

WITZENBERG MUNICIPALITY

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

*2ND QUARTER
OCT 2014 –
DEC 2014*

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

INDEX

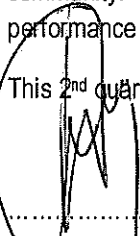
	INTRODUCTION
A	LEGISLATIVE REQUIREMENTS
B	REPORTING ON THE SDBIP
C	QUARTERLY REPORTS
D	FINANCIAL REPORTING FOR THE PERIOD
D.1	Revenue by Source
D.2	Operational Expenditure
D.3	Capital Expenditure
E	NON-FINANCIAL REPORTING FOR PERIOD
	Top level Key Performance Indicators

INTRODUCTION

The Service Delivery and Budget Implementation Plans (SDBIPs) is a requirement under Municipal Finance Management Act (MFMA) and gives effect to the municipality's Integrated Development Plan (IDP) and annual budget.

The SDBIP is an expression of the objectives of the Municipality, in quantifiable outcomes that will be implemented by the administration for the financial period from 1 July 2014 to 30 June 2015. The SDBIP includes the service delivery targets and performance indicators for each quarter that should be linked to the performance agreements of senior management. These are integral to the implementation and entrenchment of our performance management system. The SDBIP facilitates accountability and transparency of the municipal administration and managers to the Council and Councillors to the community. It also fosters the management, implementation and monitoring of the budget, the performance of top management and the achievement of the strategic objectives as laid out in the IDP.

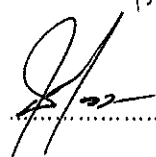
This 2nd quarter report for the period 1 October 2014 to 31 December 2014.



Executive Mayor

23 January 2015

Date



Municipal Manager

23 January 2015

Date

A. LEGISLATIVE REQUIREMENTS

In terms of Section 53 (1) (c) (ii) of the MFMA, the SDBIP is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following:

(a) Projections for each month of:–

(i) Revenue to be collected, by source;

(ii) Operational and capital expenditure, by vote

(b) Service delivery targets and performance indicators for each quarter, and (c) Other matters prescribed;

B. REPORTING ON THE SDBIP

Reporting on the SDBIP is a way of linking the SDBIP with the oversight and monitoring operations of the Municipal administration.

Various reporting requirements are outlined in the MFMA, both the mayor and the accounting officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports for which MFMA requires.

The reports then allow the Witzenberg Local Council (Ward and PR Councillors) to monitor the implementation of service delivery programs and initiatives across the Municipality boundaries.

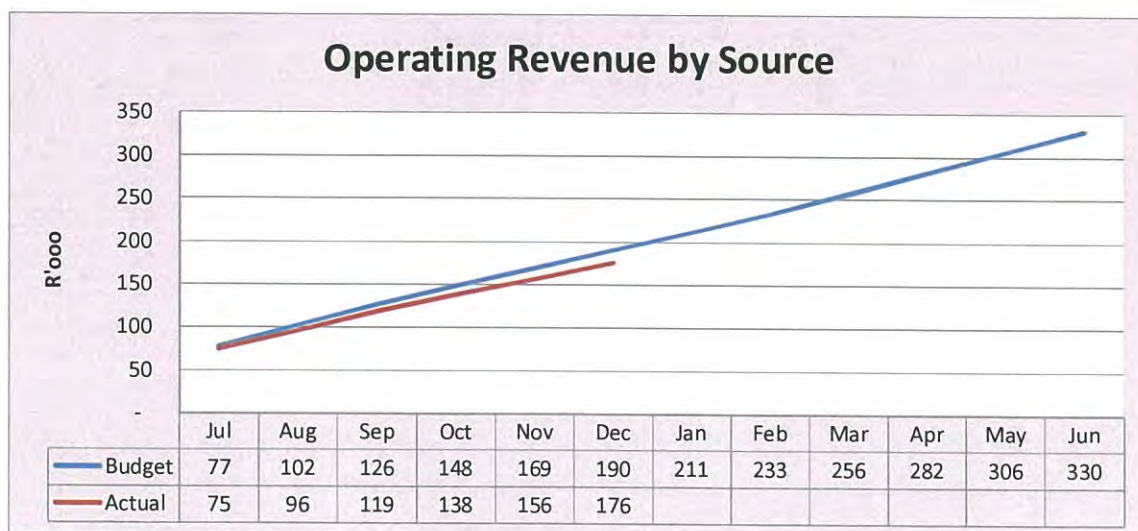
C. QUARTERLY REPORTS

Section 52 (d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

D. FINANCIAL REPORTING FOR THE PERIOD

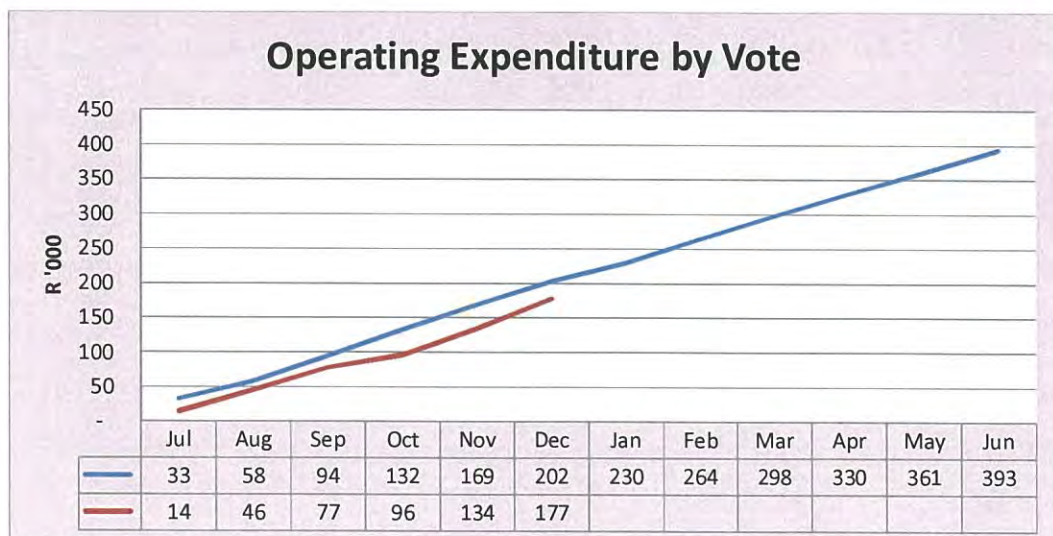
D.1 Revenue by Source

Operating Revenue by Source	Original Budget for the year	Amended Budget for the year	July 2014 to December 2014		
	2014/2015	2014/2015	Budget	Actual	Variance
Property rates	50 347 050	50 347 050	51 337 754	50 875 069	-462 686
Property rates - penalties and collection charges	819 110	819 110	409 554	675 479	265 925
Service charges - electricity revenue	183 430 440	183 430 440	90 592 268	77 437 991	-13 154 277
Service charges - water revenue	32 450 326	32 450 326	16 227 236	13 260 231	-2 967 005
Service charges - sanitation revenue	15 259 682	15 259 682	7 409 134	10 208 427	2 799 293
Service charges - refuse revenue	17 550 367	17 550 367	9 016 298	9 240 199	223 901
Service charges - other	458 300	458 300	229 152	27 082	-202 070
Rental of facilities and equipment	7 217 450	7 217 450	3 607 680	4 031 359	423 679
Interest earned - external investments	2 199 230	2 199 230	1 099 614	1 255 626	156 012
Interest earned - outstanding debtors	4 650 710	4 650 710	2 325 354	3 498 295	1 172 941
Dividends received	-	-	-	-	-
Fines	5 236 900	5 236 900	2 618 454	906 895	-1 711 559
Licences and permits	274 380	274 380	137 190	105 104	-32 086
Agency services	3 218 300	3 218 300	1 609 152	1 848 820	239 668
Government Grants and Subsidies - Operating	-	-	-	-	-
Other income	6 869 430	6 869 430	3 437 661	2 227 700	-1 209 961
Gains on disposal of PPE	-	-	-	-	-
Total Operating Revenue by Source	329 981 675	329 981 675	190 056 501	175 598 277	-14 458 224



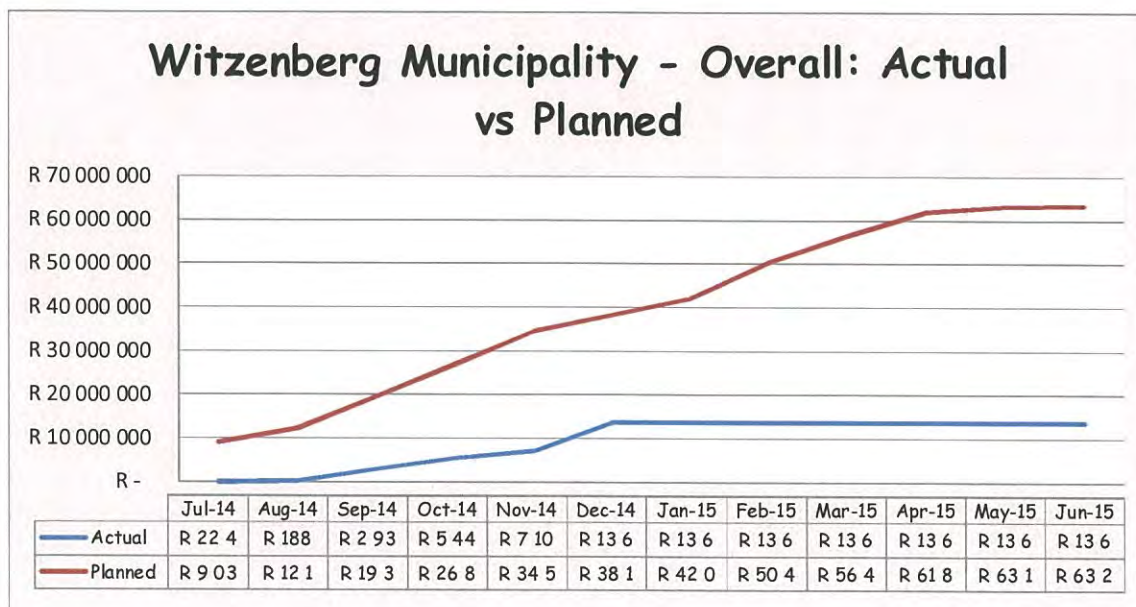
D.2 Operational Expenditure

Operating Expenditure by Vote	Original Budget for the year	Amended Budget for the year	July 2014 to December 2014		
	2014/2015	2014/2015	Budget	Actual	Variance
Executive and council	21 899 435	5 415 830	11 224 430	9 997 768	1 226 662
Community and social services	16 241 239	16 241 239	8 569 524	8 238 993	330 531
Sport and Recreation	19 458 222	19 458 222	10 195 544	8 614 835	1 580 709
Public safety	13 372 883	13 372 883	6 637 897	4 170 492	2 467 405
Housing	3 586 861	3 586 861	1 768 114	9 125 155	-7 357 041
Environmental protection	1 092 034	1 092 034	630 756	517 626	113 130
Planning and development	8 255 128	8 255 128	4 263 399	3 949 800	313 599
Road transport	15 359 992	15 359 992	8 554 304	7 975 738	578 566
Electricity	167 837 310	167 837 310	83 931 823	64 103 594	19 828 229
Water	17 833 295	17 833 295	8 875 060	8 204 204	670 856
Waste water management	20 622 045	20 622 045	10 233 385	11 122 123	-888 738
Waste management	23 771 291	23 771 291	12 618 917	11 374 262	1 244 655
Budget and treasury office	33 979 691	33 979 691	19 367 150	15 030 022	4 337 128
Corporate Services	29 743 292	29 743 292	15 081 157	14 602 714	478 443
Other	-	-	-	-	-
Total Operating Expenditure by Vote	393 052 718	376 569 113	201 951 460	177 027 328	24 924 132



D.3 Capital Expenditure

<u>Directorate</u>	<u>14/15 Budget</u>	<u>Actual expenditure 31/12/2014</u>	<u>% Expenditure</u>
Financial Services	R 133 000	R -	0.0%
Community Services	R 8 805 581	R 3 384 990	38.4%
Corporate Services	R 1 515 000	R 101 479	6.7%
Technical Services	R 52 775 936	R 10 175 706	19.3%
Total	R 63 229 517	R 13 662 176	21.6%

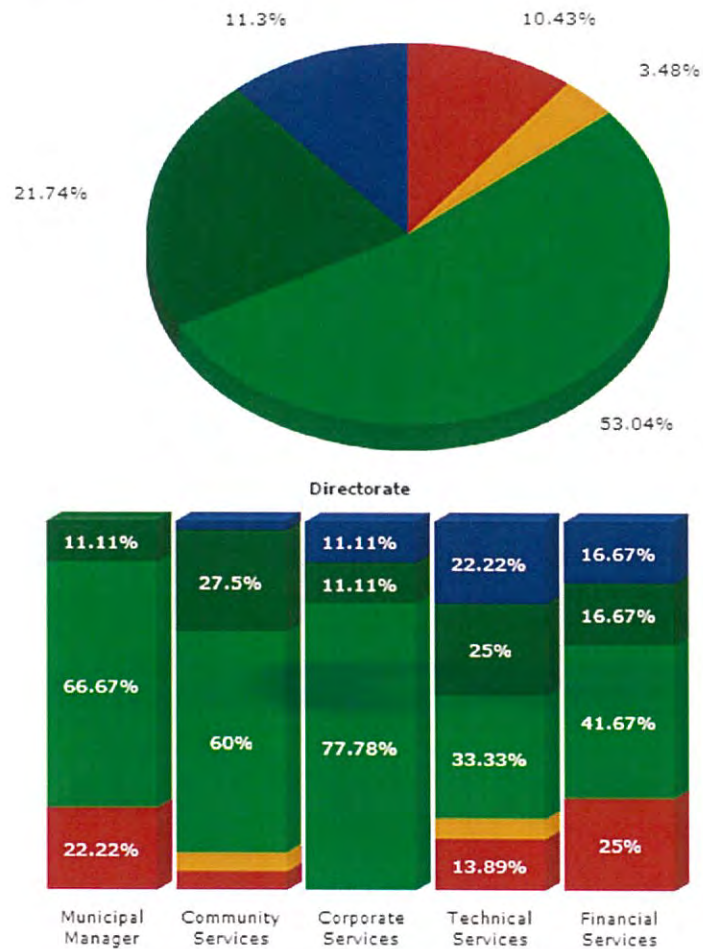


Reasons for poor performance on capital expenditure:

- The majority of projects is linked to the implementation of the low-cost housing programme. The approval for Vredebes & Bella Vista projects were only received in August and September. The contractor is in process to establish site.
- Project contractor awards related to bulk services for low-cost housing projects were delayed due to the extension of the advertising period. All tenders has closed and in the process of being awarded.

E. NON-FINANCIAL REPORTING FOR THE PERIOD

Top level Key Performance Indicators



	Witzenberg Municipality	Directorate				
		Municipal Manager	Community Services	Corporate Services	Technical Services	Financial Services
KPI Not Met	12 (10.4%)	2 (22.2%)	2 (5%)	-	5 (13.9%)	3 (25%)
KPI Almost Met	4 (3.5%)	-	2 (5%)	-	2 (5.6%)	-
KPI Met	61 (53%)	6 (66.7%)	24 (60%)	14 (77.8%)	12 (33.3%)	5 (41.7%)
KPI Well Met	25 (21.7%)	1 (11.1%)	11 (27.5%)	2 (11.1%)	5 (25%)	2 (16.7%)
KPI Extremely Well Met	13 (11.3%)	-	1 (2.5%)	2 (11.1%)	8 (22.2%)	2 (16.7%)
Total:	115	9	40	18	36	12

See report below for detailed response.

Ref	Directorate	KPI	Unit of Measurement	Annual Target	Year-To-Date As At December 2014				Corrective Measures
					Target	Actual	R	Performance Comment	
TL1	Technical Services	% Expenditure on Operational Budget by Technical Directorate	Percentage of budget spent	99%	50%	49.80%	O	Target almost achieved.	Planned maintenance to be executed
TL2	Technical Services	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent	96%	40%	19.30%	R	Target not met due to procurement delays and appointment of contractors.	All contractors have been appointed and projects underway.
TL3	Technical Services	Percentage compliance with drinking water quality standards.	Percentage compliance	97%	97%	100%	G2	Water samples taken from 24 sample points in 7 towns and tested by independent laboratory against set biological standards achieved 100% quality	None required.
TL4	Financial Services	Number of outstanding valid applications for water services expressed as a % of total number of billings for the	Percentage of outstanding applications	2%	0%	0%	N/A	Not yet measured	
TL5	Financial Services	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the	Percentage of outstanding applications	2%	0%	0%	N/A	Not yet measured	
TL6	Financial Services	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the	Percentage of outstanding applications	2%	0%	0%	N/A	Not yet measured	
TL7	Financial Services	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings	Percentage of outstanding applications	2%	0%	0%	N/A	Not yet measured	
TL8	Technical Services	Decrease unaccounted water losses.	Percentage water losses	26%	26%	31%	R	Target not met.	Reason for high loss percentage are being investigated. Discussions being held with the Finance department to resolve the sold quantities of water
TL9	Technical Services	Decrease unaccounted electricity losses.	Percentage electricity losses	8%	8%	8.77%	R	Target almost met	On-going process to implement actions to address losses. Populate existing GIS with the latest data from metering records in order to monitor area bulk meters. Continue project to install remote metering at all bulk supply points

Ref	Directorate	KPI	Unit of Measurement	Annual Target	Year-To-Date As At December 2014				Corrective Measures
					Target	Actual	R	Performance Comment	
TL10	Technical Services	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	2.6	0.5	0.64	G2	The upgrading of Station Road in Tulbagh with a length of 635m was completed.	None required.
TL11	Technical Services	Number of subsidised serviced sites developed.	Number of serviced plots	485	250	0	R	The Pine Valley project is 80% completed with connections to sites outstanding, all internal underground networks	Pine Valley completion is earmarked for end of February 2015. Contractor on site with Bella Vista & Vredebes projects and new schedule for achievement of targets have been submitted.
TL12	Technical Services	Provide basic services - number of informal areas with sufficient communal water services points	Number of informal areas	2	0	0	N/A	Not yet measured	
TL13	Technical Services	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas	2	0	0	N/A	Not yet measured	
TL14	Technical Services	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning	Number of informal areas	2	0	0	N/A	Not yet measured	
TL15	Technical Services	Number of subsidised electricity connections installed.	Number of connections	50	0	0	N/A	Not yet measured	
TL16	Corporate Services	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent	99%	0%	0%	N/A	Not yet measured	
TL17	Corporate Services	Percentage of people from employment equity target groups employed in the three highest levels of management in	Percentage of equity groups	80%	0%	0%	N/A	Not yet measured	
TL18	Financial Services	Financial viability expressed as Debt-Coverage ratio	Ratio	16	0	0	N/A	Not yet measured	
TL19	Financial Services	Financial viability expressed as Cost-Coverage ratio	Ratio	1.6	0	0	N/A	Not yet measured	
TL20	Financial Services	Financial viability expressed outstanding service debtors	Ratio	46%	0%	0%	N/A	Not yet measured	
TL21	Financial Services	Opinion of the Auditor-General on annual financial statements of the previous year	Opinion of AG	1	0	0	N/A	Not yet measured	
TL22	Financial Services	Increased revenue collection	Percentage revenue	96%	96%	97.62%	G2	Target achieved.	None required.

Ref	Directorate	KPI	Unit of Measurement	Annual Target	Year-To-Date As At December 2014				Performance Comment	Corrective Measures
					Target	Actual	R			
TL23	Financial Services	Percentage of budget spent on repairs & maintenance	Percentage of budget spent	99%	50%	50%	G		Target achieved.	None required.
TL24	Financial Services	Percentage spend of capital budget	Percentage of budget spent	96%	40%	21.60%	R		Target not achieved.	As a result of the under spending on scheduled projects of the departments of Technical- and Community Services, the expected capital spending was not achieved. This will be adjusted as part of the Adjustments Budget submitted during February
TL25	Municipal Manager	Number of IDP community meetings held	Number of meetings held	14	7	7	G		Meetings was scheduled, and conducted in all 7 towns as per the IDP and Budget Process Plan	None required.
TL26	Community Services	Number of meetings with inter-governmental partners	Number of meetings held	10	5	5	G		Inter-governmental Steering Committee meeting held on 23/09/2014 at Ceres. IGR Forum meeting held on 02/09/2014 in Ceres. Disability Forum meeting held 10/09/2014 in Ceres. Stakeholder meeting on "Services to children with disabilities" held on 18/12/2014. Meeting with Dept of Social Development on LDAC held on 06/12/2014 at Ceres.	None required.
TL27	Community Services	Customer satisfaction survey (Score 1-5) - community	Score of survey	3	0	0	N/A			
TL28	Community Services	% Expenditure on Operational Budget by Community Directorate	Percentage of budget spent	99%	50%	2.30%	R		Target not achieved.	Maintenance and reparations is planned for the libraries, community halls and the Thusong centre in the 3rd quarter
TL29	Community Services	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent	96%	40%	38.40%	O		Target almost achieved.	Tender not awarded on Polo Cross Hall resulting in under performance. Review options to continue with Polo Cross Hall project.
TL30	Community Services	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders	3,800	0	0	N/A		Not yet measured	

Ref	Directorate	KPI	Unit of Measurement	Annual Target	Year-To-Date As At December 2014				Performance Comment	Corrective Measures
					Target	Actual	R			
TL31	Community Services	The number of jobs created through municipality's local economic development initiatives including capital	Number of jobs created	380	180	201	G2		201 Temporary job opportunities created from July 2014 to December 2014 through EPWP projects.	None required.
TL32	Community Services	Number of social development programmes implemented	Number of programmes	17	8	8	G		HIV Awareness programme held on 19/09/2014 at the Victoria & Albert Factory in Wolseley. Awareness programme on Fetal Alcohol Syndrome held on 18/09/2014 at Paardekloof, Agter Witzenberg. Awareness programme on water safety held on 09/09/2014 at Pikkie Park Creche in Prince Alfred's Hamlet. Disability Forum meeting held on 10/09/2014 in Ceres. Awareness programme held on 20/11/2014 for farmworkers in Tulbagh. Financial Literacy training as part of the Essen Youth Programme held on 27/11/2014 at Op-Die-Berg. Child Protection information session held at the Breederiver Clinic on 18/12/2014. Gender Based Violence session held at the Breederiver Clinic on 18/12/2014.	None required.
TL33	Community Services	Number of housing opportunities provided per year	Number of top structures	0	0	0	N/A		Not yet measured	
TL34	Community Services	Number of Rental Stock transferred	Number of properties transferred	65	20	26	G2		The following rental stock erven was transferred: 5477, 5506, 5557, 5524, 5507, 5469, 3310, 4911, 4857, 4210, 4808, 4871 in Ceres. The following rental stock erven was transferred: 873, 1163, 1168, 1402 (Tulbagh), 4093, 4825, 4827, 4839, 4840, 4854, 4855, 4917, 5174, 4226 (Ceres).	None required.
TL35	Corporate Services	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation	1st Phase implemented	1	0	0	N/A		Not yet measured	
TL36	Community Services	Compile & Implementation of LED Strategy	Approved LED Strategy	1	0	0	N/A		Not yet measured	