

FIRST QUARTER REPORT

01 JULY 2018-30 SEPTEMBER 2018



OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month....."

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"The mayor's quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by Section 52(d) of the Act must be-

- (a) In a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
- (b) Consistent with monthly budget statement for July, August and September as applicable; and
- (c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of Section 168(1) of the Act"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

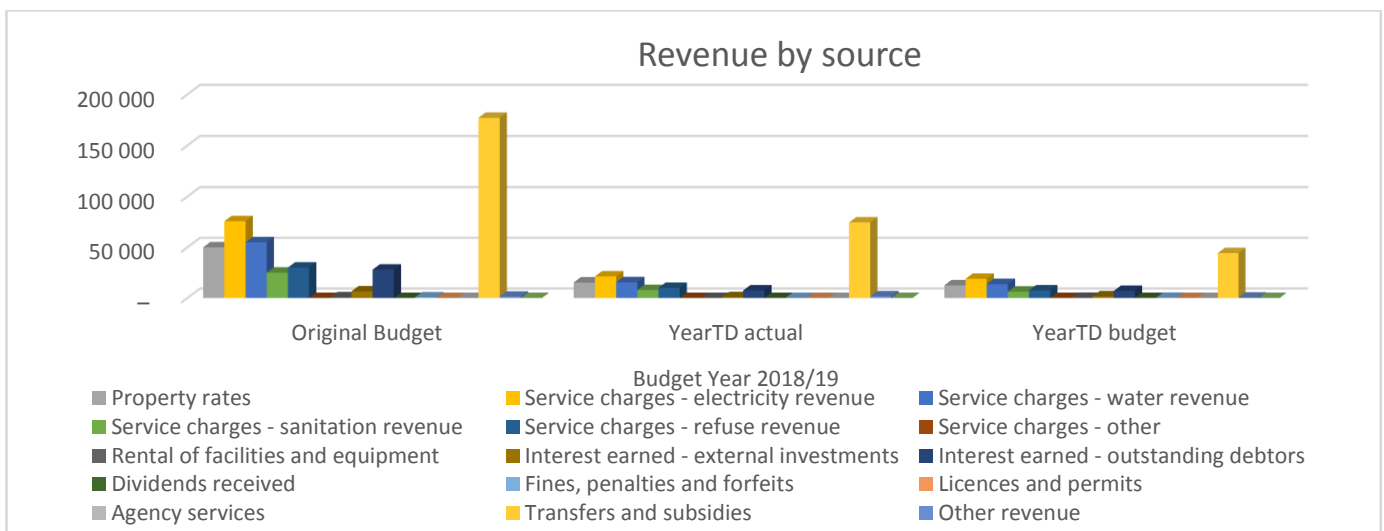
FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									%
Revenue By Source									
Property rates	44,239	50,000	0	5,203	15,285	12,500	2,785	22%	61,141
Property rates - penalties & collection charges	0	0	0	0	0	0	0	0	0
Service charges - electricity revenue	62,935	75,707	0	5,406	21,294	18,927	2,367	13%	85,175
Service charges - water revenue	49,379	55,002	0	5,047	15,504	13,751	1,754	13%	62,017
Service charges - sanitation revenue	25,374	25,020	0	2,621	7,852	6,255	1,597	26%	31,408
Service charges - refuse revenue	25,367	30,000	0	3,343	10,017	7,500	2,517	34%	40,069
Service charges - other	252	0	0	0	0	0	0	0	0
Rental of facilities and equipment	1,534	697	0	9	40	174	(134)	-77%	162
Interest earned - external investments	21,498	6,514	0	542	789	1,628	(840)	-52%	3,155
Interest earned - outstanding debtors	0	28,001	0	2,552	7,447	7,000	447	6%	29,789
Dividends received	40	35	0	0	60	9	51	582%	239
Fines	2,463	600	0	17	54	150	(96)	-64%	216
Licences and permits	39	35	0	0	0	9	(8)	-95%	2
Agency services	0	0	0	0	0	0	0	0	0
Transfers recognised - operational	170,002	177,144	0	0	74,550	44,286	30,264	68%	177,144
Other revenue	5,928	1,329	0	127	1,704	332	1,371	413%	6,814
Gains on disposal of PPE	(6,497)	0	0	0	0	0	0	0	0
Total Revenue (excluding capital transfers and contributions)	402,553	450,084	0	24,866	154,596	112,521	42,076	37%	497,330

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is R 154, 596 million on the year to date target of R 112, 521 million and the expenditure for the period is R 96, 945 million on a year to date target of R 164, 527 million respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance %
		R'000	
Revenue By Source	112 521	154 596	37%
Expenditure By Type	164 527	96 945	-41%
Surplus/(Deficit)	(52 006)	57 651	

Major Revenue Variances against the budget

- Property rates have a favourable variance of R 2, 785 million for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of R 2, 367 million due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of R 1, 754 million for the period due to more properties billed for the period than budgeted;
- Sanitation Revenue has a variance of R 1, 597 million for the period due to more properties billed for the period than budgeted;
- Refuse revenue has a favourable variance of R 2, 517 million for the period due to more properties billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of R 447 000 for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to R 118,666 million included in that is R 72,470 million of equitable share which is regarded as unconditional grant. Conditional grants received amount to R 46,196 million and R 9,218 million of it has been spent to date.



GRANT R thousands	DORA ALLOCATION	ROLL- OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
Unconditional							
							R'000
Equitable Share	173 927	0	72 470	0	72 470	R 0	100%
Sub-Total	173 927	0	72 470	0	72 470	R 0	100%
Conditional							
MIG	57 782	0	25 616	0	5 242	20 374	20%
RBIG	30 000	0	10 000	0	0	0	0%
WSIG	20000	0	8 500	0	3 168	R5 332	37%
INEG	682	0	0	0	0	0	0%
FMG	1 700	0	1 700	0	353	1 347	21%
EPWP	1 517	0	380	0	455	(75)	120%
Sub-Total	111 681	0	46 196	0	9 218	36 978	20%
TOTAL	285 608	0	118 666	0	81 688	39 978	69%

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	R '000
Expenditure By Type									
Employee related costs	187 599	207 481	0	12 988	45 280	51 870	(6 590)	13%	181 122
Remuneration of councillors	9 896	11 000	0	3 201	3 201	2 750	451	16%	12 804
Debt impairment	69 861	56 000	0	0	0	14 000	(14 000)	-100%	0
Depreciation & asset impairment	212 220	239 167	0	0	0	59 792	(59 792)	-100%	0
Finance charges	2 289	2 600	0	436	1 935	650	1 285	198%	7 742
Bulk purchases	72 798	67 000	0	388	24 586	16 750	7 836	47%	98 342
Other materials	0	38 276	0	785	2 649	9 569	(6 920)	-72%	10 598
Contracted services	22 731	286	0	286	3 065	72	2 994	4186%	12 262
Transfers and grants	5 618	650	0	2 060	4 650	162	4 488	2762%	18 601
Other expenditure	47 607	35 646	0	2 935	11 577	8 912	2 666	30%	46 310
Loss on disposal of PPE	258	0	0	0	0	0	0	0%	0
Total Expenditure	630 878	658 107	0	24 147	96 945	164 527	(67 582)	-41%	387781

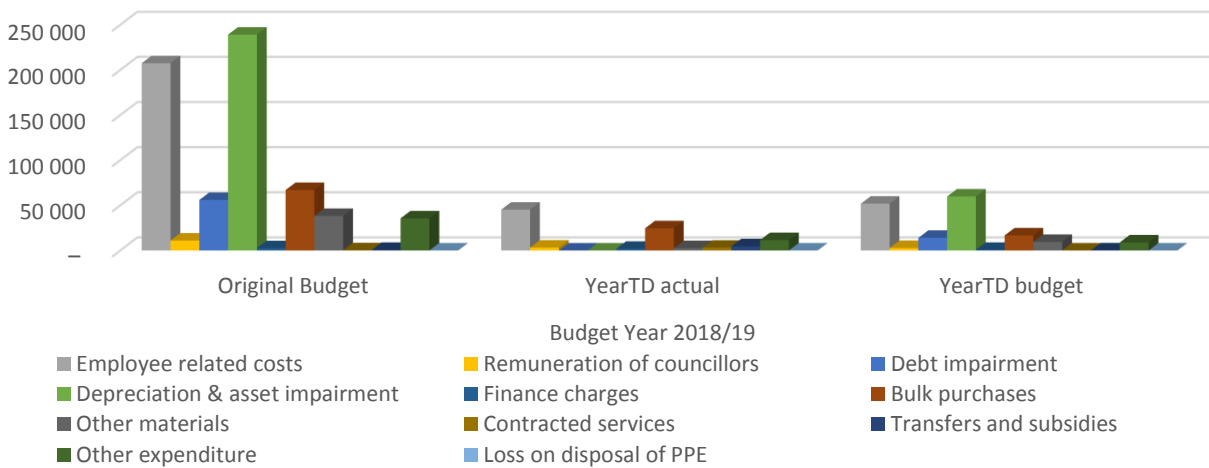
Major Expenditure Variances against the budget

- Employee related costs have a variance of –R 6,590 million for the period due to less expenditure on salaries for the period than budgeted; this decrease in spending is due to provisions on salaries not included.
- Councillors remuneration have a variance of R 451 000 for the period due to upper limit increase on councillor remuneration for the period than budgeted;
- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of R 1,285 million for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted as well as the new loans taken up at the end of the previous financial year;
- Bulk purchases have a favourable variance of R 7,836 million for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of R2,994 million for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of R 4,488 million for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of R 2,666 million for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter

Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
							R '000	%	R '000
Other Municipal Staff									
Basic Salaries and Wages	99 553	167 293	0	9 202	32 428	41 823	(9 395)	-22%	129 713
Pension and UIF Contributions	19 645	8 282	0	563	1 696	2 071	(375)	-18%	6,784
Medical Aid Contributions	12 408	14 652	0	1 006	3 014	3 663	(649)	-18%	12 054
Overtime	8 670	2 638	0	547	1 755	659	1 095	166%	7 019
Bonus	8 431	9 409	0	730	2 301	2 352	(51)	-2%	9 204
Motor Vehicle Allowance	11 431	9 822	0	342	2 242	2 455	(214)	-9%	8 966
Cell phone Allowance	546	175	0	(1)	42	44	(2)	-3%	169
Housing Allowances	1 425	411	0	193	590	103	487	475%	2 359
Other benefits and allowances	0	0	0	0	0	0	0	0%	0
Payments in lieu of leave	2 592	4 062	0	356	1 075	1 016	60	6%	4 301
Long service awards	647	1 737	0	51	138	434	(296)	-68%	552
Post-retirement benefit obligations	0	0	0	0	0	0	0	0%	0
Sub Total - Other Municipal Staff	165 347	218 481	0	12 988	45 280	54 620	(9 340)	-17%	181 122
% increase		32.1%	0						9.5%
Total Parent Municipality	197 496	230 402	0	16 189	48 481	57 192	(8 710)	-15%	193 926

Expenditure by type

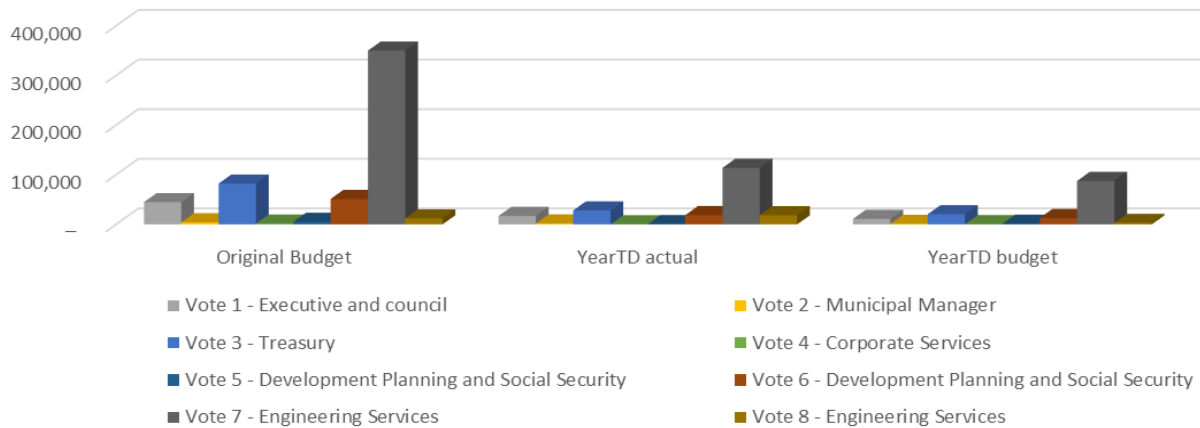


Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	R '000
Revenue by Vote									
Executive and council	1 493	44 853	0	1 120	17 046	11 213	5 833	52.0%	44 853
Municipal Manager	0	4 283	0	0	1 785	1 071	714	66.7%	4 283
Treasury	27 665	82 231	0	7 760	28 139	20 558	7 581	36.9%	87 318
Corporate Services	1 221	1 607	0	135	172	402	(229)	-57.1%	690
Development Planning and Social Security	0	5 021	0	126	570	1 255	(685)	-54.6%	2 280
Development Planning and Social Security	45 784	51 210	0	3 364	18 667	12 802	5 864	45.8%	50 889
Engineering Services	18 546	350 240	0	12 471	113 938	87 560	26 378	30.1%	389,884
Engineering Services	0	12 105	0	18	18 525	3 026	15 499	512.1%	18,600
Total Revenue by Vote	94 711	551 550		24 994	198 841	137 887	60 954	44.2%	598 796

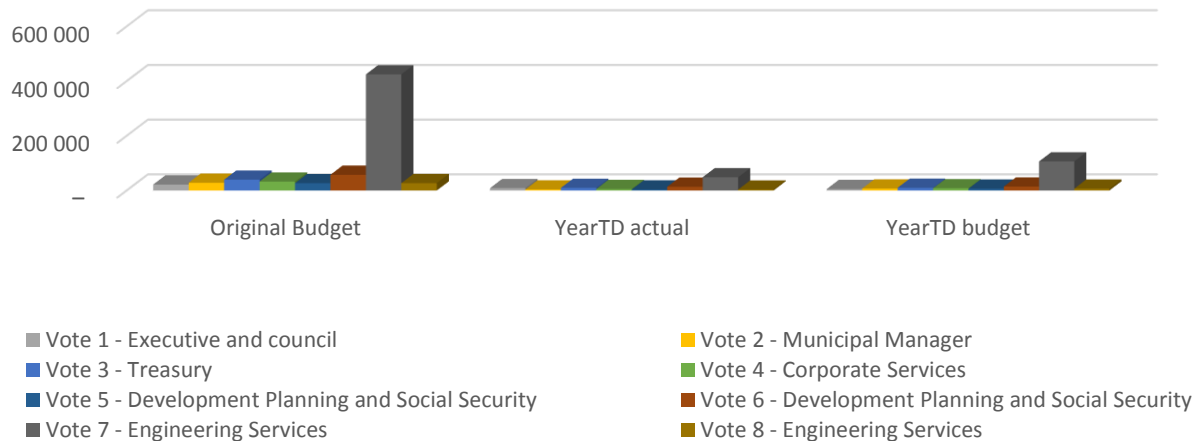
Revenue by vote



FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	R '000
Expenditure by Vote									
Executive and council	44 739	21 660	0	2 512	8 558	5 415	3 143	58.0%	34 233
Municipal Manager	0	28 373	0	1 433	3 939	7 093	(3 155)	-44.5%	15 754
Treasury	21 141	39 478	0	2 828	9 548	9 870	(321)	-3.3%	38 194
Corporate Services	11 369	32 578	0	1 832	5 430	8 145	(2 715)	-33.3%	21 720
Development Planning and Social Security	2 533	26 780	0	1 139	3 638	6 695	(3 057)	-45.7%	14 554
Development Planning and Social Security	43 685	57 545	0	4 166	13 776	14 386	(610)	-4.2%	55 105
Engineering Services	11 840	424 637	0	8 878	48 535	106 159	(57 625)	-54.3%	194 138
Engineering Services	0	27 056	0	1 359	3 521	6 764	(3 243)	-47.9%	14 084
Total Expenditure by Vote	135 307	658 107	0	24 147	96 945	164 527	(67 582)	-41.1%	387 781

Expenditure by Vote



5. Capital Expenditure-Table C5

The municipality's capital budget is financed through grants and subsidies amounting to R 129,720 million.

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FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - First Quarter

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YTD Actual	YTD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	R '000
Capital Expenditure - Functional Classification									
Governance and administration	3 418	1 564	-	45	939	391	548	140%	3 756
Executive and council	28	330	-	-	12	83	(70)	-85%	48
Finance and administration	3 389	1 179	-	45	910	295	615	209%	3 640
Internal audit	-	54	-	-	17	14	3	25%	68
Community and public safety	12,266	11 990	-	-	1 873	2 998	(1 125)	-38%	7 490
Community and social services	3	-	-	-	-	-	-	-	-
Sport and recreation	11 695	11 715	-	-	718	2 929	(2 210)	-75%	2,874
Public safety	-	-	-	-	-	-	-	-	-
Housing	568	275	-	-	1 154	69	1 085	1579%	4 617
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	18 788	499	-	804	1 222	125	1 097	879%	4 889
Planning and development	16	94	-	9	9	24	(14)	-60%	37
Road transport	18 772	405	-	795	1 213	101	1 112	1098%	4 852
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	(56 437)	115 667	-	2 268	25 288	28 917	(3 629)	-13%	101 152
Energy sources	7,414	6 630	-	-	3 152	1 658	1 495	90%	12 609
Water management	(115 600)	108 162	-	-	12 927	27 041	(14 113)	-52%	51 709
Waste water management	48 433	400	-	2 268	6 988	100	6,888	6888%	27 952
Waste management	3 317	475	-	-	2 220	119	2,102	1770%	8 882
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	(21 965)	129 720	-	3 117	29 322	32 430	(3 108)	-10%	117 288

The total spending on capital projects is currently 10% below the anticipated spending pattern which needs to be carefully monitored in order to achieve the 100% capital spending at year end.

Capital Expenditure

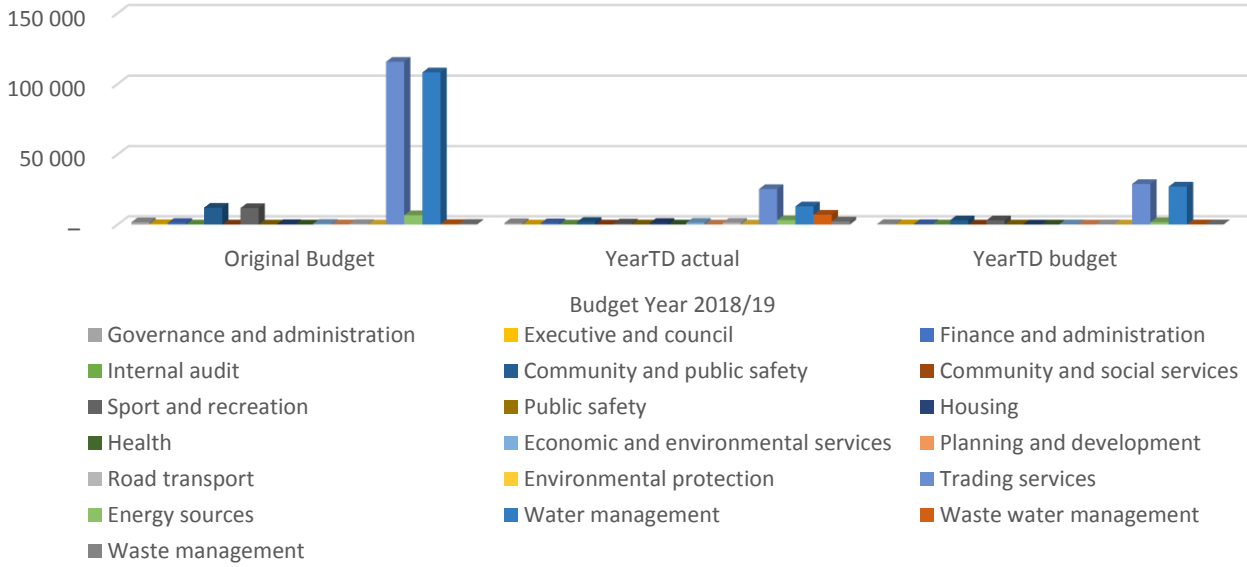
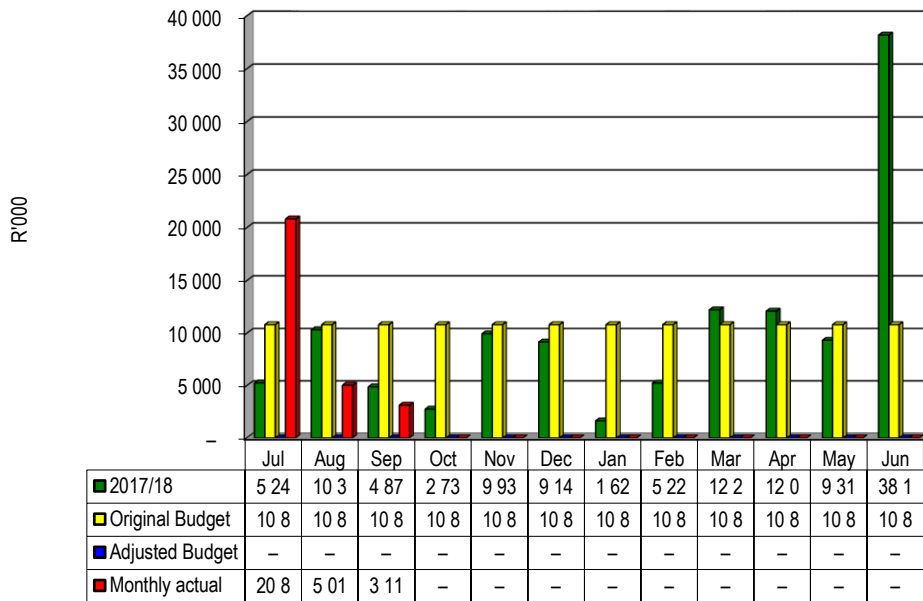


Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target

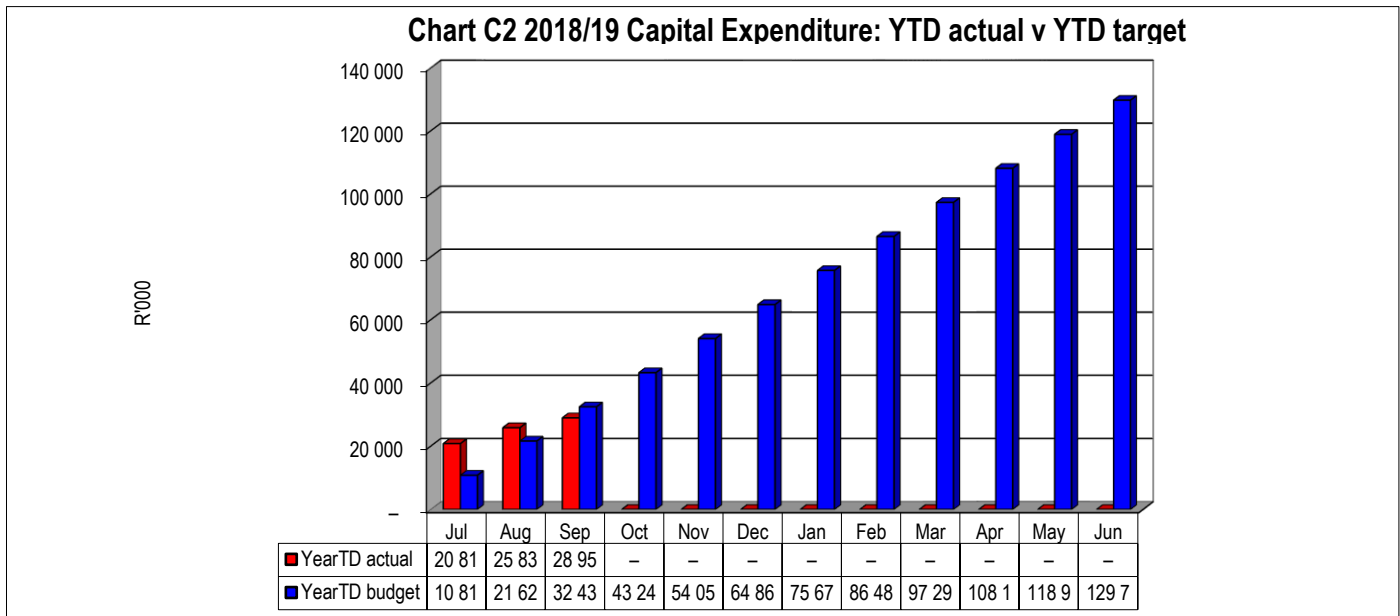
Chart C1 2018/19 Capital Expenditure Monthly Trend: actual v target



FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - First Quarter

Vote Description	2017/18	Budget Year 2018/2019							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	R '000
Single Year Expenditure Appropriation									
Executive and council	28	213	-	-	12	83	(71)	-86%	47
Municipal Manager	-	226	-	45	234	56	178	315%	937
Treasury	24	240	-	-	85	60	25	41%	339
Corporate Services	-	689	-	-	87	172	(85)	-50%	348
Development Planning and Social Security	-	11 715	-	-	1 223	2 979	(1 756)	-59%	4 890
Development Planning and Social Security	2,183	490	-	-	2 237	235	,002	852%	8 950
Engineering Services	18 772	115 582	-	3 063	24 281	28 919	(4 639)	-16%	97 122
Engineering Services	-	565	-	9	1 164	141	1 022	724%	4 654
Total Capital single-year expenditure	21 008	129 720	-	3 117	29 322	32 646	(3 324)	-10%	117 288
Total Capital Expenditure	21 008	129 720	-	3 117	29 322	32 646	(3 324)	-10%	117 288

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target



6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Year TD Actual	Year TD Budget	YTD Variance	YTD Variance	Full Year Forecast
							R '000	%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	(6 105)	51 332	-	1 774	5 146	12 833	(7 687)	-60%	20 585
Service charges	163 307	185 729	-	6 212	19 589	46 432	(26 843)	-58%	78 356
Other revenue	5 928	1 329	-	3 973	5 676	332	5 344	1608%	22 705
Government - operating	170 002	177 144	-	-	74 550	44 286	30 264	68%	298 200
Government - capital	103 396	101 466	-	129	44 245	25 367	18 878	74%	176 979
Interest	21 498	34 514	-	424	1 204	8 629	(7 424)	-86%	4 817
Dividends	40	35	-	-	60	9	51	582%	239
Payments									
Suppliers and employees	(344 846)	(415 690)	-	(22 090)	(78 095)	(103 922)	(25 828)	25%	(312 379)
Finance charges	(2 289)	(2 600)	-	(436)	(778)	(650)	128	-20%	(3 113)
Transfers and Grants	(5 618)	(650)	-	(2 060)	(4 650)	(163)	4 488	-2762%	(18 601)
NET CASH FROM/(USED) OPERATING ACTIVITIES	105 314	132 610	-	(12 074)	66 947	33 152	(33 794)	-102%	267 787
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	1 595	-	-	(18)	239	-	239	#DIV/0!	957
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	(112)	-	-	11 600	(20 249)	-	(20 249)	#DIV/0!	(80 995)
Payments									
Capital assets	(38 323)	(129 720)	-	(3 117)	(151 517)	(32 430)	119,087	-367%	(606 067)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(36 840)	(129 720)	-	8 464	(171 526)	(32 430)	139,096	-429%	(686 105)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	(6 813)	-	(6,813)	#DIV/0!	(27 250)
Borrowing long term/refinancing	7 269	-	-	-	41 323	-	41,323	#DIV/0!	165 292
Increase (decrease) in consumer deposits	(8)	-	-	37	2 868	-	2,868	#DIV/0!	11 470
Payments									
Repayment of borrowing	-	-	-	(706)	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	7 261	-	-	(670)	37 378	-	(37,378)	#DIV/0!	149 512
NET INCREASE/ (DECREASE) IN CASH HELD	75 735	2 890	-	(4 279)	(67 202)	722			(268 806)
Cash/cash equivalents at beginning:	3 656	-	-	-	(75 383)	-	-	-	(75 383)
Cash/cash equivalents at month/year end:	79 390	2 890	-	-	(142 585)	722	-	-	(344 189)

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is R 404,368 million.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors - First Quarter

Description	Budget Year 2018/19									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days - 1 Year	Over 1 Year	Total	Total over 90 days
R'000										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions – Water	8 727	3 914	2 997	3 019	3 036	2 988	14 042	57 852	96 575	80 937
Trade and Other Receivables from Exchange Transactions – Electricity	5 995	1 785	1 877	1 390	673	951	3 400	11 777	27 848	18 190
Receivables from Non-exchange Transactions - Property Rates	7 540	2 816	2 543	2 467	2 417	2 396	11 777	45 344	77 299	64 400
Receivables from Exchange Transactions - Waste Water Management	4 439	1 980	1 472	1 492	1 439	1 403	6 898	27 446	46 569	38 678
Receivables from Exchange Transactions Waste Management	5 710	2 615	1 961	1 968	1 895	1 876	9 219	34 632	59 876	49 590
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	4 996	2 318	2 234	2 563	2 415	2 398	11 222	41 760	69 906	60 357
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	3 217	1 532	(5 205)	1 178	657	1 002	2 027	21 886	26 294	26 750
Total By Income Source	40 626	16 960	7 879	14 076	12 532	13 014	58 585	240 697	404 368	338 904
2017/18 - totals only	40894	20 219	13 093	12 748	12 515	12 054	54 263	211 259	377 044	302 839
Debtors Age Analysis By Customer Group										
Organs of State	4 281	1 848	(3 414)	2 475	2 072	2 089	7 498	21 179	38 027	35 312
Commercial	4 529	1 218	749	738	711	664	2 319	14 934	25 862	19 367
Households	31 489	13 559	10 387	10 694	9 496	10 159	48 109	199 757	333 649	278 215
Other	327	335	157	169	253	102	659	4 827	6 829	6 010
Total By Customer Group	40 626	16 960	7 879	14 076	12 532	13 014	58 585	240 697	404 368	338 904

Chart C3 Aged Consumer Debtors Analysis

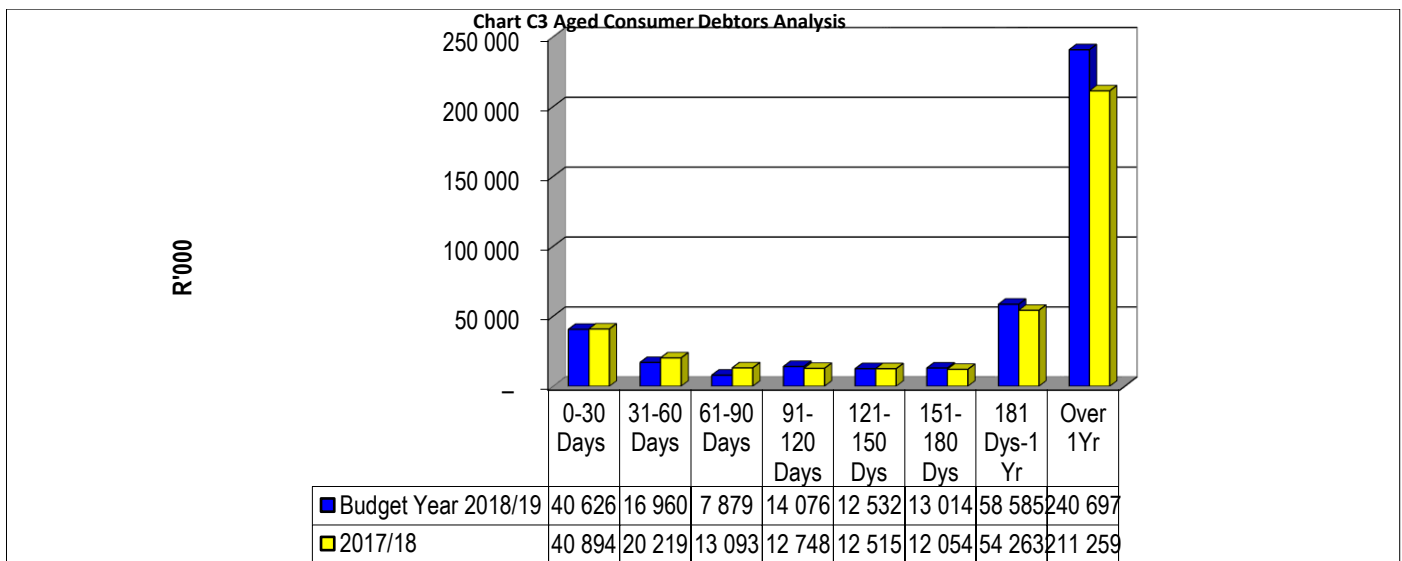
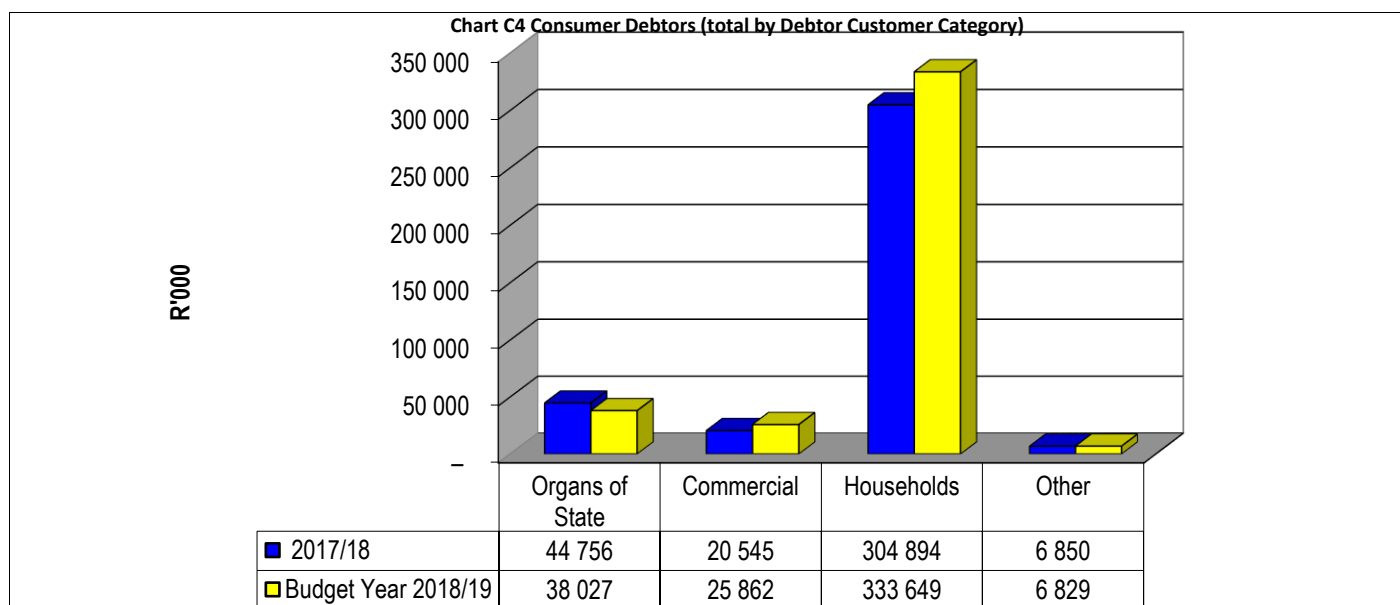


Chart C4 Consumer Debtors; Total by Debtor Consumer Category



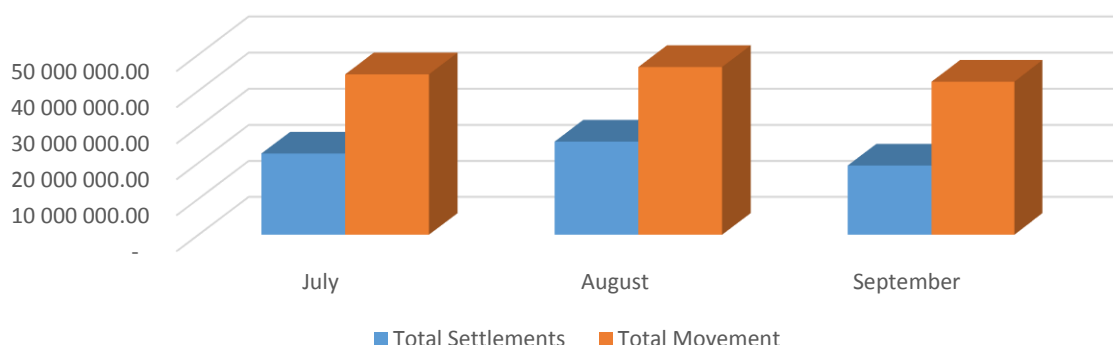
7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July	22 571 639.40	44 502 087.49	48 802,553.33	-521 293.97	211 060.31	-3 990 232.18	51%
August	25 891 756.66	46 534 169.92	49 111,049.00	-599 183.04	378 543.24	-2 356 239.28	56%
September	19 251 522.14	42 470 005.06	48 494,057.66	-443 404.90	43 577.38	-5 624 225.08	45%
Total	67 714 918.20	133 506 262.47	146 407,659.99	-1 563 881.91	633 180.93	-11 970 696.54	51%

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. Greater efforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate

Payment Rate



The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than 50%.

7.3 Payment Rate by Ward

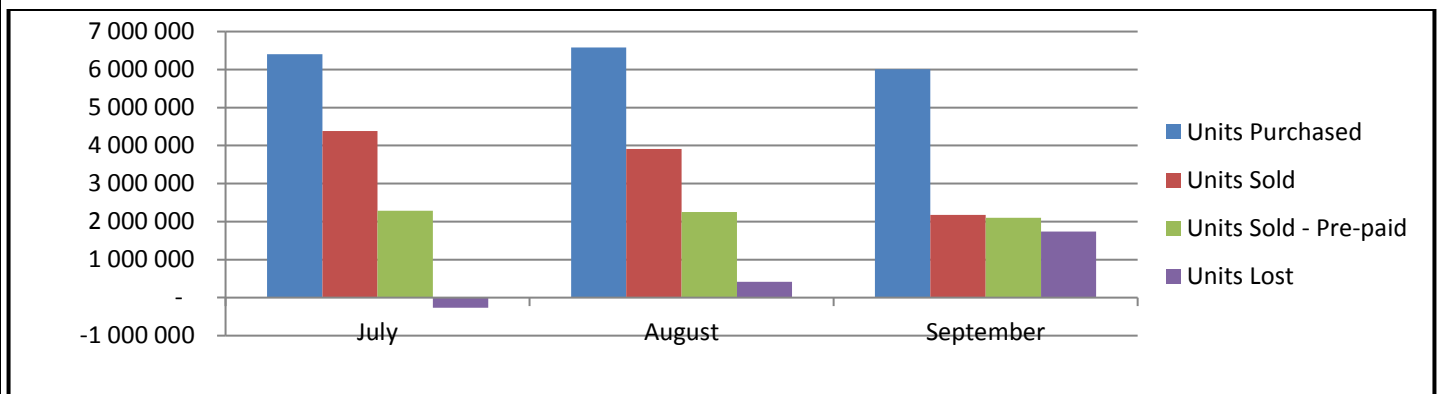
Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 01	5,739,001.31	8,221,366.41	8,476,940.96	-93,846.03	137,045.64	-298,774.16	70%
Ward 02	142,419.32	3,700,828.70	4,106,253.24	-4,571.10	-	-400,853.45	4%
Ward 03	258,024.17	530,201.66	527,137.02	-	-	3,064.64	49%
Ward 04	2,978,832.69	4,969,968.12	5,357,629.94	-4,038.26	-	-383,623.56	60%
Ward 05	98,899.85	1,332,872.15	1,497,288.14	-25,718.03	-	-138,697.97	7%
Ward 06	4,268,096.72	6,504,210.30	7,058,925.15	-32,166.65	-	-522,548.21	66%
Ward 07	326,497.17	2,914,818.54	3,357,593.13	-23,402.03	-	-419,372.57	11%
Ward 08	253,512.60	2,579,309.04	2,941,422.11	-	115,854.00	-477,967.07	10%
Ward 09	4,383,082.49	6,128,532.89	6,330,227.82	-21,006.24	7,288.79	-187,977.48	72%
Ward 10	2,186,124.71	4,287,962.84	4,361,864.90	-78,529.50	5,821.77	-1,194.33	51%
Ward 11	127,716.00	2,431,198.94	2,910,869.73	-1,929.33	-	-477,741.47	5%
Ward 12	98,211.08	2,576,398.74	2,630,490.38	-12,678.02	-	-41,413.62	4%
Ward 13	190,959.69	2,843,677.70	3,341,665.04	-	-	-497,987.34	7%
Ward 14	214,768.25	2,033,096.34	2,652,741.15	-	-	-619,644.81	11%
Ward 15	10,767,628.89	11,100,753.95	11,499,443.22	-477,190.52	23,099.91	55,401.33	97%
Ward 16	145,125.21	2,660,864.96	3,048,122.84	-5,779.41	-	-381,478.47	5%
Ward 17	703,859.16	1,937,070.00	3,105,215.27	-1,085.87	27,480.36	-1,194,539.76	36%
Payment Advanced	974,699.84	-	-	-	-	-	0%
Total	33,857,459.10	66,753,131.24	73,203,830.00	-781,940.96	316,590.47	-5,985,348.27	51%

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is 51%. Greater efforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Sold: Pre-paid	Units Lost	% Loss
July 2018	6 403,668	4 384,367	2 288,888	-269,567	-4%
August 2018	6 579,502	3 910,406	2 255,557	413,539	6%
September 2018	6 010,568	2 172,461	2 097,918	1 740,189	29%
Total	18 993,738	10 467,234	6 642,343	1884,161	10%

Electricity Losses

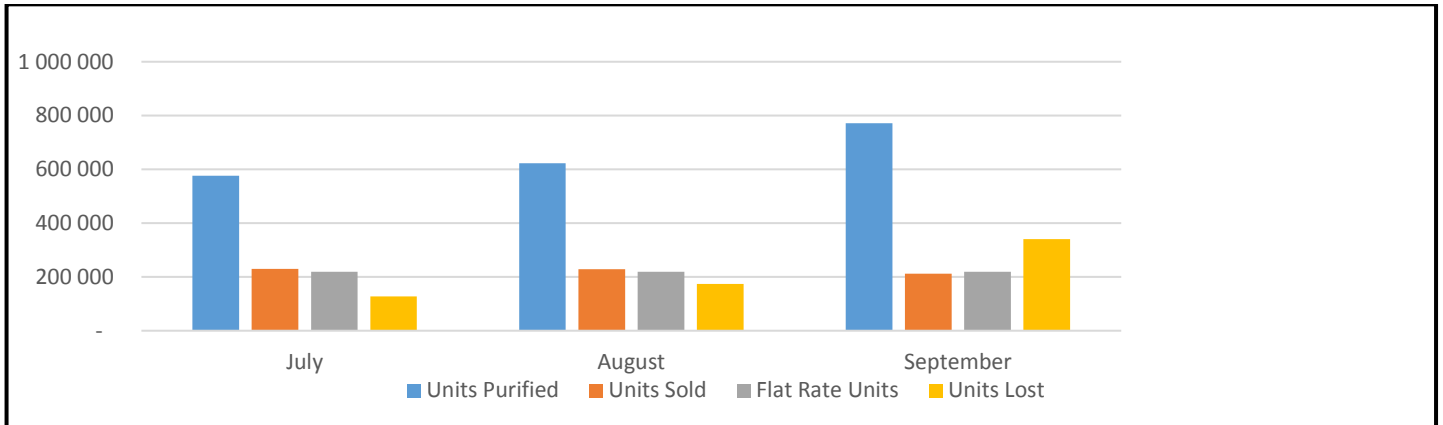


Electricity losses is within the norm set by National Treasury, which should be between 6% and 11%.

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018	576 495	229 688	128 044	22%
August 2018	622 281	228 838	174 554	28%
September 2018	771 744	212 371	340 340	44%
Total	1 970 520	656 685	642 938	33%

Water Losses



Water losses is within the norm set by National Treasury, which should be between 10% and 35%.

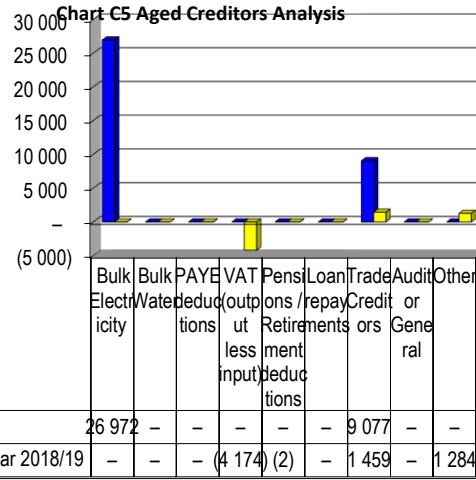
8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to (2,714). The biggest single contributor to the outstanding amount relates to the vat. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

FS191 Setsoto - Supporting Table SC4 Monthly Budget Statement - aged creditors - First Quarter									
Description	Budget Year 2018/19								Total
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days - 1 Year	Over 1 Year	
R '000									
Creditors Age Analysis By Customer Type									
Bulk Electricity	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-
VAT (output less input)	(2 714)	(1 173)	(56)	(8)	-	(6)	(7)	(210)	(4 174)
Pensions / Retirement deductions	-	-	(1)	-	-	-	-	(2)	(2)
Loan repayments	-	-	-	-	-	-	-	-	-
Trade Creditors	-	-	427	83	9	49	58	833	1 459
Auditor General	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	1,284	1,284
Total By Customer Type	(2 714)	(1, 73)	370	75	9	43	51	1 905	(1 434)

Chart C5 Aged Creditors Analysis

R'000



FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - Performance Indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD Actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.4%	36.7%	0.0%	2.0%	5.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	4.3%	3.8%	0.0%	3.0%	3.8%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity						
Current Ratio	Current assets/current liabilities	161.0%	285.7%	0.0%	561.1%	285.7%
Liquidity Ratio	Monetary Assets/Current Liabilities	1.6%	0.7%	0.0%	58.5%	0.7%
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Months Receipts/ Last 12 Months Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	51.0%	74.4%	0.0%	261.6%	67.3%
Longstanding Debtors Recovered	Debtors > 12 Months Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	4.0%	11.0%	0.0%	10.0%	11.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	25.0%	25.0%	0.0%	33.0%	25.0%
Employee costs	Employee costs/Total Revenue - capital revenue	46.6%	46.1%	0.0%	29.3%	36.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	53.3%	53.7%	0.0%	1.3%	4.1%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				314.0%	
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				340.0%	
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				14.0%	

9. Borrowing

Loan Acc.	Institution	Average Interest	Loan number	Maturity date	Balance 2018-08-01	Capitalised/ Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2018-09-30
13457	DBSA	16.75%	301	2020-06-30	938,230.83	0.00	73,274.52	146,774.27	791,456.56
101389	DBSA	11.36%	525	2024-12-31	4,718,816.12	0.00	255,190.17	219,117.12	4,499,699.00
Total Long-term loans					5,657,046.95	0.00	328,464.69	365,891.39	5,291,155.56

Finance Leases

Loan Acc.	Institution	Average Interest	Loan number	Maturity date	Balance 2018-08-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2018-09-30
89515381	ABSA	10.00%		2022-06-01	754,383.98	0.00	18,685.81	38,726.48	715,657.50
89514989	ABSA	10.00%		2022-06-01	544,770.97	0.00	13,493.77	27,965.96	516,805.01
89515861	ABSA	10.00%		2022-06-01	421,052.96	0.00	10,429.32	21,614.85	399,438.11
89516256	ABSA	10.00%		2022-06-01	1,133,757.15	0.00	28,082.73	58,201.71	1,075,555.44
89516272	ABSA	10.00%		2022-06-01	1,133,757.15	0.00	28,082.73	58,201.71	1,075,555.44
89645110	ABSA	10.00%		2022-07-01	2,038,176.26	0.00	50,506.79	102,032.02	1,936,144.24
89644009	ABSA	10.00%		2022-07-01	924,586.73	0.00	22,911.62	46,285.21	878,301.52
89644076	ABSA	10.00%		2022-07-01	924,586.73	0.00	22,911.62	46,285.21	878,301.52
89516795	ABSA	10.00%		2022-06-01	51,750.77	0.00	1,281.85	2,656.64	49,094.13
89516779	ABSA	10.00%		2022-06-01	51,750.77	0.00	1,281.85	2,656.64	49,094.13
89897519	ABSA	10.00%		2022-09-01	1,334,727.08	0.00	33,102.07	63,617.63	1,271,109.45
89882457	ABSA	10.00%		2022-09-01	2,981,467.70	0.00	73,942.27	142,106.87	2,839,360.83
89862260	ABSA	10.00%		2022-09-01	1,335,450.92	0.00	33,120.02	63,652.12	1,271,798.80
89645145	ABSA	10.00%		2022-08-01	2,064,129.27	0.00	51,171.24	100,806.96	1,963,322.31
TOTAL					15,694,348.44	0.00	389,003.69	774,810.01	14,919,538.43
85265501996	WESBANK	12.25%		2022-08-01	752,209.67	0.00	7,826.84	51,285.58	700,924.09
85265478490	WESBANK	12.25%		2022-09-01	1,191,309.49	0.00	12,395.72	76,956.79	1,114,352.70
85264693609	WESBANK	12.25%		2022-08-01	3,919,575.47	0.00	77,993.74	255,835.54	3,663,739.93
85264694308	WESBANK	12.25%		2022-08-01	3,919,575.47	0.00	77,993.74	255,835.54	3,663,739.93
85266334384	WESBANK	12.25%		2022-09-01	1,466,885.56	0.00	30,185.09	96,708.50	1,370,177.06
85266283448	WESBANK	12.25%		2022-09-01	1,466,885.56	0.00	30,185.09	96,708.50	1,370,177.06
85266284159	WESBANK	12.25%		2022-09-01	738,584.58	0.00	15,198.36	48,693.23	689,891.35
85265374058	WESBANK	12.25%		2022-09-01	1,167,289.39	0.00	24,020.10	76,956.79	1,090,332.60
TOTAL					14,622,315.19	0.00	275,798.68	958,980.47	13,663,334.72

The municipality current have external borrowings from 3 financial institutions namely DBSA, ABSA and Wesbank and they are paid bi-annually, monthly and quarterly respectively. The ABSA and Wesbank were recently taken up to buy service delivery vehicles and has a five year fixed term.

10. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

FS191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter								
Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
	Yrs/Months							
R '000								
Municipality								
Absa Bank	Yearly	Short-Term	30/062019			31		31
Eastern Free State Co-op	Yearly	Short-Term	30/062019			1 236		1 236
FNB	Monthly	Short-Term	30/07/2018	250	0.5%	51 567	(4 942)	46 625
Sanlam	Yearly	Short-Term	30/062019			2 213		2 213
Municipality sub-total				250		55 047	(4 942)	50 105

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)	9 314.60	69.32
MIG-INVESTMENT (Account Number: 6210540465)	6 362 455.52	171 644.44
BUSINESS CALL (Account Number: 6249046205)	40 253 424.42	353 263.44
TOTAL	46 625194.54	524 977.20

The closing balances of call investments accounts amount to R 46,625,195 as at the end of 30 September 2018. Interest accumulated on investments is R 524,977.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)	1 182 916.63	57 367.05
TOTAL	1 182 916.63	57 367.05

The closing balance as at 30 September 2018 is an amount of R 1, 182, 917.

10. Financial Implications

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation.

The monitoring of Cash Flow should be prioritised, as currently it is envisaged that the Cash Flow situation is under constrains and needs to be monitored carefully in order to avoid future Cash Flow shortages which will result that the Council might not honour its liabilities.

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2018) of the 2018/2019 financial year.

2. Legislative Requirements

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

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

- (a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.
- (b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.
- (c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.
- (d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.
- (e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas
- (f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

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

4. Overall Performance of the Municipality

Indicator Not Reported On		89
Indicator Not for the Quarter		7
indicator Not Achieved		6
Indicator Almost Achieved		5
Indicator Achieved		25
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		132

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication Technologies	Percentage effective Information Communication Technologies, Communication and Customer Care Relations Management Systems	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Robust information Communication technology Governance	Number of information Communication Technology Governance Reports	4	4	1	0		Indicator not reported on	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication Technologies services	Number of software licenses renewed and procured	5	5	5	5	Target Achieved		See attached audit finding	5	5
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication technology Business Continuity	Number of disaster recovery tests conducted	4	4	1	1	Target Achieved	Manager ICT, Communication and CRM to ensure that the indicator in the Quarterly Report is the same as the one in the approved SDBIP 2018/2019	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Community Satisfaction Survey	Number of Community Satisfaction Survey reports	0	1	0		Target not Achieved	Municipal manager need to ensure that this indicator is achieved as it is very critical in measuring the level of satisfaction on municipal services provision	See attached audit finding	1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Stakeholder Consultative meetings	4	4	1	0		Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Imbizos held	4	4	1	0		Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Ward Committees functional	17	17	17	0		Indicator not reported on and the Speaker's office did not submit a Quarterly Report	See attached audit finding	17	17
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Public Participation Strategy developed and approved	0	1	0	0		Indicator not reported on and the Speaker's office did not submit a Quarterly Report	See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of Sector Plans developed and approved	15	15	0	0		Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council	See attached audit finding	15	15

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of reports on special programmes implemented	0	4	1	0		Indicator not reported on and the Executive Mayor's Office did not submit Quarterly Report	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of credible and legally compliant draft Integrated Development Plan developed and adopted	1	1	0	0	Third quarter target		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of credible and legally compliant Integrated Development Plan developed and approved	1	1	0	0	Fourth quarter target		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of Integrated Development Process Plan developed and approved	1	1	1	1	Target Achieved		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of progress reports on the implementation of Back to Basic Principles	4	4	1	0	Departments did not submit quarterly progress report		See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of quarterly reports submitted	4	4	1	1	Target Achieved		See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of performance Management Systems Handbook reviewed and approved	1	1	0	0	Fourth quarter target		See attached audit finding	1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of Employee Performance appraisals conducted	4	4	1	0	Appraisal Committee did not sit		See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Risk Management	Number of Risk Management plan developed and approved	1	1	1	0	The Risk Management Committee did not sit		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Audit and Performance Audit Charters and Internal Audit Unit Charter	1	1	1	1	Target Achieved		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Internal Audit Strategic Plan	1	1	1	1	Target Achieved		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Coverage Plans	1	1	1	1	Target Achieved		See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Internal Audit procedure Manual reviewed and approved	1	1	1	1	Target Achieved		See attached audit finding	1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance and improvement programmes reviewed	1	1	1	1	Target Achieved	Chief Audit Executive to ensure that the indicator in the Quarterly Report is the same as the one in the approved SDBIP 2018/2019	See attached audit finding	1	1
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance reports submitted on action Plans	4	4	1	1	Target Achieved	Chief Audit Executive to ensure that targets in the Quarterly Reports are the same as the ones in the approved SDBIP 2018/2019	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance Reports of External Audit	7	6	3	0		Indicator not reported on	See attached audit finding	6	6
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance reports of Audit and performance Audit Committee	5	4	1	1	Target Achieved	Chief Audit Executive to ensure that the indicator in the Quarterly Report is the same as the one in the approved SDBIP 2018/2019	See attached audit finding	4	4
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Audit Strategic Meetings coordinated	7	7	3	4	Target well met	Chief Audit Executive to ensure that targets in the Quarterly Reports are the same as the ones in the approved SDBIP 2018/2019	See attached audit finding	7	7

5.1.1 Summary of Results: Key Performance Area: Good Governance and Public Participation

Colour	Achievement	Number
	Indicator Not Reported On	9
	Indicator Not for the Quarter	3
	indicator Not Achieved	4
	Indicator Almost Achieved	2
	Indicator Achieved	12
	Indicator Well Achieved	0
	Indicator Extremely Achieved	0
Total		30

5.1.2 Measures taken to address under performance per indicator

- Office of the Executive Mayor and Speaker to submit quarterly reports on regularly basis
- Administrative Liaison Officers to submit quarterly reports on regular basis

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Percentage to which planned programmes are implemented and achieved	85%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Number of approved Workplace Skills Plan	1	1	0	0		Fourth Quarter Target Director to ensure that the indicator is the same as the one in the approved SDBIP 2018/2019	See attached audit finding	1	1
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Percentage of municipality's budget spent on implementing its Workplace Skills Plan	100%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage co-ordinated positions filled	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of the effectiveness on the administration on Human Resource Management	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of employee benefits administered	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources management	Percentage towards awareness made on Health and Safety at the workplace	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage towards the effectiveness of impact on programmes conducted	100%	100%	100%	100%	Target Achieved	Target Achieved	See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's Employment Equity Plan	45%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%
Organisational Development and Transformation	Development of Corporate Services Excellence	Workforce Discipline	Percentage reduction in Disciplinary Hearings	49%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	Development of Corporate Services Excellence	Records management	Percentage of planned records management programmes implemented	95%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Good Governance and Public Participation	Development of Corporate Services Excellence	Council Support	Percentage of resolutions implemented	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Percentage of complaints attended to in respect of telephone and reprographic services and systems	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Percentage cleaning programmes implemented	100%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Number of by-laws development and/or reviewed	21	0	0	0		Fourth Quarter Target	See attached audit finding	0	0
Good Governance and Public Participation	Development of Corporate Services Excellence	Workforce Expenditure	Number of payrolls processed on or before 25 th of every month	12	12	3	3	Target Achieved		See attached audit finding	12	12
Good Governance and Public Participation	Development of Corporate Services Excellence	Workforce Expenditure	Number of months that third parties are processed on or before the 3 rd of every month	12	12	3	3	Target Achieved		See attached audit finding	12	12
Good Governance and Public Participation	Development of Corporate Services Excellence	Human Resources Management	Percentage of leave processed	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Good Governance and Public Participation	Development of Corporate Services Excellence	Legal and Contract Management	Number of audit analysis conducted to measure the effectiveness of legal services on contingent liabilities	1	1	0	0		Fourth Quarter Target	See attached audit finding	1	1
Good Governance and Public Participation	Development of Corporate Services Excellence	Governance	Number of Corporate Policies developed and approved	35	35				Indicator not reported on	See attached audit finding	35	35

5.2.1 Summary of Results: Key Performance Area: Organisational Development and Transformation

Colour	Achievement	Number
Indicator Not Reported On		4
Indicator Not for the Quarter		1
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		5
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10

5.2.2 Summary of Results: Key Performance Area: Good Governance and Public Participation

Colour	Achievement	Number
Indicator Not Reported On		2
Indicator Not for the Quarter		2
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		6
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10

5.2.2 Measures taken to address under performance per indicator

- Departments needs to implement the recommendations made by the Internal Audit Unit in order to correct the shortcomings identified
- Directors to report in terms of the approved SDBIP 2018/2019

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Number of Capital Infrastructure Assets Investment Policies reviewed and approved	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Number of Assets Management Policies reviewed and approved	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of compliance of Assets register as per GRAP Requirements	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of Maintenance Budget spent	100%	100%	100%			Indicator not reported on		100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of GRAP compliant Asset Register	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and reporting	Percentage of legislative compliance	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant draft budget submitted	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant final budget submitted	1	1	0			Indicator not reported on		1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant adjustment budget	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage reporting in relation to spending within the approved budget	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of section 71 reports submitted	12	12	3			Indicator not reported on		12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of Mid-year Budget and Performance Assessment Reports submitted	1	1	0			Indicator not reported on		1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of section 52(d) submitted	4	4	1			Indicator not reported on		4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of GRAP compliant Annual Financial Statements compiled and submitted	1	1	1			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of policies reviewed and approved	3	3	0			Indicator not reported on		3	3
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and reporting	Percentage debt coverage ratio	80%	80%	80%			Indicator not reported on		80%	80%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage outstanding service debtors ratio	103%	103%	103%			Indicator not reported on		103%	103%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage cost coverage ratio	1%	1%	1%			Indicator not reported on		1%	1%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage of audit opinion received on clean audit	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Percentage of reports on the actual amount of cash on hand in terms of cash flow forecast	100%	100%	100%			Indicator not reported on		100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Percentage of creditors paid within 30 days and reconciled	90%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure management	Number of reports generated	12	12	3			Indicator not reported on		12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Number of Cash Management reports	12	12	3			Indicator not reported on		12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Number of section 32 reports submitted	12	12	3			Indicator not reported on		12	12

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Percentage legislative compliance improvement with regard to Supply Chain Management	95%	95%	95%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management policies developed and approved	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of stock take conducted and reported	4	4	1			Indicator not reported on		4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management Workshops held for internal and external stakeholders	5	5	0			Indicator not reported on		5	5

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of approved accredited Supplier Database	1	1	0			Indicator not reported on		1	1
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain management	Percentage of support to bid committees	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management reports produced and submitted	4	4	1			Indicator not reported on		4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Procurement Plans developed and approved	1	1	0			Indicator not reported on		1	

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of monthly debtor and billing management conducted	12	12	3			Indicator not reported on		12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of Indigent Registrations earning less than R 3 200 per month with access to free basic services	6 000	7 000	2 000			Indicator not reported on		8 000	9 000
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage of customer queries resolved within 3 working days	75%	75%	75%			Indicator not reported on		75%	75%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage of daily cash banked	100%	100%	100%			Indicator not reported on		100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage on implementation of valuation roll	100%	100%	100%			Indicator not reported on		100%	100%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage payment rate on monthly billing	70%	75%	65%			Indicator not reported on		80%	85%
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of policies reviewed and approved	5	5	0			Indicator not reported on		5	5

5.3.1 Summary of Results: Key Performance Area: Financial Viability and Management

Indicator Not Reported On		39
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		39

5.3.2 Measures taken to address under performance per indicator

- Departments needs to implement the recommendations made by the Internal Audit Unit in order to correct the shortcomings identified
- Directors to report in terms of the approved SDBIP 2018/2019

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Percentage household with access to basic level of sanitation	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Percentage sewer network infrastructure maintained	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Number of reports on the provision of sewer to households and maintenance of sewer infrastructure network generated	32	32	8	0		Indicator not reported on	See attached audit finding	32	32
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Percentage of households with access to basic level of electricity	82%	85%	82%	0		Indicator not reported on	See attached audit finding	85%	85%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Number of Public Lighting installed and maintained	3 263	510	127	0		Indicator not reported on	See attached audit finding	510	510
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Number of reports on the provision of electricity to households and maintenance of electricity infrastructure generated	36	44	11	0		Indicator not reported on	See attached audit finding	44	44

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Percentage households with access to basic level of water	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Percentage of water network infrastructure maintained	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Number of reports on the provision of water to households and maintenance of water infrastructure network generated	32	32	8	0		Indicator not reported on	See attached audit finding	32	32
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Percentage road and storm water infrastructure upgraded	50%	80%	10%	0		Indicator not reported on	See attached audit finding	80%	80%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and storm Water	Percentage flexible pavement road infrastructure maintained	100%	100%	25%	261%			See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Kilometres of sidewalks maintained	4	4	1	0.504		Target almost achieve. Director to ensure that targets talk to the targets in the approved SDBIP 208/2019	See attached audit finding	4	4
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Percentage of Storm Water Infrastructure maintained	100%	100%	25%	0		Indicator not reported on	See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Number of reports on the provision of roads and storm water infrastructure network generated	40	40	10	0		Indicator not reported on	See attached audit finding	40	40
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Capital Projects	Percentage of progress on capital projects implemented	10%	245%	40%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Capital Projects	Number of reports on the implementation of capital projects generated	61	45	13	0		Indicator not reported on	See attached audit finding	45	45
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Number of reports on risk management from all departments generated	61	45	13	0		Indicator not reported on	See attached audit finding	45	45
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Number of reports on the implementation of the Audit Action Plan 2016/2017 from all the departments generated	10	10	0	0		Indicator not reported on	See attached audit finding	10	10
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Percentage of external and internal audit queries responded to and addressed by all departments	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of quality households improved	80%	90%	25%	0		Indicator not reported on	See attached audit finding	95%	95%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of compliance to National Building Regulations and Standards	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of progress of Township Establishment, formalisation of informal settlements	48%	80%	80%	0		Indicator not reported on	See attached audit finding	80%	80%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage compliance with town planning schemes and conditions of establishment	100%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Number of reports on the implementation of Land Use and Human Settlement generated	36	24	6	0		Indicator not reported on	See attached audit finding	24	24
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Fleet Management	Percentage to which vehicles are made available for provision of services	100%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%

5.4.1 Summary of Results: Key Performance Area: Basic Service and Infrastructure

Colour	Achievement	Number
Indicator Not Reported On		22
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		1
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		24

5.4.2 Measures taken to address under performance per indicator

- Departments needs to implement the recommendations made by the Internal Audit Unit in order to correct the shortcomings identified
- Directors to report in terms of the approved SDBIP 2018/2019

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Percentage of household with access to basic service level of refuse removal	92%	95%	95%	9%		Target almost Achieved-The target in the approved SDBIP 2018/2019 is 95%-Director to ensure that there is consistency between the reported information and planned information	See attached audit finding	95%	95%
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Percentage of landfill sites by volume that are being managed complying with the national Environmental Waste Management Act, 59 of 1998	62%	65%	65%	59		Target almost Achieved-The indicator in the approved SDBIP 2018/2019 is different form the one in the Quarterly Report-Director to ensure that there is consistency between the reported information and planned information	See attached audit finding	65%	65%
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Number of approved Integrated Environmental Management Plan	1	1	0			Indicator not reported on	See attached audit finding	1	1
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Property Management	Percentage of properties maintained	50%	50%	50%	0		Indicator not reported on	See attached audit finding	50%	50%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage security services to personnel and municipal properties provided	50%	50%	50%	0		Indicator not reported on	See attached audit finding	50%	50%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of emergencies incidents reported and attended to	0%	100%	100%	100%	Target Achieved		See attached audit finding	100%	100%
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of law enforcement programmes implemented	0%	100%	100%	0%		Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of public awareness campaigns on public safety conducted	100%	100%	100%			Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Number of Disaster Management Plans reviewed and approved	1	1	0	0		Fourth Quarter Target	See attached audit finding	1	1

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of personnel and customers provided with security services	100%	100%	100%			Indicator not reported on	See attached audit finding	100%	100%
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Parks and cemeteries	Number of parks managed	16	16	16	7		Target not Achieved-The target in the approved SDBIP 2018/2019 is 16-Director to ensure that there is consistency between the reported information and planned information.	See attached audit finding	16	16
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Parks and Cemeteries	Number of cemeteries managed	21	21	21	8		Target not Achieved-The target in the approved SDBIP 2018/2019 is 21-Director to ensure that there is consistency between the reported information and planned information.	See attached audit finding	21	21
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Property management	Percentage of properties provided with security services	50%	100%	100%	0		Indicator not the same as the approved SDBIP 2018/2019- SDBIP refers to Percentage and the Quarterly Report refers to Number	See attached audit finding	100%	100%

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
						Target	Actual				Target	Target
Local Economic Development	Providing effective community services and promotion of local economy	SMME's and Corporative development	Percentage of activities accomplished on the development of SMME's and Corporative	75%	100%	100%	0		Indicator not reported on	See attached audit finding	100%	100%
Local Economic Development	Providing effective community services and promotion of local economy	Informal Sector Development	Number of reports on Informal Sector Development projects carried out	4	4	1	0		Indicator not reported on	See attached audit finding	4	4
Local Economic Development	Providing effective community services and promotion of local economy	Agricultural sector Development	Number of reports Agricultural development programmes accomplished	4	4	1	0		Indicator not reported on	See attached audit finding	4	4
Local Economic Development	Providing effective community services and promotion of local economy	Tourism Development	Number of reports on support projects accomplished towards tourism development	4	4	1	0		Indicator not reported on	See attached audit finding	4	4
Local Economic Development	Providing effective community services and promotion of local economy	Business regulation and Compliance	Number of reports on businesses issued with licences/permits	4	4	1	0		Indicator not reported on	See attached audit finding	4	4
Local Economic Development	Providing effective community services and promotion of local economy	Sport and Recreational Development	Number of reports on Sport, Arts and Culture programmes implemented and usage of facilities	4	4	1	0		Indicator not the same as the approved SDBIP 2018/2019- SDBIP has (and usage of facilities) and the Quarterly Report ends with (implemented)	See attached audit finding	4	4

5.5.1 Summary of Results: Key Performance Area: Service Delivery and infrastructure

Indicator Not Reported On		7
Indicator Not for the Quarter		1
indicator Not Achieved		2
Indicator Almost Achieved		2
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		13

5.5.2 Summary of Results: Key Performance Area: Local Economic Development

Indicator Not Reported On		6
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		6

5.5.3 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **6** targets were not met, **5** targets were almost met, **25** targets were met, **0** targets were well met and **0** targets were extremely met. A total of **132** targets were set for the first quarter of which **25 (18.9%)** were on targets and **6(8%)** were not met or were almost met. A total of **67%** indicators were not reported on. Measures needs to be put in place to address these targets were performance was not achieved.

7. Municipal Manager's quality certification

QUALITY CERTIFICATE

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments
						Target	Actual		
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Percentage to which planned programmes are implemented and achieved	85%	100%	100%	0%		Indicator not reported on
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Number of approved Workplace Skills Plan	1	1	0	0		Fourth Quarter Target-Director to ensure that the indicator is the
Organisational Development and Transformation	Development of Corporate Services Excellence	Training and Development	Percentage of municipality's budget spent on implementing its Workplace Skills Plan	100%	100%	100%	0%		Indicator not reported on
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage co-ordinated positions filled	100%	100%	100%	0		
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of the effectiveness on the administration on Human Resource Management	100%	100%	100%	100%	Target Achieved	
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of employee benefits administered	100%	100%	100%	100%	Target Achieved	
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources management	Percentage towards awareness made on Health and Safety at the workplace	100%	100%	100%	100%	Target Achieved	
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage towards the effectiveness of impact on programmes conducted	100%	100%	100%	100%	Target Achieved	
Organisational Development and Transformation	Development of Corporate Services Excellence	Human Resources Management	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's Employment Equity Plan	45%	100%	100%	0%		Indicator not reported on
Organisational Development and Transformation	Development of Corporate Services Excellence	Workforce Discipline	Percentage reduction in Disciplinary Hearings	49%	100%	100%	0%		Indicator not reported on
Good Governance and Public Participation	Development of Corporate Services Excellence	Records management	Percentage of planned records management programmes implemented	95%	100%	100%	100%	Target Achieved	

Good Governance and Public Participation	Development of Corporate Services Excellence	Council Support	Percentage of resolutions implemented	100%	100%	100%	100%	Target Achieved	
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Percentage of complaints attended to in respect of telephone and reprographic services and systems	100%	100%	100%	100%	Target Achieved	
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Percentage cleaning programmes implemented	100%	100%	100%	0%		Indicator not reported on
Good Governance and Public Participation	Development of Corporate Services Excellence	Administrative Support	Number of by-laws development and/or reviewed	21	0	0	0		Fourth Quarter Target
Good Governance and Public Participation	Development of Corporate Services Excellence	Workforce Expenditure	Number of payrolls processed on or before 25 th of every month	12	12	3	3	Target Achieved	
Good Governance and Public Participation	Development of Corporate Services Excellence	Workforce Expenditure	Number of months that third parties are processed on or before the 3 rd of every month	12	12	3	3	Target Achieved	
Good Governance and Public Participation	Development of Corporate Services Excellence	Human Resources Management	Percentage of leave processed	100%	100%	100%	100%	Target Achieved	
Good Governance and Public Participation	Development of Corporate Services Excellence	Legal and Contract Management	Number of audit analysis conducted to measure the effectiveness of legal services on contingent liabilities	1	1	0	0		Fourth Quarter Target
Good Governance and Public Participation	Development of Corporate Services Excellence	Governance	Number of Corporate Policies developed and approved	35	35				Indicator not reported on

Indicator Not Reported On	7
Indicator Not for the Quarter	3
indicator Not Achieved	0
Indicator Almost Achieved	0
Indicator Achieved	10
Indicator Well Achieved	0
Indicator Extremely Achieved	0
Total	20

Organisational Development and Transformation

Indicator Not Reported On		4
Indicator Not for the Quarter		1
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		5
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10



Good Governance and public participation

Indicator Not Reported On		2
Indicator Not for the Quarter		2
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		6
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments
						Target	Actual		
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Percentage household with access to basic level of sanitation	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Percentage sewer network infrastructure maintained	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Sanitation	Number of reports on the provision of sewer to households and	32	32	8	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Percentage of households with access to basic level of electricity	82%	85%	82%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Number of Public Lighting installed and maintained	3 263	510	127	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Electricity	Number of reports on the provision of electricity to households and	36	44	11	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Percentage households with access to basic level of water	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Percentage of water network infrastructure maintained	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Water	Number of reports on the provision of water to households and maintenance of	32	32	8	0		Indicator not reported on

Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Percentage road and storm water infrastructure upgraded	50%	80%	10%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and storm Water	Percentage flexible pavement road infrastructure maintained	100%	100%	25%	261%		
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Kilometres of sidewalks maintained	4	4	1	0.504		Target almost achieve. Director to ensure that targets talk to the targets in the approved SDBIP 208/2019
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Percentage of Storm Water Infrastructure maintained	100%	100%	25%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Roads and Storm Water	Number of reports on the provision of roads and storm water infrastructure network generated	40	40	10	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Capital Projects	Percentage of progress on capital projects implemented	10%	245%	40%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Capital Projects	Number of reports on the implementation of capital projects reported	61	45	13	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Number of reports on risk management from all departments	61	45	13	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Number of reports on the implementation of the Audit Action Plan 2016/2017	10	10	0	0		Indicator not reported on

Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Governance	Percentage of external and internal audit queries responded to and addressed by	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of quality households improved	80%	90%	25%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of compliance to National Building Regulations and	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage of progress of Township Establishment,	48%	80%	80%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Percentage compliance with town planning schemes and	100%	100%	100%	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Land Use and Human Settlement	Number of reports on the implementation of Land Use and	36	24	6	0		Indicator not reported on
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Fleet Management	Percentage to which vehicles are made available for provision of services	100%	100%	100%	100%	Target Achieved	

Indicator Not Reported On	22
Indicator Not for the Quarter	0
indicator Not Achieved	0
Indicator Almost Achieved	1
Indicator Achieved	1
Indicator Well Achieved	0
Indicator Extremely Achieved	0
Total	24

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments
						Target	Actual		
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Number of approved Integrated Environmental Management Plan	1	1	0			Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Property Management	Percentage of properties maintained	50%	50%	50%	0		Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage security services to personnel and municipal properties provided	50%	50%	50%	0		Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of law enforcement programmes implemented	0%	100%	100%	0%		Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of public awareness campaigns on public safety conducted	100%	100%	100%			Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of personnel and customers provided with security services	100%	100%	100%			Indicator not reported on
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Property management	Percentage of properties provided with security services	50%	100%	100%	0		Indicator not the same as the approved SDBIP 2018/2019- SDBIP refers to Percentage and the Quarterly Report refers to Number

Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Percentage of household with access to basic service level of refuse removal	92%	95%	95%	9%		Target almost Achieved-The target in the approved SDBIP 2018/2019 is 95%-Director to ensure that there is consistency between the reported information and planned information
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Waste	Percentage of landfill sites by volume that are being managed complying with the national Environmental Waste Management Act, 59 of 1998	62%	65%	65%	59		Target almost Achieved-The indicator in the approved SDBIP 2018/2019 is different form the one in the Quarterly Report-Director to ensure that there is consistency between the reported information and planned information
Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Percentage of emergencies incidents reported and attended to	0%	100%	100%	100%	Target Achieved	
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Public Safety	Number of Disaster Management Plans reviewed and approved	1	1	0	0		Fourth Quarter Target

Service Delivery and infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Parks and cemeteries	Number of parks managed	16	16	16	7		Target not Achieved- The target in the approved SDBIP 2018/2019 is 16- Director to ensure that there is consistency between the reported information and planned information
Service Delivery and Infrastructure	To provide efficient competitive sustainable economical infrastructure network and service delivery	Parks and Cemeteries	Number of cemeteries managed	21	21	21	8		Target not Achieved- The target in the approved SDBIP 2018/2019 is 21- Director to ensure that there is consistency between the reported information and planned information
Local Economic Development	Providing effective community services and promotion of local economy	SMME's and Corporative development	Percentage of activities accomplished on the development of SMME's and Corporative	75%	100%	100%	0		Indicator not reported on
Local Economic Development	Providing effective community services and promotion of local economy	Informal Sector Development	Number of reports on Informal Sector Development projects carried out	4	4	1	0		Indicator not reported on
Local Economic Development	Providing effective community services and promotion of local economy	Agricultural sector Development	Number of reports Agricultural development programmes accomplished	4	4	1	0		Indicator not reported on

Local Economic Development	Providing effective community services and promotion of local economy	Tourism Development	Number of reports on support projects accomplished towards tourism development	4	4	1	0	Indicator not reported on
Local Economic Development	Providing effective community services and promotion of local economy	Business regulation and Compliance	Number of reports on businesses issued with licences/permits	4	4	1		Indicator not reported on
Local Economic Development	Providing effective community services and promotion of local economy	Sport and Recreational Development	Number of reports on Sport, Arts and Culture programmes implemented and usage of facilities	4	4	1	0	Indicator not the same as the approved SDBIP 2018/2019- SDBIP has (and usage of facilities) and the Quarterly Report end with (implemented)

Indicator Not Reported On		13
Indicator Not for the Quarter		1
indicator Not Achieved		2
Indicator Almost Achieved		2
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		19

Basic Services and Infrastructure

Indicator Not Reported On		7
Indicator Not for the Quarter		1
indicator Not Achieved		2
Indicator Almost Achieved		2
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0

Total		13
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Local Economic Development

Indicator Not Reported On		6
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		6

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments
						Target	Actual		
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Number of Capital Infrastructure Assets Investment Policies reviewed and approved	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Number of Assets Management Policies reviewed and approved	1	1	0			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of compliance of Assets register as per GRAP Requirements	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of Maintenance Budget spent	100%	100%	100%			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Assets Management	Percentage of GRAP compliant Asset Register	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and reporting	Percentage of legislative compliance	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant draft budget submitted	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant final budget submitted	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of mSCOA compliant adjustment budget	1	1	0			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage reporting in relation to spending within the approved budget	100%	100%	100%			Indicator not reported on

Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of section 71 reports submitted	12	12	3			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of Mid-year Budget and Performance Assessment Reports submitted	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of section 52(d) submitted	4	4	1			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of GRAP compliant Annual Financial Statements compiled and submitted	1	1	1			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Number of policies reviewed and approved	3	3	0			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and reporting	Percentage debt coverage ratio	80%	80%	80%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage outstanding service debtors ratio	103%	103%	103%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage cost coverage ratio	1%	1%	1%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Budget and Reporting	Percentage of audit opinion received on clean audit	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Percentage of reports on the actual amount of cash on hand in terms of cash flow forecast	100%	100%	100%			indicator not reported on

Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Percentage of creditors paid within 30 days and reconciled	90%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure management	Number of reports generated	12	12	3			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Number of Cash Management reports	12	12	3			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Expenditure Management	Number of section 32 reports submitted	12	12	3			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Percentage legislative compliance improvement with regard to Supply Chain Management	95%	95%	95%			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management policies developed and approved	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of stock take conducted and reported	4	4	1			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management Workshops held for internal and external stakeholders	5	5	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of approved accredited Supplier Database	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain management	Percentage of support to bid committees	100%	100%	100%			indicator not reported on

Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Supply Chain Management reports produced and submitted	4	4	1			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Supply Chain Management	Number of Procurement Plans developed and approved	1	1	0			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of monthly debtor and billing management conducted	12	12	3			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of Indigent Registrations earning less than R 3 200 per month with access to free basic services	6 000	7 000	2 000			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage of customer queries resolved within 3 working days	75%	75%	75%			indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage of daily cash banked	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage on implementation of valuation roll	100%	100%	100%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Percentage payment rate on monthly billing	70%	75%	65%			Indicator not reported on
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality)	Revenue Management	Number of policies reviewed and approved	5	5	0			Indicator not reported on

Indicator Not Reported On	39
Indicator Not for the Quarter	0
indicator Not Achieved	0
Indicator Almost Achieved	0

Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		39

Key Performance Area	Predetermined Objectives	Focus Area	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments
						Target	Actual		
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication Technologies	Percentage effective Information Communication Technologies, Communication and Customer Care Relations	100%	100%	100%	0	Not Reported On	Indicator not reported on
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Robust information Communication technology Governance	Number of information Communication Technology Governance Reports	4	4	1	0	Not Reported On	Indicator not reported on
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication Technologies services	Number of software licenses renewed and procured	5	5	5	5	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Information Communication technology Business Continuity	Number of disaster recovery tests conducted	4	4	1	1	Target met	Manager ICT, Communication and CRM to ensure that the indicator in the Quarterly Report is the same as the one in the approved
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Community Satisfaction Survey	Number of Community Satisfaction Survey reports	0	1	0		Target not Achieved	Municipal manager need to ensure that this indicator is achieved as it is very critical in measuring the level of satisfaction on

Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Stakeholder Consultative meetings	4	4	1	0	Not Reported On	Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Imbizos held	4	4	1	0	Not Reported On	Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Ward Committees functional	17	17	17	0	Not Reported On	Indicator not reported on and the Speaker's office did not submit a Quarterly Report
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Public Participation	Number of Public Participation Strategy developed and approved	0	1	0	0	Not Reported On	Indicator not reported on and the Speaker's office did not submit a Quarterly Report
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of Sector Plans developed and approved	15	15	0	0	Not Reported On	Indicator not reported on- Directors need to ensure that sector plans are developed and approved by council
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of reports on special programmes implemented	0	4	1	0	Not Reported On	Indicator not reported on and the Executive Mayor's Office did not submit Quarterly Report

Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of credible and legally compliant Integrated Development Plan developed and adopted	1	1	0	0	Third quarter target	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of credible and legally compliant Integrated Development Plan developed and approved	1	1	0	0	Fourth quarter target	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Strategic Planning	Number of Integrated Development Process Plan developed and approved	1	1	1	1	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of progress reports on the implementation of Back to Basic Principles	4	4	1	0	Target not Achieved	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of quarterly reports submitted	4	4	1	1	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of performance Management Systems Handbook reviewed and approved	1	1	0	0	Fourth quarter target	

Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Monitoring and Evaluation	Number of Employee Performance appraisals conducted	4	4	1	0	Target not Achieved	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Risk Management	Number of Risk Management plan developed and approved	1	1	1	0	Target not Achieved	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Audit and Performance Audit Charters and Internal Audit Unit Charter	1	1	1	1	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Internal Audit Strategic Plan	1	1	1	1	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of approved Coverage Plans	1	1	1	1	Target met	
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Internal Audit procedure Manual reviewed and approved	1	1	1	1	Target met	

Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance and improvement programmes reviewed	1	1	1	1	Target met	Chief Audit Executive to ensure that the indicator in the Quarterly Report is the same as the one in the approved SDBIP 2018/2019
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance reports submitted on action Plans	4	4	1	1	Target met	Chief Audit Executive to ensure that targets in the Quarterly Reports are the same as the ones in the approved SDBIP 2018/2019
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance Reports of External Audit	7	6	3	0	Not Reported On	Indicator not reported on
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Quality Assurance reports of Audit and performance Audit Committee	5	4	1	1	Target met	Chief Audit Executive to ensure that the indicator in the Quarterly Report is the same as the one in the approved SDBIP 2018/2019
Good Governance and Public Participation	To provide strategic leadership to the strategic operational activities of the municipality	Audit Assurance	Number of Audit Strategic Meetings coordinated	7	7	3	4	Target met	Chief Audit Executive to ensure that targets in the Quarterly Reports are the same as the ones in the approved SDBIP 2018/2019

Indicator Not Reported On	9
Indicator Not for the Quarter	3
indicator Not Achieved	4
Indicator Almost Achieved	2
Indicator Achieved	12

Indicator Well Achieved	0
Indicator Extremely Achieved	0
Total	30

Infrastructure And Services		
Indicator Not Reported On		22
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		1
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		24

Indicator Not Reported On		7
Indicator Not for the Quarter		1
indicator Not Achieved		2
Indicator Almost Achieved		2
Indicator Achieved		1
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		13

Local Economic Development		
Indicator Not Reported On		6
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		6

Organisational Development and Organisation		
Indicator Not Reported On		4
Indicator Not for the Quarter		1
indicator Not Achieved		0

Indicator Almost Achieved		0
Indicator Achieved		5
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10

Financial Viability and transformation		
Indicator Not Reported On		39
Indicator Not for the Quarter		0
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		0
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		39

Good Governance and Public Participation		
Indicator Not Reported On		2
Indicator Not for the Quarter		2
indicator Not Achieved		0
Indicator Almost Achieved		0
Indicator Achieved		6
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		10

Indicator Not Reported On		9
Indicator Not for the Quarter		3
indicator Not Achieved		4
Indicator Almost Achieved		2
Indicator Achieved		12
Indicator Well Achieved		0
Indicator Extremely Achieved		0

Total		30
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Overall Performance		
Indicator Not Reported On		89
Indicator Not for the Quarter		7
indicator Not Achieved		6
Indicator Almost Achieved		5
Indicator Achieved		25
Indicator Well Achieved		0
Indicator Extremely Achieved		0
Total		132

RISK BASED AUDIT

INFORMAL AUDIT FINDINGS NO. 62 FOR THE PERIOD JULY – SEPTEMBER 2018 (FINANCIAL YEAR 2018/2019)

Shortcoming identified in the approved SDBIP and Section 52(d) Report

1. Risk rating

- a) High. Applies to (e)

2. Criteria

- a) Accounting Officer to ensure that financial information of the municipality are adequate; accurate and reliable.
- b) Regulation 10 of the Municipal Planning and Performance Management Regulations (MPPMR), 2001 (MPPMR).
- c) Section 75(1)(d) of the Municipal Finance Management Act stated that the performance agreements as required by in terms of section 57 (1)(b) of the Municipal Systems Act must be place on the municipal website (Directors including Municipal Manager).
- d) Same as point (a).
- e) Same as point (b).

3. Audit Findings

- a) Accuracy could not be confirmed as there is a typo error on the financial period reflected in the first quarter portion that deals with non financial information i.e *“The purpose of the report is to inform Council regarding process made(first quarter 1 July 2018 – 30 September 2017)”*.
- b) Compliance with regards to MSA and regulation 10 of the MPPMR could not be confirmed as there was a limitation of scope on the assurance that the Internal Audit has to provide as the performance agreement of directors was not provided for audit purposes so that the Unit can perform alternative procedure on the report submitted in terms of the compilation of the approved SDBIP as the section 52(d) report on non-performance information reflect that there are key performance indicators that were not reported on by the directorate. The Arch lever file contained the performance agreement of the managers and supervisors.
- c) Compliance with section 75(1)(d) of the Municipal Finance Management Act could not be complied with as the performance agreement of directors including Municipal Manager were not place on the municipal website.
- d) Accuracy could not be confirmed as the financial year indicated in point 6 that reflect the top layer of the Service Delivery and Budget Implementation Plan is for the financial 2017/2018 therefore the credibility of the plan in term of the key performance indicators that must be report on including the target is questionable.
- e) Completeness could not be confirmed as the reports that were submitted by the two directorate – DCS and DPSS reflect the low layer key performance indicators not top layer key performance and it was difficult to perform an alternative procedure.

3. Impact

- a) Non compliance with Local Government Municipal Systems Act (LGMSA) No 32 of 2000; Local Government Municipal Planning and Performance Management Regulations of 2001; Performance Management System (PMS) and Municipal Finance Management Act; Applies to (b -e).

4. Root Cause

- a) The inconsistencies occurred as a result of proper monitoring and reviewing processes not been performed with the compiling of the Section 52(d) Report and the SDBIP.

5. Recommendations

- a) Management should ensure that proper monitoring and reviewing processes are performed to ensure that the reported non – financial information is correct.
- b) Same as point (a).
- c) Same as point (a).
- d) Same as point (a).
- e) Same as point (a).

6. Responsible Official

Mr MS Makhele – IDP Manager

7. Agreement. Yes/No

- a) No
- b) Yes
- c) Yes
- d) No
- e) Yes

8. Manager`s Comments

- a) Do not agree as the last part of the sentence refers to the **2018/2019 financial year**
- b) The division agrees with the findings. The Directors did not review the performance of their subordinates and to consolidate it in their departmental quarterly reports in line with the approved DBI 2018/2019. The Directors did not submit Performance Agreements as per the request date 15 May 2018. See attached email correspondence.
- c) Agree, this could not be possible as per b) above.
- d) Disagree as the division could not locate point 6 as the finding is not clear on which point 6 of which report reference is made
- e) As b) above

9. Implementation Date

- a) 22 October 2018
- b) Awaiting direction from the Municipal Manager
- c) Awaiting the finalisation of the signing of the Performance Agreements as per the Municipal instruction by b) above

- d) Awaiting clarity from the Internal Audit Unit
- e) As b) above

Signed _____

Date _____