

# WITZENBERG MUNICIPALITY

## SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2015/2016

A Municipality that cares for the community, creating growth  
& opportunity.

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## INTRODUCTION AND OVERVIEW

### 1.1 PURPOSE OF THE REPORT

The purpose of this report is to provide an executive summary of the legislative framework that prescribes an SDBIP.

The 2015/16 Top Layer SDBIP attached to this report is hereby submitted for approval. It indicates the planned performance targets of Witzenberg Municipality for the period 1 July 2015 to 30 June 2016.

The Top Layer of the SDBIP is made up of the following components:

- ❑ One year detailed plan, with a three-year capital plan
- ❑ The necessary components includes:
  - ⇒ Monthly projection of revenue to be collected for each Source (*Expected Revenue to be collected*)
  - ⇒ Monthly projects of expenditure (operating and capital) and revenue for each vote (*S71 format*)
  - ⇒ Quarterly projects of Services Delivery Targets and performance indicators for each vote. (*Non-financial measurable performance objectives in the form of targets and indicators. Level and standard of service being provided to the community*)
  - ⇒ Detailed capital works plan broken down by ward over three year

### 1.2 LEGISLATIVE FRAMEWORK AND GENERAL INFORMATION PERTAINING TO THE SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulation.

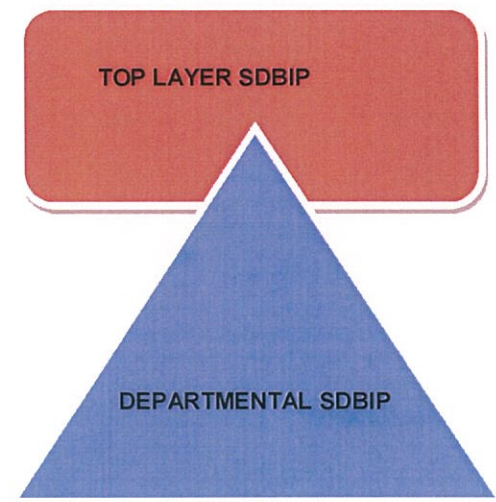
The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community to monitor the municipality’s performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget,

the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilized. The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councillors to provide feedback to their communities on progress with service delivery.

As mentioned before, it is a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance.

The SDBIP is a layered plan that consists of a top layer and a supporting layer namely the departmental SDBIP.



#### **TOP LAYER SDBIP (MUNICIPAL SCORECARD)**

Circular 13, as well as the municipal budget and reporting regulations prescribe the submission of a Top Layer SDBIP, which is focused on outcomes, to the Mayor with the budget. The Top Layer SDBIP contains the consolidated service delivery targets and in-year deadlines, and links such targets to top management. Only the Top Layer SDBIP will be made public and tabled before the council. The Top Layer SDBIP should also include per ward information, particularly for key expenditure items on capital projects and service delivery. This will enable each ward councillor and ward committee to oversee service delivery in their particular ward. The Top Layer SDBIP and its targets cannot be revised without notifying the council, and if changes are made in service delivery targets and

performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1)(c) of MFMA). Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

#### DEPARTMENTAL SDBIP

A detailed departmental SDBIP, which is focused on operational performance, will be prepared for each municipal department. This SDBIP provides more detail on each output for which top management is responsible. The Top Layer SDBIP is therefore the summary of all the departmental SDBIP's.

The Departmental SDBIP must provide the following information:

- ☐ Purpose (Objectives)
- ☐ Service Delivery description
- ☐ Measurable Performance objectives
- ☐ List of capital projects per Ward
- ☐ Resources utilized (inputs)

#### FACTORS CONSIDERED FOR THE COMPILATION OF THE TOP LAYER SDBIP

The IDP is considered as the 5-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Top Layer SDBIP was drafted through a one on one consultation with the Municipal Manager and all the directors. After the completion of the draft Top Layer SDBIP, the Municipal Manager had one on one session's with his directors to finalise the Top Layer SDBIP. One on one session's will be held with the heads of Departments to discuss and draft the Departmental SDBIP which would serve as the portfolio of evidence for the TOP Layer SDBIP. The following were considered during the development of the SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report of 2013/14
- The risks identified by the Internal Auditor during the municipal risk analysis

- Areas to be addressed and root causes of the Auditor-General management letter COMAFS as well as the risks identified during the audit
- Local Government Turnaround Strategy

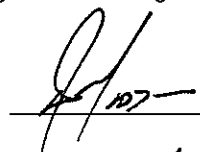
#### **SECTION 53(1)(C)(II) – SUBMISSION TO THE MAYOR**

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation for the necessary approval.

Print Name      D NASSON

Municipal Manager of Witzenberg Municipality

Signature



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Date

26/05/2015

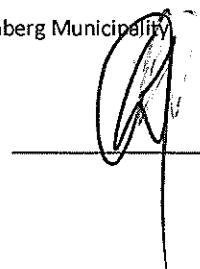
#### **SECTION 53(1)(C)(II) – APPROVAL BY THE MAYOR**

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name      J Klazen

Mayor of Witzenberg Municipality

Signature



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Date

## STRATEGIC MAP

<i>WITZENBERG MUNICIPALITY: STRATEGIC MAP 2015/2016</i>					
Vision	Mission	Municipal Key Performance Area		Pre-determined Objectives	
A municipality that cares for its community, creating growth and opportunities.	<p>The Witzenberg Municipality is committed to improve the quality of life of its community by:</p> <ul style="list-style-type: none"> <li>- Providing &amp; maintaining affordable services</li> <li>- Promoting Social &amp; Economic Development</li> <li>- The effective &amp; efficient use of resources</li> <li>- Effective stakeholder &amp; community participation.</li> </ul>	1	Essential Services	1.1	Sustainable provision & maintenance of basic infrastructure
				1.2	Provide for the needs of informal settlements through improved services
		2	Governance	2.1	Support Institutional Transformation & Development
				2.2	Ensure financial viability.
				2.3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3.1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4.1	Support the poor & vulnerable through programmes & policy
				4.2	Create an enabling environment to attract investment & support local economy.

## FINANCIAL COMPONENT

### COMPONENT 1 – MONTHLY REVENUE BY SOURCE

Revenue By Source	68	354	356	44	206	(3 798)	374	343	356	543	323
Property rates	72	72	72	72	72	72	72	72	72	72	72
Property rates - penalties & collection charges	17 160	17 633	13 956	13 026	14 162	14 746	17 621	17 676	18 354	18 055	16 859
Service charges - electricity revenue	2 915	2 907	2 905	2 901	2 900	2 898	2 903	2 936	2 936	2 935	2 934
Service charges - water revenue	1 311	2 280	1 291	1 769	1 288	1 293	1 293	1 885	1 357	1 355	1 614
Service charges - sanitation revenue	1 638	1 640	1 621	1 622	1 618	1 623	1 630	1 557	1 600	1 566	1 567
Service charges - refuse revenue	40	40	40	40	40	40	40	40	40	40	40
Service charges - other	712	666	693	687	640	820	828	580	582	590	599
Rental of facilities and equipment	200	289	217	237	288	316	215	200	233	285	203
Interest earned - external investments	407	407	407	407	407	407	407	407	407	407	407
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-
Dividends received	424	446	738	574	829	609	203	357	270	224	3 483
Fines	24	24	24	24	24	24	24	24	24	24	24
Licences and permits	263	270	433	307	282	385	276	251	260	259	318
Agency services	5 007	5 145	5 667	6 847	5 490	6 761	5 572	5 023	6 336	8 586	17 072
Transfers recognised - operational	380	379	379	422	379	377	379	377	377	378	378
Other revenue	692	692	692	692	692	692	692	692	692	692	692
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>89 514</b>	<b>32 137</b>	<b>33 243</b>	<b>29 670</b>	<b>29 316</b>	<b>27 265</b>	<b>32 527</b>	<b>32 420</b>	<b>33 897</b>	<b>36 011</b>	<b>46 584</b>

COMPONENT 2 – MONTHLY OPERATING EXPENDITURE BY VOTE

<u>Vote</u>	7 491	8 255	8 074	8 781	7 859	5 175	8 680	8 032	7 713	6 901	11 203
<b>Governance and administration</b>	6 757										
Executive and council	1 413	2 234	2 321	1 514	3 228	1 459	1 450	1 518	1 508	1 069	2 592
Budget and treasury office	2 872	3 275	2 795	3 406	3 288	2 982	2 835	3 197	3 132	3 452	4 448
Corporate services	2 472	2 746	2 958	3 862	1 343	734	4 396	3 318	3 073	2 380	4 164
<b>Community and public safety</b>	3 900	4 387	4 598	6 458	4 547	6 130	4 776	4 787	6 394	7 424	13 220
Community and social services	1 198	1 441	1 599	1 713	1 471	1 678	1 272	1 373	1 381	1 331	1 922
Sport and recreation	1 465	1 509	1 556	1 601	1 569	1 599	2 055	1 798	1 818	1 784	2 430
Public safety	1 003	1 124	1 140	1 365	1 197	1 143	1 123	1 248	1 402	1 319	7 827
Housing	234	313	303	1 779	311	1 710	326	368	1 794	2 990	1 041
Health	–	–	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	2 193	2 267	2 353	2 471	2 205	2 223	2 335	2 611	2 646	2 645	6 852
Planning and development	714	732	782	700	715	707	744	717	715	704	1 029
Road transport	1 404	1 460	1 495	1 695	1 414	1 441	1 506	1 819	1 855	1 866	5 732
Environmental protection	75	75	75	75	75	75	85	75	75	75	91
<b>Trading services</b>	8 396	25 328	16 904	17 686	16 566	17 244	20 170	21 811	22 215	21 053	41 197
Electricity	3 943	19 405	12 070	12 702	11 638	12 150	14 751	14 666	15 804	14 969	31 005
Water	1 200	2 021	1 239	1 318	1 276	1 248	1 616	2 570	1 594	1 592	3 759
Waste water management	1 314	1 613	1 425	1 504	1 591	1 800	1 751	2 301	2 455	2 146	3 869
Waste management	1 938	2 026	2 171	2 162	2 061	2 046	2 052	2 274	2 363	2 346	2 564
<b>Other</b>	57	57	57	57	57	57	58	57	57	57	58
<b>Total Expenditure - Standard</b>	<b>21 304</b>	<b>39 342</b>	<b>31 987</b>	<b>35 453</b>	<b>31 234</b>	<b>30 829</b>	<b>36 020</b>	<b>37 299</b>	<b>39 025</b>	<b>38 080</b>	<b>72 529</b>

# COMPONENT 3 – MONTHLY CAPITAL EXPENDITURE

Directorate	Department Name	Vote number	Description	Detailed Funding Source	Original Budget 2015-2016	Project Start Date	Project End Date	Planned Cashflow for 2015/2016											
								Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Finance	Supply Chain Management	51000051	Forklift	External Loan	300 000	2015/07/01	2015/11/01					300 000							
		New Vote	Insurance Replacements	CRR	50 000	2015/07/01	2016/02/15											50 000	
	Financial Administration	520000141	New Furniture	MRF	71 048	2015/07/01	2015/11/15					71 048							
		520000121	Book Dedicating Systems	LISC	800 000	2015/07/01	2016/02/01								800 000				
	Library services	New Vote	New Furniture	LISC	125 000	2015/07/01	2015/11/15					125 000							
		New Vote	Building Upgrade	MRF	80 000	2015/07/01	2016/02/01								80 000				
	Pine Forest Administration	5200001371	Pine Forest Upgrade	CRR	2 000 000	2015/07/01	2016/02/25					500 000			500 000		500 000		
		521860001	Plant & Equipment - Belgium Grant	Belgium Grant	273 000	2015/07/01	2016/03/15					100 000			100 000				
	Environmental Protection	New Vote	Upgrading Of Nyakabanda Centre - On	Belgium Grant	625 000	2015/07/01	2016/03/15					200 000			200 000				
		New Vote	IT Equipment - Belgium Grant	Belgium Grant	140 000	2015/07/01	2016/02/15						150 000		140 000				
Community	Social & Welfare services	New Vote	Exclusion Of Sport Facility - Correll	CRR	150 000	2015/07/01	2015/12/15												
		New Vote	Translators	CRR	50 000	2015/07/01	2015/12/15				50 000								
	Fire Protection	New Vote	Vehicle Replacement Programme	External Loan	3 000 000	2015/07/01	2016/03/15									3 000 000			
		New Vote	Vehicle Replacement Programme	External Loan	420 000	2015/07/01	2016/03/15									420 000			
	Traffic	522000051	Fire Arms	CRR	100 000	2015/07/01	2015/12/15						100 000						
		520101301	Fencing Conduits	CRR	100 000	2015/07/01	2015/12/15						100 000						
	Cemeteries	New Vote	Land for housing	HHSDQ	2 000 000	2015/07/01	2016/02/20											2 000 000	
		New Vote	Land for housing	HHSDQ	150 000	2015/07/01	2016/02/15								150 000				
	Housing Administration	530100011	Office Furniture - Wenzelberg	CRR	200 000	2015/07/01	2016/02/15										200 000		
		530700011	Microsoft Licenses	CRR	4 000 000	2015/07/01	2016/02/15					500 000	500 000	500 000	500 000	1 000 000			
Corporate	Information Technology	540501841	Network - Housing Projects	INEP	2 300 000	2015/07/01	2016/02/15												
		540500001	Prof Fees For Rural Dev Projects	CRR	2 300 000	2015/07/01	2016/02/15												
	Electricity Client Services	540500021	Security Fence - Wolsky Shires	CRR	100 000	2015/07/01	2015/11/15			500 000									
		540820001	Tools & Equipment	CRR	180 000	2015/07/01	2015/11/15					180 000							
	Electricity Distribution	540800021	Electrical Network Redundant	CRR	1 000 000	2015/07/01	2016/02/15								500 000				
		New Vote	Vehicle Replacement Programme	External Loan	300 000	2015/07/01	2016/02/15												
	Electricity Street Lights	540920001	Streetlights - Housing Projects	MIG	100 000	2015/07/01	2016/02/15											100 000	
		541100001	Tools & Equipment	CRR	30 000	2015/07/01	2015/11/15					30 000							
	Mechanical Workshop	541100061	Bulk Sewer Bells Vets	MIG	4 403 972	2015/07/01	2016/02/01					410 000	500 000	400 000	500 000	1 088 928	1 075 044		
		541100001	Sewer Network Replacement	CRR	725 000	2015/07/01	2016/02/25					200 000	200 000	200 000	200 000	200 000		125 000	
Technical	Sewerage	541120161	Prof Fees For Rural Dev Projects	CRR	200 000	2015/07/01	2015/11/01			200 000									
		541100001	Wetlands Bulk Sanitation	MIG	6 242 374	2015/07/01	2016/02/25						500 000	400 000	400 000	500 000	2 000 000	2 242 374	
	Storm water management	541100001	Sewer Pumps Replacement P	CRR	300 000	2015/07/01	2016/02/15					100 000							
		541120001	Tools & Equipment	CRR	100 000	2015/07/01	2015/11/01					100 000							
	Roads	5413000131	Network - Storm Water Upgrade	CRR	150 000	2015/07/01	2016/03/15								150 000				
		541300001	Prof Fees For Rural Dev Projects	CRR	200 000	2015/07/01	2015/11/25					200 000							
	Solid Waste (Renewal)	541400111	Traffic Calming	CRR	3 000 000	2015/07/01	2016/02/25								500 000	1 000 000	1 000 000		
		541401201	Network street	External Loan	200 000	2015/07/01	2015/11/25					230 000							
	Solid Waste (General)	New Vote	Vehicle Replacement Programme	External Loan	100 000	2015/07/01	2015/10/25												
		541400191	Stomach Upgrading of Roads	CRR	500 000	2015/07/01	2016/03/15						1 000 000	1 000 000		500 000		500 000	
Water Distribution	Water Distribution	541500001	Upgrade Wolsky Landfill Site	CRR	1 500 000	2015/07/01	2016/02/25								1 500 000				
		541500001	Vehicle Replacement Programme	External Loan	7 284 417	2015/07/01	2016/02/25								900 000	400 000	400 000	188 417	
	Water Distribution	541500001	Bulk Water Pipe Valley	MIG	824 536	2015/07/01	2016/02/25												
		541500001	Cones Bells Vets Bulk Water	MIG	100 000	2015/07/01	2016/02/25												
	Water Distribution	541500001	Network - Water Pipes & Vals	CRR	300 000	2015/07/01	2016/02/25					100 000						100 000	
		New Vote	Prepaid Water Meters	External Loan	2 500 000	2015/07/01	2016/02/25						500 000		1 000 000	1 000 000			

## NON-FINANCIAL COMPONENT

### 5 YEAR SCORECARD

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2013/14 (14/15 not available at time of tabling)	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
Essential Services	Sustainable provision & maintenance of basic infrastructure	TL1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	New	98%	98%	99%	99%	99%
		TL2	% Expenditure on Capital Budget by Technical Directorate	Technical	New	95%	95%	96%	96%	97%
		TL3	Percentage compliance with drinking water quality standards.	Technical	100%	97%	97%	98%	98%	98%
		TL4	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TL5	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TL6	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TL7	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TL8	Decrease unaccounted water losses.	Technical	27.5%	23%	21%	18%	16%	14%
		TL9	Decrease unaccounted electricity losses.	Technical	9.6%	9%	9%	8%	8%	8%
		TL10	Kilometres of roads upgraded & rehabilitated	Technical	4.54	2.3	2	3	3	3
	Provide for the needs of informal settlements through improved services	TL11	Number of subsidised serviced sites developed.	Technical	New	150	200	200	150	150
		TL12	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	2	3	3	3	3	2
		TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	2	3	3	3	3	2
		TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	2	3	3	3	3	2
		TL15	Number of subsidised electricity connections installed.	Technical	60	0	185	225	200	200

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2013/14 (14/15 not available at time of tabling)	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018/19	Target 2019/20
Governance	Support Institutional Transformation & Development	TL16	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	99%	99%	99%	99%	99%	99%
		TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	Corporate	74%	82%	85%	85%	85%	85%
	Ensure financial viability.	TL18	Financial viability expressed as Debt-Coverage ratio	Finance	24.7	16	16	16	16	16
		TL19	Financial viability expressed as Cost-Coverage ratio	Finance	1.53	1.6	1.6	1.6	1.6	1.6
		TL20	Financial viability expressed outstanding service debtors	Finance	62%	44%	44%	42%	42%	42%
		TL21	Opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
		TL22	Increased revenue collection	Finance	New	96%	97%	97%	98%	98%
		TL23	Percentage of budget spent on maintenance.	Finance	98%	98%	98%	99%	99%	99%
		TL24	Percentage spend of capital budget.	Finance	96%	95%	95%	96%	96%	97%
	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.	TL25	Number of IDP community meetings held.	Municipal Manager	14	14	14	14	14	14
		TL26	Number of meetings with inter-governmental partners.	Community	9	10	12	12	12	12
Communal Services	Provide & maintain facilities that make citizens feel at home.	TL27	Customer satisfaction survey (Score 1-5) - community facilities.	Community	3	4	4	4	4	4
		TL28	% Expenditure on Maintenance Budget by Community Directorate	Community	New	98%	98%	99%	99%	99%
		TL29	% Expenditure on Capital Budget by Community Directorate	Community	New	95%	95%	96%	96%	97%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	TL30	Number of account holders subsidised through the municipality's Indigent Policy	Community	2689	2750	2600	2500	2400	2200
		TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	367	380	390	390	400	400
		TL32	Number of social development programmes implemented	Community	15	19	20	20	20	20
		TL33	Number of housing opportunities provided per year.	Community	439	0	185	225	200	200
		TL34	Number of Rental Stock transferred	Community	15	100	120	120	120	120
	Create an enabling environment to attract investment & support local economy.	TL35	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards.	Corporate	Implementation Plan completed	Phase 2 implement	Phase 3 implement	Phase 4 implement	Phase 5 implement	Phase 5 implement
		TL36	Compile & Implementation of LED Strategy	Community	New	Phase 1 implement	Phase 2 implement	Phase 3 implement	Phase 4 implement	Phase 4 implement

## 2015/16 QUARTERLY PROJECTIONS

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Target 2015/16	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Essential Services	Sustainable provision & maintenance of basic Infrastructure	TL1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	98%	25%	50%	75%	98%
		TL2	% Expenditure on Capital Budget by Technical Directorate	Technical	95%	10%	40%	60%	95%
		TL3	Percentage compliance with drinking water quality standards.	Technical	97%	97%	97%	97%	97%
		TL4	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		TL5	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		TL6	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		TL7	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		TL8	Decrease unaccounted water losses.	Technical	23%	23%	23%	23%	23%
		TL9	Decrease unaccounted electricity losses.	Technical	9%	9%	9%	9%	9%
		TL10	Kilometres of roads upgraded & rehabilitated	Technical	2.3	0	0.5	1.5	2.3
	Provide for the needs of informal settlements through improved services	TL11	Number of subsidised serviced sites developed.	Technical	150	0	50	100	150
		TL12	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	3
		TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	3
		TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	3	3	3	3	3
		TL15	Number of subsidised electricity connections installed.	Technical	0	0	0	0	0

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Target 2015/16	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Governance	Support Institutional Transformation & Development	TL16	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	99%	25%	50%	75%	99%
		TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	Corporate	75%		75%		75%
	Ensure financial viability.	TL18	Financial viability expressed as Debt-Coverage ratio	Finance	16	16	16	16	16
		TL19	Financial viability expressed as Cost-Coverage ratio	Finance	1.6	1.6	1.6	1.6	1.6
		TL20	Financial viability expressed outstanding service debtors	Finance	44%	44%	44%	44%	44%
		TL21	Opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified			Unqualified	
		TL22	Increased revenue collection	Finance	96%	96%	96%	96%	96%
		TL23	Percentage of budget spent on maintenance.	Finance	98%	25%	50%	75%	98%
		TL24	Percentage spend of capital budget.	Finance	95%	10%	40%	60%	95%
	To maintain and strengthen relations with international- & inter-	TL25	Number of IDP community meetings held.	Municipal Manager	14		7		7
		TL26	Number of meetings with inter-governmental partners.	Community	10	3	2	3	2
Communal Services	Provide & maintain facilities that make citizens feel at home.	TL27	Customer satisfaction survey (Score 1-5) - community facilities.	Community	4				4
		TL28	% Expenditure on Maintenance Budget by Community Directorate	Community	98%	25%	50%	75%	98%
		TL29	% Expenditure on Capital Budget by Community Directorate	Community	95%	10%	40%	60%	95%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	TL30	Number of account holders subsidised through the municipality's Indigent Policy	Community	2750	2500	2600	2700	2750
		TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	380	100	200	300	380
		TL32	Number of social development programmes implemented	Community	19	4	8	12	19
		TL33	Number of housing opportunities provided per year.	Community	0	0	0	0	0
		TL34	Number of Rental Stock transferred	Community	100	15	45	70	100
	Create an enabling environment to attract investment & support local economy.	TL35	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards.	Corporate	Phase 2 Implement				Phase 2 Implement
		TL36	Compile & Implementation of LED Strategy	Community	Phase 1 implement				Phase 1 Implement

## DEFINITIONS OF PERFORMANCE INDICATORS

Ref	Key Performance Indicator	Reporting Directorate	Definitions
TL1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the Technical Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.
TL2	% Expenditure on Capital Budget by Technical Directorate	Technical	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TL3	Percentage compliance with drinking water quality standards.	Technical	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
TL4	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
TL5	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for sanitation services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
TL6	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for electricity services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
TL7	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for waste removal services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
TL8	Decrease unaccounted water losses.	Technical	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
TL9	Decrease unaccounted electricity losses.	Technical	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
TL10	Kilometres of roads upgraded & rehabilitated	Technical	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.
TL11	Number of subsidised serviced sites developed.	Technical	A housing opportunity is incremental access to and/or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure.
TL12	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	This indicator reflects the number of informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Proxy for National KPI.
TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	This indicator reflects the number of informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Proxy for National KPI.
TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	This indicator reflects the number of informal settlements receiving a weekly door-to-door refuse removal collection service and on-going area cleaning (litter picking and illegal dumping removal). Proxy for National KPI.
TL15	Number of subsidised electricity connections installed.	Technical	This indicator reflects the number of subsidised connections installed per annum in informal settlements and low cost housing/serviced sites projects. Proxy for National KPI.

Ref	Key Performance Indicator	Reporting Directorate	Definitions
TL16	Percentage budget spent on Implementation of Workplace Skills Plan.	Corporate	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP.
TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	Corporate	This indicator measures the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. National Key Performance Indicator.
TL18	Financial viability expressed as Debt-Coverage ratio	Finance	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times.
TL19	Financial viability expressed as Cost-Coverage ratio	Finance	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months.
TL20	Financial viability expressed outstanding service debtors	Finance	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at 30 June 2013.
TL21	Opinion of the Auditor-General on annual financial statements of the previous year.	Finance	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices. This is referred to as "clean opinion". Alternatively in relation to a qualified audit opinion the auditor would issue this opinion in whole, or in part, over the financial statements if these are not prepared in accordance with General Recognised Accounting Practices or could not audit one or more areas of the financial statements. Future audit opinions will cover the audit of predetermined objectives.
TL22	Increased revenue collection	Finance	This indicator reflects the percentage of revenue collected from service accounts delivered.
TL23	Percentage of budget spent on maintenance.	Finance	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the municipality in total. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.
TL24	Percentage spend of capital budget.	Finance	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TL25	Number of IDP community meetings held.	Municipal Manager	Bi-annual community meetings as per IDP Process Plan held in each of the 7 towns.
TL26	Number of meetings with inter-governmental partners.	Community	Number of Inter-Governmental meetings attended.
TL27	Customer satisfaction survey (Score 1-5) - community facilities.	Community	This indicator measures community perception and satisfaction in respect of the access to and maintenance of certain community facilities. The municipality's Community Satisfaction Survey measures public perception around the following number of issues: Access to libraries, access to community halls, access to parks (including maintained open spaces and children play parks), maintenance of parks (including maintained open spaces and children play parks) & access to sport facilities.
TL28	% Expenditure on Maintenance Budget by Community Directorate	Community	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the Community Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based.
TL29	% Expenditure on Capital Budget by Community Directorate	Community	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

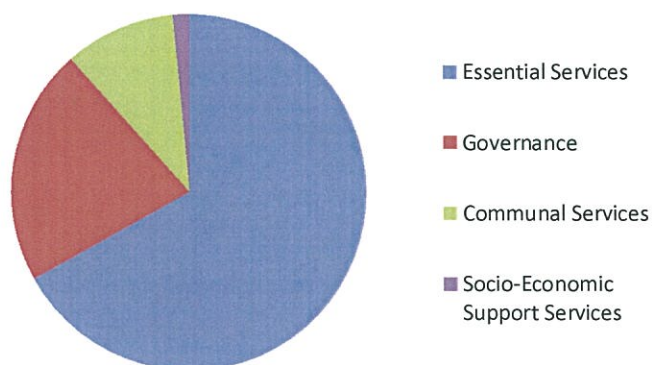
Ref	Key Performance Indicator	Reporting Directorate	Definitions
TL30	Number of account holders subsidised through the municipality's indigent Policy	Community	Refers to the number of account holders subsidised through the municipality's Indigent Policy.
TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
TL32	Number of social development programmes implemented	Community	The indicator refers to the number of social developmental programmes implemented. Seven programmes have been identified and each programme will consist of a number of projects and interventions.
TL33	Number of housing opportunities provided per year.	Community	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Subsidy Housing which provides a minimum 40m <sup>2</sup> house.
TL34	Number of Rental Stock transferred	Community	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.
TL35	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards.	Corporate	This Indicator measures the following over the 5 year IDP period: Capacitating of Property Office, develop and maintain property register & land Audit Implementation Plan that would include well defined phases for implementing annually.
TL36	Compile & Implementation of LED Strategy	Community	Measures the implementation of a LED Strategy over the 5 year IDP period. The implementation includes the development of the strategy with well-defined phases for implementing annually over the 5 year period.

## BUDGETARY ALIGNMENT WITH IDP

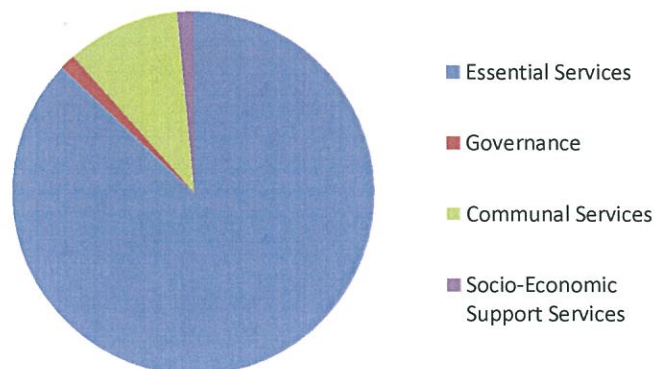
### EXPENDITURE PER KEY PERFORMANCE AREA

Strategic Objectives	Operational Expenditure	Capital Expenditure
Essential Services	304 502 923	45 947 299
Governance	97 867 845	730 000
Communal Services	46 135 825	5 326 048
Socio-Economic Support Services	6 617 515	765 000
<b>Grand Total</b>	<b>455 124 108</b>	<b>52 768 347</b>

### OPERATING EXPENDITURE



### CAPITAL EXPENDITURE



# OPERATIONAL EXPENDITURE PER STRATEGIC OBJECTIVE

Key Performance Area	Strategic Objectives	Expenditure
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	297 867 213
	1.2 Provide for the needs of informal settlements through improved services	6 635 710
Governance	2.1 Support Institutional Transformation & Development	37 751 361
	2.2 Ensure financial viability.	33 961 475
	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.	26 155 009
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	46 135 825
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	5 057 928
	4.2 Create an enabling environment to attract investment & support local economy.	1 559 587
<b>Grand Total</b>		<b>455 124 108</b>

### THREE YEAR PROJECTED CAPITAL EXPENDITURE PER WARD

Directorate	Department Name	Description	Municipal Ward	Vote number	Funding Source	Original Budget		
						2015/2016	2016/2017	2017/2018
Finance	Supply Chain Management	Forklift	3	510500051	External Loan	300 000	-	-
	Financial Administration	Insurance Replacements	All	New Vote	CRR	50 000	-	-
Community	Library services	New Furniture	3	520400141	MRF	71 048	-	-
		Book Detecting Systems	3	520400121	UBCG	800 000	-	-
		New Furniture	All	New Vote	UBCG	125 000	-	-
		Building Upgrade	All	New Vote	MRF	80 000	-	-
	Social & Welfare services	Upgrading Of Nuykintaba Centre- Odb	9	New Vote	Belgium Grant	625 000	-	-
		It Equipment- Belgium Grant	All	New Vote	Belgium Grant	140 000	-	-
	Recreational Land	Extension Of Sport Facility- Ceres Leye	3	New Vote	CRR	150 000	-	-
	Cemeteries	Fencing Cemeteries	All	520101301	CRR	100 000	-	-
	Parks	Vehicle Replacement Programme	All	New Vote	CRR	-	200 000	-
	Fire Protection	Bradblusters- Pos Van Liza Marie	All	New Vote	CRR	50 000	-	-
		Vehicle Replacement Programme	All	New Vote	External Loan	3 000 000	-	-
	Pine Forest : Administration	Pine Forest Upgrade	3	520601371	CRR	2 000 000	-	-
	Swimming Pools	Montana Swimming Pool - Re-fibreglass	7	522401571	CRR	-	500 000	-
	Community Halls and facilities	Air Conditioner - Town Hall	3	521100081	CRR	-	300 000	-
		Replace Town Hall Floor	3	521100101	CRR	-	400 000	-
	Environmental Protection	Plant & Equipment- Belgium Grant	All	521860001	Belgium Grant	273 000	-	-
	Traffic	Vehicle Replacement Programme	All	New Vote	External Loan	420 000	-	-
		Fire Arms	All	522000051	CRR	100 000	-	-
	Housing: Administration	Land for housing	11	New Vote	IHHSDG	2 000 000	-	-
Corporate	Administration	Office Furniture - Wiltzenberg	All	530100011	CRR	150 000	-	-
	Information Technology	Microsoft Licences	All	530470001	CRR	200 000	-	-
Technical	Electricity: Client Services	Network- Housing Projects	All	540501841	INEP	4 000 000	4 245 614	7 000 000
		Prof Fees For Rural Dev Projects	All	540500001	CRR	2 300 000	400 000	400 000
		Security Fence: Wolseley Stores	7	540500021	CRR	100 000	-	-
	Electricity	Vehicle Replacement Programme	All	New Vote	External Loan	300 000	-	-
	Electricity: Street lights	Streetslights - Housing Projects	All	New Vote	MIG	100 000	3 766 855	4 500 000
	Electricity: Distribution	Vredesbes Electrification	5	540820141	INEP	-	1 754 386	-
		Electrical Network Refurbishment	7	540800021	CRR	1 000 000	1 000 000	1 000 000
		11 Kv Ring Supply Stanlet/brand	7	540800071	CRR	-	1 500 000	-
		Replace 4x4 Ldys (3)	All	540800051	CRR	-	700 000	1 600 000
		Tools & Equipment	All	540820001	CRR	160 000	165 000	170 000
	Mechanical Workshop	Tools & Equipment	All	540920001	CRR	30 000	35 000	37 000
	Sewerage	Bulk Sewer Bella Vista	6	541100081	MIG	4 463 972	-	-
		Sewer Network Replacement	All	541105061	CRR	725 000	1 522 500	1 632 587
		Sewer Pumps- Replacement P	All	541101321	CRR	300 000	300 000	300 000
		Tools & Equipment	All	541120001	CRR	100 000	100 000	100 000
		Prof Fees For Rural Dev Projects	All	541120161	CRR	200 000	-	-
		Vredesbes Bulk Sanitation	5	541190001	MIG	6 242 374	78 786	-
	Storm water management	Vredesbes Housing Sanitation	5	541100051	IHHSDG	-	12 000 000	9 500 000
		Network - Storm Water Upgradin	All	541300131	CRR	150 000	200 000	220 000
		Prof Fees For Rural Dev Projects	All	541390001	CRR	200 000	-	-
		Vredesbes Housing Stormwater	1	541300071	IHHSDG	-	12 000 000	9 500 000
	Roads	Upgrading Roads - Vredesbes	5	New Vote	MIG	-	-	5 000 000
		Bella Vista Housing Bulk Roads & SW	6	New Vote	MIG	-	-	4 000 000
		Skoonvlei Upgrading of Roads	5	541400191	CRR	3 900 000	-	-
		Equipment	All	541401501	CRR	-	600 000	-
		Vehicle Replacement Programme	All	New Vote	External Loan	230 000	-	-
		Jackhammers X 2	All	New Vote	CRR	80 000	-	-
		Traffic Calming	All	541400111	CRR	200 000	220 000	250 000
		Vehicle Replacement Programme	All	New Vote	CRR	-	800 000	-
		Network-street	All	541401291	CRR	3 000 000	3 000 000	3 000 000
		Vredesbes Housing Roads	5	541400161	IHHSDG	-	12 000 000	9 500 000
	Solid Waste (Removal)	Prof Fees For Rural Dev Projects	All	541403891	CRR	500 000	600 000	-
		Waste Transfer Station	All	New Vote	MIG	-	-	7 500 000
		Vehicle Replacement Programme	All	New Vote	External Loan	1 540 000	-	-
		Vehicle Replacement Programme	All	New Vote	CRR	-	650 000	-
		Upgrade Wolseley Landfill Site	7	New Vote	CRR	1 500 000	-	-
		Infrastructure Management System	All	New Vote	CRR	-	300 000	300 000
		Vredesbes Bulk Water Supply	5	541903801	MIG	7 388 417	8 520 067	-
		Bulk Water Pine Valley	7	541900081	MIG	624 536	-	-
		Ceres: Bella Vista Bulk Water	6	541900091	MIG	100 000	7 567 625	-
		Network - Water Pipes & Va	All	541901371	CRR	300 000	500 000	600 000
Water Distribution	Prepaid Water Meters		All	New Vote	External Loan	2 500 000	1 000 000	1 000 000
	Vredesbes Housing Water		5	541900071	IHHSDG	-	12 000 000	9 500 000
	Vehicle Replacement Programme		All	New Vote	CRR	-	250 000	-