

WITZENBERG MUNICIPALITY

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

*3RD QUARTER
JUL 2014 –
MAR 2015*

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

INDEX

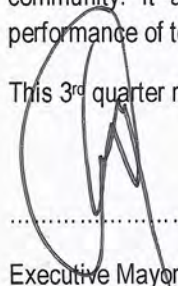
	INTRODUCTION
A	LEGISLATIVE REQUIREMENTS
B	REPORTING ON THE SDBIP
C	QUARTERLY REPORTS
D	FINANCIAL REPORTING FOR THE PERIOD
D.1	Revenue by Source
D.2	Operational Expenditure
D.3	Capital Expenditure
E	NON-FINANCIAL REPORTING FOR PERIOD
	Top level Key Performance Indicators

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 3rd quarter report for the period 1 July 2014 to 31 March 2015.




.....

Executive Mayor

24 April 2015

Date



.....

Municipal Manager

24 April 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.

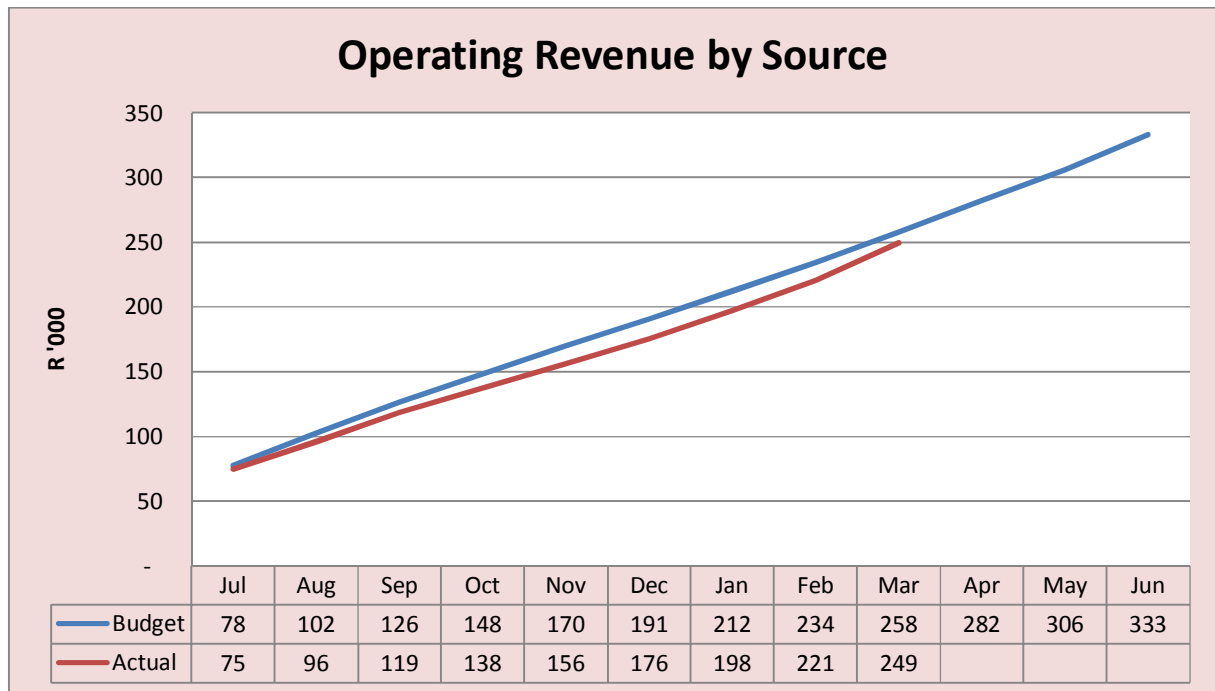
C. QUARTERLY REPORTS

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

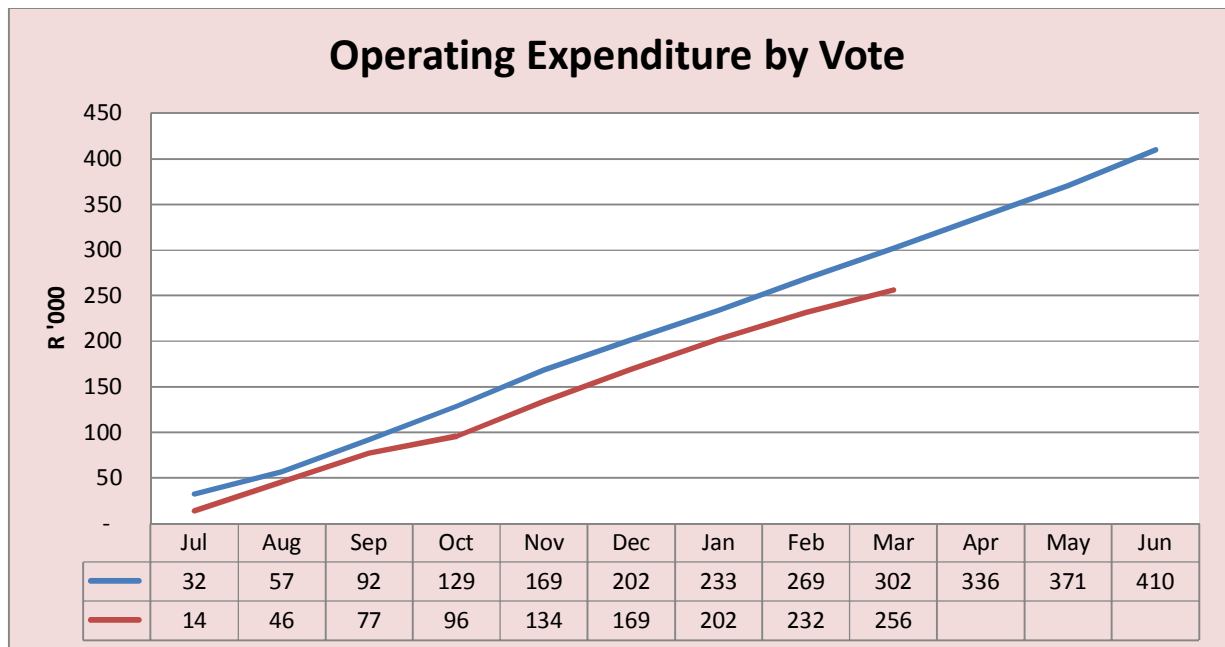
D.1 Revenue by Source

Operating Revenue by Source	Original Budget for the year	Amended Budget for the year	July 2014 to March 2015		
	2014/2015	2014/2015	Budget	Actual	Variance
Property rates	50 347 050	50 347 050	50 809 381	50 896 044	86 663
Property rates - penalties and collection charges	819 110	819 110	614 331	1 015 229	400 898
Service charges - electricity revenue	183 430 440	183 430 440	134 898 141	121 001 231	-13 896 910
Service charges - water revenue	32 450 326	32 450 326	24 287 704	23 587 103	-700 601
Service charges - sanitation revenue	15 259 682	15 259 682	10 873 389	14 759 644	3 886 255
Service charges - refuse revenue	17 550 367	17 550 367	13 263 501	13 989 536	726 035
Service charges - other	458 300	458 300	343 728	1 080 729	737 001
Rental of facilities and equipment	7 217 450	7 217 450	5 414 209	6 878 411	1 464 202
Interest earned - external investments	2 199 230	2 199 230	1 649 421	2 459 828	810 407
Interest earned - outstanding debtors	4 650 710	4 650 710	3 488 031	5 502 218	2 014 187
Dividends received	-	-	-	-	-
Fines	5 236 900	8 236 900	4 359 955	1 480 927	-2 879 028
Licences and permits	274 380	274 380	205 785	130 561	-75 224
Agency services	3 218 300	3 218 300	2 413 728	2 935 588	521 860
Government Grants and Subsidies - Operating	-	-	-	-	-
Other income	6 869 430	6 944 930	5 226 818	3 462 185	-1 764 633
Gains on disposal of PPE	-	-	-	-	-
Total Operating Revenue by Source	329 981 675	333 057 175	257 848 122	249 179 233	-8 668 889



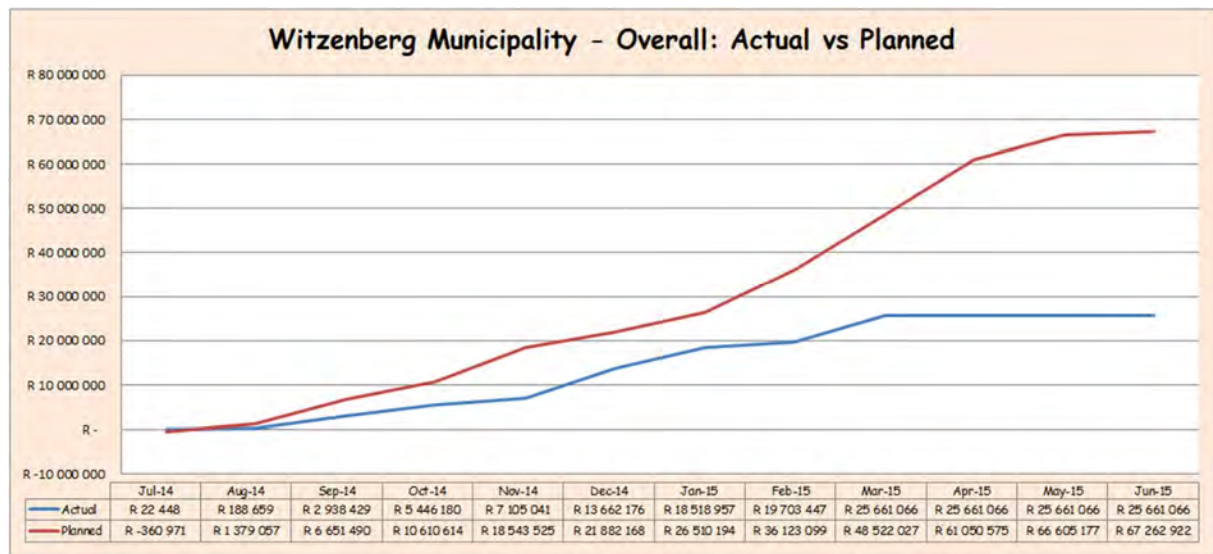
D.2 Operational Expenditure

Operating Expenditure by Vote	Original Budget for the year	Amended Budget for the year	July 2014 to March 2015		
	2014/2015	2014/2015	Budget	Actual	Variance
Executive and council	22 044 935	22 044 935	17 055 246	9 736 441	7 318 805
Community and social services	16 562 191	16 562 191	7 893 662	8 076 539	-182 877
Sport and Recreation	19 175 591	19 175 591	9 901 496	8 105 151	1 796 345
Public safety	15 672 883	15 672 883	4 572 000	3 903 159	668 841
Housing	18 504 035	18 504 035	4 491 207	9 104 927	-4 613 720
Environmental protection	1 071 254	1 071 254	634 708	509 090	125 618
Planning and development	8 231 376	8 231 376	4 247 430	3 903 008	344 422
Road transport	15 009 992	15 009 992	8 232 664	6 538 068	1 694 596
Electricity	167 737 310	167 737 310	83 960 943	63 078 019	20 882 924
Water	17 506 015	17 506 015	8 721 575	7 052 312	1 669 263
Waste water management	21 208 060	21 208 060	10 323 829	9 640 989	682 840
Waste management	23 374 291	23 374 291	12 358 474	10 935 720	1 422 754
Budget and treasury office	34 395 691	34 395 691	19 675 196	14 987 148	4 688 048
Corporate Services	29 783 438	29 783 438	15 197 526	13 382 546	1 814 980
Other	-	-	-	-	-
Total Operating Expenditure by Vote	410 277 062	410 277 062	207 265 956	168 953 116	38 312 840



D.3 Capital Expenditure

<u>Directorate</u>	<u>14/15 Budget</u>	<u>Actual expenditure 31/03/2015</u>	<u>% Expenditure</u>
Financial Services	R 133 000	R 117 502	88.3%
Community Services	R 9 302 332	R 4 500 074	48.4%
Corporate Services	R 1 519 300	R 119 376	7.9%
Technical Services	R 56 308 290	R 20 924 114	37.2%
Total	R 67 262 922	R 25 661 066	38.2%

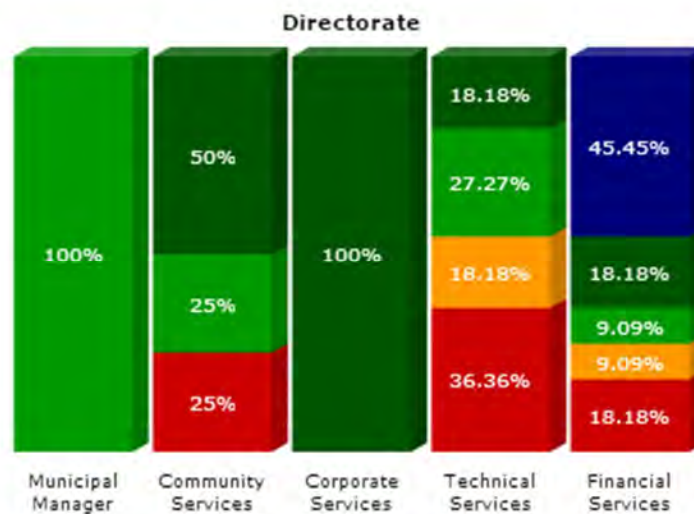
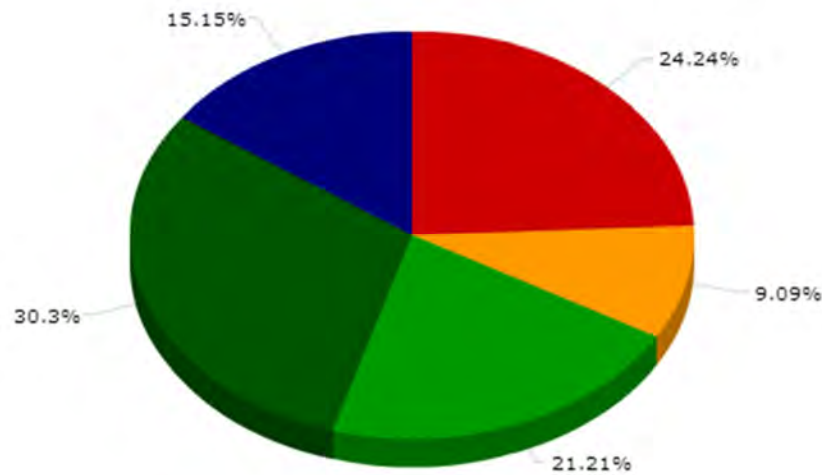


Reasons for poor performance on capital expenditure:

- 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 Bella Vista project has started and expected to be completed by June 2015.
- 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	8 (24.2%)	-	2 (25%)	-	4 (36.4%)	2 (18.2%)
KPI Almost Met	3 (9.1%)	-	-	-	2 (18.2%)	1 (9.1%)
KPI Met	7 (21.2%)	1 (100%)	2 (25%)	-	3 (27.3%)	1 (9.1%)
KPI Well Met	10 (30.3%)	-	4 (50%)	2 (100%)	2 (18.2%)	2 (18.2%)
KPI Extremely Well Met	5 (15.2%)	-	-	-	-	5 (45.5%)
Total:	33	1	8	2	11	11

See report below for detailed response.

Witzenberg Municipality
SDBIP 2014/2015: Top Layer SDBIP Report

Ref	Directorate	KPI	Unit of Measurement	Revised Target	Year-To-Date As At March 2015				
					Target	Actual	R	Performance Comment	Corrective Measures
TL1	Technical Services	% Expenditure on Operational Budget by Technical Directorate	Percentage of budget spent	99%	75%	61%	O	[D51] Director: Technical Services: target not met (March 2015)	[D51] Director: Technical Services: various votes already committed for expenditure, on shadow (financial system) (March 2015)
TL2	Technical Services	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent	96%	60%	27.80%	R	[D35] Director: Technical Services: target not met (March 2015)	[D35] Director: Technical Services: Dennis Lendor appealed to the appointment of a bidder, this delayed the appointment already by 2 months. ASLA not performing on their housing projects as planned. (March 2015)
TL3	Technical Services	Percentage compliance with drinking water quality standards.	Percentage compliance	97%	97%	100%	G2	[D44] Manager: Water: Complying Target met (March 2015)	[D44] Manager: Water: NA (March 2015)
TL4	Financial Services	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications	2%	2%	0%	B	[D136] Manager: Income: No outstanding water applications (March 2015)	
TL5	Financial Services	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications	2%	2%	0%	B	[D137] Manager: Income: No outstanding sewer applications (March 2015)	
TL6	Financial Services	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications	2%	2%	0%	B	[D138] Manager: Income: No outstanding electrical applications (March 2015)	
TL7	Financial Services	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications	2%	2%	0%	B	[D139] Manager: Income: No outstanding refuse removals (March 2015)	
TL8	Technical Services	Decrease unaccounted water losses.	Percentage water losses	26%	26%	31%	R		

Ref	Directorate	KPI	Unit of Measurement	Revised Target	Year-To-Date As At March 2015				
					Target	Actual	R	Performance Comment	Corrective Measures
TL9	Technical Services	Decrease unaccounted electricity losses.	Percentage electricity losses	8.67%	8.50%	14.20%	R	[D47] Head: Electrotechnical Services: Target not met (March 2015)	[D47] Head: Electrotechnical Services: (i) Improve credit control and billing (ii) Complete installation of remote metering (iii) Complete population of GIS (iv) Improve monitoring of bulk supply meters (March 2015)
TL10	Technical Services	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	2.6	1.5	1.52	G2	[D40] Manager: Roads & Storm water: target not met (March 2015)	[D40] Manager: Roads & Storm water: slurry seal done internally not included in this figure, which will make up the deficit. (March 2015)
TL11	Technical Services	Number of subsidised serviced sites developed.	Number of serviced plots	485	485	363	R	[D33] Director: Technical Services: target not met (March 2015)	[D33] Director: Technical Services: Pine Valley Project - 158 sites completed Bella Vista Project - 205 sites completed (March 2015)
TL12	Technical Services	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Number of informal areas	2	2	2	G	[D45] Manager: Water: target met (March 2015)	[D45] Manager: Water: n/a (March 2015)
TL13	Technical Services	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas	2	2	2	G	[D41] Manager: Sanitation: target met (March 2015)	[D41] Manager: Sanitation: n/a (March 2015)
TL14	Technical Services	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas	2	2	2	G	[D42] Manager: Solid Waste & Cleansing: target met (March 2015)	[D42] Manager: Solid Waste & Cleansing: n/a (March 2015)
TL15	Technical Services	Number of subsidised electricity connections installed.	Number of connections	90	40	38	O	[D46] Head: Electrotechnical Services: Target partially met (March 2015)	[D46] Head: Electrotechnical Services: 41 houses constructed, outstanding connections to be done. (March 2015)
TL16	Corporate Services	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent	99%	80%	88.54%	G2	[D121] Manager: Human Resources: Achieved. (March 2015)	
TL17	Corporate Services	Percentage of people from employment equity target groups employed in the three highest levels of management in	Percentage of equity groups	70%	70%	81%	G2	[D120] Manager: Human Resources: Achieved. (March 2015)	
TL18	Financial Services	Financial viability expressed as Debt-Coverage ratio	Ratio	16	16	22.5	G2	[D134] Manager: Financial Administration: Target met (March 2015)	

Ref	Directorate	KPI	Unit of Measurement	Revised Target	Year-To-Date As At March 2015				
					Target	Actual	R	Performance Comment	Corrective Measures
TL19	Financial Services	Financial viability expressed as Cost-Coverage ratio	Ratio	1.6	1.6	3.9	B	[D133] Manager: Financial Administration: Target met (March 2015)	
TL20	Financial Services	Financial viability expressed outstanding service debtors	Ratio	46%	46%	90%	R	[D135] Manager: Financial Administration: Target not met (March 2015)	[D135] Manager: Financial Administration: Report to council to consider writing off of irrecoverable debt. (March 2015)
TL21	Financial Services	Opinion of the Auditor-General on annual financial statements of the previous year	Opinion of AG	1	1	1	G	[D132] Director: Financial Services: Clean Audit achieved (February 2015)	
TL22	Financial Services	Increased revenue collection	Percentage revenue collected	96%	96%	97.62%	G2		
TL23	Financial Services	Percentage of budget spent on repairs & maintenance	Percentage of budget spent	99%	75%	69.20%	O	[D140] Manager: Financial Administration: Target not met (March 2015)	[D140] Manager: Financial Administration: Report to senior management (March 2015)
TL24	Financial Services	Percentage spend of capital budget	Percentage of budget spent	96%	60%	38.15%	R	[D141] Manager: Financial Administration: Target not met (March 2015)	[D141] Manager: Financial Administration: Report to senior management (March 2015)
TL25	Municipal Manager	Number of IDP community meetings held	Number of meetings held	14	7	7	G		
TL26	Community Services	Number of meetings with inter-governmental partners	Number of meetings held	10	8	8	G	[D87] Director: Community Services: Meetings were held on 12 Marc, 17 March and 24 March 2015 with IGR partners. (March 2015)	
TL27	Community Services	Customer satisfaction survey (Score 1-5) - community facilities	Score of survey	3	0	0	N/A		
TL28	Community Services	% Expenditure on Operational Budget by Community Directorate	Percentage of budget spent	99%	75%	7.40%	R	[D96] Director: Community Services: Small Maintenances budgets for Library and Thusong centre makes it difficult to obtain quotations. (March 2015)	[D96] Director: Community Services: The small maintenance amount for buildings will be spend. (March 2015)
TL29	Community Services	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent	96%	60%	43.38%	R	[D97] Director: Community Services: Pinevalley hall is finalized. (March 2015)	[D97] Director: Community Services: Sports field will be finalized before 30 June 2015 due to new service provider appointed. (March 2015)
TL30	Community Services	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders	3,100	2,800	2,803	G2	[D84] Manager: Social Development: achieved (March 2015)	[D84] Manager: Social Development: n/a (March 2015)

Ref	Directorate	KPI	Unit of Measurement	Revised Target	Year-To-Date As At March 2015				
					Target	Actual	R	Performance Comment	Corrective Measures
TL31	Community Services	The number of jobs created through municipality's local economic development initiatives including capital projects	Number of jobs created	380	180	201	G2		
TL32	Community Services	Number of social development programmes implemented	Number of programmes	17	12	12	G	[D88] Manager: Social Development: Achieved (<i>March 2015</i>) [D90] Manager: Social Development: Achieved (<i>March 2015</i>) [D91] Manager: Social Development: Achieved (<i>March 2015</i>) [D92] Manager: Social Development: Achieved (<i>March 2015</i>)	[D88] Manager: Social Development: N/A (<i>March 2015</i>) [D90] Manager: Social Development: N/A (<i>March 2015</i>) [D91] Manager: Social Development: n/a (<i>March 2015</i>) [D92] Manager: Social Development: N/A (<i>March 2015</i>)
TL33	Community Services	Number of housing opportunities provided per year	Number of top structures	42	30	39	G2	[D81] Manager: Human Settlements: In total 41 houses were handed over for the period until end March 2015 (<i>March 2015</i>)	[D81] Manager: Human Settlements: None required (<i>March 2015</i>)
TL34	Community Services	Number of Rental Stock transferred	Number of properties transferred	65	40	45	G2	[D82] Manager: Human Settlements: Attorneys are struggling to get hold of original title deeds (<i>March 2015</i>)	[D82] Manager: Human Settlements: Currently in process of searching for outstanding title deeds (<i>March 2015</i>)
TL35	Corporate Services	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards	1st Phase implemented	1	0	0	N/A		
TL36	Community Services	Compile & Implementation of LED Strategy	Approved LED Strategy	1	0	0	N/A		