council meeting	10	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A
TL5	Review and submit the delegation register to Council for approval by 30 June 2018	Delegation registered reviewed and submitted to Council for approval by 30 June 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A
TL15	Review the organisational structure and submit to Council for approval by 31 March 2018	Organisational structure reviewed and submitted to Council for approval by 31 March 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017			August 2017			September 2017			October 2017			November 2017			December 2017			Overall Performance		
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R
TL17	Spend 1% of the municipality's personnel budget on implementing its Skills Plan by 30 June 2018 [(Total Actual Training Expenditure/ Budget) x100]	% of the personnel budget spent on training	Report generated from the financial system	1	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL18	Limit the vacancy rate to 10% of budgeted post as at 30 June 2018	% vacancy rate as at 30 June 2018	Annual Financial Statements and calculation sheet	10	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A	10%	0%	B
TL19	Review the Workplace Skills Plan and submit to LGSETA by 30 April 2018	Workplace skills plan reviewed and submitted to LGSETA by 30 April 2018	Proof of submission	1	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A
TL20	The number of people from the employment equity target groups employed (appointed) in the three highest levels of management in compliance with the municipality's approved Equity Plan as at 30 June 2018	Number of people employed as per approved Equity Plan as at 30 June 2018	Excel spread sheet - File Name: Personnel	1	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A
TL24	Hold bi-annual District Disaster Management Advisory Forum meetings during 2017/18	Number of meetings	Attendance register, invitations	2	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	1	0	N/A	1	1	R

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017			August 2017			September 2017			October 2017			November 2017			December 2017			Overall Performance		
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R
TL25	Review and submit the Disaster Management Framework to Council for approval by 31 May 2018	Disaster Management Framework reviewed and submitted to Council for approval by 31 May 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A
TL26	Conduct 10 industrial premises inspections by 30 June 2018	Number of inspections conducted by 30 June 2018	Safety certificates issued	10	0	5	B	0	0	N/A	3	3	G	0	1	B	0	0	N/A	2	2	G	5	11	B
TL27	Compile and submit bi-annual Water Quality Evaluation Reports to Water Service Authorities within the district during 2017/18 financial year	Number of Water Quality Evaluation Reports submitted to Water Service Authorities in the district	Reports & proof of dispatch via email to local municipalities	6	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	3	3	G	3	3	G
TL28	Compile and submit bi-annual Informal Settlement Evaluation Reports to local municipalities in the District during 2017/18 financial year	Number of Informal Settlement Evaluation Reports submitted to local municipalities in the district	Reports & proof of dispatch via email to local municipalities	8	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	4	4	G	4	4	G
TL29	Compile and submit Vector Control Programme for food premises to Council for approval by 31 December 2017	Vector Control Programme compiled and submitted to Council for approval by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	0	0	N/A	1	1	G	1	1	G



Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance				
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual
TL30	Compile and distribute the Municipal Health Newsletter to local municipalities in the District by 31 January 2018	Newsletters submitted to local municipalities by 31 January 2018	Reports & proof of dispatch via email to local municipalities	1	0	0	N/A	0	0	N/A	0	0	0	0	0	0	0	0	0	N/A	
TL31	Compile and publish articles in the local newspaper "The Courier" on a quarterly basis during 2017/18 financial year	Number of articles published in "The Courier" on a quarterly basis	Copies of the articles published	4	0	1	B	0	1	0	0	1	0	0	0	0	0	2	2	R	
TL32	Compile and submit the Municipal Health Management Plan to Council for acknowledgement by 31 December 2017	Municipal Health Management Plans submitted to Council for acknowledgement by 31 December 2017	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	1	1	1	1	G	
TL33	Compile and submit a Municipal Health By-law to Council for approval by 30 June 2018	Municipal Health By-law compiled and submitted to Council for approval by 30 June 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
TL34	Submit an Environmental Health project proposal to relevant provincial department and / or other role-players by 31 December 2017	Project proposals submitted by 31 December 2017	Proof of submission of proposals	1	0	0	N/A	0	0	0	0	0	0	0	0	1	1	1	1	1	G

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017			August 2017			September 2017			October 2017			November 2017			December 2017			Overall Performance				
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL46	Compile and submit the Climate Change Management Plan to Council for approval by 31 March 2018	Climate Change Management Plan compiled and submitted to Council for approval by 31 March 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	N/A	0	0	0	0	0	N/A	0	0	0	0	0	0	0	0	0	N/A	
TL47	Compile and submit the Air Quality By-Law to Council for approval by 30 June 2018	Air Quality By-law compiled and submitted to Council for approval by 30 June 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	N/A	0	0	0	0	0	N/A	0	0	0	0	0	0	0	0	0	N/A	
T50	Compile and submit bi-annual Landfill Evaluation Reports to local municipalities in the District by 30 June 2018	Landfill Evaluation Reports compiled and submitted to local municipalities in the district by 30 June 2018	Proof of submission of reports	6	0	0	N/A	0	0	N/A	0	0	0	0	0	N/A	0	0	0	0	0	0	3	3	3	3	G
TL51	Implement phase 1 of the upgrade of records and archives section by 30 June 2018	Phase 1 completed by 30 June 2018	Completion certificate	1	0	0	N/A	0	0	N/A	0	0	0	0	0	N/A	0	0	0	0	0	0	0	0	0	0	N/A
TL53	Establish a District Strategic and Corporate Services Forum by 31 December 2017	Forum established by 31 December 2017	MOU with local municipalities	1	0	0	N/A	0	0	N/A	0	0	0	0	0	N/A	0	0	0	0	0	0	1	1	1	0	R

**Financial Services**

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance			
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target
TL8	Review and submit the MFMA delegation register to Council for approval by 31 May 2018	MFMA delegation registered and submitted to Council for approval by 31 May 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	N/A	0	0	0	0	0	0	0	0	N/A
TL9	Compile a long term Financial Plan / Strategy and submit to Council for approval by 31 May 2018	Long term Financial Plan / Strategy developed and submitted to Council for approval by 31 May 2018	Agenda of the Council meeting	1	0	0	N/A	0	0	0	N/A	0	0	0	0	0	0	0	0	N/A
TL10	Compile and submit the financial statements to the Auditor-General by 31 August 2017	Financial statements compiled and submitted to the Auditor-General by 31 August 2017	Acknowledgement of receipt	1	0	1	B	1	1	0	N/A	0	0	0	0	0	0	0	0	N/A
TL11	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2018 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing +	% of debt coverage	Annual Financial Statements and calculation sheet	32	0%	0%	N/A	0%	0%	0%	N/A	0%	0%	0%	0%	0%	0%	0%	0%	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance				
					Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)																				
TL12	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fixed operating expenditure with available cash	Annual Financial Statements and calculation sheet	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	
TL14	Develop a Revenue Enhancement Strategy and submit to Council for consideration	Strategy developed and submitted to Council for consideration by 30 June 2018	Agenda of the Council meeting	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance				
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual
	by 30 June 2018																				
TL16	Establish a centralised Supply Chain Management Unit by 31 August 2017	Centralised Supply Chain Management Unit established by 31 August 2017	SOP, Memorandum submitted to Mayoral Committee	1	0	1	B	1	1	0	0	0	0	0	0	0	0	0	0	1	G
TL21	Review and submit the IDP Budget Process Plan to Council for approval by 31 August 2017	IDP Budget Process plan submitted to Council for approval by 31 August 2017	Agenda of the Council meeting	1	0	0	N/A	1	1	0	0	0	0	0	0	0	0	0	0	1	G
TL52	Establish a District CFO Forum by 31 December 2017	Forum established by 31 December 2017	MOU with local municipalities	1	0	1	B	0	1	0	0	0	0	0	1	0	1	0	1	1	G

**Technical Services**

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance				
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual
TL7	Review 10 budget related policies and submit to Council for approval by 31 March 2018	Number of policies reviewed and submitted to Council for approval by 31 March 2018	Agenda of the Council meeting	10	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
TL42	Create temporary job opportunities in terms of identified road projects by 31	Number of temporary jobs created	Statistics submitted and temporary worker employment contracts	15	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance		
					Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
	March 2017 (Calculations of the number of jobs created will be over the 12 months coincided the financial year of the Provincial Department of Transport)																		
TL43	Spend 95% of Roads special projects conditional allocation by 31 March 2018 [(Actual expenditure divided by approved allocation received) x100] (Spending calculated over the financial year of the Department of Transport of the WC Province)	% of Roads special projects budget spent	Summary of Road Maintenance Expenses from ABAKUS (Claimed)	95	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
TL44	Spend 95% of Roads operational conditional allocation by 31 March 2018 [(Actual expenditure divided by approved allocation received) x100] (Spending calculated over	% of Roads special projects budget spent	Summary of Road Capital Expenses from ABAKUS (Claimed)	95	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A

Ref	KPI	Unit of Measurement	Source of Evidence	Annual Target	July 2017		August 2017		September 2017		October 2017		November 2017		December 2017		Overall Performance			
					Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target	Actual	R	Target
TL45	12 months which coincide with the Financial year of the Provincial Department of Transport) Regravel 35 kilometer road by 31 March 2018	Number of kilometers regravelled	Confirmation from the WC Department of Transport and Public Works (Completion certificate per project)	35	0	0	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A

**Corrective Measures per Department**

**Office of the Municipal Manager**

- TL13 – Increased focus will be placed on ensuring spending on capital projects is improved
- TL35 – Awaiting the completion of appointment of dedicated official

**Corporate Services**

- TL53 – The KPI owner will request for this KPI to be removed

**Financial Services Services**

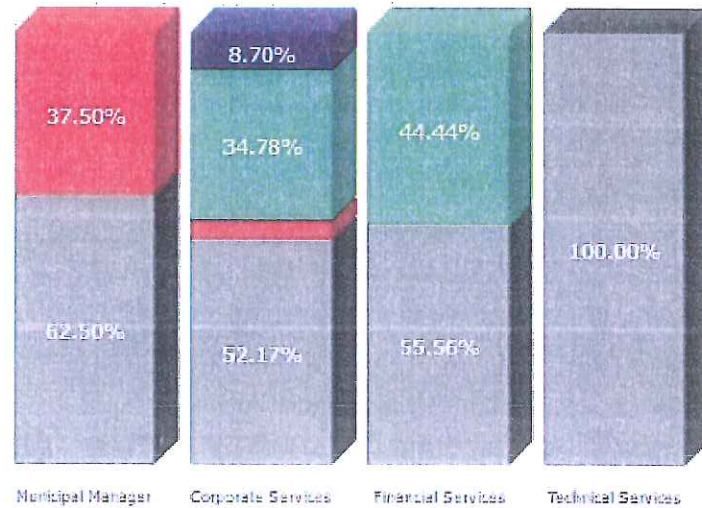
None

**Technical Services**

None

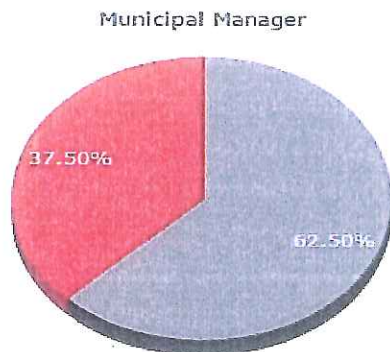
**KPI Monitoring and Evaluation graphs - Per Directorate**

**Directorate**



	Municipal Manager	Corporate Services	Financial Services	Technical Services
KPI Not Yet Measured	10 (62.50%)	12 (52.17%)	5 (55.56%)	5 (100.00%)
KPI Not Met	6 (37.50%)	1 (4.35%)	-	-
KPI Almost Met	-	-	-	-
KPI Met	-	8 (34.78%)	4 (44.44%)	-
KPI Well Met	-	-	-	-
KPI Extremely Well Met	-	2 (8.70%)	-	-
<b>Total:</b>	<b>16 (30.19%)</b>	<b>23 (43.40%)</b>	<b>9 (16.98%)</b>	<b>5 (9.43%)</b>

**KPI Monitoring: Office of the Municipal Manager**

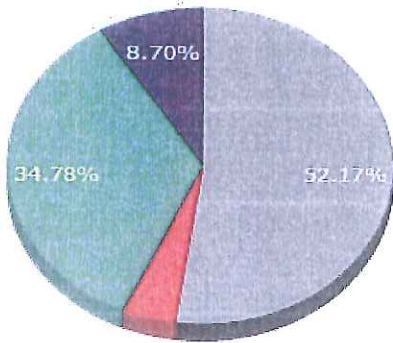


KPI Not Yet Measured	10 (62.50%)
KPI Not Met	6 (37.50%)
KPI Almost Met	-
KPI Met	-
KPI Well Met	-
KPI Extremely Well Met	-



**KPI Monitoring: Corporate Services**

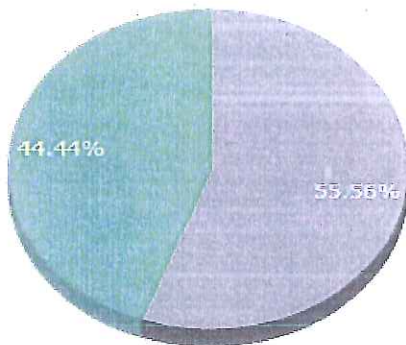
Corporate Services



KPI Not Yet Measured	<b>12 (52.17%)</b>
KPI Not Met	<b>1 (4.35%)</b>
KPI Almost Met	-
KPI Met	<b>8 (34.78%)</b>
KPI Well Met	-
KPI Extremely Well Met	<b>2 (8.70%)</b>

**KPI Monitoring: Financial Services**

Financial Services



KPI Not Yet Measured	<b>5 (55.56%)</b>
KPI Not Met	-
KPI Almost Met	-
KPI Met	<b>4 (44.44%)</b>
KPI Well Met	-
KPI Extremely Well Met	-

**KPI Monitoring: Technical Services**

Technical Services



KPI Not Yet Measured	<b>5 (100.00%)</b>
KPI Not Met	-
KPI Almost Met	-
KPI Met	-
KPI Well Met	-
KPI Extremely Well Met	-

## Appendix B - Recommendations

The following recommendations are made with regards to the performance management of Central Karoo District Municipality:

- The Top Level SDBIP be revised where required
- All adjustments to the SDBIP commence after the adjustment budget has been approved and submitted as follows;
  - Top Level SDBIP – The Executive Mayor for approval
  - That the content of this report be approved by the Executive Mayor and forwarded to the relevant Governmental Department