

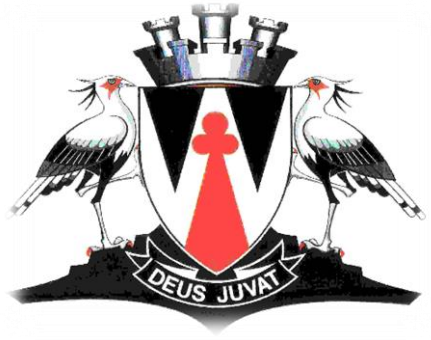
CENTRAL KAROO DISTRICT MUNICIPALITY



Section 52 Report – Quarter 1 (2018/19)

July – September 2018

“Working together in development and growth”



Central Karoo District Municipality

In-Year Report

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003):
Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

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MONTHLY & QUARTERLY BUDGET STATEMENT SEPTEMBER 2018

1. GLOSSARY

1.1	Adjustments Budget –	Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
1.2	Allocations –	Money received from Provincial or National Government or other municipalities.
1.3	Budget –	The financial plan of the Central Karoo District Municipality.
1.4	Budget Related Policy –	Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
1.5	Capital Expenditure –	Spending on assets such as land, buildings, furniture, computer equipment and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality's balance sheet.
1.6	Cash Flow Statement –	A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
1.7	DORA –	Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
1.8	Equitable Share –	A general grant paid to Municipalities.
1.9	Fruitless and Wasteful Expenditure –	Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
1.10	GFS –	Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.
1.11	GRAP –	Generally Recognised Accounting Practice. The new standard for municipal accounting.
1.12	IDP –	Integrated Development Plan. The main strategic planning document of the Municipality.
1.13	MBRR –	Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.

1.14	MFMA –	Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Herein referred to as the Act.
1.15	MTREF –	Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years' budget allocations. Also includes details of the previous and current years' financial position.
1.16	Operating Expenditure –	Spending on the day to day operations of the Municipality such as salaries and wages and general expenses.
1.17	SDBIP –	Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
1.18	Strategic Objectives –	The main priorities of the Central Karoo District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
1.19	Unauthorised Expenditure –	Generally, is spending without, or in excess of, an approved budget.
1.20	Virement –	A transfer of budget.
1.21	Virement Policy –	The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
1.22	Vote –	One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments of the municipality. In Central Karoo District Municipality this means at directorate level. The votes for Central Karoo District therefore are: <ul style="list-style-type: none">• Executive and Council;• Budget and Treasury;• Corporate Services; and• Technical Service

2. PART 1: IN-YEAR REPORT

2.1 SECTION 1 – MAYOR’S REPORT:

2.1.1 In-Year Report: Monthly & Quarterly Budget Statement:

2.1.1.1 Implementation of Budget in terms of SDBIP:

No comments apart from that already mentioned in the Executive summary of this report.

2.1.1.2 Other Information:

Additional clarity on the content of this report or answers to any questions is available from the Chief Financial Officer, Ms. Ursula Baartman.

Executive Mayor

2.2 SECTION 2 – RESOLUTIONS:

The recommended Resolution to Council with regard to the September 2018 In-Year Report is:

RESOLVED:

- (a) That the Council take note of contents in the in-year monthly and quarterly report for September 2018 as set out in the schedules contained in Section 4:
 - (i) Table C1 – Monthly Budget Statement Summary;
 - (ii) Table C2 – Monthly Budget Statement: Financial Performance (Standard Classification);
 - (iii) Table C3 – Monthly Budget Statement: Financial Performance Standard Classification (Revenue and Expenditure by Municipal Vote);
 - (iv) Table C4 – Monthly Budget Statement: Financial Performance (Revenue by Source and Expenditure by Type);
 - (v) Table C5 – Monthly Budget Statement: Capital Expenditure;
 - (vi) Table C6 – Monthly Budget Statement: Financial Position; and
 - (vii) Table C7 – Monthly Budget Statement – Cash Flows.
- (b) Any other resolutions required by the Council.

2.3 SECTION 3 – EXECUTIVE SUMMARY:

2.3.1 Introduction:

All the schedules reflect the following information:

- Original budget;
- Monthly actual figures;
- Year-to-date actual figures;
- Year-to-date budgeted figures.

2.3.2 Financial Performance, Position and Cash Flow:

Section 4 of this report includes the tables with the detailed figures.

2.3.2.1 Financial Performance:

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

2.3.2.1.1 Overall View:

The following table summarises the overall position on the capital and operating budgets. Take note that the Operating Expenditure only reflects the direct expenditure and exclude all indirect expenditure e.g. Administrative Costs.

	<u>Capital Expenditure</u>	<u>Operating Expenditure</u>	<u>Operating Revenue</u>
Original Budget	1,015,350.00	80,483,157.45	81,896,918.42
Adjustments Budget	1,035,350.00	86,692,374.00	88,126,130.00
Actual Spent/ Received (YTD)	130,862.75	19,218,974.67	25,183,658.36
Percentage Spent (YTD)	13%	24%	31%

The table reflects spending of the capital budget as percentage spent of 13%. The total operating expenditure and revenue reflects percentage spent of 24% and 31% respectively.

2.3.2.1.2 Revenue by Source:

The figures represented in this section are the accrued amounts and not actual cash receipts.

The total revenue excluding capital transfers and contributions for the month of September 2018 is R 5.136 million. Refer to figure 1 for more detail.

The comparisons of the major sources of revenue are illustrated in the figure below:

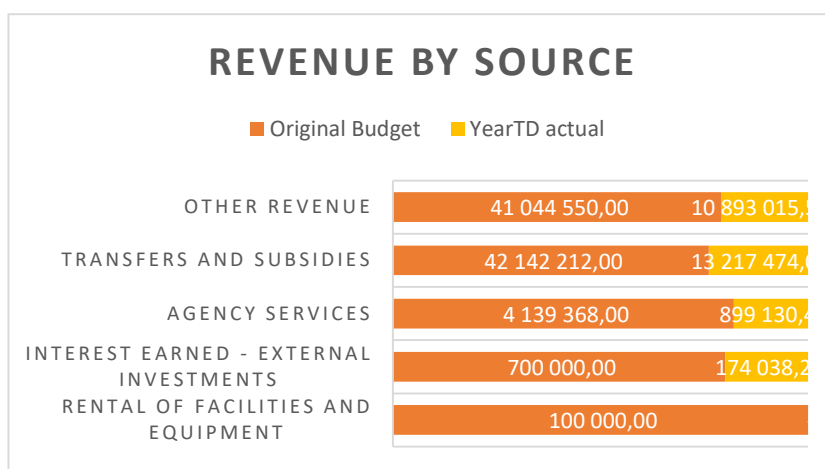


Figure 1 – Revenue by source

- **Other Revenue:**

The amount raised as reflected for the actual year to date represents 27% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 10.261 million.

- **Interest Earned – External Investments:**

The budget amount for Interest earned R 700 000, whilst the year to date actual revenue is R 174 038.27. Thus, reflecting receipt of 25% at the end of the first quarter.

2.3.2.2 Operating Expenditure by Type:

The figures in this section should represent the accrued amounts; in other words, when the goods have been ordered; received or the invoice has been completed

(reconciled with goods received and prices quoted) it should be captured as an expense. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are passed. These figures cannot be used for reporting purposes. The amounts included as expenditure are currently only those for which a payment run has been completed.

The total actual expenditure amounts to R 19.219 million and the year to date budget is R 21.673 million which represents a **variance of 11%** for the year to date.

2.3.2.3 Operating Expenditure by Municipal Vote (Figure 2):

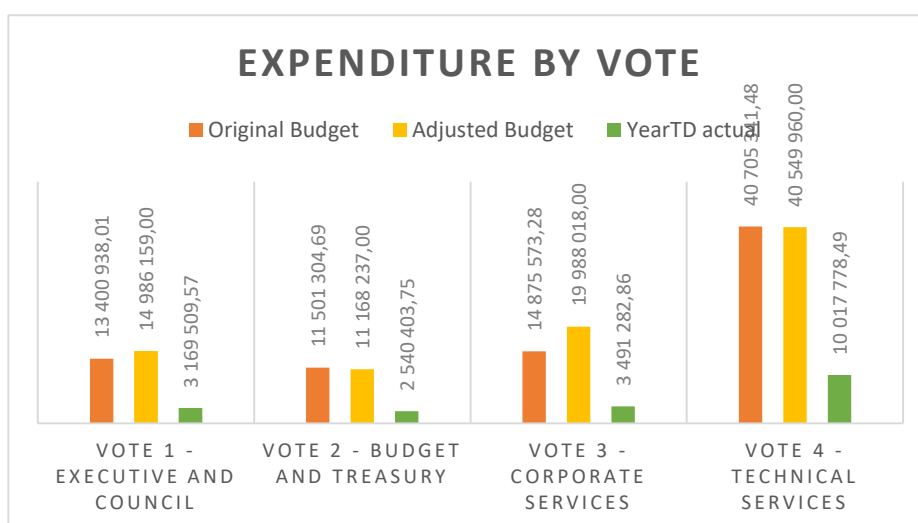


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	Adjusted Budget	yearTD Actual	%Spend
Vote 1 – EXECUTIVE AND COUNCIL	13,400,938.01	14,986,159.00	3,169,509.57	21%
Vote 2 – BUDGET AND TREASURY	11,501,304.69	11,168,237.00	2,540,403.75	22%
Vote 3 – CORPORATE SERVICES	14,875,573.28	19,988,018.00	3,491,282.86	23%
Vote 4 – TECHNICAL SERVICES	40,705,341.48	40,549,960.00	10,017,778.49	25%
Total Expenditure by Vote	80,483,157.45	86,692,374.00	19,218,974.67	24%

The adjustments budget for Technical Service is R 40.550 million of which R 10.018 million has been expended representing 25% of the budget amount.

The adjustments budget for Corporate Services is R 19.988 million of which R 3.491 million has been expended representing 23% of the budget amount.

The adjustments budget for Budget and Treasury is R 11.168 million of which R 2.540 million has been expended representing 22% of the budget amount.

The adjustments budget for Executive and Council is R 14.986 million of which R 3.170 million has been expended representing 21% of the budget amount.

2.3.2.4 Capital Expenditure (Figure 3):

The capital spending for the month of September 2018 amounts to R 90 242.61. The total capital budget amount is R 1.035 million, thus reflecting total spending of 13% at the end of the first quarter.

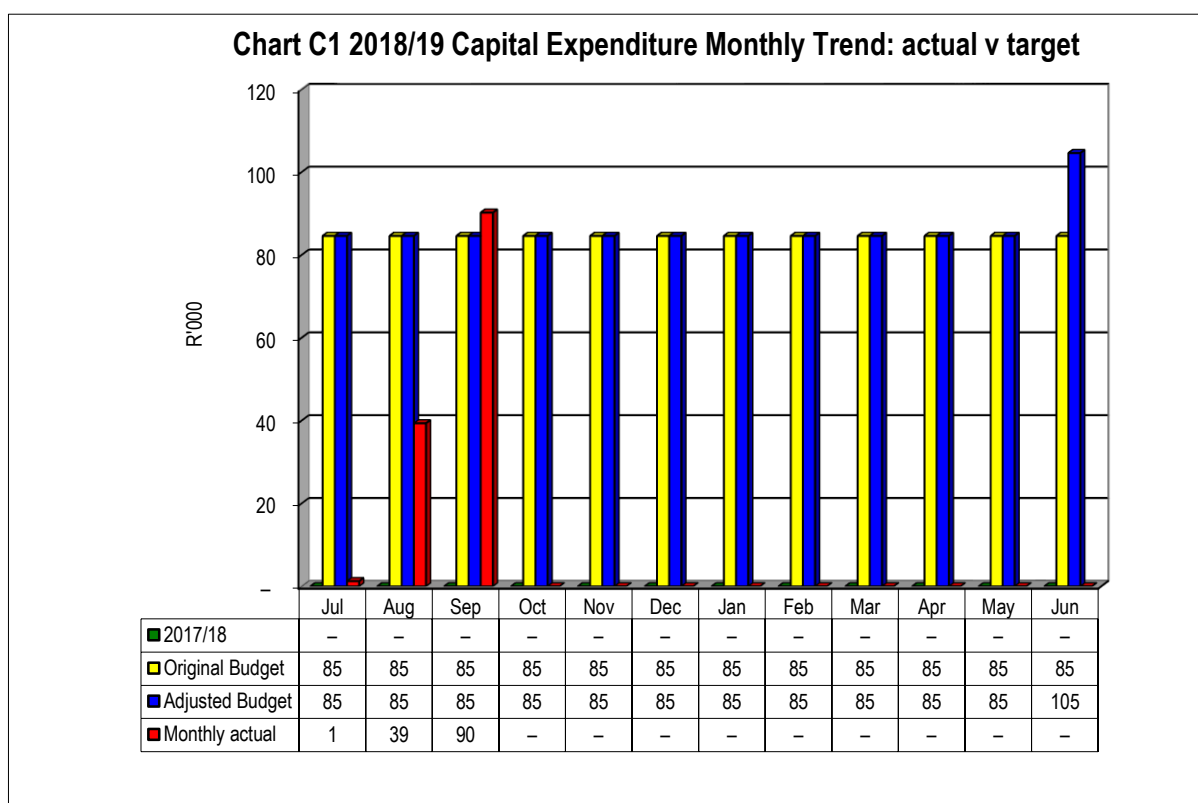


Figure 3 – Breakdown Capital Expenditure by month

2.3.3 Cash Flow:

The detail of this section can be found in Section 4 of this report Table C7 (Cash flow statement).

The balance at the end of the month for the cash flow statement amounts to R 11.657 million.

2.4 SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:

2.4.1 Monthly Budget Statements:

2.4.1.1 Table C1: Monthly Budget Statement Summary:

The table below provides a summary of the most important information by pulling its information from the other tables to follow.

DC5 Central Karoo - Table C1 Monthly Budget Statement Summary - M03 September

Description	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									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	700	700	60	174	175	(1)	-1%	-
Transfers and subsidies	-	35,883	42,142	1,242	13,217	10,536	2,682	25%	-
Other own revenue	-	45,314	45,284	3,834	11,792	11,321	471	4%	-
Total Revenue (excluding capital transfers and contributions)	-	81,897	88,126	5,136	25,184	22,032	3,152	14%	-
Employee costs	-	47,419	46,926	3,327	10,262	11,731	(1,470)	-13%	-
Remuneration of Councillors	-	4,032	3,957	319	945	989	(45)	-5%	-
Depreciation & asset impairment	-	432	486	-	-	121	(121)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	66	1,905	121	133	476	(343)	-72%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28,535	33,419	2,962	7,879	8,355	(476)	-6%	-
Total Expenditure	-	80,483	86,692	6,729	19,219	21,673	(2,454)	-11%	-
Surplus/(Deficit)	-	1,414	1,434	(1,593)	5,965	358	5,606	1564%	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	1,414	1,434	(1,593)	5,965	358	5,606	1564%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	1,414	1,434	(1,593)	5,965	358	5,606	1564%	-
Capital expenditure & funds sources									
Capital expenditure	-	1,015	1,035	90	131	259	(128)	-49%	-
Capital transfers recognised	-	915	915	76	98	229	(131)	-57%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	100	120	14	33	30	3	10%	-
Total sources of capital funds	-	1,015	1,035	90	131	259	(128)	-49%	-
Financial position									
Total current assets	11,306	8,131	8,091		18,761				8,091
Total non current assets	17,711	19,260	19,280		18,769				19,280
Total current liabilities	4,575	5,590	5,590		11,299				5,590
Total non current liabilities	17,549	20,387	20,387		17,185				20,387
Community wealth/Equity	6,893	1,414	-		9,046				1,414
Cash flows									
Net cash from (used) operating	-	1,846	1,826	(1,593)	8,550	457	(8,093)	-1773%	-
Net cash from (used) investing	-	(1,015)	(1,015)	(90)	119	(169)	(288)	170%	-
Net cash from (used) financing	-	106	106	-	-	26	26	100%	-
Cash/cash equivalents at the month/year end	-	3,925	3,905	-	11,657	3,302	(8,355)	-253%	2,989
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	151	1,705	7	165	29	691	-	(1)	2,747
Creditors Age Analysis									
Total Creditors	48	816	20	0	777	-	-	-	1,661

2.4.1.2 **Table C2: Monthly Budget Statement – Financial Performance (Standard Classification):**

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

DC5 Central Karoo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

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 %	
R thousands	1									
Revenue - Functional										
Governance and administration		-	40,904	46,338	1,610	14,406	11,585	2,821	24%	-
Executive and council		-	35,742	35,934	542	734	8,984	(8,249)	-92%	-
Finance and administration		-	5,162	10,404	1,067	13,671	2,601	11,070	426%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	43	838	2	7	210	(203)	-97%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	795	-	-	199	(199)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	43	2	7	11	(4)	-36%	-
Economic and environmental services		-	40,950	40,950	3,525	10,771	10,238	534	5%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	40,950	40,950	3,525	10,771	10,238	534	5%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	81,897	88,126	5,136	25,184	22,032	3,152	14%	-
Expenditure - Functional										
Governance and administration		-	28,452	34,447	2,326	7,166	8,612	(1,446)	-17%	-
Executive and council		-	8,283	9,049	539	1,940	2,262	(322)	-14%	-
Finance and administration		-	19,777	24,607	1,697	5,050	6,152	(1,102)	-18%	-
Internal audit		-	392	791	89	176	198	(22)	-11%	-
Community and public safety		-	6,440	7,097	351	982	1,774	(792)	-45%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1,583	2,219	76	219	555	(335)	-60%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4,856	4,878	275	763	1,219	(456)	-37%	-
Economic and environmental services		-	45,434	44,991	4,053	11,070	11,248	(178)	-2%	-
Planning and development		-	3,226	4,441	180	527	1,110	(583)	-53%	-
Road transport		-	42,208	40,550	3,873	10,543	10,137	406	4%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	157	157	-	-	39	(39)	-100%	-
Total Expenditure - Functional	3	-	80,483	86,692	6,729	19,219	21,673	(2,454)	-11%	-
Surplus/ (Deficit) for the year		-	1,414	1,434	(1,593)	5,965	358	5,606	1564%	-

2.4.1.3 Table C3: Monthly Budget Statement – Financial:

The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. On the next page, as part of Table C3, a table with the sub-votes is also prepared.

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

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
R thousands										
Revenue by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	35,742	36,034	542	734	9,009	(8,274)	-91.8%	-
Vote 2 - BUDGET AND TREASURY		-	5,100	4,300	467	12,472	1,075	11,397	1060.2%	-
Vote 3 - CORPORATE SERVICES		-	104	6,842	602	1,207	1,710	(504)	-29.5%	-
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	3,525	10,771	10,238	534	5.2%	-
Total Revenue by Vote	2	-	81,897	88,126	5,136	25,184	22,032	3,152	14.3%	-
Expenditure by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	13,401	14,986	1,355	3,170	3,747	(577)	-15.4%	-
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	805	2,540	2,792	(252)	-9.0%	-
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	1,127	3,491	4,997	(1,506)	-30.1%	-
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,443	10,018	10,137	(120)	-1.2%	-
Total Expenditure by Vote	2	-	80,483	86,692	6,729	19,219	21,673	(2,454)	-11.3%	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	(1,593)	5,965	358	5,606	1564.1%	-

Table C3C: Monthly Budget Statement – Financial:

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M03 September

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
Revenue by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	35,742	36,034	542	734	9,009	(8,274)	-92%	-
1.1 - MUNICIPAL MANAGER			6,227	6,519	277	469	1,630	(1,161)	-71%	
1.2 - COUNCIL GENERAL EXPENSES			29,515	29,515	266	266	7,379	(7,113)	-96%	
1.3 - INTERNAL AUDIT			-	-	-	-	-	-	-	
1.4 - IDP			-	-	-	-	-	-	-	
1.5 - EDA			-	-	-	-	-	-	-	
1.6 - LED			-	-	-	-	-	-	-	
1.7 - STRATEGIC PLANNING			-	-	-	-	-	-	-	
Vote 2 - BUDGET AND TREASURY		-	5,100	4,300	467	12,472	1,075	11,397	1060%	-
2.1 - FINANCIAL SERVICES			4,100	3,300	67	12,072	825	11,247	1363%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			1,000	1,000	400	400	250	150	60%	
Vote 3 - CORPORATE SERVICES		-	104	6,842	602	1,207	1,710	(504)	-29%	-
3.1 - CORPORATE SERVICES			62	6,004	600	1,200	1,501	(301)	-20%	
3.2 - TOURISM			-	-	-	-	-	-	-	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			43	43	2	7	11	(4)	-36%	
3.5 - CIVIL DEFENCE			-	795	-	-	199	(199)	-100%	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			-	-	-	-	-	-	-	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	40,950	40,950	3,525	10,771	10,238	534	5%	-
4.1 - ROADS			40,950	40,950	3,525	10,771	10,238	534	5%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Revenue by Vote	2	-	81,897	88,126	5,136	25,184	22,032	3,152	14%	-
Expenditure by Vote										
Vote 1 - EXECUTIVE AND COUNCIL	1	-	13,401	14,986	1,355	3,170	3,747	(577)	-15%	-
1.1 - MUNICIPAL MANAGER			4,720	4,826	625	1,268	1,206	62	5%	
1.2 - COUNCIL GENERAL EXPENSES			4,731	5,941	435	1,122	1,485	(363)	-24%	
1.3 - INTERNAL AUDIT			724	791	115	252	198	55	28%	
1.4 - IDP			-	-	-	-	-	-	-	
1.5 - EDA			30	-	-	-	-	-	-	
1.6 - LED			-	-	-	-	-	-	-	
1.7 - STRATEGIC PLANNING			3,196	3,428	180	527	857	(330)	-39%	
Vote 2 - BUDGET AND TREASURY		-	11,501	11,168	805	2,540	2,792	(252)	-9%	-
2.1 - FINANCIAL SERVICES			10,730	10,200	751	2,409	2,550	(141)	-6%	
2.2 - DISTRICT COUNCIL LEVIES			-	-	-	-	-	-	-	
2.3 - FINANCE MANAGEMENT GRANT			771	969	54	132	242	(111)	-46%	
Vote 3 - CORPORATE SERVICES		-	14,876	19,988	1,127	3,491	4,997	(1,506)	-30%	-
3.1 - CORPORATE SERVICES			8,174	12,734	776	2,509	3,184	(675)	-21%	
3.2 - TOURISM			157	157	-	-	39	(39)	-100%	
3.3 - PMU			-	-	-	-	-	-	-	
3.4 - ENVIRONMENTAL HEALTH			4,861	4,878	275	763	1,219	(456)	-37%	
3.5 - CIVIL DEFENCE			1,583	2,219	76	219	555	(335)	-60%	
3.6 - GRANTS AND SUBSIDIES			-	-	-	-	-	-	-	
3.7 - WORK FOR WATER			100	-	-	-	-	-	-	
3.8 - NUTRITION SCHEME			-	-	-	-	-	-	-	
Vote 4 - TECHNICAL SERVICES		-	40,705	40,550	3,443	10,018	10,137	(120)	-1%	-
4.1 - ROADS			40,705	40,550	3,443	10,018	10,137	(120)	-1%	
4.2 - TRANSPORT FUND			-	-	-	-	-	-	-	
Total Expenditure by Vote	2	-	80,483	86,692	6,729	19,219	21,673	(2,454)	(0)	-
Surplus/ (Deficit) for the year	2	-	1,414	1,434	(1,593)	5,965	358	5,606	0	-

2.4.1.4 Table C4: Monthly Budget Statement – Financial Performance (Revenue and Expenditure):

This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.

DC5 Central Karoo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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										
Revenue By Source										
Property rates										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment			100	100			25	(25)	-100%	
Interest earned - external investments			700	700	60	174	175	(1)	-1%	
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services			3,947	4,139	300	899	1,035	(136)	-13%	
Transfers and subsidies			35,883	42,142	1,242	13,217	10,536	2,682	25%	
Other revenue			41,267	41,045	3,534	10,893	10,261	632	6%	
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)			81,897	88,126	5,136	25,184	22,032	3,152	14%	-
Expenditure By Type										
Employee related costs			47,419	46,926	3,327	10,262	11,731	(1,470)	-13%	
Remuneration of councillors			4,032	3,957	319	945	989	(45)	-5%	
Debt impairment										
Depreciation & asset impairment			432	486			121	(121)	-100%	
Finance charges										
Bulk purchases										
Other materials			66	1,905	121	133	476	(343)	-72%	
Contracted services			1,406	5,362	293	935	1,341	(406)	-30%	
Transfers and subsidies										
Other expenditure			27,128	28,057	2,668	6,944	7,014	(70)	-1%	
Loss on disposal of PPE										
Total Expenditure			80,483	86,692	6,729	19,219	21,673	(2,454)	-11%	-
Surplus/(Deficit)										
Transfers and subsidies - capital (interetary allocations) (National / Provincial and District)			1,414	1,434	(1,593)	5,965	358	5,606	0	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions			1,414	1,434	(1,593)	5,965	358			-
Taxation										
Surplus/(Deficit) after taxation			1,414	1,434	(1,593)	5,965	358			-
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			1,414	1,434	(1,593)	5,965	358			-
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			1,414	1,434	(1,593)	5,965	358			-

2.4.1.5 Table C5: Monthly Budget Statement – Capital Expenditure (Municipal Vote, Standard Classification and Funding):

DC5 Central Karoo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03
September

Vote 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 %	
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	79	99	-	-	25	(25)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	140	140	20	28	35	(7)	-19%	-
Vote 3 - CORPORATE SERVICES		-	697	697	70	102	174	(72)	-41%	-
Vote 4 - TECHNICAL SERVICES		-	100	100	-	-	25	(25)	-100%	-
Total Capital single-year expenditure	4	-	1,015	1,035	90	131	259	(128)	-49%	-
Total Capital Expenditure		-	1,015	1,035	90	131	259	(128)	-49%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	719	739	70	110	185	(75)	-40%	-
Executive and council			47	67	14	33	17	16	98%	
Finance and administration			673	673	56	77	168	(91)	-54%	
Internal audit			-	-	-	-	-	-		
Community and public safety		-	164	164	21	21	41	(20)	-49%	-
Community and social services			-	-	-	-	-	-		
Sport and recreation			-	-	-	-	-	-		
Public safety			100	100	4	4	25	(21)	-83%	
Housing			-	-	-	-	-	-		
Health			64	64	17	17	16	1	4%	
Economic and environmental services		-	132	132	-	-	33	(33)	-100%	-
Planning and development			32	32	-	-	8	(8)	-100%	
Road transport			100	100	-	-	25	(25)	-100%	
Environmental protection			-	-	-	-	-	-		
Trading services		-	-	-	-	-	-	-		-
Energy sources			-	-	-	-	-	-		
Water management			-	-	-	-	-	-		
Waste water management			-	-	-	-	-	-		
Waste management			-	-	-	-	-	-		
Other			-	-	-	-	-	-		
Total Capital Expenditure - Functional Classification	3	-	1,015	1,035	90	131	259	(128)	-49%	-
Funded by:										
National Government			915	915	76	98	229	(131)	-57%	
Provincial Government			-	-	-	-	-	-		
District Municipality			-	-	-	-	-	-		
Other transfers and grants			-	-	-	-	-	-		
Transfers recognised - capital		-	915	915	76	98	229	(131)	-57%	-
Public contributions & donations	5		-	-	-	-	-	-		
Borrowing	6		-	-	-	-	-	-		
Internally generated funds			100	120	14	33	30	3	10%	
Total Capital Funding		-	1,015	1,035	90	131	259	(128)	-49%	-

2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		8,751	3,925	3,905	11,657	3,905
Call investment deposits		–	–	(20)	–	(20)
Consumer debtors		–	2,100	2,100	–	2,100
Other debtors		1,878	1,248	1,248	6,350	1,248
Current portion of long-term receivables		–	–	–	–	–
Inventory		677	858	858	754	858
Total current assets		11,306	8,131	8,091	18,761	8,091
Non current assets						
Long-term receivables		10,694	10,521	10,521	10,444	10,521
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		6,935	8,656	8,676	8,231	8,676
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		82	82	82	93	82
Other non-current assets		–	–	–	–	–
Total non current assets		17,711	19,260	19,280	18,769	19,280
TOTAL ASSETS		29,017	27,391	27,371	37,529	27,371
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		61	39	39	67	39
Consumer deposits		–	–	–	–	–
Trade and other payables		349	5,551	5,551	6,403	5,551
Provisions		4,166	–	–	4,828	–
Total current liabilities		4,575	5,590	5,590	11,299	5,590
Non current liabilities						
Borrowing		97	101	101	90	101
Provisions		17,452	20,286	20,286	17,095	20,286
Total non current liabilities		17,549	20,387	20,387	17,185	20,387
TOTAL LIABILITIES		22,124	25,977	25,977	28,484	25,977
NET ASSETS	2	6,893	1,414	1,394	9,046	1,394
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		6,893	1,414	1,414	9,046	1,414
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	6,893	1,414	–	9,046	1,414

2.4.1.7 Table C7: Monthly Budget Statement – Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			-	-				-			
Service charges			-	-				-			
Other revenue			45,314	45,314	3,834	11,792	11,328	464	4%		
Government - operating			35,883	35,883	1,242	13,217	8,971	4,247	47%		
Government - capital			-	-	-	-	-	-			
Interest			700	700	60	174	175	(1)	-1%		
Dividends			-	-	-	-	-	-			
Payments											
Suppliers and employees			(52,922)	(52,942)	(6,729)	(16,634)	(13,236)	3,399	-26%		
Finance charges			-	-	-	-	-	-			
Transfers and Grants			(27,128)	(27,128)	-	-	(6,782)	(6,782)	100%		
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	1,846	1,826	(1,593)	8,550	457	(8,093)	-1773%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	-				-			
Decrease (Increase) in non-current debtors			-	-				-			
Decrease (increase) other non-current receivables			-	-		250	-	250	#DIV/0!		
Decrease (increase) in non-current investments			-	-				-			
Payments											
Capital assets			(1,015)	(1,015)	(90)	(131)	(169)	(38)	23%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(1,015)	(1,015)	(90)	119	(169)	(288)	170%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-				-			
Borrowing long term/refinancing			-	-				-			
Increase (decrease) in consumer deposits			106	106			26	(26)	-100%		
Payments											
Repayment of borrowing			-	-			-	-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	106	106	-	-	26	26	100%	-
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at beginning:			2,989	2,989	(1,683)	8,669	2,989	2,989		2,989	
Cash/cash equivalents at month/year end:			-	3,925	3,905		11,657	3,302		2,989	

3. PART 2 – SUPPORTING DOCUMENTATION

3.1 SECTION 5 – DEBTORS ANALYSIS:

3.1.1 Supporting Table SC3:

DC5 Central Karoo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2018/19								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200									-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-		
Receivables from Non-exchange Transactions - Property Rates	1400									-	-		
Receivables from Exchange Transactions - Waste Water Management	1500									-	-		
Receivables from Exchange Transactions - Waste Management	1600									-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	151	1,705	7	165	29	691	-	(1)	2,747	884		
Total By Income Source	2000	151	1,705	7	165	29	691	-	(1)	2,747	884	-	-
2017/18 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200									-	-		
Commercial	2300									-	-		
Households	2400									-	-		
Other	2500	151	1,705	7	165	29	691	-	(1)	2,747	884		
Total By Customer Group	2600	151	1,705	7	165	29	691	-	(1)	2,747	884	-	-

Table SC3 is the only debtors report required by the MBRR.

3.1.2 Supporting Table SC4:

DC5 Central Karoo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2018/19								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700									-	
Auditor General	0800									-	
Other	0900	48	816	20	0	777	-	-	-	1,661	
Total By Customer Type	1000	48	816	20	0	777	-	-	-	1,661	-

3.2 SECTION 6 – GRANT RECEIPTS:

3.2.1 Supporting Table SC6 – Grant Receipts:

DC5 Central Karoo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	32,883	33,678	-	15,273	8,420	6,172	73.3%	-
Local Government Equitable Share			28,502	28,502	-	11,879	7,126	4,754	66.7%	
FMG - Internship Training			1,000	1,000	-	1,000	250			
EPWP Incentive			1,013	1,013	-	255	253			
Municipal Systems Improvement			-	-	-	-	-			
Work for Water			-	-	-	-	-			
Municipal Infrastructure Grant	3		-	-	-	-	-	-		
Rural Asset Management Grant			1,728	1,728	-	1,344	432	912	211.1%	
Finance Management			-	-	-	-	-			
Provincial Government:			-	-	-	-	-			
Disaster Management			-	795	-	795	199	596	300.0%	
WC - FMG CAPACITY			280	280	-	-	70			
WP Financial Management Support Grant			360	360	-	-	90	(90)	-100.0%	
Provincial Government:			-	-	-	-	-			
Other transfers and grants [insert description]										
District Municipality:			-	-	-	-	-			
[insert description]										
Other grant providers:			-	3,000	3,000	-	127	750	(623)	-83.1%
CHIETA			-	-	-	-	127	-	127	#DIV/0!
Doringveld			-	-	-	-	-			
LG SETA			-	-	-	-	-			
Audit fee			3,000	3,000	-	-	750			
Total Operating Transfers and Grants	5		-	35,883	36,678	-	15,400	9,170	5,549	60.5%
Capital Transfers and Grants										
National Government:			-	-	-	-	-			
Other capital transfers [insert description]										
Provincial Government:			-	-	-	-	-			
[insert description]										
District Municipality:			-	-	-	-	-			
[insert description]										
Other grant providers:			-	-	-	-	-			
[insert description]										
Total Capital Transfers and Grants	5		-	-	-	-	-			
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5		-	35,883	36,678	-	15,400	9,170	5,549	60.5%

3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	32,883	33,678	3,141	8,316	8,420	(103)	-1.2%	–
Local Government Equitable Share			28,502	28,502	2,375	7,126	7,126	–		
FMG - Internship Training			1,000	1,000	202	400	250	150	59.9%	
EPWP Incentive			1,013	1,013	134	266	253	12	4.9%	
Municipal Systems Improvement			–	–	–	–	–	–		
Work for Water			–	–	–	–	–	–		
Municipal Infrastructure Grant			–	–	–	–	–	–		
Rural Asset Management Grant			1,728	1,728	430	526	432	94	21.7%	
Finance Management			–	–	–	–	–	–		
Provincial Government:			–	–	–	–	–	–		
Disaster Management			–	795	–	–	199	(199)	-100.0%	
WC - FMG CAPACITY			280	280	–	–	70	(70)	-100.0%	
WP Financial Management Support Grant			360	360	–	–	90	(90)	-100.0%	
Provincial Government:		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]										
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	3,000	3,000	66	182	750	(568)	-75.8%	–
CHIETA			–	–	66	182	–	182	#DIV/0!	
Doringveld			–	–	–	–	–	–		
LG SETA			3,000	3,000	–	–	750	–		
Audit fee			–	–	–	–	–	–		
Total operating expenditure of Transfers and Grants:		–	35,883	36,678	3,207	8,498	9,170	(671)	-7.3%	–
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	–	–	–	–		–
Other capital transfers [insert description]										
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	–	–	–	–	–	–		–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	35,883	36,678	3,207	8,498	9,170	(671)	-7.3%	–

3.3 SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:

3.3.1 Supporting Table C12:

Supporting Table C12 reconcile with Table C5.

DC5 Central Karoo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		85	85	1	1	85	83	98.5%	0%
August		85	85	39	41	169	129	76.0%	4%
September		85	85	90	131	254	123	48.4%	13%
October		85	85			338	-		
November		85	85			423	-		
December		85	85			508	-		
January		85	85			592	-		
February		85	85			677	-		
March		85	85			762	-		
April		85	85			846	-		
May		85	85			931	-		
June		85	105			1,035	-		
Total Capital expenditure	-	1,015	1,035	131					

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 month of September 2018 (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name : S Jooste

Municipal Manager

Signature 

Date: 12 October 2018

NON-FINANCIAL PERFORMANCE REPORTING – QUARTER 1 (July – September 2018)

Disclaimer

This Quarterly Performance Assessment Report, w.r.t. the non-financial information, is based on reported information only, and is un-audited. This report is subject to change on finalisation of the Internal Performance Audit Report for the 1st Quarter of the 2018/2019 financial year

1. Purpose

(a) The purpose of this report is to inform Council regarding the progress made with the implementation of the Key Performance Indicators (KPIs) in the realisation of the development priorities and objectives as determined in the Municipality’s Integrated Development Plan (IDP) as well as in the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the first (1st) quarter (01 July – 30 September 2018) of the 2018/19 financial year.

2. Legislative requirements

- (a) The SDBIP is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 (Act 56 of 2003) (MFMA), and the format of the SDBIP is prescribed by the MFMA Circular 13.
- (b) Section 41(1) (e) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000) (MSA), prescribes that a process must be established of regular reporting to Council.
- (c) This report is a requirement in terms of Section 52 of the MFMA which provide for:
- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality;
 - The Accounting Officer, while conducting the above, must take into account:
 - Section 71 Reports;
 - Performance in line with the Service Delivery and Budget Implementation Plans.

3. Background to the format and monitoring of the SDBIP

3.1 Format

- (a) The Municipality’s SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each individual Department.
- (b) For purposes of reporting, the TL SDBIP is used to report to Council and the Community on the organisational performance of the Municipality.
- (c) The TL SDBIP measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of the Central Karoo District Municipality. The Top Layer SDBIP 2018/2019 was approved by the Executive Mayor on 08 June 2018.
- (d) The Departmental SDBIP measures the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans have been approved by the Municipal Manager.
- (e) The Quarterly Performance Assessment Report is structured to report on the seven (7) Municipal Key Performance Areas.
- (f) 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:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's 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 Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

Table 1: Description of colour codes

- (g) The Performance Management System is an internet based system and it uses, as its basis, the approved SDBIP. The SDBIP is a layered plan comprising of Top Layer SDBIP and Departmental SDBIPs.
- (h) Performance reports on the Top Layer SDBIP is submitted to the Executive Mayoral Committee and Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis.
- (i) This non-financial part of the report is based on the Top Layer SDBIP 2018/2019 and comprises of the following:
 - Summary of the overall performance of the Municipality in terms of the National Key Performance Areas of Local Government;
 - Summary of the overall performance of the Municipality in terms of the seven Municipal Key Performance Areas; and
 - A detailed performance review per Municipal Key Performance Area (MKPA).

3.2 Monitoring

- (a) The Municipality utilises an electronic web based system that is monthly updated with actual performance.
- (b) The system closes every month between the 10th and the 15th day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. No access is available to a month's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place. Departments must motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
- (c) The system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
- (d) The system requires key performance indicator owners to update performance comments for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
- (e) In terms of Section 46(1) (a) (iii) of the MSA the Municipality must reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved.

4. Actual performance for the first (1st) quarter - 01 July – 30 September 2018

- (a) The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments with corrective measures with regard to targets not achieved
- (b) Overall performance (dashboard) per National and Municipal Key Performance Areas will be provided for in section 5 of this report.
- (c) A detailed analysis of actual performance for the first (1st) quarter of the financial year 2018/2019 is provided for in section 6 of this report.

5. Overall performance of the Municipality

(a) Dashboard summary per National Key Performance Area (NKPA) for the period - 01 April – 30 June 2018.

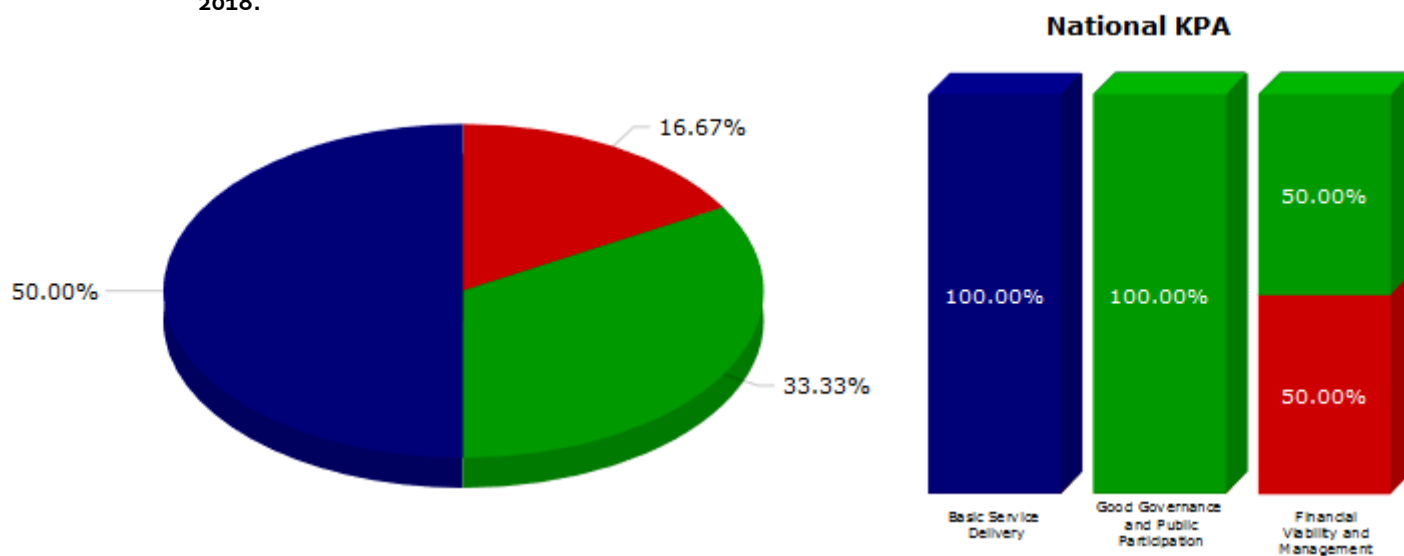


Figure 1: Graphs: Overall Performance on National KPA's

	Basic Service Delivery	Good Governance and Public Participation	Municipal Financial Viability and Management
KPI Not Met	-	-	<u>1 (50.00%)</u>
KPI Almost Met	-	-	-
KPI Met	-	<u>1 (100.00%)</u>	<u>1 (50.00%)</u>
KPI Well Met	-	-	-
KPI Extremely Well Met	<u>3 (100.00%)</u>	-	-
Total:	3 (50.00%)	1 (16.67%)	2 (33.33%)

Table 2: Overall Performance on National KPA's

(b) Dashboard summary per Municipal Key Performance Area (MKPA) for the period - 01 April – 30 June 2018.

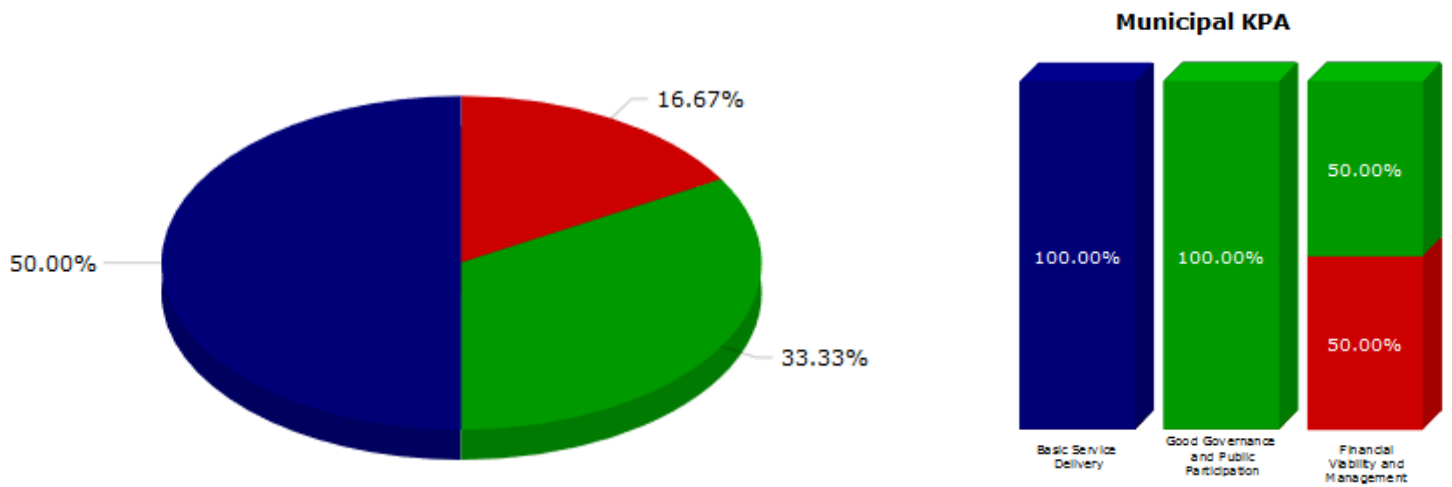


Figure 2: Graphs: Overall performance on Municipal KPA's

	Basic Service Delivery	Good Governance and Public Participation	Municipal Financial Viability and Management
KPI Not Met	-	-	<u>1 (50.00%)</u>
KPI Almost Met	-	-	-
KPI Met	-	<u>1 (100.00%)</u>	<u>1 (50.00%)</u>
KPI Well Met	-	-	-
KPI Extremely Well Met	<u>3 (100.00%)</u>	-	-
Total:	3 (50.00%)	1 (16.67%)	2 (33.33%)

Table 3: Overall performance on Municipal KPA's



6. Actual Strategic performance and corrective measures that will be implemented

6.1 Build a well capacitated workforce, skilled youth and communities

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL12	Build a well capacitated workforce, skilled youth and communities	Review the organisational structure and submit to Council for approval by 31 March 2019	Organisational structure reviewed and submitted to Council for approval by 31 March 2019	1	0	0	N/A		
TL13	Build a well capacitated workforce, skilled youth and communities	Spend 0.5% of the municipality's personnel budget on training by 30 June 2019 [(Total Actual Training Expenditure/ Total personnel Budget) x100]	% of the personnel budget spent on training	0.50%	0%	0%	N/A		
TL14	Build a well capacitated workforce, skilled youth and communities	Limit the vacancy rate to 10% of budgeted post as at 30 June 2019	% vacancy rate of budgeted posts as at 30 June 2019	10%	0%	0%	N/A		
TL15	Build a well capacitated workforce, skilled youth and communities	Review the Workplace Skills Plan and submit to LGSETA by 30 April 2019	Workplace skills plan reviewed and submitted to LGSETA by 30 April 2019	1	0	0	N/A		
TL16	Build a well capacitated workforce, skilled youth and communities	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 2019	Number of people employed as per approved Equity Plan as at 30 June 2019	1	0	0	N/A		



Summary of Results: Build a well capacitated workforce, skilled youth and communities			
	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	5
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	0
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	0
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	0
	Total KPIs		5

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

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL2	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	Spend 90% of the municipal capital budget by 30 June 2019 {(Actual amount spent on projects/Total amount budgeted for capital projects) X100}	% of capital budget spent	90%	25%	0%	R		
TL25	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	Review 10 budget related policies and submit to Council for approval by 31 May 2019	Number of policies reviewed and submitted to Council for approval by 31 May 2019	10	0	0	N/A		
TL27	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	Compile and submit the financial statements to the Auditor-General by 31 August 2018	Financial statements compiled and submitted to the Auditor-General by 31 August 2018	1	1	1	G	[D113] CFO: AFS submitted on 31 August 2018 (July 2018) [D113] CFO: AFS submitted on 31 August 2018 (August 2018) [D113] CFO: AFS submitted 31 Aug	



Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
								2018 (September 2018)	
TL28	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2019 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)	% of debt coverage	10%	0%	0%	N/A		
TL29	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2019 ((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 fix operating expenditure with available cash	25	0	0	N/A		

Summary of Results: Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region			
	KPI Not Yet Measured	KPIs with no targets or actuals in the selected period.	3
	KPI Not Met	0% <= Actual/Target <= 74.999%	1
	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
	KPI Met	Actual meets Target (Actual/Target = 100%)	1
	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
	KPI Extremely Well Met	150.000% <= Actual/Target	0
	Total KPIs		5



6.3 Facilitate good governance principles and effective stakeholder participation

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL1	Facilitate good governance principles and effective stakeholder participation	Submit the draft Annual Report in Council by 31 January 2019	Draft Annual Report submitted in Council by 31 January 2019	1	0	0	N/A		
TL3	Facilitate good governance principles and effective stakeholder participation	Review and submit the IDP and Budget Process Plan and District Framework to Council by 31 August 2018	IDP and Budget Process Plan and Framework submitted to Council by 31 August 2018	1	1	1	G	[D33] Municipal Manager: Approved on the 22 August 2018 (August 2018)	
TL4	Facilitate good governance principles and effective stakeholder participation	Review the Risk Based Audit Plan (RBAP) and submit to the Audit Committee for approval by 30 June 2019	RBAP revised and submitted to the Audit Committee for approval by 30 June 2019	1	0	0	N/A		
TL5	Facilitate good governance principles and effective stakeholder participation	Complete 70% of audits as per the RBAP by 30 June 2019 [(Audits completed for the year/audits planned for the year according to the RBAP) x100]	% audits completed	70%	0%	0%	N/A		
TL10	Facilitate good governance principles and effective stakeholder participation	Review Corporate and HR policies and submit to Council for approval by 30 June 2019	Number of policies reviewed and submitted to Council for approval by 30 June 2019	5	0	0	N/A		
TL11	Facilitate good governance principles and effective stakeholder participation	Review the delegation register and submit to Council for approval by 30 June 2019	Delegation registered reviewed and submitted to Council for approval by 30 June 2019	1	0	0	N/A		



Summary of Results: Facilitate good governance principles and effective stakeholder participation			
	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	5
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	0
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	1
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	0
	Total KPIs		6



6.4 Improve and maintain district roads and promote safe roads transport

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL30	Improve and maintain district roads and promote safe roads transport	Create temporary job opportunities in terms of identified road projects by 31 March 2019 (Calculations of the number of jobs created will be over the 12 months coincided the financial year of the Provincial Department of Transport)	Number of temporary jobs created	20	0	0	N/A		
TL31	Improve and maintain district roads and promote safe roads transport	Spend 95% of approved Roads capital budget by 31 March 2019 [(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	95%	10%	42.87%	B	[D124] Director Technical Services: Expenditure from Abakus on the Capital Budget between 01 April and 30 September 2018 is reported as R10,073,804.12 as at 30 September 2018. This equals 42.87% of the original allocation of R23,500,000.00 (September 2018)	
TL32	Improve and maintain district roads and promote safe roads transport	Spend 95% of the approved Roads maintenance budget by 31 March 2019 [(Actual expenditure divided by approved allocation received) x100] (Spending calculated over 12 months which coincide with the Financial year of the Provincial Department of Transport)	% of Roads special projects budget spent	95%	10%	48.42%	B	[D125] Director Technical Services: Expenditure from Abakus on the Maintenance Budget between 01 April and 30 September 2018 is reported as R10,653,117.62 as at 30 September 2018. This equals	



Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
								48.42% of the original allocation spent (<i>September 2018</i>)	
TL33	Improve and maintain district roads and promote safe roads transport	Regravel 37 kilometres of road by 31 March 2019	Number of kilometres regravelled	37	0	0	N/A		

Summary of Results: Improve and maintain district roads and promote safe roads transport			
	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	2
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	0
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	0
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	2
	Total KPIs		4



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

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL6	Promote regional, economic development, tourism and growth opportunities	Create full time equivalent (FTE's) through expenditure with the EPWP job creation initiatives by 30 June 2019	Number of full time equivalent (FTE's) created by 30 June 2019	15	0	0	N/A		
TL7	Promote regional, economic development, tourism and growth opportunities	Review and submit the LED Strategy to Council for approval by 31 May 2019	LED Strategy reviewed and submitted to Council for approval by 31 May 2019	1	0	0	N/A		
TL8	Promote regional, economic development, tourism and growth opportunities	Develop a Tourism Development Plan and submit to Council for consideration by 30 June 2019	Tourism Development Plan developed and submitted to Council for consideration by 30 June 2019	1	0	0	N/A		
TL9	Promote regional, economic development, tourism and growth opportunities	Develop a Tourism Marketing Plan and submit to Council for consideration by 30 June 2019	Tourism Marketing Plan developed and submitted to Council for consideration by 30 June 2019	1	0	0	N/A		
TL26	Promote regional, economic development, tourism and growth opportunities	Review and submit the MFMA delegation register to Council for approval by 31 May 2019	MFMA delegation registered reviewed and submitted to Council for approval by 31 May 2019	1	0	0	N/A		

Summary of Results: Promote regional, economic development, tourism and growth opportunities			
	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	5
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	0
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	0
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	0
	Total KPIs		5



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

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL17	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile and submit bi-annual Water Quality Evaluation Reports to Water Service Authorities by 30 June 2019	Number of Water Quality Evaluation Reports submitted to Water Service Authorities by 30 June 2019	6	0	0	N/A	<p>[D85] Director Corporate Services: Not applicable (July 2018)</p> <p>[D85] Director Corporate Services: Not applicable (August 2018)</p> <p>[D85] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D85] Director Corporate Services: Not applicable (July 2018)</p> <p>[D85] Director Corporate Services: Not applicable (August 2018)</p> <p>[D85] Director Corporate Services: Not applicable (September 2018)</p>
TL18	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile and submit bi-annual Informal Settlement Evaluation Reports to Local Authorities by 30 June 2019	Number of Informal Settlement Evaluation Reports submitted to Local Authorities by 30 June 2019	8	0	0	N/A	<p>[D86] Director Corporate Services: Not applicable (July 2018)</p> <p>[D86] Director Corporate Services: Not applicable (August 2018)</p> <p>[D86] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D86] Director Corporate Services: Not applicable (July 2018)</p> <p>[D86] Director Corporate Services: Not applicable (August 2018)</p> <p>[D86] Director Corporate Services: Not applicable (September 2018)</p>
TL19	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile and submit bi-annual Landfill Evaluation Reports to Local Authorities by 30 June 2019	Number of Landfill Evaluation Reports submitted to Local Authorities by 30 June 2019	6	0	0	N/A	<p>[D87] Director Corporate Services: Not applicable (July 2018)</p> <p>[D87] Director Corporate Services: Not applicable (August 2018)</p> <p>[D87] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D87] Director Corporate Services: Not applicable (July 2018)</p> <p>[D87] Director Corporate Services: Not applicable (August 2018)</p> <p>[D87] Director Corporate Services: Not applicable (September 2018)</p>
TL20	Promote safe, healthy and socially stable communities through the provision of a sustainable	Compile and distribute a Municipal Health Newsletter to Local Authorities by 31 January 2019	Number of Newsletters submitted to Local Authorities by 31 January 2019	1	0	0	N/A	<p>[D88] Director Corporate Services: Not applicable (July 2018)</p> <p>[D88] Director Corporate Services: Not applicable (August 2018)</p> <p>[D88] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D88] Director Corporate Services: Not applicable (July 2018)</p> <p>[D88] Director Corporate Services: Not applicable (August 2018)</p> <p>[D88] Director Corporate Services: Not applicable (September 2018)</p>



Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
	environmental health service							Services: Not applicable (September 2018)	
TL21	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile & publish bi-annual MHS related articles in the local newspaper "The Courier" by 30 June 2019	Number of articles published in "The Courier" by 30 June 2019	4	0	1	B	<p>[D89] Director Corporate Services: 1st publication of 2 articles for the 1st 6 months of the reporting period (July 2018)</p> <p>[D89] Director Corporate Services: Not applicable (August 2018)</p> <p>[D89] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D89] Director Corporate Services: Not applicable (July 2018)</p> <p>[D89] Director Corporate Services: Not applicable (August 2018)</p> <p>[D89] Director Corporate Services: Not applicable (September 2018)</p>
TL22	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile & submit a Municipal Health Project Proposal to the relevant Provincial or National department and / or other role-players by 30 June 2019	Project Proposals submitted by 30 June 2019	1	0	0	N/A	<p>[D90] Director Corporate Services: Not applicable (July 2018)</p> <p>[D90] Director Corporate Services: Not applicable (August 2018)</p> <p>[D90] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D90] Director Corporate Services: Not applicable (July 2018)</p> <p>[D90] Director Corporate Services: Not applicable (August 2018)</p> <p>[D90] Director Corporate Services: Not applicable (September 2018)</p>
TL23	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile & submit a MoA between Section MHS & relevant Provincial Department to Sr. Committee Clerk by 30 June 2019 - for Council approval	Number of MoA's submitted to Sr. Committee Clerk by 30 June 2019 - for Council Approval	1	0	0	N/A	<p>[D91] Director Corporate Services: Not applicable (July 2018)</p> <p>[D91] Director Corporate Services: Not applicable (August 2018)</p> <p>[D91] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D91] Director Corporate Services: Not applicable (July 2018)</p> <p>[D91] Director Corporate Services: Not applicable (August 2018)</p> <p>[D91] Director Corporate Services: Not applicable (September 2018)</p>



Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	July 2018 - September 2018				
					Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL24	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	Compile & submit a Municipal Health By-law to Sr. Committee Clerk by 30 June 2019 - for Council approval	Number of MHS By-law's submitted to Sr. Committee Clerk by 30 June 2019 - for Council approval	1	0	0	N/A	<p>[D92] Director Corporate Services: Not applicable (July 2018)</p> <p>[D92] Director Corporate Services: Not applicable (August 2018)</p> <p>[D92] Director Corporate Services: Not applicable (September 2018)</p>	<p>[D92] Director Corporate Services: Not applicable (July 2018)</p> <p>[D92] Director Corporate Services: Not applicable (August 2018)</p> <p>[D92] Director Corporate Services: Not applicable (September 2018)</p>

Summary of Results: Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service		
KPI Not Yet Measured	KPIs with no targets or actuals in the selected period.	7
KPI Not Met	0% <= Actual/Target <= 74.999%	0
KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
KPI Met	Actual meets Target (Actual/Target = 100%)	0
KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs		8

7. Conclusion

Summary of Results			
	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	27
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	1
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	2
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	3
	Total KPIs		33

- (a) Out of the 33 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2018/2019 for the 1st quarter (July – September 2018), 27 were not yet measured, 1 not met, 2 KPI's met and 3 KPI's extremely well met.