

*TSWELOPELE LOCAL MUNICIPALITY [FS 183]
CIVIC CENTRE, BOSMAN STREET
BULTFONTEIN, 9670
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**MID-YEAR BUDGET AND PERFORMANCE
ASSESSMENT REPORT [MFMA SECTION
72 REPORT]**

2014/15



TSWELOPELE

LOCAL MUNICIPALITY
A MUNICIPALITY IN PROGRESS

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To: Mayor: Tswelopele Local Municipality
Cllr. Mathibe

From: Municipal Manager
Mr. Mkhwane

Re: Submission of the 2014/15 mid-year budget and
performance assessment of Tswelopele Local
Municipality

Honourable Mayor

In accordance with section 72 of the Municipal Finance Management Act [MFMA], I submit the required statement assessing the performance of Tswelopele Local Municipality during the first half of the 2014/15 financial year.

Section 54 of the MFMA requires the Mayor of a municipality to 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.

The information contained in this report has been reviewed and it is evident that adjustments to the SDBIP will be necessary. Furthermore, adjustments to the capital and operating budgets will also be necessary.

In terms of section 72 of the MFMA the SDBIP projections will have to be revised and the Budgets amended to ensure that the planned services will be rendered. Therefore, the recommendations that are linked to the responsibilities of the Mayor under S54 of the MFMA are also included in this report for your consideration.

Mr. TL. Mkhwane
Municipal Manager

Date

Cllr. Mathibe
Mayor

Date



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QUALITY CERTIFICATE

I, Tshemedi Lucas Mkhwane, the Municipal Manager of Tswelopele Local Municipality, hereby certify that the mid-year budget and performance assessment for the period 01 July 2014 to 31 December 2014 has been prepared in accordance with Section 72 of the Municipal Finance Management Act and Regulations made under the Act and accordingly submit the required report on the state of Tswelopele Local Municipality's performance.

Name: Tshemedi Lucas Mkhwane

Position: Tswelopele Local Municipality

Signature: _____

Date: _____

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1. Purpose

The purpose of the report is to comply with section 52[d] and 72[1][a] of the Municipal Finance Management Act [MFMA] and the requirements as promulgated in the Government Gazette No. 32141 of 17 April 2009 on Municipal Budget and Reporting Regulations, which requires that specific financial particulars be reported on and in the formats prescribed. Sec 72 report is prepared in in the format as prescribed in section 33 of the MBRR. Furthermore, this report also incorporates the second quarter performance report.

2. Legislative requirements

Section 72[1] [a] of the Municipal Finance Management Act [MFMA] inter alia, states: "The Accounting Officer of a Municipality must by 25 January of each year assess the performance of the municipality during the first half %of the financial year, and submit a report on such assessment to the Mayor, National Treasury and Provincial Treasury as per section 72[1][b] of the Act...".

Section 69[2] of the Municipal Finance Management Act [MFMA] stipulates that "when necessary, the Accounting Officer must prepare an adjustment budget and submit it to the Mayor for consideration and tabling in the municipal council".

The assessment of the budget and performance of the municipality for the first six months of the financial year was undertaken in line with the above legislative imperatives and as part of the municipality's internal performance management processes. The assessment included a detailed review of:

1. the actual revenue billed / collected from all main sources for the period 1 July 2014 till 31 December 2014;
2. the actual operating expenditure incurred for all votes and types expenditure for the period 1 July 2014 till 31 December 2014;

3. the actual expenditure in the capital budget for the period 01 July 2014 till 31 December 2014,
4. debtors age analysis as at 31 December 2014;
5. creditors age analysis as at 31 December 2014;
6. actual cash-flow and investments for the period ended 31 December 2014;
7. actual performance of each department against the pre-determined objectives stated in the 2014/15 SDBIP for each Key Performance Area.

The outcomes of the above-mentioned analysis are presented in this report and are unaudited.

3. Executive summary

Council of the Municipality approved the annual budget in terms of Municipal Finance Management Act Circular 70 and 72, and Municipal Budget and Reporting Regulations as promulgated in 2009. The Budget document was submitted to both National Treasury and Provincial Treasury in both hard and soft copies as required by the MFMA. In terms of section 28 of the Municipal Budget and Reporting Regulations [MBRR], the municipality must prepare the in-year reports in terms of Schedule C of the regulations. The Schedule C states that the Municipality must report on its overall performance with specific reference to financial and non-financial information.

Section 71[1] of the Municipal Finance Management Act [MFMA] requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month. The assessment shows that Management need to put measures in place to prioritise spending to ensures that the Municipality continues to deliver services as outlined in Section 152 of the Constitution. Mentioned below are some of the key issues that happened during 2014/15 financial year [until December 2014].

3.1. Operating revenue budget

Council approved an annual revenue budget of R112 million which is made up mainly of the Grants at R66.2 million, service charges at R38.1 million and property rates at R4.4 million. This is an increase of R5 million from the previous year's revenue budget.

3.2. Operating expenditure budget

Council approved an operating expenditure budget of R113 million. This is an increase of R4 million from the previous financial year. The main expenditure items are salaries and wages [R45.9 million], bulk purchases [R22.1 million] and repairs & maintenance [R5.8 million] and R2.5 million is provision for bad debts which is a non-cash item.

3.3. Capital expenditure budget

Council approved a capital budget of R24.8 million. The main appropriation is towards waste water treatment works [R20.2 million] and upgrading of the sports facilities [R3.5 million]. The entire capital budget is funded from capital grants other than R1.1 million for procurement of the vehicles for the Mayor and Speaker.

4. Revenue Performance

Municipal Finance Management Act requires municipalities to set out realistically anticipated revenues for the budget year from each revenue source. This is to ensure that municipalities compile credible and funded budgets. One of the most important and basic priorities of a municipality would then be to collect all its revenue as budgeted. Failure to collect the revenue may weaken the municipality's ability to deliver services in a sustainable manner as well as the financial sustainability of the municipality.

The revenue collection of the municipality must be closely monitored to ensure that the targets in the Service Delivery and Budget Implementation Plan are achieved. Where there is material variance, an explanation must be provided together with the remedial actions. Below is the performance of the municipality on the monthly projections of revenue to be collected per source.

4.1. Property rates and service charges

The table below provides a summary of the actual revenue billed for the first six months of the 2014/15 financial year compared to the annual budget. Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. For the period under review the actual billed revenue on property rates and service charges amounts to R34.7 million.

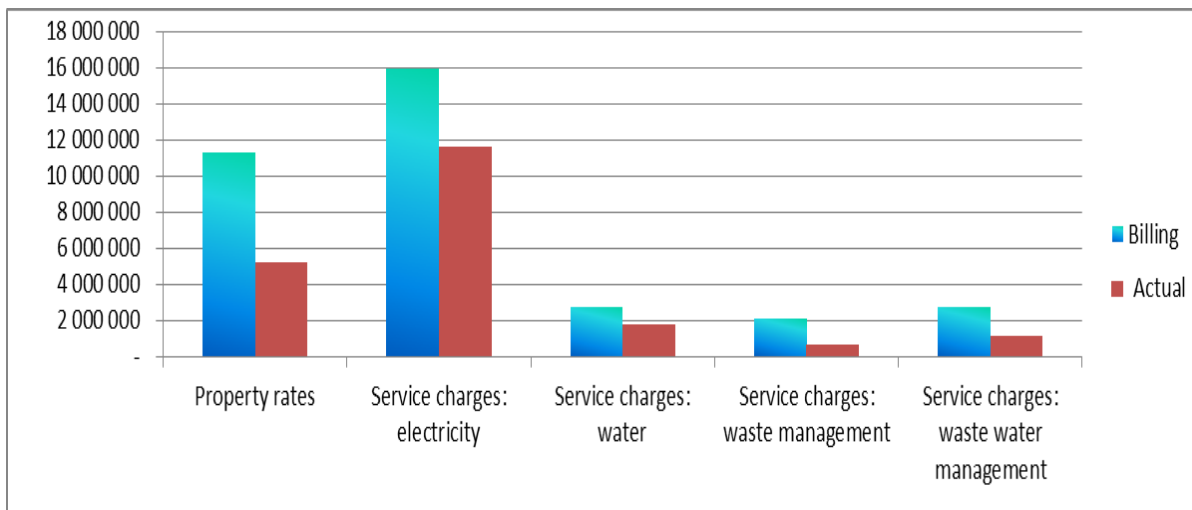
PROPERTY RATES AND SERVICE CHARGES AS AT 31 DECEMBER 2014									
Revenue Source	Approved Budget	July 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Total Billing	%
		Billing	Billing	Billing	Billing	Billing	Billing		
Property rates	4 357 752	89 277	9 526 674	383 470	416 281	407 451	431 269	11 254 422	258%
Service charges: electricity	23 977 000	2 389 836	2 684 768	2 178 965	1 787 907	2 087 250	4 763 471	15 892 197	66%
Service charges: water	5 619 142	547 091	169 556	442 523	948 496	229 983	424 803	2 762 452	49%
Service charges: waste management	3 095 008	321 732	322 021	322 118	322 118	322 375	322 375	2 091 965	68%
Service charges: waste water management	5 480 272	480 059	480 230	480 333	480 387	481 601	484 176	2 727 560	50%
Total	42 529 174	3 827 995	13 183 249	3 807 409	3 955 189	3 528 660	6 426 094	34 728 596	82%

On average, at least 50% of the budgeted amount should have been billed as of the 31st December 2014. As depicted by the table above, revenue sources are above the average. The billing for 'service charges: water' and 'service charges: waste water management' looks satisfactory as they are at 49% and 50% respectively.

It can be noted that the billing for property rates shows 258% year to date. This is because of billing on property rates on farms, as farm's property rates is billed only once in a financial year and the budget of R 4.3 million on property rates is the actual cash anticipated for the year and not the billing. This will be looked into and adjusted according during the adjustment budget.

PROPERTY RATES AND SERVICE CHARGES AS AT 31 DECEMBER 2014										
Revenue Source	Approved Budget	July	Aug	Sep	Oct	Nov	Dec	Total Billing	Total Actual	
		Actual Receipts	Actual Receipts	Actual Receipts	Actual Receipts	Actual Receipts	Actual Receipts		R	R
Property rates	4,357,752	280,211	146,103	1,260,135	1,119,784	865,407	1,552,697	11,254,422	5,224,337	46%
Service charges: electricity	23,977,000	1,374,108	1,715,693	3,133,751	2,088,506	1,540,193	1,811,279	15,892,197	11,663,530	73%
Service charges: water	5,619,142	267,658	28,968	329,740	370,903	447,596	358,550	2,762,452	1,803,415	65%
Service charges: waste management	3,095,008	116,859	106,191	133,035	117,030	127,337	90,361	2,250,292	690,813	31%
Service charges: waste water management	5,480,272	480,059	120,814	197,180	142,652	114,175	114,249	2,569,233	1,169,129	46%
Total	42,529,174	2,518,895	2,117,769	5,053,841	3,838,875	3,094,707	3,927,136	34,728,596	20,551,224	59%
Average for Exchange transactions										54%

The table shows low collection rates that have been realised by the municipality during the period under review. The municipality was able to collect about 54% of the billed revenue on exchange transactions [this is all services excluding property rates]. This is a reasonable collection rate however; stringent measures will need to be implemented to collect the revenue due to the municipality. The expected revenue on 'property rates' will be adjusted accordingly during the adjustment budget. The following is the graph showing the movements between the billing and actual collection. The



Poor payment rates are evident within waste management and waste water management services which are 31% and 46% respectively. With the current performance on the above services it is clear that the initial expected cash-flow will have to be adjusted in line with the current performance. The above situation means that the credit control policy of the municipality should be strengthened and implemented.

4.2. Other income

The approved budget for the 'other income: operational' is R69.6 million. The year to date collections is as depicted in the table below.

OTHER INCOME AS AT 31 DECEMBER 2014									
Revenue Source	Budget	Jul '14	Aug '14	Sep '14	Oct '14	Nov '14	Dec '14	Total	%
Penalties imposed and collection charges on rates	600 000	-	-	-	-	-	-	-	0%
Rent of facilities and equipment	687 720	15 454	16 188	14 926	86 034	31 996	25 027	189 625	28%
Interest earned - external investments	760 000	11 717	40 064	13 697	5 912	5 577	12 761	89 728	12%
Interest earned - outstanding debtors	-	-	-	133 334	127 869	122 607	115 942	499 752	-
Dividends received	100 000	-	-	20 178	-	-	20 374	40 552	41%
Fines	375 000	11 800	8 650	20 550	8 700	6 700	2 100	58 500	16%
Licenses and permits	400	200	600	1 000	300	700	100	2 900	725%
Agency services	-	8 212	8 181	7 890	7 766	7 893	8 164	48 106	-
Grants and subsidies received - operating	66 028 000	26 369 000	1 423 000	-	-	367 000	20 690 000	48 849 000	74%
Other revenue	1 063 000	103 338	40 505	90 846	67 007	79 341	33 350	414 387	39%
Total	69 614 120	26 519 721	1 537 188	302 421	303 588	621 814	20 907 818	50 192 550	

The table above shows a quite non-satisfactory performance on most of the revenue sources. Grants and subsidies are currently at 74% and the total amount is expected to be realised during March 2015 when the last trench of Equitable Share is transferred. Interest on investment is very low at 12%. This is a result of the municipality redeeming investments [that were supposed to earn interest] and funding capital expenditure. During the previous financial year, the municipality earned R1 465 076.00 [audited 2014 AFS] and based on the current performance, the initial budget of R760 000 will have to be adjusted down.

Fines are also low at 16% which could be associated with public complying with the relevant legislation / regulations / by-laws. There is also a need to make an estimate where there was no expected revenue and but revenue was realised. These includes on sources like 'interest earned on outstanding debtors' and 'licenses and permits'.

A budget of R600 000 has been made for the 'penalties imposed and collection charges on rates' which is an amount earmarked from penalties. This is in line with a Council resolution where council resolved that interest and penalties should only be imposed on property rates [and not on trading services]. Interest to the value of R499 752.00 has been earned, which was not budgeted and this will be adjusted accordingly.

5. Debtors Age Analysis

The debtors of the municipality arise from the households, government, business and other consumers. These debtors arise from property rates, water, electricity, sewerage, refuse removals and housing that are provided by the municipality. The table below shows the total outstanding debtors of the municipality as at 31 December 2014 which was standing at R53.7 million.

DEBTORS AGE ANALYSIS BY SERVICE																		
SERVICE	0-30 DAYS	%	31-60 DAYS	%	61-90 DAYS	%	91-120 DAYS	%	121-150 DAYS	%	151-180 DAYS	%	181-365 DAYS	%	>365	%	TOTAL	%
Property rates	284148	11%	188986	14%	203815	15%	186422	17%	5450189	87%	75339	7%	657581	17%	8252097	23%	15298577	28%
Electricity	1126925	42%	451154	34%	467996	34%	333795	31%	310504	5%	397656	39%	339055	9%	1379260	4%	4806346	9%
Water	816359	31%	250170	19%	241710	18%	183837	17%	149195	2%	179719	18%	772926	20%	6672444	18%	9266359	17%
Sewerage	248897	9%	224921	17%	225960	16%	214832	20%	219254	3%	222696	22%	1152534	30%	10965168	30%	13474261	25%
Refuse	166281	6%	150244	11%	148946	11%	142844	13%	144346	2%	146310	14%	808128	21%	7618189	21%	9325287	17%
Housing	11286	0%	51485	4%	89924	7%	4829	0%	4802	0%	4780	0%	77731	2%	1303697	4%	1548533	3%
TOTAL	2653896	5%	1316960	2%	1378352	3%	1066559	2%	6278290	12%	1026499	2%	3807954	7%	36190855	67%	53719364	100%

The table above shows the debtors age analysis per services that are offered by the municipality to the consumers. The outstanding debtors of the Municipality as at 31st December 2014 were R53.7 million and R46.4 million relates to debtors that are over 90 days. These are debtors that are likely going to be impaired / written off as irrecoverable. The table below illustrates the debtor's age analysis by group / customer classification.

DEBTORS AGE ANALYSIS BY GROUP																		
CUSTOMER	0-30 DAYS	%	31-60 DAYS	%	61-90 DAYS	%	91-120 DAYS	%	121-150 DAYS	%	151-180 DAYS	%	181-365 DAYS	%	>365	%	TOTAL	%
Government	409247	15%	239149	18%	376306	27%	239147	22%	2272445	38%	218674	21%	429656	11%	1831794	5%	6016418	11%
Business	728130	27%	299729	23%	327101	24%	241041	23%	3223916	51%	186769	18%	456025	12%	7135971	20%	12538681	23%
Households	1515157	57%	776891	59%	673652	49%	584291	55%	780782	12%	619964	60%	2915822	77%	27171941	75%	35038481	65%
Other	1362	0%	1191	0%	1293	0%	2079	0%	1167	0%	1092	0%	6450	0%	51149	0%	65783	0%
TOTAL	2653896	5%	1316960	2%	1378352	3%	1066559	2%	6278290	12%	1026499	2%	3807954	7%	36190855	67%	53719364	100%

About 65% of the total debtors are outstanding from 'households' and 23% is from 'business' consumers. Failure by consumers to register as indigents is contributing to this situation including empty business site in terms of rates and taxes. The overall debtor's situation poses a serious threat and risk in terms of the municipality's ability to render services in a sustainable manner as well as the financial stability of the municipality.

6. Operating Expenditure

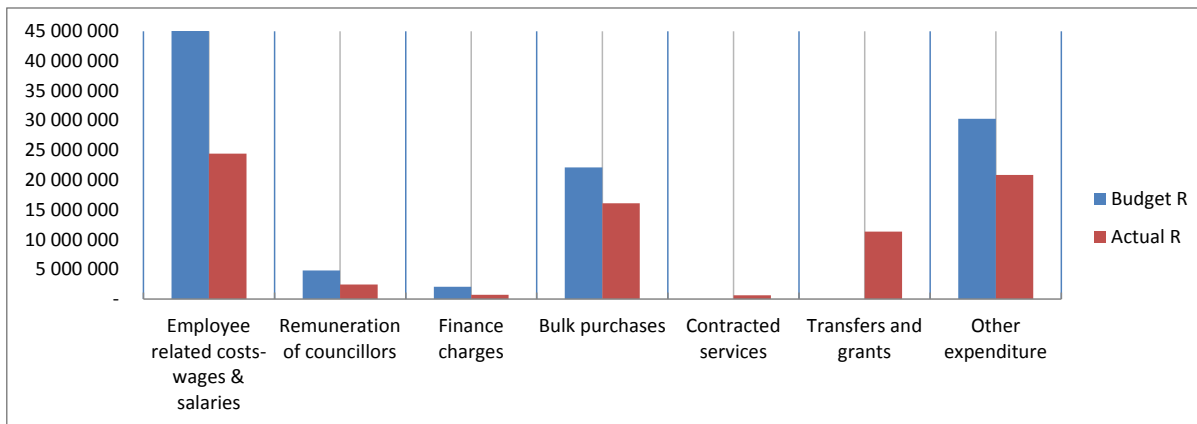
In terms of section 15 of the MFMA, a municipality may, except where otherwise provided in this Act [MFMA], incur expenditure only in terms of the approved budget and within the limits of the amounts appropriated for the different votes in the approved Budget. The municipality approved an operating expenditure budget of R113.5 million.

OPERATING EXPENDITURE AS AT 31 DECEMBER 2014									
Expenditure by type	Budget	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Total	
								R	%
Employee related costs- wages & salaries	45 880 892	3 869 512	4 050 391	3 999 468	4 000 924	4 029 337	4 461 487	24 411 119	53%
Remuneration of councillors	4 793 736	414 508	307 114	430 775	430 204	438 385	433 390	2 454 376	51%
Debt impairment	2 501 000	-	-	-	-	-	-	-	0%
Finance charges	2 081 688	34	-	-	436	-	713 503	713 973	34%
Bulk purchases	22 100 000	3 190 643	3 778 882	3 277 380	1 915 397	2 121 488	1 825 573	16 109 363	73%
Contracted services	-	5 500	-	17 710	-	568 413	56 316	647 939	-
Transfers and grants	-	349 524	2 356 047	802 309	4 648 564	1 509 175	1 677 006	11 342 625	-
Other materials	5 870 000	-	-	-	-	-	-	-	-
Other expenditure	30 294 955	3 139 257	2 135 393	4 479 908	3 579 200	2 686 802	4 830 660	20 851 220	69%
Total	113 522 272	10 968 978	12 627 827	13 007 550	14 574 725	11 353 600	13 997 935	76 530 615	67%

The year-to-date expenditure amounts to R76.5 million which is 67% of the budget. The year to date spending on employee costs including remuneration of councillors is still within the budget. However, there is a need to adjust the original budget to avoid an overspending taking into account other critical vacant posts to be filled during the remainder of the current financial year and the overtime that had limited budget in the first half of the financial year [i.e. 40 hours which has increased to 60 hours].

Budget on bulk purchases, finance charges and other expenditure needs to be reviewed and adjusted during the adjustment budget. There was no budget allocated for spending on contracted

services and transfers and grants expenditure, these also needs to be adjusted during the adjustment budget. Below is a presentation of a graph that illustrates the scenario on table above.



This graph shows that the expenditure on bulk purchases and other expenditure must be review and adjusted during the adjustment budget as they clearly appear to be above the anticipated average of 50% spending. Expenditure on employee related costs shows to the year to date spending that is within budget. The expenditure on contracted services and transfers and grants shows only actual movement with no budget.

The current spending is above the average and this is mainly as result of increased spending on bulk purchases. There was an increased usage pertaining to electricity where the municipality exceeded its abstraction [this attracted penalties at some stage].

There is also increased spending on 'other expenditure'. This is as a result of the operational projects that were supposed to be executed during the 2013/14 financial year but were only implemented during 2014/15 [while they were not budgeted for].

7. Capital Expenditure

Council has approved the capital expenditure budget of R24.8 million. The year to date spending is at R18.3 million which is approximately 74% of the budget. The expenditure was funded from the grants and subsidies which amount to R16.5 million and internal funds amounting to R1.7 million. Currently, the municipality is pursuing the following projects:

- Construction of Sewerage Network - Hoopstad;
- Construction of sporting facilities – Bultfontein;
- Construction of sporting facilities – Hoopstad.

These projects are budgeted at total capital expenditure of R23 703 000 for 2014/15 financial year. All this projects are funded from the MIG, given that the municipality does not have sufficient internal generated funds to fund capital projects. The following table illustrates the monthly breakdown of the year to date capital expenditure of the municipality per vote.

Capital Expenditure - Standard Classification as at December 2014								
Details	Budget	Jul' 14	Aug '14	Sep '14	Oct '14	Nov '14	Dec '14	Total
Executive and council	1 100 000	-	16 203	431 511	576 611	140 800	62 622	1 227 747
Budget and treasury office	-	15 092	18 799	26 607	3 246	18 393	9 517	91 654
Corporate services	-	824	-	4 748	10 300	15 806	93 192	124 870
Community and social services	-	6 979	4 200	7 768	-	28 026	11 455	58 428
Sport and recreation	3 504 208	-	-	-	-	-	616 646	616 646
Road transport	-	1 596	-	167 167	117 725	-	-	286 488
Electricity	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-
Waste water management	20 198 792	4 299 040	2 292 517	3 846 255	-	3 139 389	2 354 913	15 932 113
TOTAL	24 803 000	4 323 531	2 331 719	4 484 056	707 882	3 342 414	3 148 345	18 337 946

From the above table it can be seen that expenditure on executive and council exceeds the budgeted amount of R1.1 million. The analysis shows that approximately R561 440 was spend on capital items [to which no capital budget was appropriated]. This is the spending on other assets such as office based furniture, equipment, etc which were provided in the operational budget [but the items were capitalised].

Therefore, for the period under review, R16.5 million was funding from grants and subsidies while approximately R1.8 million is funding from internally generated funds. It is evident that the internal funding towards capital has exceeded the budgeted amount of R1.1 million. This must be adjusted accordingly, while also taking prescripts of the MFMA into account.

8. Creditors

The municipality pays creditors twice per week on Tuesdays and Thursdays with the view of complying with the legislative requirement of paying creditors within 30 days. However, this is difficult to achieve as the municipality does not have / utilize an electronic creditors system to account for creditors accurately.

9. Cash Flow and investments

The tables below indicate the actual cash in-flow of the municipality since July 2014 till December 2014. The cash flow of the municipality is still stable despite the low payment rate from consumers for services.

9.1. Cash receipts

The table below shows the receipts that have been made for the period under review and it also shows the cash and cash equivalents.

Actual Cash Flow							
Details	Jul' 14	Aug '14	Sep '14	Oct '14	Nov '14	Dec '14	Total
Cash Receipts by Source							
Property rates	280 211	146 103	1 260 135	1 119 784	865 407	1 552 697	5 224 337
Property rates - penalties & collection charges	-	-	-	-	-	-	-
Service charges - electricity revenue	1 374 108	1 715 693	3 133 751	2 088 506	1 540 193	1 811 279	11 663 530
Service charges - water revenue	267 658	28 968	329 740	370 903	447 596	358 550	1 803 415
Service charges - sanitation revenue	480 059	120 814	197 180	142 652	127 337	114 249	1 182 291
Service charges - refuse revenue	116 859	106 191	133 035	117 030	114 175	90 361	677 650
Service charges - other	-	19 437	-	-	-	-	19 437
Rental of facilities and equipment	7 438	15 619	28 365	13 762	12 145	18 182	95 511
Interest earned - external investments	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-
Dividends received	-	-	20 178	-	-	20 374	40 552
Fines	8 450	12 280	20 550	9 500	7 200	2 100	60 080
Licences and permits	200	2 360	1 000	300	-	100	3 960
Agency services	-	-	-	-	-	-	-
Transfer receipts - operational	26 369 000	1 458 031	-	-	393 708	20 690 000	48 910 739
Other revenue	949 537	64 612	582 939	2 262 167	89 019	419 808	4 368 082
Cash Receipts by Source	29 853 520	3 690 108	5 706 873	6 124 604	3 596 778	25 077 700	74 049 583
Other Cash Flows/Receipts by Source							
Transfer receipts - capital	5 119 000	-	-	-	9 703 000	-	14 822 000
Total Cash Receipts by Source	34 972 520	3 690 108	5 706 873	6 124 604	13 299 778	25 077 700	88 871 583

The table above shows that most of the receipts for the period were recognised from 'grants and subsidies' for both operating and capital. The total cash that accrues from each revenue source is less than R1 million per month with the exception of 'electricity' and 'property rates'. This is as a result that most of the electricity services are on post-paid and farmers pay their property rates after they have been billed [the municipality disconnect the supply of electricity for non-payment on electricity and penalty of R207.00 is charged for re-connection].

9.2. Cash payments

The table below shows the payments that have been made for the period under review and it also shows the cash and cash equivalents. The payment side of the cash flow shows that most of the expenditure is on 'employee cost and bulk purchases: electricity' with expenditure being above R1 million on an average basis per month. Capital assets have been spent at R18.8 million to date as indicated above.

Actual Cash Flow							
Details	Jul' 14	Aug '14	Sep '14	Oct '14	Nov '14	Dec '14	Total
PAYMENTS							
Cash Payments by Type							
Employee related costs	3 869 513	4 040 214	3 999 470	3 264 530	4 029 338	4 461 487	23 664 552
Remuneration of councillors	414 508	317 291	430 775	430 204	438 385	433 390	2 464 553
Interest paid	34	-	-	436	-	713 503	713 973
Bulk purchases - Electricity	2 802 886	3 619 020	-	1 518 421	1 803 924	1 684 900	11 429 151
Bulk purchases - Water & Sewer	387 757	159 862	2 789 600	3 433 818	317 564	140 673	7 229 274
Other materials	-	-	487 780	-	-	-	487 780
Contracted services	5 500	-	-	-	568 413	56 316	630 229
Grants and subsidies paid	37 500	61 908	17 710	-	45 806	-	162 924
Grants and subsidies paid - other	144 325	343 880	425 265	522 863	31 302	156 336	1 623 971
General expenses	2 836 984	1 382 844	2 671 885	2 102 744	2 179 308	4 653 874	15 827 639
Cash Payments by Type	10 499 007	9 925 019	10 822 485	11 273 016	9 414 040	12 300 479	64 234 046
Other Cash Flows/Payments by Type							
Capital assets	4 299 040	2 331 719	4 925 167	707 882	3 342 414	3 148 345	18 754 567
Other Cash Flows/Payments	-	-	-	-	-	-	-
Total Cash Payments by Type	14 798 047	12 256 738	15 747 652	11 980 898	12 756 454	15 448 824	82 988 613
Net Increase/(Decrease) in Cash Held	20 174 473	-8 566 630	-10 040 779	-5 856 294	543 324	9 628 876	5 882 970
Cash/cash equivalents at the month/year begin:	12 848 020	33 022 493	24 455 863	14 415 084	8 558 790	9 102 114	18 730 990
Cash/cash equivalents at the month/year end:	33 022 493	24 455 863	14 415 084	8 558 790	9 102 114	18 730 990	24 613 961

10. Performance on conditional grants

The municipality has been allocated conditional grants and subsidies to the value of R27.7 million from national government for the 2014/15 financial year. All expected transfers have been received as per the approved transfer schedule and there are no grants that have been withheld. To date, R18.4 million has been transferred to the municipality.

PERFORMANCE ON CONDITIONAL GRANTS AS AT 31 DECEMBER 2014												
GRANT NAME	GAZETTED: DoRA	YTD TRANSFER	%	ACTUAL SPENDING						YEAR TO DATE		UNSPENT TRANSFER
				Jul	Aug	Sep	Oct	Nov	Dec	Spending	%	
Finance Management Grant	1 800 000	1 800 000	100%	167 699	42 113	246 851	344 869	88 425	184 386	1 074 343	60%	725 657
Municipal System Improvement Grant	934 000	934 000	100%	-	74 400	-	-	-	-	74 400	8%	859 600
Municipal Infrastructure Grant	23 703 000	14 822 000	63%	4 299 040	2 412 687	3 846 255	-	3 139 389	2 971 559	16 668 930	70%	-1 846 930
Expanded Public Works Programme Grant	1 223 000	856 000	70%	104 800	314 528	309 129	332 966	-	48 275	1 109 698	91%	-253 698
TOTAL GRANTS	27 660 000	18 412 000	67%	4 571 539	2 843 728	4 402 235	677 835	3 227 814	3 204 220	18 927 371	68%	

The current spending rates are not satisfactory on Municipal System Improvement Grant which is standing at 8%. This is because the major part of the grant is earmarked for the procurement of asset management software to which the services are unfolding in January 2015. It is still expected that by 30 June 2015, the entire grant allocation will have been fully spend.

The Expanded Public Works Programme Grant show spending above the year to date transfers. This is mainly due to projects running ahead of schedule as a result the municipality had to co-fund such expenditure until the balance on such grants is transferred.

The MIG spending is also ahead of the transferred grants as approximately, R1.8 million had to be funded from the internal funds. This has led to the municipality having to cede some of its investment for capital expenditure purposes. As such the expected amount on 'interest earned on investment' will be significantly lower.

11. Schedule C report / tables

In terms of Municipal Budget and Reporting Regulations as per government gazette No. 32141 of 2009, the municipality is required to report on the following Tables:

- i. Table C1 MFMA s 71 Monthly budget statement summary;
- ii. Table C2 Monthly budget statement – Financial performance [revenue and expenditure by municipal vote];
- iii. Table C3 Monthly budget statement – Financial Performance [Revenue and expenditure by municipal vote];
- iv. Table C4 Monthly budget statement – Financial Performance [Revenue and expenditure];
- v. Table C5 Monthly budget statement – Capital Expenditure [Municipal Vote, standard classification and funding];
- vi. Table C6 Monthly budget Statement – Financial Position

The above mentioned tables are explained below.

11.1. Explanatory Notes to Table C1

Table C1 gives a summary of the overall performance of Tswelopele Local Municipality for the Month of December 2014 and the following key aspects are included: Capital Expenditure and funding sources: This gives a brief overview of the capital expenditure and its funding sources

11.2. Explanatory Notes to Table C2

Table C2 is a view of the financial performance per standard classification. Total Revenue on this table includes capital revenues [Transfers recognised – capital] and so does not balance to the operating revenue shown on Table A4 as Table A4 exclude capital transfers.

11.3. Explanatory Note to Table C3

Table C3 is an overview of the financial performance in relation to the revenue and expenditure per municipal vote. Profits made on trading services are used to subsidise non-trading services

11.4. Explanatory note on table C4

Table C4 is the financial performance [that is revenue and expenditure]. Total revenue for December 2014 is R27.3 million and total expenditure for December 2014 is R12.5 million. The income is higher in December 2014 as a result of the Equitable Share scheduled for transfer in November 2014 but was only received during December 2014.

11.5. Explanatory note on Table C5

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote [multi-year and single-year appropriations]; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

11.6. Explanatory Notes to Table C6

Table C6 is consistent with international standards of good financial management practice, and improves understanding by councillors and management of the impact of the budget on the statement of financial position [balance sheet].

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

11.7. Explanatory Note to Table C7

The budgeted cash flow statement is the first measurement in determining if municipality has enough cash and cash equivalent to fund its operations.

FS183 Tswelopele - Table C1 Monthly Budget Statement Summary - M06 December

Description	2013/14	Budget Year 2014/15							
	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	4 085	4 958	-	431	11 250	2 479	8 771	354%	4 958
Service charges	34 671	38 171	-	5 995	6 743	19 086	(12 342)	-65%	38 171
Investment revenue	730	760	-	13	84	380	(296)	-78%	760
Transfers recognised - operational	65 449	66 028	-	20 690	45 259	33 014	12 245	37%	66 028
Other own revenue	1 912	2 226	-	172	918	1 113	(195)	-18%	2 226
Total Revenue (excluding capital transfers and contributions)	106 847	112 143	-	27 301	64 254	56 071	8 182	15%	112 143
Employee costs	40 128	45 881	-	4 461	20 410	22 940	(2 530)	-11%	45 881
Remuneration of Councillors	4 859	4 794	-	433	2 024	2 397	(373)	-16%	4 794
Depreciation & asset impairment	-	-	-	-	-	-	-	-	-
Finance charges	2 107	2 082	-	714	714	1 041	(327)	-31%	2 082
Materials and bulk purchases	29 012	27 970	-	1 826	14 194	13 985	209	1%	27 970
Transfers and grants	-	-	-	156	821	-	821	#DIV/0!	-
Other expenditure	33 300	32 795	-	4 887	21 499	16 398	5 101	31%	32 795
Total Expenditure	109 406	113 522	-	12 477	59 662	56 761	2 901	5%	113 522
Surplus/(Deficit)	(2 559)	(1 379)	-	14 823	4 592	(689)	5 281	-766%	(1 379)
Transfers recognised - capital	28 809	23 703	-	#REF!	5 119	11 852	(6 733)	-57%	23 703
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	26 250	22 324	-	#REF!	9 711	11 162	(1 452)	-13%	22 324
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	26 250	22 324	-	#REF!	9 711	11 162	(1 452)	-13%	22 324
Capital expenditure & funds sources									
Capital expenditure	33 809	24 803	-	3 148	18 338	12 402	5 937	48%	20 199
Capital transfers recognised	33 809	23 703	-	2 972	16 549	11 852	4 698	40%	23 703
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	1 100	-	177	1 789	550	1 239	225%	1 100
Total sources of capital funds	33 809	24 803	-	3 148	18 338	12 402	5 937	48%	24 803
Financial position									
Total current assets	17 914	16 293	-	-	41 821	-	-	-	16 293
Total non current assets	373 705	398 508	-	-	443 714	-	-	-	398 508
Total current liabilities	13 425	11 300	-	-	3 723	-	-	-	11 300
Total non current liabilities	17 233	16 799	-	-	39 924	-	-	-	16 799
Community wealth/Equity	360 960	386 702	-	-	441 887	-	-	-	386 702
Cash flows									
Net cash from (used) operating	27 601	23 799	-	17 806	11 665	11 900	(234)	-2%	23 799
Net cash from (used) investing	(33 609)	(24 803)	-	(3 148)	(11 556)	(12 402)	845	-7%	(24 803)
Net cash from (used) financing	(503)	(503)	-	(1 004)	-	(252)	252	-100%	(503)
Cash/cash equivalents at the month/year end	8 709	7 202	-	-	(14 067)	7 955	(22 022)	-277%	(15 683)
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	2 654	1 317	1 378	1 067	6 278	1 027	3 808	36 191	53 719
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		-	17 277	-	21 606	70 223	8 639	61 584	713%	17 277
Executive and council		-	4 568	-	-	0	2 284	(2 284)	-100%	4 568
Budget and treasury office		-	7 036	-	21 471	69 743	3 518	66 225	1883%	7 036
Corporate services		-	5 673	-	135	480	2 837	(2 357)	-83%	5 673
<i>Community and public safety</i>		-	7 994	-	22	149	3 997	(3 848)	-96%	7 994
Community and social services		-	2 455	-	22	148	1 227	(1 079)	-88%	2 455
Sport and recreation		-	3 504	-	-	1	1 752	(1 751)	-100%	3 504
Public safety		-	2 035	-	-	-	1 017	(1 017)	-100%	2 035
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	46	-	6	61	23	38	165%	46
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	46	-	6	61	23	38	165%	46
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	110 529	-	4 589	9 206	55 265	(46 058)	-83%	110 529
Electricity		-	41 837	-	3 357	14 675	20 919	(6 243)	-30%	41 837
Water		-	19 224	-	425	(10 420)	9 612	(20 032)	-208%	19 224
Waste water management		-	38 115	-	484	3 019	19 058	(16 039)	-84%	38 115
Waste management		-	11 353	-	322	1 933	5 676	(3 744)	-66%	11 353
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	-	135 846	-	26 224	79 639	67 923	11 716	17%	135 846
Expenditure - Standard										
<i>Governance and administration</i>		-	42 078	-	5 638	23 828	21 039	2 789	13%	42 078
Executive and council		-	15 916	-	1 204	10 223	7 958	2 265	28%	15 916
Budget and treasury office		-	17 236	-	3 345	9 354	8 618	736	9%	17 236
Corporate services		-	8 926	-	1 089	4 251	4 463	(212)	-5%	8 926
<i>Community and public safety</i>		-	12 868	-	1 310	7 399	6 434	965	15%	12 868
Community and social services		-	10 708	-	1 102	5 889	5 354	535	10%	10 708
Sport and recreation		-	125	-	57	437	62	375	600%	125
Public safety		-	2 035	-	151	1 073	1 017	55	5%	2 035
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	9 913	-	1 098	6 580	4 956	1 624	33%	9 913
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	9 913	-	1 098	6 580	4 956	1 624	33%	9 913
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	48 663	-	3 322	25 820	24 332	1 489	6%	48 663
Electricity		-	23 511	-	623	14 411	11 755	2 656	23%	23 511
Water		-	9 338	-	858	4 645	4 669	(24)	-1%	9 338
Waste water management		-	8 691	-	1 375	3 837	4 346	(509)	-12%	8 691
Waste management		-	7 123	-	466	2 927	3 562	(634)	-18%	7 123
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	-	113 522	-	11 367	63 627	56 761	6 866	12%	113 522
Surplus/ (Deficit) for the year		-	22 324	-	14 857	16 012	11 162	4 850	43%	22 324

FS183 Tswelopele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	4 568	-	-	0	2 284	(2 284)	-100.0%	4 568
Vote 2 - Budget and Treasury Office		-	7 036	-	21 471	69 743	3 518	66 225	1882.6%	7 036
Vote 3 - Community and Social Services		-	2 455	-	22	148	509	(361)	-70.9%	2 455
Vote 4 - Public Safety		-	2 035	-	-	-	1 017	(1 017)	-100.0%	2 035
Vote 5 - Sports and Recreation		-	3 504	-	-	1	1 752	(1 751)	-99.9%	3 504
Vote 6 - Waste Management		-	11 353	-	322	1 933	5 676	(3 744)	-66.0%	11 353
Vote 7 - Waste Water Management		-	38 115	-	484	3 019	19 058	(16 039)	-84.2%	38 115
Vote 8 - Road Transport		-	46	-	6	61	23	38	165.3%	46
Vote 9 - Water		-	19 224	-	425	(10 420)	9 612	(20 032)	-208.4%	19 224
Vote 10 - Electricity		-	41 839	-	3 357	14 675	20 919	(6 243)	-29.8%	41 837
Vote 11 - Corporate Services		-	5 673	-	135	480	2 581	(2 101)	-81.4%	5 673
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	135 847	-	26 224	79 639	66 949	12 690	19.0%	135 846
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	15 916	-	1 204	10 223	7 958	2 265	28.5%	15 916
Vote 2 - Budget and Treasury Office		-	17 936	-	3 345	9 354	8 618	736	8.5%	17 936
Vote 3 - Community and Social Services		-	10 708	-	1 102	5 898	4 714	1 184	25.1%	10 708
Vote 4 - Public Safety		-	2 035	-	151	1 073	1 017	55	5.4%	2 035
Vote 5 - Sports and Recreation		-	125	-	57	437	62	375	600.0%	125
Vote 6 - Waste Management		-	7 124	-	466	2 927	3 562	(634)	-17.8%	7 124
Vote 7 - Waste Water Management		-	8 691	-	1 375	3 837	4 346	(509)	-11.7%	8 691
Vote 8 - Road Transport		-	9 913	-	1 098	6 580	4 956	1 624	32.8%	9 913
Vote 9 - Water		-	9 338	-	858	4 645	4 669	(24)	-0.5%	9 338
Vote 10 - Electricity		-	23 511	-	623	14 411	11 755	2 656	22.6%	23 511
Vote 11 - Corporate Services		-	8 226	-	1 089	4 251	4 113	138	3.4%	8 226
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	113 522	-	11 367	63 637	55 771	7 866	14.1%	113 522
Surplus/ (Deficit) for the year	2	-	22 325	-	14 857	16 002	11 178	4 824	43.2%	22 324

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 Decemb

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		3 485	4 358		431	11 250	2 179	9 071	416%	4 358
Property rates - penalties & collection charges		600	600			-	300	(300)	-100%	600
Service charges - electricity revenue		21 703	23 977		4 763	14 104	11 989	2 116	18%	23 977
Service charges - water revenue		5 312	5 619		425	(11 378)	2 810	(14 188)	-505%	5 619
Service charges - sanitation revenue		4 893	5 480		484	2 406	2 740	(334)	-12%	5 480
Service charges - refuse revenue		2 763	3 095		322	1 611	1 548	63	4%	3 095
Service charges - other						-	-	-		-
Rental of facilities and equipment		316	688		25	104	344	(240)	-70%	688
Interest earned - external investments		730	760		13	84	380	(296)	-78%	760
Interest earned - outstanding debtors		-	-		116	334	-	334		-
Dividends received		100	100		20	41	50	(9)	-19%	100
Fines		90	375		2	50	188	(138)	-73%	375
Licences and permits		-	0		0	3	0.50	3	519900%	0
Agency services					8	40	-	40		-
Transfers recognised - operational		65 449	66 028		20 690	45 259	33 014	12 245	37%	66 028
Other revenue		1 406	1 063		33	347	532	(184)	-35%	1 063
Gains on disposal of PPE							-	-		-
Total Revenue (excluding capital transfers and contributions)		106 847	112 143	-	27 334	64 254	56 071	8 182	15%	112 143
Expenditure By Type										
Employee related costs		40 128	45 881		4 461	20 410	22 940	(2 530)	-11%	45 881
Remuneration of councillors		4 859	4 794		433	2 024	2 397	(373)	-16%	4 794
Debt impairment		2 501	2 501			-	1 250	(1 250)	-100%	2 501
Depreciation & asset impairment		-	-			-	-	-		-
Finance charges		2 107	2 082		714	714	1 041	(327)	-31%	2 082
Bulk purchases		23 200	22 100		1 826	14 194	11 050	3 144	28%	22 100
Other materials		5 812	5 870			-	2 935	(2 935)	-100%	5 870
Contracted services		-	-		56	648	-	648		-
Transfers and grants		-	-		156	821	-	821		-
Other expenditure		30 799	30 295		4 831	20 851	15 147	5 704	38%	30 295
Loss on disposal of PPE						-	-	-		-
Total Expenditure		109 406	113 522	-	12 477	59 662	56 761	2 901	5%	113 522
Surplus/(Deficit)		(2 559)	(1 379)	-	14 857	4 592	(689)	5 281	(0)	(1 379)
Transfers recognised - capital		28 809	23 703			5 119	11 852	(6 733)	(0)	23 703
Contributions recognised - capital			-					-		
Contributed assets			-					-		
Surplus/(Deficit) after capital transfers & contributions		26 250	22 324	-	14 857	9 711	11 162			22 324
Taxation								-		
Surplus/(Deficit) after taxation		26 250	22 324	-	14 857	9 711	11 162			22 324
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		26 250	22 324	-	14 857	9 711	11 162			22 324
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		26 250	22 324	-	14 857	9 711	11 162			22 324

FS183 Tswelopele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sports and Recreation		-	-	617	-	-	-	-	-	-
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		24 000	20 199	-	2 355	15 933	10 099	5 833	58%	20 199
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-
Vote 11 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	24 000	20 199	617	2 355	15 933	10 099	5 833	58%	20 199
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	1 100	-	63	1 228	550	678	123%	-
Vote 2 - Budget and Treasury Office		-	-	-	10	92	-	92	#DIV/0!	-
Vote 3 - Community and Social Services		-	-	-	11	58	-	58	#DIV/0!	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sports and Recreation		4 809	3 504	-	-	-	1 752	(1 752)	-100%	3 504
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		5 000	-	-	-	286	-	286	#DIV/0!	-
Vote 9 - Water		-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	-	-	-	-	-	-
Vote 11 - Corporate Services		-	-	-	93	125	-	125	#DIV/0!	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	9 809	4 604	-	177	1 789	2 302	(513)	-22%	3 504
Total Capital Expenditure		33 809	24 803	617	2 532	17 722	12 402	5 320	43%	23 703
Capital Expenditure - Standard Classification										
Governance and administration		-	1 100	-	165	1 444	550	894	163%	-
Executive and council		-	1 100	-	63	1 228	550	678	123%	-
Budget and treasury office		-	-	-	10	92	-	92	#DIV/0!	-
Corporate services		-	-	-	93	125	-	125	#DIV/0!	-
Community and public safety		4 809	3 504	-	628	675	1 752	(1 077)	-61%	3 504
Community and social services		-	-	-	11	58	-	58	#DIV/0!	-
Sport and recreation		4 809	3 504	-	617	617	1 752	(1 135)	-65%	3 504
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		5 000	-	-	-	286	-	286	#DIV/0!	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		5 000	-	-	-	286	-	286	#DIV/0!	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		24 000	20 199	-	2 355	15 933	10 099	5 833	58%	20 199
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		24 000	20 199	-	2 355	15 933	10 099	5 833	58%	20 199
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	33 809	24 803	-	3 148	18 338	12 402	5 937	48%	23 703
Funded by:										
National Government		28 809	23 703	-	2 972	16 549	11 852	4 698	40%	23 703
Provincial Government		5 000	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		33 809	23 703	-	2 972	16 549	11 852	4 698	40%	23 703
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	1 100	-	177	1 789	550	1 239	225%	1 100
Total Capital Funding		33 809	24 803	-	3 148	18 338	12 402	5 937	48%	24 803

FS183 Tswelopele - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
ASSETS											
Current assets											
Cash		7 797	15 220	14 111	7 079	7 079	7 079	7 079	5 000	6 500	7 956
Call investment deposits	1	-	-	-	2 425	2 425	2 425	2 425	1 500	1 500	1 500
Consumer debtors	1	7 433	7 097	7 681	4 835	4 835	4 835	4 835	7 049	4 049	1 049
Other debtors		4 588	5 871	3 652	3 500	3 500	3 500	3 500	2 694	3 956	4 126
Current portion of long-term receivables											
Inventory	2	89	166	220	75	75	75	75	50	65	55
Total current assets		19 907	28 354	25 664	17 914	17 914	17 914	17 914	16 293	16 070	14 686
Non current assets											
Long-term receivables											
Investments					212	212	212	212	212	212	212
Investment property		18 249	23 876	23 876	13 066	13 066	13 066	13 066	13 066	13 066	13 066
Investment in Associate											
Property, plant and equipment	3	301 555	316 933	358 208	334 101	358 601	358 601	358 601	383 404	399 590	416 316
Agricultural											
Biological		1 067	817	1 131	990	990	990	990	990	990	990
Intangible		50	12	19	12	12	12	12	12	12	12
Other non-current assets		835	823	897	823	823	823	823	823	823	823
Total non current assets		321 756	342 461	384 132	349 205	373 705	373 705	373 705	398 508	414 694	431 420
TOTAL ASSETS		341 663	370 815	409 795	367 118	391 619	391 619	391 619	414 800	430 764	446 105
LIABILITIES											
Current liabilities											
Bank overdraft	1			-							
Borrowing	4	977	-	1 694	550	550	550	550	550	550	550
Consumer deposits		452	479	538	375	375	375	375	250	265	280
Trade and other payables	4	18 000	27 278	17 585	13 137	12 500	12 500	12 500	10 500	10 500	10 500
Provisions		798	867	490							
Total current liabilities		20 227	28 624	20 307	14 062	13 425	13 425	13 425	11 300	11 315	11 330
Non current liabilities											
Borrowing		14 546	13 394	12 209	13 732	13 732	13 732	13 732	13 182	13 127	12 577
Provisions		7 243	8 284	18 684	3 501	3 501	3 501	3 501	3 617	3 617	3 617
Total non current liabilities		21 790	21 678	30 893	17 233	17 233	17 233	17 233	16 799	16 744	16 194
TOTAL LIABILITIES		42 016	50 302	51 201	31 295	30 658	30 658	30 658	28 099	28 059	27 524
NET ASSETS	5	299 647	320 514	358 595	335 823	360 960	360 960	360 960	386 702	402 705	418 582
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		299 647	320 514	358 595	336 460	360 960	360 960	360 960	386 702	402 705	418 582
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	299 647	320 514	358 595	336 460	360 960	360 960	360 960	386 702	402 705	418 582

FS183 Tswelopele - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		32 343	45 253	38 786	41 222	39 419	39 419	39 419	43 129	47 382	52 060
Government - operating	1	65 077	96 762	95 868	65 449	65 449	65 449	65 449	66 028	65 384	62 029
Government - capital	1				28 809	28 809	28 809	28 809	24 803	16 186	16 726
Interest		738	816	419	420	730	730	730	760	811	862
Dividends		15	69	146		100	100	100	100	100	100
Payments											
Suppliers and employees		(82 333)	(92 392)	(102 351)	(97 914)	(104 799)	(104 799)	(104 799)	(108 939)	(113 562)	(115 662)
Finance charges		(2 072)	(1 604)	(3 292)	(2 107)	(2 107)	(2 107)	(2 107)	(2 082)	(2 107)	(2 107)
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		13 768	48 903	29 576	35 879	27 601	27 601	27 601	23 799	14 195	14 009
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		300	103	155	200	200	200	200	-	-	-
Decrease (Increase) in non-current debtors		(119)									
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(14 366)	(40 228)	(30 414)	(31 309)	(33 809)	(33 809)	(33 809)	(24 803)	(16 186)	(16 726)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14 185)	(40 125)	(30 259)	(31 109)	(33 609)	(33 609)	(33 609)	(24 803)	(16 186)	(16 726)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		182									
Increase (decrease) in consumer deposits		154									
Payments											
Repayment of borrowing		(1 226)	(1 357)	(428)	(503)	(503)	(503)	(503)	(503)	(503)	(503)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(890)	(1 357)	(428)	(503)	(503)	(503)	(503)	(503)	(503)	(503)
NET INCREASE/ (DECREASE) IN CASH HELD		(1 306)	7 422	(1 110)	4 267	(6 511)	(6 511)	(6 511)	(1 507)	(2 495)	(3 221)
Cash/cash equivalents at the year begin:	2	9 105	7 798	15 220	15 220	15 220	15 220	15 220	8 709	7 202	4 707
Cash/cash equivalents at the year end:	2	7 798	15 220	14 110	19 487	8 709	8 709	8 709	7 202	4 707	1 486

12. Expenditure classification

This section of the report classifies the expenditure for the period under review in terms of unauthorized; irregular and fruitless and wasteful expenditure. The details of this expenditure items are summarized below.

12.1. Unauthorized expenditure

Unauthorised expenditure is defined in section 1 of the MFMA as amongst others expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose. Therefore, it means spending money [appropriated for something else] on items that were not budgeted can be regarded as unauthorised. For the period under review, there is spending on items that were not budgeted under the current financial year [while they were budgeted in the previous year but tender processes could not be finalized in the previous year]. Therefore, this will be corrected through the adjustment budget, by allocating funds to those overspend votes.

12.2. Irregular expenditure

Irregular expenditure is defined in section 1 of the MFMA as follows:

“irregular expenditure”, in relation to a municipality or municipal entity, means—

[a] expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of this Act, and which has not been condoned in terms of section 170;

[b] expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the Municipal Systems Act, and which has not been condoned in terms of that Act;

[c] expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Public Office-Bearers Act, 1998 [Act No. 20 of 1998]; or

[d] expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality’s by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law, but excludes expenditure by a municipality which falls within the

definition of “unauthorised expenditure”. Therefore, a listing of this expenditure will be compiled and submitted to Finance Committee / MPAC for investigation and further recommendation to Council.

12.3. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is defined in section 1 of the MFMA as follows: “fruitless and wasteful expenditure” means expenditure that was made in vain and would have been avoided had reasonable care been exercised. There is fruitless and wasteful expenditure incurred for the period under review. This expenditure is currently being investigated and a detailed report will be sent to the Finance Committee / MPAC for further discussion and recommendation to Council.

13. Implementation of the SCM

The Municipality has an approved Supply Chain Management Policy which was last reviewed in June 2014. The municipality procurement process is undertaken through this policy and other legislation governing procurement in local government. The procurement is undertaken using the Petty cash purchases; Price quotations / Formal written price quotations as well as the Competitive bidding process.

13.1. Reporting on SCM matters

The Municipal Finance Management Act places certain reporting obligations on municipalities to report on the implementation of the supply chain management. Formal written price quotations are advertised for 7 days in the municipal website. Contracts above R100 000.00 are reported accordingly to National Treasury and the reports are submitted to the Mayor on the implementation of the supply chain management. Other internal control documents [like tender registers, contract registers, etc] are maintained with the Supply Chain Management.

13.2. Deviations from SCM policy

There were no major deviations identified for the reporting period, especially on competitive bidding process. Most of the deviations encountered are pertaining to petty cash purchases where

there were transactions above R100. However, all transactions above R100 were brought to the attention of the Chief Financial Officer and there were no transaction in this regard above a value of R500. A petty cash policy will be compiled during February / March 2015 and submitted to Council for approval. Deviations on formal quotations have been mainly on strip-and-quote, which in most of the cases is one quotation instead of three quotations. All other deviations would be treated in line with the requirements of the MFMA.

13.3. Bid committee structures

The bid committees system have been established: the bid specification committee; the bid evaluation committee and the adjudication committee. All members of the committees were appointed by the Municipal Manager. The composition of each of the committees is as per the SCM Regulations.

13.4. Listing of accredited suppliers

The SCM policy requires that the Accounting Officer, through the SCM Unit, keep a list of accredited prospective providers to be used to procure goods and services. The accounting officer shall through local commonly circulated newspapers, website and by any other means possible, invite prospective providers to apply for evaluation and listing as an accredited prospective service provider with the municipality. The list shall be updated at least quarterly if they are any applications received. The municipality complies with this requirement and the list is updated on a monthly basis.

13.5. Training of SCM practitioners / officials

The Minimum Competency Regulations requires officials within the SCM Unit to possess certain prescribed competencies. To date none of the officials within the SCM Unit possess such competencies and the municipality has appointed a service provider to undertake such training during January 2015.

14. Conclusion

The assessment has revealed the revenue base of the municipality is decreasing. This is evidenced by the decrease in grants and subsidies from national revenue fund [national government] as well as the low payment rate by consumers for the services. As such Management has taken prudent steps to turn around the situation during the remainder of the financial year.

On the revenue side, a revenue enhancement strategy will be developed during February 2015 focusing on collecting both the current revenue and the over-due revenue [debtors]. Furthermore, it the intention of the Management is to engage Provincial Treasury and Provincial Department of Public Works to assist the municipality in collecting revenue that is due from government departments [for both services and rates].

In terms of expenditure corrective measures have been taken and also discussed with strategic officials about the need to minimise spending on non-essential items. Some of these measures include reduction of overtime; paying overtime only to officials who are below the prescribed threshold; limiting overtime hours to the prescribed 60 hours per month; attendance of only important strategic meetings; adherence to travel and subsistence policy.

Having said the above, it is clear that the annual budget need to be adjusted as well as the service delivery & budget implementation plan in line with the actual performance. Therefore, the following recommendations are linked to the responsibilities of the Mayor under S54 of the MFMA.

1. Note the contents of the budget assessment report,
2. Table the budget assessment report to council by at least the 31 January 2015,
3. Prepare adjustments budget for tabling in Council between 25 January 2015 and 28 February 2015, in compliance with the requirements of S28 of the MFMA and
4. Revise the projections for revenue and expenditure in the SDBIP to reflect the adjustments to the annual budget.

15. Non-Financial Mid-Year Performance Report

15.1 Introduction

According to the Local Government Municipal Finance Management Act, Act 56 of 2003, Section 52 [c] thereof, the Mayor must take all reasonable steps to ensure that the municipality performs its Constitutional and statutory functions within the limits of the municipality's approved budget.

Performance management is prescribed by chapter 6 of the Municipal Systems Act of 2000 and the Municipal Planning and Performance Regulation of August 2001. Section 7 of the aforementioned regulation states that "A municipality's performance management systems 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, organized and managed, including determining the responsibilities of the different role players" This framework should reflect the linkage between the IDP, Budget and SDBIP.

Tswelopele Local Municipality has compiled its half yearly [01 July to 31 December 2014] performance report in line with the above mentioned legislation. The purpose of the report is to outline the achievements of the municipality in the period under review. The report further seeks to outline challenges and remedial actions that have been implored as corrective measures thereto.

The purpose of this performance report is as follows:

- To analyze the performance of the municipality for the first half of the financial year
- To track progress against the targets set in the SDBIP.
- Inform decision making and future goal setting
- To identify problems regarding performance of municipal programmes with a view to obtain solutions.
- To determine whether the objectives of various programmes have been met and whether is it appropriate to review and amend them given the changing circumstances.

In the period under review, the Municipality [TLM] comprised of five departments, namely; Municipal Manager's Office, Finance, Corporate Services, Community Services and Technical Services. This report covers the performance information from 1 July to 31 December 2014 and focuses on the implementation of the Service Delivery Budget and Implementation Plan [SDBIP], in relation to the Integrated Development and Plan [IDP]. In addition, the report provides an overview of improvements made to the performance management system and shortcomings that still need to be addressed; progress made in the implementation and an overview of financial performance.

15.2 Institutional Performance Management Process Overview

At the commencement of the financial year, every attempt was made to ensure that the municipality complies with legislation concerning the development, operation and maintenance of a performance management system that is commensurate to the institutional service delivery objectives captured in the IDP. Tswelopele Local Municipality has continued to maintain the effective operation of the following mechanisms:

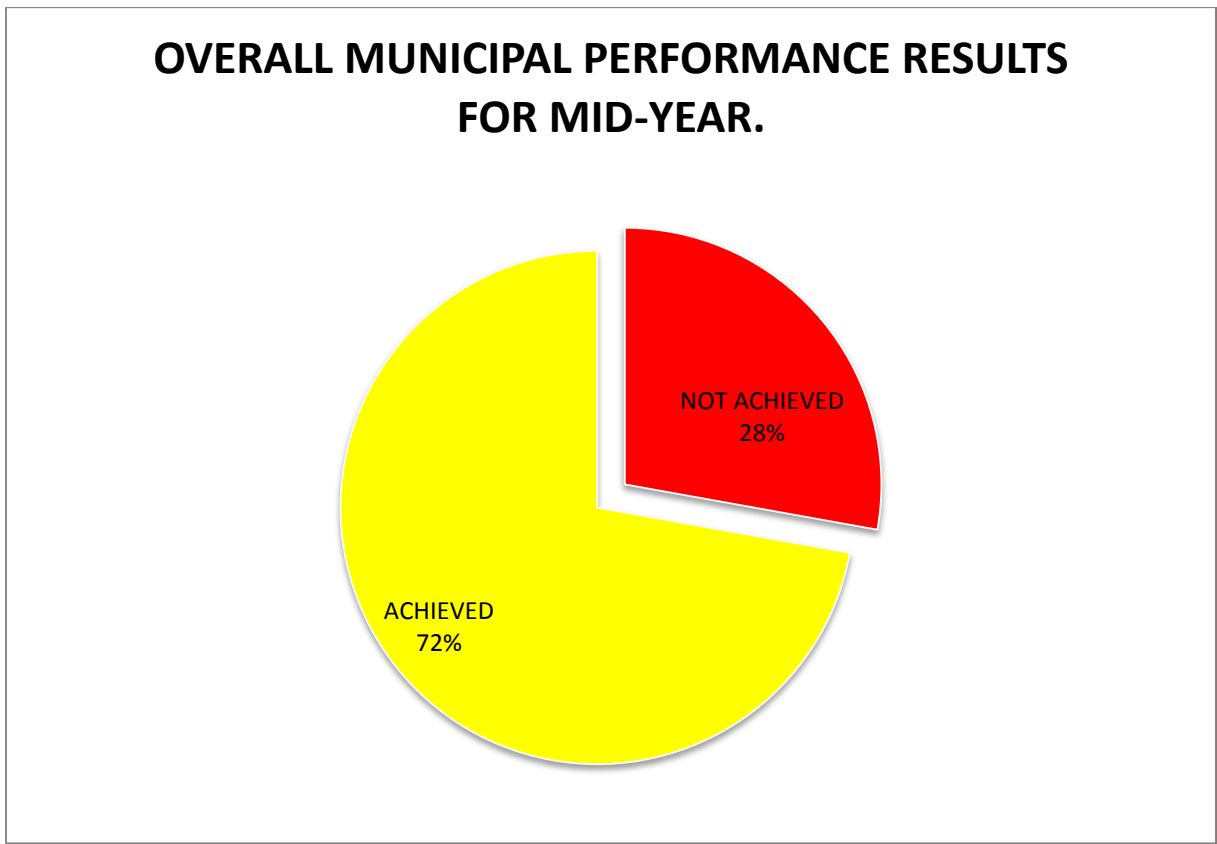
- The 2014/2015 IDP included objectives, strategies and key performance indicators [KPIs] as required by the Municipal Systems Act, 32 of 2000;
- The budget for implementation of the IDP was approved within the prescribed timelines as required by the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies;
- Performance agreements with performance plans were developed, signed and approved by the Mayor and the Municipal Manager as required by the Municipal Performance Regulations, 2006;
- Quarterly performance reports with supporting evidence were prepared by managers directly reporting to the Municipal Manager [MM]. Quarterly performance reports were objectively and independently audited by the Internal Audit unit to verify and to confirm performance information as reflected in the reports; the unit also confirmed the credibility of evidence that was submitted quarterly;
- Quarterly assessments for performance of managers directly reporting to the MM must be embarked upon through a duly constituted performance evaluation panel as required by the performance regulations.

15.3 Synopsis of Performance Results

PERFORMANCE RESULTS PER KEY PERFORMANCE INDICATOR

DEPARTMENT	TOTAL NUMBER OF KEY PERFORMANCE INDICATORS PER KPA FOR THE FINANCIAL YEAR 2014/15					
	KPA 1 Municipal Transformation and Organizational Development	KPA 2 Municipal Infrastructure and Basic Service Delivery	KPA 3 Local Economic Development	KPA 4 Municipal Financial Viability and Management	KPA 5 Good Governance and Public Participation	TOTAL KPI'S
Municipal Manager	07	03	04	11	08	33

Finance	02	03	02	29	03	39
Corporate Services	10	04	02	03	10	29
Technical Services	02	13	02	05	01	23
Community Services	02	13	14	03	04	36



MUNICIPAL MANAGERS OFFICE

The Municipal Manager’s Office had [**23**] half yearly targets set as per the key performance indicators, Attained [**18**] and not achieved [**05**].

FINANCE

The Finance Department had [**26**] half yearly targets set as per the key performance indicators, Attained [**15**] and not achieved [**11**].

CORPORATE SERVICES

The Corporate Services had **[23]** half yearly targets set as per the key performance indicators, Attained **[17]** and not achieved **[06]**.

TECHNICAL SERVICES

The Technical Services had **[15]** half yearly targets set as per the key performance indicators, Attained **[10]** and not achieved **[05]**.

COMMUNITY SERVICES

The Community Services had **[28]** half yearly targets set as per the key performance indicators, Attained **[23]** and not achieved **[05]**.

PERFORMANCE DEFICIENCIES THAT MUST BE ADDRESSED SPEEDILY

MM	FINANCE	CORPORATE	TECHNICAL	COMMUNITY
<ul style="list-style-type: none"> - Lack of policy approval by Council. - Adherence to meeting schedules. - Approval of the organogram 	<ul style="list-style-type: none"> - Approval of the revenue enhancement strategy - Percentage spent on conditional grants - Percentage of creditors paid within 30 days - Bad debts write-off - Updating of suppliers database. - Compliance with section 75 of the MFMA - Adherence to meeting schedule. 	<ul style="list-style-type: none"> - Approval of the reviewed organogram - Procurement of the IT back-up server - Adherence to meeting schedule 	<ul style="list-style-type: none"> - Inventory not accounted comprehensively - Adherence to meeting schedule 	<ul style="list-style-type: none"> - Policy approval - Adherence to meeting schedule

RECOMMENDATIONS TO ADDRESS THE DEFICIENCIES

- That performance be continuously monitored closely.
- Inadequate work-systems and processes must be improved
- That during the adjustment budget process, some performance indicators be reviewed
- Compliance related matters be given priority

DEPARTMENT: MUNICIPAL MANAGER OFFICE

KEY PERFORMANCE AREA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To create & build a sustainable performance management excellence aligned to institutional needs	Developed & approved Organisational PMS Policy & Framework	1 PMS Policy & Framework by September 2014 & 01 June 2015	1 PMS Policy & Framework	The PMS Policy and Framework has been developed	The Policy and Framework needs to be submitted to Council for approval during the third quarter	Not achieved	Not achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Reviewed organizational structure	1 Reviewed & approved organizational structure by September 2014	1 Approved organogram	The proposed organisational structure has been reviewed and is dated 25 August 2014.	The reviewed organogram needs to be submitted to Council for approval	Not achieved	Not achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Review of the Human Resource policy	1 HR policy reviewed by September 2014	None	Human Resource Policy Manual has been reviewed	The policy needs to be workshoped to all officials prior to submission for Council	Achieved	Achieved
To build a risk conscious environment that is supported by strategies to identify & mitigate potential risks	Developed IT Governance Policy	IT policy developed by September 2014	None	The policy has been developed and it incorporates the network usage, security, end-user support, access and all information technology training issues	The policy needs to be workshoped to all officials prior to submission for Council	Achieved	Achieved
None	Number of management meetings held	Fortnightly	Monthly meetings	2 Out of 6 Management meetings were held on 18 August & 9 September 2014. 2 Out of 6 Meetings have been conducted for the second quarter on 11 November & 02 December 2014.	Management meetings must be held as per the schedule of fortnightly	Not achieved	Not achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of officials & Councillors capacitated in terms of Workplace Skills Plan	All officials & Councillors trained as per the WSP	Officials & Councillors trained. 1 Skills Audit conducted	Officials attended trainings, as referenced by the reports for month of July, August, September, October, November and December 2014	None	Achieved	Achieved
None	Number of departmental meetings held	Quarterly	Quarterly meetings	9 Departmental meetings were held for the period under review as evidenced by the attendance registers. 1 Meeting was conducted on 05 December 2014	Minutes of meetings must prepared and documented	Achieved	Achieved

DEPARTMENT: MUNICIPAL MANAGER OFFICE							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Number of capital projects budgeted, monitored and implemented by the municipality for the 2014/15 FY.	All capital projects implemented by the municipality	None	List of capital projects budgeted and implemented as per the Municipal Infrastructure Grant	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Ensure the optimal operation and updating of the municipality's website	Quarterly updates	Regular updates	The municipal website is updated regularly with information and the website is fully functional	None	Achieved	Achieved

DEPARTMENT: MUNICIPAL MANAGER OFFICE							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of emerging farmers trained	90 Farmers trained by December 2014	None	A workshop was held between the Commonage Users and the Department of Agriculture Research Unit on 21 July 2014 in Phahameng. 32 Farmers have been trained. On the 30 October 2014 a training on Kaonofatso Ya Dikgomo Programme was conducted for 50 emerging farmers.	8 More farmers still needs to be trained in order to meet the target.	Not achieved	Not achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of cooperatives trained	20 Trained by September & December 2014 (10 per quarter)	None	The Cooperative Workshop was conducted on 12 September 2014 at Bullfontein and Hoopstad and 31 Delegates attended from 18 Co-operatives.	None	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of Tourism Forums established	2 Tourism Forums	None	On the 31 October 2014 and 14 November 2014 meetings were conducted for the purpose of Establishing the Tourism Forum. Tourism Forums has been established at Bullfontein and Hoopstad	None	Achieved	Achieved

DEPARTMENT: MUNICIPAL MANAGER OFFICE

KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Approved schedule of budget timelines & IDP Review Process Plan	Budget timelines & Approved IDP Process Plan by August 2014	Schedule prepared with the Process Plan	IDP and Budget Process Plan has been approved by Council	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of AG exceptions addressed by the municipality	All AG exceptions addressed	All AG exceptions addressed	Audit findings have been addressed and responses forwarded to finance.	N/A	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of Revenue Enhancement Committee Members appointed	12 Members appointed by September 2014	None	The members of finance committee have been nominated to serve as the Revenue Enhancement Committee Members	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of procedure manuals developed	2 Developed Procedure manuals (SCM & Credit Control procedure manual) by September 2014	None	Procedure manuals have been developed	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Achieve financially unqualified audit report for the 2013/14 Fy	Unqualified audit opinion	Unqualified audit opinion	The municipality received an unqualified audit opinion.	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Compiled & submitted 2013/14 AFS	1 Set of 2013/14 AFS submitted by August 2014	2012/2013 AFS submitted	The 2013/14 AFS were submitted to AG for audit	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of asset updates conducted	12 Updates (1 per month)	None	The asset register has been updated on a monthly basis	None	Achieved	Achieved

KEY PERFORMANCE AREA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To create & build a sustainable performance management excellence aligned to institutional needs	Number of audit committee meetings held	4 Meetings	4 Meetings	A meeting on the 25 August 2014, 03 October, 23 October 2014 and 26 November 2014 was conducted.	None	Achieved	Achieved
To build a risk conscious environment that is supported by strategies to identify & mitigate potential risks	Number of Risk Management Committee Meetings held	11 Meetings	None	A Risk Management Meeting was conducted on 11 September 2014. Risk Management Strategy Workshop was conducted on 21 October 2014. A risk rating meeting was conducted on 03 November 2014.	None	Achieved	Achieved
To build a risk conscious environment that is supported by strategies to identify & mitigate potential risks	Updated municipal risk management register	Quarterly updated risk management register	None	The Municipal Risk Register has been updated quarterly	None	Achieved	Achieved
To promote effective communication through systematic planning of information flow, media development & stakeholder involvement strategies	Reviewed and approved communication strategy	1 Reviewed communication Policy by December 2014	None	The public participation policy has been reviewed.	The policy must serve before Council for approval	Not achieved	Not achieved

DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Develop a leave plan for the department and maintain compliance	1 Leave plan developed by September 2014	None	No information supplied to verify the attainment of the target	The target date must be revised and a leave plan be developed	Not achieved	Not achieved
None	Number of departmental meetings held	Quarterly	None	A departmental meeting was conducted on 18 December 2014	Departmental meetings must be conducted quarterly in order to improve efficiency in the department	Not achieved	Not achieved
DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Report spending to National Treasury on infrastructure grant	12 MIG reports submitted to National Treasury	None	Municipal Infrastructure Grant Monthly report as per the Division of Revenue Act has been submitted to National Treasury for July, August, September, October, November and December 2014	None	Achieved	Achieved
DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Approved schedule of budget timelines & IDP Review Process Plan	Budget timelines & Approved IDP Process Plan by August 2014	Schedule prepared with the Process Plan	IDP and Budget Process Plan has been approved by Council	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Compiled valuation roll and Supplementary Valuation roll for approval	1 Supplementary valuation roll by September 2014	None	The supplementary valuation roll was approved by the Municipal Manager on 31 March 2014	None	Achieved	Achieved
None	Response to AG audit exceptions pertaining to financial matters / finance department	All AG exceptions addressed	All exceptions addressed	Audit findings have been addressed and responses forwarded to AGSA.	None	Achieved	Achieved

DEPARTMENT: FINANCE

KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Reviewed & approved revenue enhancement strategy	1 Approved revenue enhancement strategy by September 2014	None	The draft revenue enhancement strategy has been prepared	The revenue enhancement strategy must be approved	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of Revenue Enhancement Committee Members appointed	12 Members appointed by September 2014	None	The members of finance committee have been nominated to serve as the Revenue Enhancement Committee Members	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of procedure manuals developed	2 Developed Procedure manuals (SCM & Credit Control procedure manual) by September 2014	None	Procedure manuals have been developed	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Percentage of consumers billed monthly	100% Consumers billed monthly on the billing system	None	Consumers are billed monthly as per the reconciliations of accounts printed for refuse, sewerage, property rates, electricity and water	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of section 71 reports submitted to stakeholders	12 Section 71 reports submitted (1 report per month)	12 Reports	Section 71 reports have been submitted for July, August and September 2014. Section 71 reports have been submitted for October, November and December 2014.	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Compiled & submitted 2013/14 AFS	1 Set of 2013/14 AFS submitted by August 2014	2012/2013 AFS submitted	The 2013/14 AFS were submitted to AG for audit	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of asset updates conducted	12 Updates (1 per month)	None	Asset updates have been conducted on a monthly basis.	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Submitted application form to NERSA for tariff increases	Submission of D-Forms to NERSA by October 2014 & January 2015	D-Forms have been submitted timeously	Completed NERSA D-Form have been submitted.	None	Achieved	Achieved

DEPARTMENT: FINANCE

KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Percentage spent on conditional grants	100% Spending on Grants as per DoRA conditions (25% for each quarter)	100% Spent on conditional grants	Only 8% for MSIG was spent, 60% was spent on EPWP, 25% was spent for FMG and 45% was spent for MIG for first quarter. MIG-70% , MSIG-8% , EPWP-91% and FMG-60% were spent for the second quarter.	A system for asset management is yet to be procured hence the low spending of 8% on MSIG.	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of updates conducted on conditional grants register	12 Updates conducted on the register (3 per quarter)	Conditional grants register updated at year-end	Grant register has been updated for MSIG (July, August & September 2014), MIG (July, August and September 2014), FMG (July, August and September 2014) and EPWP (July, August and September 2014). Second quarter register updates were made on the following MIG, EPWP, MSIG and FMG.	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Percentage of creditors paid within 30 days	100% of all creditors paid within 30 days on a monthly basis	95% of creditors paid within 30 days	An average percentage of 96% has been maintained for all creditors paid within 30 days on a monthly basis during the first quarter. An average percentage of 93% has been maintained for all creditors paid within 30 days on a monthly basis during the second quarter.	100% of creditors must be paid within 30 days.	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Submitted list of bad debts to Council for write-off	1 Inclusive list of bad debts submitted to Council by August 2014	Submitted list of bad debts to Council	No information supplied to verify the attainment of the target	The target date must be reviewed and the list submitted to Council	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of VAT returns submitted to SARS	12 VAT returns made (1 per month)	All returns were submitted to SARS	VAT201 returns were made to SARS for month July, August and September 2014. VAT201 returns were made to SARS for month October, November and December 2014.	None	Achieved	Achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Number of EMP201 returns submitted to SARS	12 EMP201 returns made (1 per month)	All returns were submitted to SARS	EMP201 returns were made to SARS for month July, August and September 2014. EMP201 returns were made to SARS for month October, November and December 2014.	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of Schedule C reports submitted to Council	11 Schedule C reports submitted to Finance Committee (1 per month)	Schedule C reports have been submitted to Finance Committee	The report on in-year budget statements has been compiled for the month of July August and September 2014. Schedule C reports for October and November 2014 have been submitted	None	Achieved	Achieved

DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of SCM implementation policy reports	3 SCM Implementation reports (1 per quarter)	None	AN SCM Implementation report has been prepared and submitted for the first quarter.	Second quarter SCM implementation report must be submitted	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of supplier database updates conducted	3 Updates conducted on the supplier's database (1 per quarter)	Updates conducted quarterly	The updates were conducted for July, August and September 2014. For second quarter updates were made for the month of October 2014.	Suppliers list must be updated on monthly basis	Not achieved	Not achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of updates made on the website in terms of section 75 MFMA	All legislated documents be placed in the municipal website as per Section 75 of MFMA monthly	Documents have been placed in the municipal website	Print screen for updated information on the website.	Not all legislated documents have been placed on the website	Not achieved	Not achieved
DEPARTMENT: FINANCE							
KEY PERFORMANCE AREA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Approved schedule of budget timelines and IDP Review Process Plan	Approved budget schedule times & process plan by August 2014	None	IDP and Budget Process Plan has been approved by Council	None	Achieved	Achieved
None	Ensure that the Finance Portfolio Committee seats to consider financial reports	Meetings conducted quarterly	None	The meeting took place on the 03 October 2014.	Meetings must take place as scheduled	Not achieved	Not achieved

DEPARTMENT: CORPORATE SERVICES

KEY PERFORMANCE AREA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Reviewed organizational structure	1 Reviewed & approved organizational structure by September 2014	1 Approved organogram	The proposed organisational structure has been reviewed and is dated 25 August 2014.	The reviewed organogram needs to be submitted to Council for approval	Not achieved	Not achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Review of the Human Resource policy	1 HR policy reviewed by September 2014	None	Human Resource Policy Manual has been reviewed	The policy needs to be workshoped to all officials prior to submission for Council	Achieved	Achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of EE reports submitted	2 EE reports approved & submitted by September 2014	2 EE reports approved & submitted	Employment equity reports have been prepared and signed by the MM.	None	Achieved	Achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of officials & Councillors capacitated in terms of Workplace Skills Plan	All officials & Councillors trained as per the WSP quarterly	Officials & Councillors trained. 1 Skills Audit conducted	Officials attended trainings, as referenced by the reports for month of July, August and September, October, November and December 2014	None	Achieved	Achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of OHASA awareness campaigns conducted	2 OHASA Awareness Campaigns conducted by September 2014	None	Workshops on Pressure Vessels were conducted by the unit on 17 June 2014 at Hoopstad and 02 July 2014 at Bultfontein. Health and Safety Awareness Campaigns on Second Checklist was conducted on 4 & 6 November at Bultfontein and Hoopstad respectively.		Achieved	Achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of first aid training conducted	2 First aid training conducted by September & December 2014	None	Health and Safety Committee have been trained on first aid Level 2 and 3. The training took place on 9 to 12 December 2014	1 First Aid trainings must still be conducted	Not achieved	Not achieved
To ensure efficient operation of information technology within the municipality	Number of Volume License Agreements procured	1 License Agreement by September 2014	None	A requisition to procure has been completed, signed and submitted to Supply Chain Management for procurement of Microsoft Professional Plus 2013 OEM License for users on 22 September 2014. Follax Media CC was appointed on 20 November 2014. The product delivery was made on the 15 December 2014 to the municipality.		Achieved	Achieved
To build a risk conscious environment that is supported by strategies to identify & mitigate potential risks	Developed IT Governance Policy	IT policy developed by September 2014	None	The policy has been developed and it incorporates the network usage, security, end-user support, access and all information technology training issues. The policy has been presented to the officials and councillors.	The policy needs to be submitted to Council	Achieved	Achieved
To ensure efficient operation of information technology within the municipality	Number of Backup server procured	1 Backup server procured	None	A requisition to procure has been completed, signed and submitted to Supply Chain Management for Supply and installation of a server Dell Poweredge T420 on 29 July 2014.	Supply Chain Management processes needs to unfold however delays are due to budgetary constraints	Not achieved	Not achieved

DEPARTMENT: CORPORATE SERVICES							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure efficient operation of information technology within the municipality	Service provider appointed for Emails and Telephone system	1 Service provider appointed by September 2014	None	Digicom Telecommunications has been appointed to supply, deliver and install VOIP/DATA Solutions / Emails Services and Internet on 30 September 2014. A service level agreement has also been concluded.	None	Achieved,	Achieved
To ensure efficient operation of information technology within the municipality	Upgrading the Internal Network System	Upgraded internal network system by December 2014	None	Local network infrastructure for all the units has been upgraded as depicted by the pictures and captions	N/A	Achieved,	Achieved
DEPARTMENT: CORPORATE SERVICES							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Prepare the terms of reference and ensure the conclusion of the service level agreement with service providers appointed by the department	Monthly (As an when appointment is made)	None	Digicom Telecommunications has been appointed and concluded a Service Level Agreement with the municipality	None	Achieved	Achieved
None	Monitor and measure performance of service providers in terms of contracts	Ongoing	None	Progress report on achievement realized by Digicom Telecommunications since appointment has been prepared.	None	Achieved	Achieved
DEPARTMENT: CORPORATE SERVICES							
KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure effective financial management & accountability in compliance with applicable regulations	Ensure sound management of the budget votes allocated to the Directorate; • No irregular , unauthorised, fruitless and wasteful expenditure	None be incurred	None	No information supplied to verify the attainment of the target	Detailed report on irregular, unauthorized, fruitless and wasteful expenditure needs to be prepared.	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Respond satisfactorily to internal and external audit enquiries relating to the Directorate .	100% response within 3 working days of receiving a queries	All AG exceptions addressed	Audit enquiry relating to vacant post not advertised was responded accordingly by management.	N/A	Achieved	Achieved

DEPARTMENT: CORPORATE SERVICES

KEY PERFORMANCE AREA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote effective communication through systematic planning of information flow, media development & stakeholder involvement strategies	Reviewed and approved communication strategy	1 Reviewed communication strategy by December 2014	None	A memorandum has been submitted to the Municipal Manager, informing about the necessity of not reviewing the communication and media policy	None	Achieved.	Achieved.
To promote the facilitation of community & stakeholder involvement in municipal affairs	Number of ward committees submitting reports	8 Ward Committees submitting report monthly	8 Ward Committees	Ward committees reports have been prepared and submitted.	None	Achieved.	Achieved.
To ensure the mainstreaming of transversal issues	Development of the mainstreaming transversal programme	1 Plan/Programme developed by June 2015	None	Draft transversal programme has been developed	None	Achieved.	Achieved.
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Number of LLF Meetings conducted	4 Meetings (1 per quarter)	None	The schedule of Local Labour Forum Meetings has been adopted by Council and 2 meetings have been conducted, for 28 August 2014 and 13 November 2014	None	Achieved.	Achieved.
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Annual calendar developed & adopted by Council, EXCO, Sec 80 Comm, Audit Committee, Risk Committee and MPAC	Developed & approved annual calendar of council meetings by September 2014	1 Approved annual calendar	The municipal annual calendar for all Council Committees has been developed and approved by Council on 27 August 2014.	None	Achieved.	Achieved.
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Percentage of Council resolutions dispatched to departments	100% of council resolutions dispatched quarterly	100% dispatched	Council minutes with resolutions are distributed with agenda of every next council meeting	None	Achieved.	Achieved.
To ensure efficient operation of information technology within the municipality	Number of ICT steering committee meetings held	4 Meetings (1 per quarter)	None	No meetings were held however the memo dated 02 September 2014 indicates the nomination of 2 candidates per department to serve in the ICT Steering Committee.	Meetings of ICT Steering Committee needs to be conducted quarterly	Not achieved	Not achieved
To enhance human capacity & productivity within the municipality through the introduction & implementation of systems	Ensure that the Corporate Services portfolio meetings are held	Quarterly Meetings	None	Corporate and Community Services Standing Committee Meeting was conducted on 17 September 2014. No meeting conducted during the second quarter.	None	Not achieved	Not achieved.

DEPARTMENT: TECHNICAL SERVICES							
KEY PERFORMANCE AREA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Develop a leave plan for the department and maintain compliance	1 Leave plan developed by September 2014	None	No information supplied to verify the attainment of the target	The target date needs to be reviewed and a leave plan developed	Not achieved	Not achieved
None	Number of departmental meetings are held	4 Meetings (1 Per quarter)	None	The following meetings were conducted by the Technical Services Department - 19 Aug, 26 Aug, 11 Sep 2014, 12 Sep 2014, 25 Sep 2014, 24 Oct 2014, 3 Nov 2014, 17 Nov 2014 and 25 November 2014	None	Achieved	Achieved

DEPARTMENT: TECHNICAL SERVICES							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure the sustainable provision & safeguarding improved water quality for residents	Phahameng Water conservation & demand management leak repairs	All leaks repaired (as and when)	None	A report has been submitted to the Standing Committee on fixing of leakages in the toilets and of dripping taps. A water awareness campaign was conducted at Tikwana on 20 August 2014. Water works and maintenance report for September, October & November 2014 has been prepared.	None	Achieved	Achieved
To ensure the sustainable provision & safeguarding improved water quality for residents	Hoopstad Water conservation & demand management leak repairs	All leaks repaired (as and when)	None	A report has been submitted to the Standing Committee on fixing of leakages in the toilets and of dripping taps. A water awareness campaign was conducted at Tikwana on 20 August 2014. A report for new water connections to the water network as well as water problems of November has been prepared	None	Achieved	Achieved
To ensure the upgrading, improvement & maintenance of municipal road infrastructure	Number of internal roads meters maintained	60 Square Meters repairing of potholes in Phahameng/ Bultfontein by June 2015	None	130 Potholes have been repaired at Bultfontein and Phahameng	None	Achieved	Achieved
To ensure the upgrading, improvement & maintenance of municipal road infrastructure	Number of internal roads meters maintained	60 Square Meters repairing of potholes in Hoopstad/Tikwana by June 2015	None	183 Potholes have been repaired at Hoopstad and Tikwana	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of MIG reports submitted	12 MIG reports prepared & submitted (Quarterly)	None	MIG Reports have been prepared for July, August and September, October & November 2014	A report for December 2014 needs to be prepared	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of EPWP reports submitted	12 EPWP reports prepared & submitted (Quarterly)	None	EPWP reports have been prepared for July, August, September, October and November 2014	A report for December 2014 must be submitted	Achieved	Achieved

DEPARTMENT: TECHNICAL SERVICES							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Ensure that a percentage of unskilled labour in all the capital projects of the department are from the local municipality area	80% of unskilled labour	None	The quality control site visit report reflects the employment generation statistics and employment figures	Detailed employment report reflecting the names, locality and wage needs to be prepared.	Achieved	Achieved
None	Manage external consultants and contractors appointed for technical projects	All consultants monitored	None	Consultants reports on progress and submits progress report on the work performed on an ongoing basis.	None	Achieved	Achieved
DEPARTMENT: TECHNICAL SERVICES							
KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Ensure sound management of the budget votes allocated to the Directorate; • No irregular , unauthorised, fruitless and wasteful expenditure	None be incurred	None	No information supplied to verify the attainment of the target	Departmental budget votes must be managed accordingly	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Respond satisfactorily to internal and external audit enquiries relating to the Directorate .	100% response within 3 working days of receiving a queries	None	Audit queries have been responded for both internally and externally by the department	None	Achieved	Achieved
None	Percentage spent of capital budget, maintenance budget & grant funded programmes	100% of capital budget, maintenance & grant funded programmes spent	None	MIG Implementation Plan report has been submitted with list of project description and expenditures	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of inventory count conducted	12 Inventory counts (Game, diesel, water) (3 Per quarter)	None	Inventory counts for game and diesel is conducted quarterly as planned.	Water inventory count needs to be undertaken and reported quarterly	Not achieved	Not achieved
DEPARTMENT: TECHNICAL SERVICES							
KEY PERFORMANCE AREA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Ensure that the Technical Services portfolio meetings are held and items submitted	Quarterly meetings	None	No information supplied to verify the attainment of the target	Meetings must be held in order to improve efficacy within the Technical Department	Not achieved	Not achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Develop a leave plan for the department and maintain compliance	1 Leave plan developed by September 2014	None	Leave plan has been developed	None	Achieved	Achieved
None	Number of departmental meetings are held	4 Meetings (1 Per quarter)	None	The departmental meetings were held on 19 August, 30 September and 27 October 2014 at the municipality	None	Achieved	Achieved
DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To ensure the provision of facilities that are adequate to treat, recover & dispose waste in a manner consistent with applicable regulations	Number of meetings with stakeholders conducted to discuss Licensing of the landfill site	4 Meetings (1 per quarter)	None	A meeting was held on 05 August 2014 between Mzantsi's Eyes and the Municipality to discuss outstanding information needed in order to complete the project. Another meeting was also held on 04 December 2014 for the upgrading and licensing of the Hoopstad Landfill Site.	None	Achieved	Achieved
To share, educate & disseminate information through campaigns with residents	Number of environmental management awareness campaigns & activities conducted	4 Environmental Awareness Campaigns & activities conducted (per quarter)	None	An awareness campaign on clean environment was conducted at Tlamanang Primary School whereby 15 trees were planted on 12 September 2014 for the celebration of Arbor Day. Cleaning campaign has been conducted at Thoriso and Ntuthuzelo Primary School on 14 November and 18 November 2014 respectively.	None	Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To share, educate & disseminate information through campaigns with residents	Number of road safety awareness campaigns conducted at schools	8 Schools (per quarter)	4 Schools	Road safety awareness and education was conducted by the traffic division on 30 July 2014 at Matima-Lenyora Public Primary School and Ikgwantelle Public Primary School. On the 11 November 2014 a Scholar Patroller Refresher Training was conducted at Thoriso and Tlamanang Primary School, an awareness aimed at facilitating safe crossing on the roads.	None	Achieved	Achieved
To build a risk conscious environment that is supported by strategies to identify & mitigate potential risks	Number of meetings conducted for Local Disaster Advisory Forum	4 Meetings conducted (1 per quarter)	None	A meeting was conducted to establish the Local Disaster Management Advisory Forum on 04 September 2014 held at Pan Palace, Bultfontein. The Local Disaster Management Advisory Forum was held on the 06 November 2014 to discuss on a number of key tasks for the Disaster Management Forum.	None	Achieved	Achieved
To share, educate & disseminate information through campaigns with residents	Number of disaster management awareness conducted	26 Awareness Campaigns conducted (quarter)	None	The following public safety and disaster management programmes were conducted: Structural and veld fires awareness at schools on 12 August 2014, Hannover School structural and veld fires awareness on 02 september 2014, Establishment of the Local Disaster Management Advisory Forum on 04 September 2014, Structural Fire Simulation at ward 1 on 09 September 2014 and climate change a lesson for grade 7 on 10 September 2014. 4 awareness were conducted . On 21-22 October 2014 a fire awareness campaign was conducted for communities at ward 1 & 4 in Phahameng. Climate change awareness conducted at Sommerville Farm School for learners on 30 October 2014	None	Achieved	Achieved
To promote community wellbeing through better provision of housing	Number of updated building plan registers	12 Updates register (3 per quarter)	None	3 Building Plan Registers were updated during the first quarter of July to September 2014. 38 Building plans were approved. 3 Building Plan Registers were also updated for the second quarter of October to December. 7 Building plans were approved.	None	Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 2 - INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote community wellbeing through better provision of housing	Detailed report reflecting the approval of building plans, inspections.	12 Detailed reports (3 per quarter)	None	3 Detailed reports from Building Control Division were prepared dated 31 July, 31 August and 22 September 2014. The reports contained the updated building plans registers and a list of completed buildings during the period under review. 3 Detailed reports from Building Control Division were prepared dated October, November and December 2014. Inspections and follow ups were conducted	None	Achieved	Achieved
To ensure that financial & non-financial performance reporting is in line with applicable legislations	Number of traffic reports submitted inclusive of roadblocks, warrants, joint operations & screening of cars conducted	12 Reports (3 per quarter)		3 Reports have been prepared. A report on a number of traffic offences for July, A report on screened vehicles for roadworthy during July and a Traffic report for monthly statistics on Traffic Services. 3 Reports have been prepared, a report on the number of traffic offences, A report on statistical traffic services for written notices, spot fine and accidents. The traffic fines reconciliations report has also been prepared for the month of November 2014.	None	Achieved	Achieved
To promote community wellbeing through better provision of housing	Updated & reviewed housing waiting list	12 Updated waiting list (3 per quarter)	None	3 Waiting lists have been updated for July on housing waiting list, even waiting list for July, August and September 2014. 3 Erven waiting list for October, November and December has been prepared.	None	Achieved	Achieved
DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerments & poverty reduction	Number of agriculture programmes conducted for youths	2 Programmes by December 2014 & June 2015	None	A meeting with the Youth in Phahameng was conducted jointly by the Municipality and the Department of Agriculture in order to establish a food garden project. The Department donated seeds to the youth on 21 October 2014 as per the attached report.	N/A	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of contractors trained	40 Contractors to be trained by September 2014	None	Training has been conducted on 11 September 2014 at Bullfontein and 25 contractors were in attendance. The contractors were trained on CIDB.	15 More contractors must be trained as the target was 40	Not achieved	Not achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of SMME's trained	100 SMME's to be trained by September 2014	None	Training of 56 SMME's was conducted on 30 September 2014 for three days. An SMME training was also conducted on the 12 December 2014 to 50 SMME's.	The target has been surpassed by 6.	Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of formalized hawkers association established	2 Hawkers associations established by September 2014	None	The Hawkers associations have been established at Hoopstad and Bultfontein on 09 November and 18 November 2014 respectively.	None	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Approved commonage policy	1 Council approved commonage policy by December 2014	None	Draft commonage policy has been prepared	The draft policy will be submitted to Council for approval in the third quarter of the financial year	Not achieved	Not achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of emerging farmers trained	90 Farmers trained by December 2014	None	A workshop was held between the Commonage Users and the Department of Agriculture Research Unit on 21 July 2014 in Phahameng. 32 Farmers have been trained. On the 30 October 2014 a training on Kaonofatso Ya Dikgomo Programme was conducted for 50 emerging farmers.	8 More farmers still needs to be trained in order to meet the target.	Not achieved	Not achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of cooperatives trained	20 Trained by September & December 2014 (10 per quarter)	None	The Cooperative Workshop was conducted on 12 September 2014 at Bultfontein and Hoopstad and 31 Delegates attended from 18 Cooperatives.	None	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of Tourism Forums established	2 Tourism Forums by September 2014	None	On the 31 October 2014 and 14 November 2014 meetings were conducted for the purpose of Establishing the Tourism Forum.		Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES

KEY PERFORMANCE AREA 3 - LOCAL ECONOMIC DEVELOPMENT

OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of product owners trained (Tourism)	4 Trained by December 2014	None	5 Product owners have been trained on Tourism Business Skills on 19 December 2014 at Hoopstad Library	N/A	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Updated database for arts & crafters	1 Updated database by September 2014	None	The database has been developed and various groups profiled according to their category	None	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of exhibition shows arranged	1 Exhibition show organised by September 2014	None	The exhibition show was arranged during the Boertjie Kontreifees conducted on 3 - 5 September 2014. Macufe exhibition show was attended by Local Arts and Crafters on 10 October 2014.	None	Achieved	Achieved
To promote the sustainable shared economic growth & development in partnership with stakeholders to maximize growth, employment, empowerment & poverty reduction	Number of talent shows organized for performing artists	2 Shows arranged by December 2014	None	Shows have been arranged for both at Bultfontein and Tikwana. Phahameng Arts and Culture Talent Show was conducted on 15 November 2014 and Tikwana Arts and Culture Talent Show held on 28 & 29 November 2014.	None	Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 4 - MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
None	Ensure sound management of the budget votes allocated to the Directorate; • No irregular , unauthorised, fruitless and wasteful expenditure	None be incurred	None	No information supplied to ensure that all departmental budget votes allocated are managed accordingly	None	Not achieved	Not achieved
To ensure effective financial management & accountability in compliance with applicable regulations	Respond satisfactorily to internal and external audit enquiries relating to the Directorate .	100% response within 3 working days of receiving a queries	None	An audit finding for budget allocation per development priorities listed in the IDP was raised and responses forwarded to finance. External audit querie on the contingent liabilities (Landfill site not registered) has been responded to by the department	None	Achieved	Achieved

DEPARTMENT: COMMUNITY SERVICES							
KEY PERFORMANCE AREA 5 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
OBJECTIVE	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGETS 2014/15	COMPARISON WITH 2013/14 TARGETS	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2014	CORRECTIVE MEASURES TAKEN OR REASONS FOR VARIANCE	INTERNAL AUDITORS COMMENTS	ACHIEVEMENT STATUS
To share, educate & disseminate information through campaigns with all residents	Number of awareness campaigns conducted on water conservation	4 Campaigns conducted (1 per quarter)	None	The awareness campaign on Environmental Awareness and Water Conservation in Ikgwantlile Primary School was conducted on 15 September 2014. Another Water Conservation Awareness Campaign was conducted at Matima Lenyoral Public School on 20 November 2014.	None	Achieved.	Achieved.
To promote community wellbeing through better provision of housing	Number of SPLUMA By-laws developed	1 SPLUMA by-law developed by September 2014	None	An item has been forwarded to Council on the Spatial Planning Land Use Management Act and a proposed by-law	None	Achieved.	Achieved.
None	Ensure that the Community Services portfolio meetings are held and items submitted	Quarterly meetings (1 per quarter)	None	The Corporate and Community Services Standing Committee Meeting was held on 17 September 2014.	No meeting conducted in the second quarter	Not achieved	Not achieved

Conclusion

Thus, this report reflects the performance progress to date as per the review period. This is a high level report based on the scores obtained through a process whereby Key Performance Indicators and targets are compared to the initial planning as contained in the 2014/15 SDBIP. Where underperformance or zero achievement of indicators have been experienced the respective concerns or mitigating reasons are highlighted and detailed pertaining to the relevant measures being implemented or those that need to be implemented.

Emphasis on the submission of supporting evidence must be encouraged at all times. Thus the municipality needs to foster a culture of performance management and reporting.

The municipality will continue improving on its performance management system, particularly, in the application of the SMART principle. Plans are underway to also improve the organizational culture towards performance management so as to eliminate the hindrances to proper planning and to accurate and credible reporting on performance.