



**Mid-  
year**

# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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## GLOSSARY

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**Adjustments Budgets** – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

**Allocations** – Money received from Provincial or National Government or other municipalities.

**AFS** – Annual Financial Statements

**Budget** – The financial plan of a municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget.

**Capital Expenditure** – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

**CFO** – Chief Financial Officer / Director: Finance

**DORA** – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

**Equitable Share** – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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**GDFI** - Gross Domestic Fixed Investment

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

**GRAP** – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

**IDP** – Integrated Development Plan. The main strategic planning document of a municipality.

**KPI's** – Key Performance Indicators. Measures of service output and/or outcome.

**MFMA** – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant

**MPRA** – Municipal Property Rates Act (No 6 of 2004).

**MTREF** – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

**NT** – National Treasury

**Net Assets** – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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**Operating Expenditure** – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

**Rates** – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**RBIG** – Regional Bulk Infrastructure Grant

**R&M** – Repairs and maintenance on property, plant and equipment.

**SCM** – Supply Chain Management.

**SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic Objectives** – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

**TMA** – Total Municipal Account

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget.

**Virement** – A transfer of budget.

**Virement Policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

**Vote** – One of the main segments into which a budget is divided, usually at department level.

**WM** – Witzenberg Municipality



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## LEGAL REQUIREMENTS

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

(1) The accounting officer of a municipality must by 25 January of each year –

- (a) assess the performance of the municipality during the first half of the financial year, taking into account –
  - (i) the monthly statements referred to in section 71 for the first half of the financial year;
  - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
  - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
  - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
- (b) submit a report on such assessment to –
  - (i) the mayor of the municipality
  - (ii) the National Treasury; and
  - (iii) the relevant Provincial Treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

(3) The accounting officer must, as part of the review –

- (a) make recommendations as to whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Thereafter, the mayor must, in terms of Section 54(1) of the act:

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
  - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
  - (ii) That spending of funds and revenue collection proceed in accordance with the budget;



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year.

The following regulations of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations are relevant:

- 33. Format of a mid-year budget and performance assessment.—A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168 (1) of the Act.19
- 34. Publication of mid-year budget and performance assessments.—
  - (1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
  - (2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including—
    - (a) summaries in alternate languages predominant in the community; and
    - (b) information relevant to each ward in the municipality.
- 35. Submission of mid-year budget and performance assessments.—The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form—
  - (a) the mid-year budget and performance assessment by 25 January of each year; and
  - (b) any other information relating to the mid-year budget and performance assessment as may be required by the National Treasury.



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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## 1. PART 1 - IN-YEAR REPORT

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### 1.1 MAYORS REPORT

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Speaker

Deputy Executive Mayor

Members of the Mayoral Committee

Councillors

Representatives of Provincial Government

Municipal Manager

Directors and officials

Distinguished guests

Members of the media

It is my privilege to present to you Mid-Year Budget Statement and Performance Assessment Report for the six months 1 July 2015 to 31 December 2015.

The below average rainfall during 2015 necessitate the implementation of water restriction tariffs. The possible impact of the drought of the economy remains a concern and will be monitored continuously. If it results in the reduction of job opportunities an increase in indigent cases can be expected. The cooperation of the community is requested to use water wisely to conserve our water reserves.

The spending on capital projects remains a challenge. Only 37% was spend during the first six months of the financial year. Steps will be implemented to speed up service delivery.

The credit control measures could not be implemented in certain areas do to the lives of contractors and municipal staff's being threaten.

The spending on overtime remains a concern as 81% of the budget was spend in the first six months.

An adjustment budget will be compiled and submitted to Council for consideration do to operational requirements.





## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The following table provides the details on the audit outcomes for the 2014/15 financial year with the proposed correctives steps:

<b>Auditor-General Report on the Annual Financial Statements 2014/15</b>	
<b>Status of the audit report:</b>	Unqualified
<b>Issue raised</b>	<b>Proposed corrective step</b>
<b>Emphasis of matter:</b>	
<b><u>Material impairments</u></b>	
As disclosed in note 3 and 4 to the financial statements, the municipality has provided for an impairment of R121 824 204 (2013-14: R102 989 970) on receivables from exchange transactions and an impairment of R30 652 341 (2013-14: R20 882 096) on receivables from non-exchange transactions. This represents 71.49% (2013-14: 72.16%) and 81.49% (2013-14: 77.95%) of receivables from exchange and on exchange transactions respectively.	Council resolved that a workshop be held to discuss the write-off of irrecoverable debt.
<b><u>Significant uncertainties</u></b>	
With reference to note 51 to the financial statements, the municipality is at risk regarding the payment of claims relating to contractual disputes from third parties. The amounts in this regard were uncertain at year-end and no provision for any liability that may result has been made in the financial statements.	Management are aware of these issues and legal assistance is used when applicable.
<b><u>Restatement of corresponding figures</u></b>	
As disclosed in notes 39 to the financial statements, the corresponding figures for 30 June 2014 have been restated, as a result of errors discovered during 2015 in the financial statements of the municipality at, and for the year ended, 30 June 2014.	None

**COUNCILLOR BC KLAASEN**

**EXECUTIVE MAYOR**



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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## 1.2 RESOLUTION

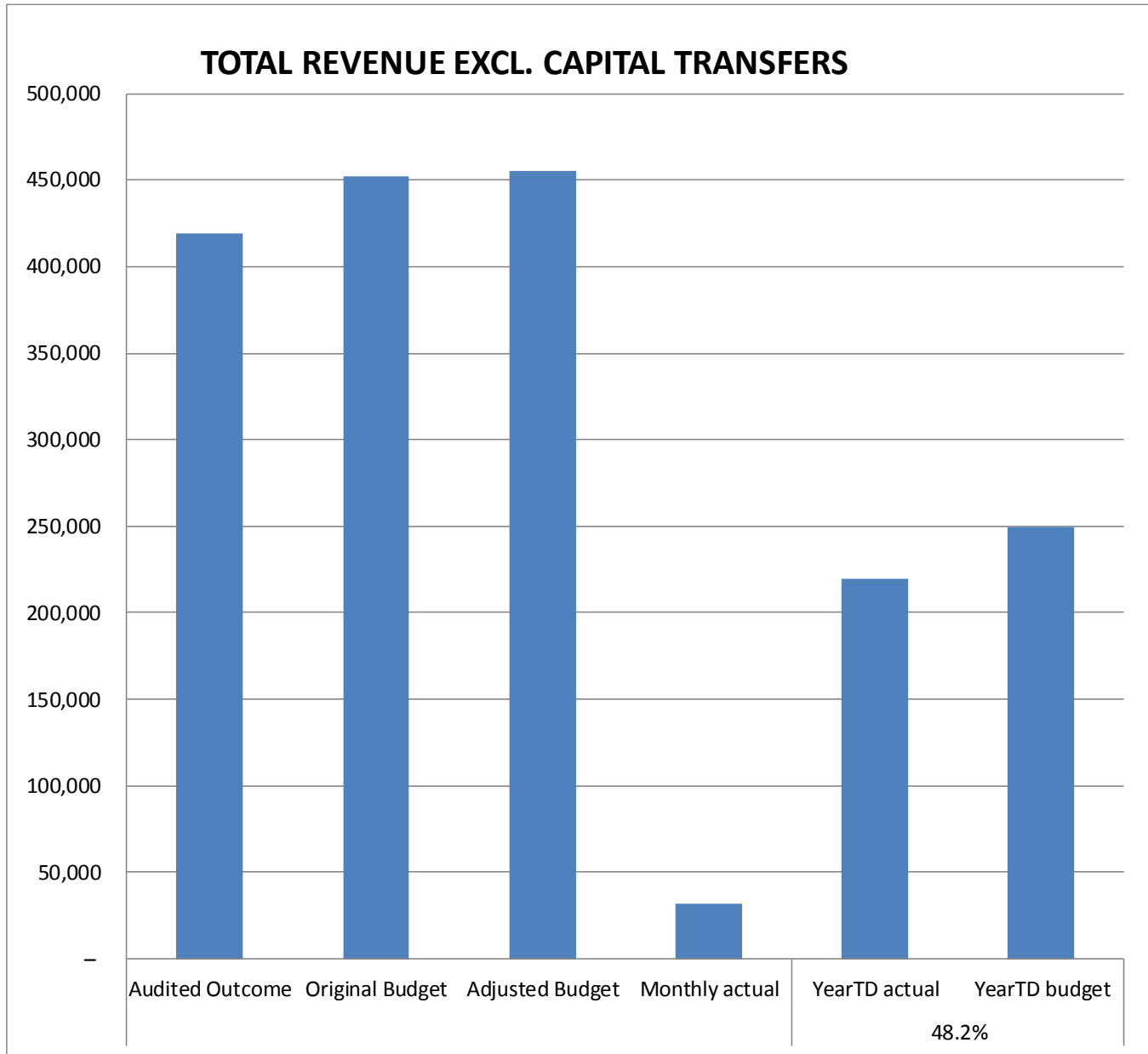
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It is recommended that Council take cognisance of the mid-year budget and performance assessment for the period 1 July 2015 to 31 December 2015.



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

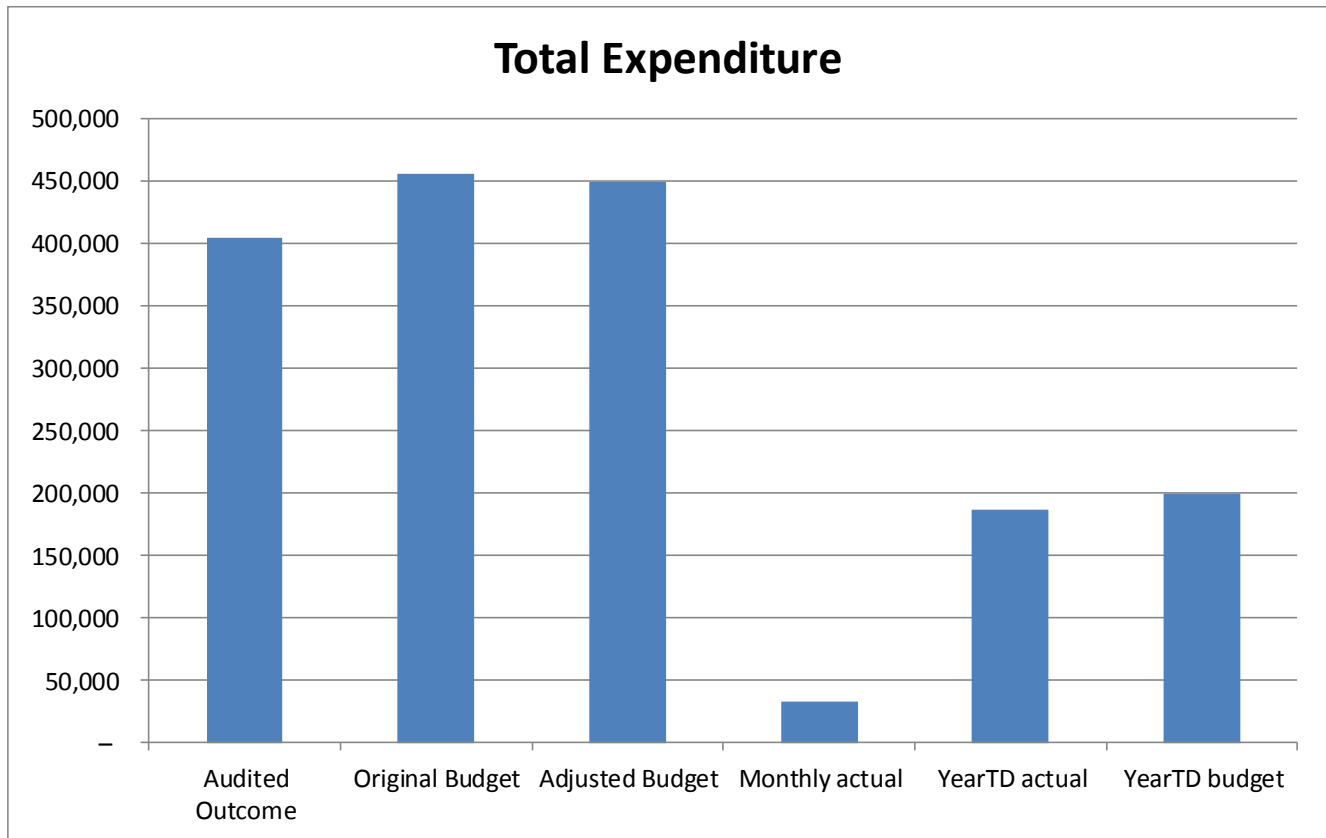
## 1.3 EXECUTIVE SUMMARY



48% of the budgeted revenue excluding capital transfers was levied for the six months until 31 December 2015. The rates for the full financial year for property owners that prefer to pay their rates annually were levied during July 2015. The consumption of services such as water and electricity are expected to increase during the next months due to the agricultural season.



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

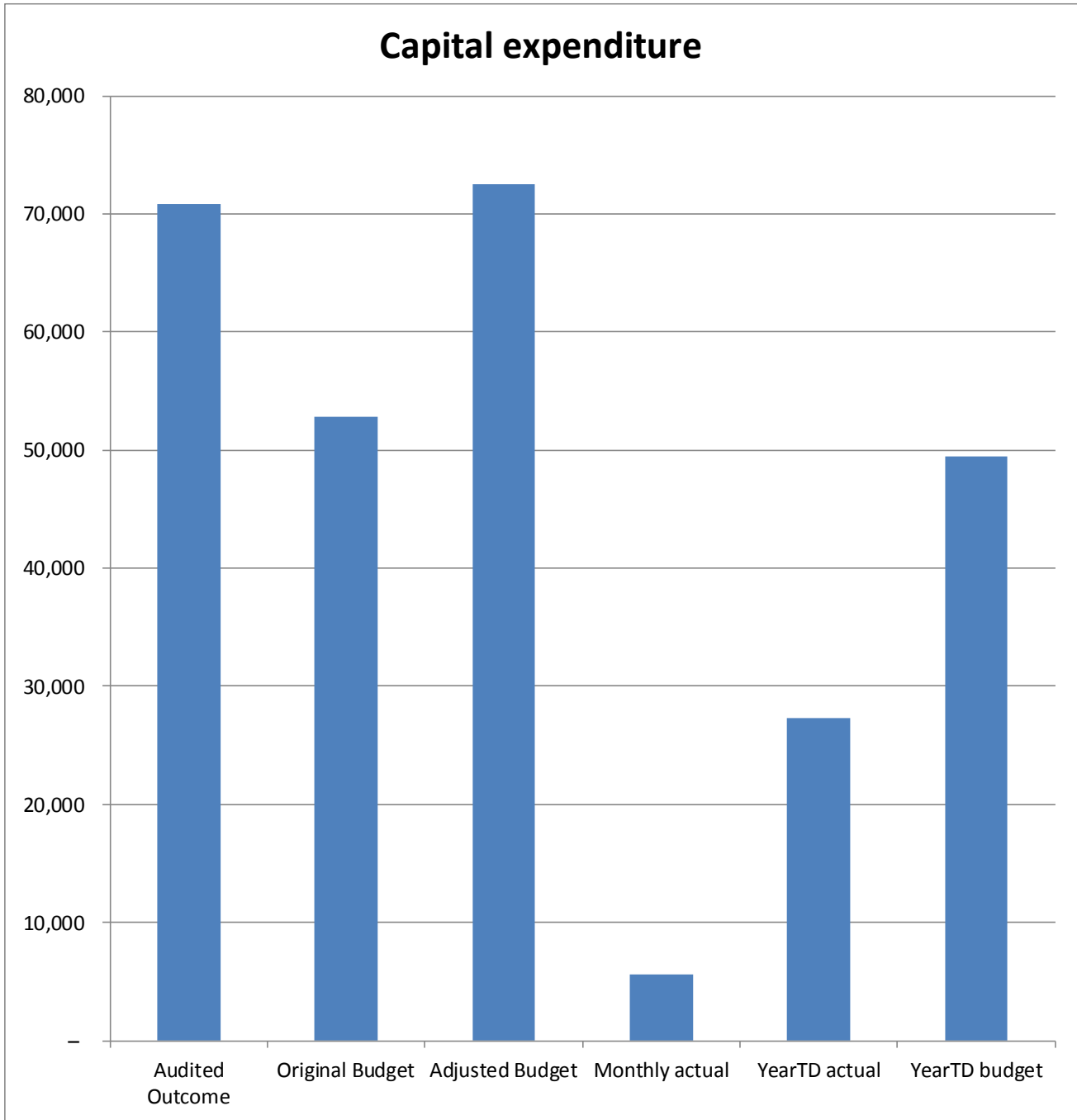


For the six months until 31 December 2015 42% of the budgeted expenditure was incurred.

It is expected that the bulk purchases from Eskom will increase in the latter half of the financial year due to the agricultural season.



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015



For the six months until 31 December 2015 37% of the budgeted capital expenditure was incurred.

Steps will be implemented to ensure faster spending of the capital budget.



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 1.4 IN-YEAR BUDGET STATEMENT TABLES

The following table provides a summary of the financial performance and financial position of the municipality as at 31 December 2015.

**WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M06 December**

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	49,892	56,176	56,176	2,814	39,009	57,604	(18,595)	-32%	45,568
Service charges	241,783	271,802	271,802	21,473	129,158	132,369	(3,211)	-2%	263,277
Investment revenue	4,658	2,996	2,996	349	2,462	1,544	918	59%	13,389
Transfers recognised - operational	84,488	82,602	85,683	4,937	30,408	39,612	(9,204)	-23%	81,877
Other own revenue	38,668	38,377	38,377	2,400	18,338	18,570	(232)	-1%	17,356
<b>Total Revenue (excluding capital)</b>	<b>419,489</b>	<b>451,953</b>	<b>455,034</b>	<b>31,973</b>	<b>219,375</b>	<b>249,699</b>	<b>(30,324)</b>	<b>-12%</b>	<b>421,467</b>
Employee costs	115,583	131,367	131,382	10,796	59,795	66,588	(6,793)	-10%	121,581
Remuneration of Councillors	8,065	8,949	8,949	687	4,129	4,188	(58)	-1%	8,825
Depreciation & asset impairment	26,327	24,054	24,054	1,616	9,747	1,028	8,719	848%	23,337
Finance charges	14,300	13,315	13,305	880	5,152	6,835	(1,683)	-25%	12,019
Materials and bulk purchases	138,170	162,744	162,744	10,297	61,951	71,015	(9,064)	-13%	142,196
Transfers and grants	922	831	819	25	464	425	40		905
Other expenditure	100,625	113,863	107,572	8,047	45,766	48,916	(3,150)	-6%	111,633
<b>Total Expenditure</b>	<b>403,992</b>	<b>455,124</b>	<b>448,827</b>	<b>32,348</b>	<b>187,004</b>	<b>198,995</b>	<b>(11,991)</b>	<b>-6%</b>	<b>420,496</b>
<b>Surplus/(Deficit)</b>	<b>15,497</b>	<b>(3,172)</b>	<b>6,207</b>	<b>(375)</b>	<b>32,371</b>	<b>50,704</b>	<b>(18,333)</b>	<b>-36%</b>	<b>971</b>
Transfers recognised - capital	58,472	25,218	33,987	-	12,929	9,331	3,598	39%	33,002
Contributions & Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital</b>	<b>73,969</b>	<b>22,046</b>	<b>40,194</b>	<b>(375)</b>	<b>45,300</b>	<b>60,035</b>	<b>(14,736)</b>	<b>-25%</b>	<b>33,973</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>70,877</b>	<b>52,768</b>	<b>72,570</b>	<b>5,625</b>	<b>27,289</b>	<b>49,486</b>	<b>(22,197)</b>	<b>-45%</b>	<b>94,187</b>
Capital transfers recognised	51,747	8,603	21,039	2,000	20,154	17,252	2,902	17%	39,193
Public contributions & donations	6,951	1,038	1,038	24	124	1,038	(914)	-88%	1,138
Borrowing	32,155	8,290	8,290	-	-	5,290	(5,290)	-100%	8,290
Internally generated funds	(19,975)	34,838	42,203	3,600	7,011	25,906	(18,895)	-73%	45,566
<b>Total sources of capital funds</b>	<b>70,877</b>	<b>52,768</b>	<b>72,570</b>	<b>5,625</b>	<b>27,289</b>	<b>49,486</b>	<b>(22,197)</b>	<b>-45%</b>	<b>94,187</b>
<b>Financial position</b>									
Total current assets	119,313	100,775	100,775		172,218				100,775
Total non current assets	699,587	733,237	733,237		744,739				733,237
Total current liabilities	71,365	52,987	52,987		72,025				52,987
Total non current liabilities	117,866	120,092	120,092		171,145				120,092
<b>Community wealth/Equity</b>	<b>629,668</b>	<b>660,933</b>	<b>660,933</b>		<b>673,788</b>				<b>660,933</b>
<b>Cash flows</b>									
Net cash from (used) operating	62,331	49,880	49,880	14,186	59,072	20,149	38,923	193%	49,880
Net cash from (used) investing	(25,033)	(52,768)	(52,768)	(2,154)	(7,723)	(4,177)	(3,547)	85%	(52,768)
Net cash from (used) financing	(7,473)	8,300	8,300	43	(3,466)	-	(3,466)		8,300
<b>Cash at month end</b>	<b>29,824</b>	<b>67,795</b>	<b>67,795</b>	<b>-</b>	<b>110,266</b>	<b>78,356</b>	<b>31,910</b>	<b>41%</b>	<b>67,795</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	40,619	3,139	2,768	4,680	2,657	2,165	12,971	113,607	182,605
<b>Creditors Age Analysis</b>									
Total Creditors	2,349	71	3	-	-	-	-	-	2,423



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The following table provides detail of revenue and expenditure according to the international standard classification.

**WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06**

Description	2014/15	Budget Year 2015/16							
	Audited Outcom	Original Budget	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD varianc %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Standard</b>									
<b>Governance and administration</b>	<b>84,666</b>	<b>78,085</b>	<b>79,085</b>	<b>3,689</b>	<b>50,371</b>	<b>67,818</b>	(17,447)	-26%	<b>61,691</b>
Executive and council	4,139	9,264	9,264	27	5,019	4,654	365	8%	668
Budget and treasury office	64,350	68,307	67,957	3,494	44,728	62,232	(17,504)	-28%	60,406
Corporate services	16,177	513	1,863	169	624	931	(308)	-33%	617
<b>Community and public safety</b>	<b>104,816</b>	<b>90,061</b>	<b>92,267</b>	<b>5,726</b>	<b>38,823</b>	<b>43,559</b>	(4,736)	-11%	<b>82,307</b>
Community and social services	59,231	66,351	66,351	4,700	27,810	31,194	(3,384)	-11%	62,111
Sport and recreation	20,130	7,176	7,176	903	9,648	3,758	5,889	157%	7,734
Public safety	9,872	8,348	8,348	76	1,088	3,309	(2,221)	-67%	2,152
Housing	15,583	8,186	10,391	47	277	5,298	(5,021)	-95%	10,310
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>18,733</b>	<b>9,564</b>	<b>12,354</b>	<b>282</b>	<b>3,894</b>	<b>5,147</b>	(1,254)	-24%	<b>9,392</b>
Planning and development	2,339	1,207	1,207	17	379	604	(225)	-37%	757
Road transport	16,137	7,829	10,619	265	3,452	4,407	(956)	-22%	8,243
Environmental protection	257	528	528	-	63	137	(73)	-54%	392
<b>Trading services</b>	<b>269,746</b>	<b>299,460</b>	<b>305,315</b>	<b>22,276</b>	<b>139,217</b>	<b>142,507</b>	(3,290)	-2%	<b>314,438</b>
Electricity	172,336	202,830	202,830	13,934	91,472	95,368	(3,896)	-4%	191,960
Water	38,056	52,665	54,682	4,069	20,464	23,885	(3,421)	-14%	55,918
Waste water management	38,645	23,402	27,240	2,288	15,888	12,854	3,034	24%	30,706
Waste management	20,710	20,563	20,563	1,985	11,392	10,399	993	10%	35,855
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue - Standard</b>	<b>477,961</b>	<b>477,170</b>	<b>489,021</b>	<b>31,973</b>	<b>232,304</b>	<b>259,030</b>	<b>(26,726)</b>	<b>-10%</b>	<b>467,828</b>
<b>Expenditure - Standard</b>									
<b>Governance and administration</b>	<b>84,000</b>	<b>100,397</b>	<b>100,390</b>	<b>8,143</b>	<b>46,035</b>	<b>49,819</b>	(3,784)	-8%	<b>103,695</b>
Executive and council	18,075	29,922	28,907	1,835	11,751	14,728	(2,976)	-20%	25,348
Budget and treasury office	36,291	41,681	41,226	2,976	19,131	20,393	(1,262)	-6%	43,891
Corporate services	29,634	28,794	30,257	3,331	15,153	14,698	455	3%	34,456
<b>Community and public safety</b>	<b>70,983</b>	<b>70,850</b>	<b>63,535</b>	<b>4,774</b>	<b>25,566</b>	<b>25,753</b>	(187)	-1%	<b>62,813</b>
Community and social services	16,216	17,707	17,901	1,494	8,573	8,582	(10)	0%	19,827
Sport and recreation	18,803	20,676	20,761	1,811	9,729	8,450	1,279	15%	19,927
Public safety	18,219	20,980	20,937	1,230	5,940	6,851	(911)	-13%	19,962
Housing	17,745	11,487	3,937	239	1,324	1,870	(545)	-29%	3,097
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>25,323</b>	<b>29,554</b>	<b>30,892</b>	<b>2,179</b>	<b>10,450</b>	<b>12,897</b>	(2,448)	-19%	<b>27,035</b>
Planning and development	7,307	5,223	5,108	365	2,080	2,702	(621)	-23%	4,160
Road transport	17,042	23,146	24,600	1,734	7,937	9,580	(1,643)	-17%	21,966
Environmental protection	974	1,184	1,184	80	433	616	(183)	-30%	908
<b>Trading services</b>	<b>222,861</b>	<b>253,636</b>	<b>253,322</b>	<b>17,252</b>	<b>104,592</b>	<b>110,187</b>	(5,594)	-5%	<b>226,231</b>
Electricity	155,706	183,879	183,870	11,651	70,738	80,518	(9,780)	-12%	159,882
Water	17,546	20,672	20,783	1,442	9,812	8,525	1,288	15%	20,970
Waste water management	23,713	23,094	22,738	2,171	12,285	8,829	3,456	39%	22,488
Waste management	25,896	25,992	25,932	1,988	11,757	12,315	(558)	-5%	22,891
<b>Other</b>	<b>654</b>	<b>687</b>	<b>687</b>	<b>1</b>	<b>354</b>	<b>339</b>	<b>15</b>	<b>4%</b>	<b>722</b>
<b>Total Expenditure - Standard</b>	<b>403,821</b>	<b>455,124</b>	<b>448,827</b>	<b>32,348</b>	<b>186,997</b>	<b>198,995</b>	<b>(11,998)</b>	<b>-6%</b>	<b>420,496</b>
<b>Surplus/ (Deficit) for the year</b>	<b>74,139</b>	<b>22,046</b>	<b>40,194</b>	<b>(375)</b>	<b>45,307</b>	<b>60,035</b>	<b>(14,728)</b>	<b>-25%</b>	<b>47,332</b>



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The table provides detail of revenue and expenditure according to municipal votes.

**WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal**

Vote Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue by Vote</b>									
Vote 1 - Budget & Treasury Office	64,350	68,307	67,957	3,494	44,728	62,232	(17,504)	-28.1%	60,406
Vote 2 - Civil Services	109,598	100,647	109,292	8,349	49,201	49,585	(384)	-0.8%	113,493
Vote 3 - Community & Social Services	59,551	66,967	66,967	4,703	27,943	31,374	(3,431)	-10.9%	62,642
Vote 4 - Corporate Services	15,858	513	1,863	169	624	931	(308)	-33.1%	617
Vote 5 - Electricity	172,655	202,830	202,830	13,934	91,494	95,368	(3,874)	-4.1%	191,960
Vote 6 - Executive & Council	4,139	9,264	9,264	27	5,019	4,654	365	7.9%	668
Vote 7 - Housing	15,583	8,186	10,391	47	277	5,298	(5,021)	-94.8%	10,310
Vote 8 - Planning	2,275	1,119	1,119	14	309	560	(250)	-44.8%	618
Vote 9 - Public Safety	13,821	12,161	12,161	334	3,062	5,269	(2,208)	-41.9%	6,022
Vote 10 - Sport & Recreation	20,130	7,176	7,176	903	9,648	3,758	5,889	156.7%	7,734
<b>Total Revenue by Vote</b>	<b>477,961</b>	<b>477,170</b>	<b>489,021</b>	<b>31,973</b>	<b>232,304</b>	<b>259,030</b>	<b>(26,726)</b>	<b>-10.3%</b>	<b>454,469</b>
<b>Expenditure by Vote</b>									
Vote 1 - Budget & Treasury Office	34,036	35,389	34,829	2,470	16,131	17,171	(1,041)	-6.1%	37,682
Vote 2 - Civil Services	81,438	89,425	90,566	7,070	40,352	37,504	2,848	7.6%	85,417
Vote 3 - Community & Social Services	18,946	21,137	21,301	1,739	9,991	10,295	(304)	-3.0%	22,593
Vote 4 - Corporate Services	28,585	26,599	28,112	3,214	14,722	13,694	1,029	7.5%	33,353
Vote 5 - Electricity	158,048	188,303	188,089	11,829	72,074	82,544	(10,470)	-12.7%	163,314
Vote 6 - Executive & Council	22,031	36,213	35,303	2,341	14,751	17,949	(3,199)	-17.8%	31,557
Vote 7 - Housing	17,745	11,487	3,937	239	1,324	1,870	(545)	-29.2%	3,097
Vote 8 - Planning	4,354	3,774	3,659	229	1,281	1,941	(660)	-34.0%	2,731
Vote 9 - Public Safety	19,836	22,120	22,269	1,405	6,642	7,577	(935)	-12.3%	20,826
Vote 10 - Sport & Recreation	18,803	20,676	20,761	1,811	9,729	8,450	1,279	15.1%	19,927
<b>Total Expenditure by Vote</b>	<b>403,821</b>	<b>455,124</b>	<b>448,827</b>	<b>32,348</b>	<b>186,997</b>	<b>198,995</b>	<b>(11,998)</b>	<b>-6.0%</b>	<b>420,496</b>
<b>Surplus/ (Deficit) for the year</b>	<b>74,139</b>	<b>22,046</b>	<b>40,194</b>	<b>(375)</b>	<b>45,307</b>	<b>60,035</b>	<b>(14,728)</b>	<b>-24.5%</b>	<b>33,973</b>





# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The table provides detail of revenue according to source and expenditure according to type.

**WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 Deceml**

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates	48,540	55,316	55,316	2,699	38,282	57,174	(18,893)	-33%	44,114
Property rates - penalties & collection	1,352	860	860	115	727	430	297	69%	1,455
Service charges - electricity revenue	171,615	198,529	198,529	13,825	90,712	95,218	(4,505)	-5%	187,237
Service charges - water revenue	31,051	34,986	34,986	3,723	17,248	17,444	(196)	-1%	34,581
Service charges - sanitation revenue	19,061	18,484	18,484	2,131	10,835	9,687	1,148	12%	21,023
Service charges - refuse revenue	18,854	19,321	19,321	1,793	10,325	9,778	547	6%	20,362
Service charges - other	1,202	482	482	-	37	241	(204)	-85%	75
Rental of facilities and equipment	8,443	8,159	8,159	987	4,575	4,250	325	8%	8,432
Interest earned - external investments	4,658	2,996	2,996	349	2,462	1,544	918	59%	4,713
Interest earned - outstanding debtors	7,585	4,883	4,883	837	4,338	2,442	1,896	78%	8,676
Dividends received	-	-	-	-	-	-	-	-	-
Fines	10,106	8,559	8,559	77	1,072	3,414	(2,342)	-69%	2,262
Licences and permits	155	288	288	8	114	144	(30)	-21%	221
Agency services	3,849	3,602	3,602	252	1,948	1,853	95	5%	3,779
Transfers recognised - operational	84,488	82,602	85,683	4,937	30,408	39,612	(9,204)	-23%	81,877
Other revenue	4,261	4,584	4,584	239	6,286	2,317	3,970	171%	2,649
Gains on disposal of PPE	4,268	8,302	8,302	-	6	4,151	(4,145)	-100%	12
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>419,489</b>	<b>451,953</b>	<b>455,034</b>	<b>31,973</b>	<b>219,375</b>	<b>249,699</b>	<b>(30,324)</b>	<b>-12%</b>	<b>421,467</b>
<b>Expenditure By Type</b>									
Employee related costs	115,583	131,367	131,382	10,796	59,795	66,588	(6,793)	-10%	121,581
Remuneration of councillors	8,065	8,949	8,949	687	4,129	4,188	(58)	-1%	8,825
Debt impairment	26,883	20,754	20,754	1,793	11,747	7,377	4,369	59%	22,496
Depreciation & asset impairment	26,327	24,054	24,054	1,616	9,747	1,028	8,719	848%	23,337
Finance charges	14,300	13,315	13,305	880	5,152	6,835	(1,683)	-25%	12,019
Bulk purchases	138,170	162,744	162,744	10,297	61,951	71,015	(9,064)	-13%	142,196
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	12,287	12,084	12,740	1,360	6,452	6,058	394	6%	12,299
Transfers and grants	922	831	819	25	464	425	40	9%	905
Other expenditure	61,333	81,025	74,078	4,894	27,567	35,480	(7,914)	-22%	76,838
Loss on disposal of PPE	123	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>403,992</b>	<b>455,124</b>	<b>448,827</b>	<b>32,348</b>	<b>187,004</b>	<b>198,995</b>	<b>(11,991)</b>	<b>-6%</b>	<b>420,496</b>
<b>Surplus/(Deficit)</b>	<b>15,497</b>	<b>(3,172)</b>	<b>6,207</b>	<b>(375)</b>	<b>32,371</b>	<b>50,704</b>	<b>(18,333)</b>	<b>(0)</b>	<b>971</b>
Transfers recognised - capital	58,472	25,218	33,987	-	12,929	9,331	3,598	0	33,002
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>73,969</b>	<b>22,046</b>	<b>40,194</b>	<b>(375)</b>	<b>45,300</b>	<b>60,035</b>			<b>33,973</b>



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The table provides detail of capital expenditure according to municipal votes.

### WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury Office	-	-	-	-	-	-	-	-	-
Vote 2 - Civil Services	-	7,388	6,410	1,062	1,062	5,257	(4,195)	-80%	6,410
Vote 3 - Community & Social Services	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-
Vote 5 - Electricity	-	-	-	-	-	-	-	-	-
Vote 6 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 7 - Housing	-	-	-	-	-	-	-	-	-
Vote 8 - Planning	-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety	-	-	-	-	-	-	-	-	-
Vote 10 - Sport & Recreation	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>-</b>	<b>7,388</b>	<b>6,410</b>	<b>1,062</b>	<b>1,062</b>	<b>5,257</b>	<b>(4,195)</b>	<b>-80%</b>	<b>6,410</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury Office	118	350	350	26	72	350	(278)	-79%	395
Vote 2 - Civil Services	50,873	26,756	45,335	4,326	24,142	35,684	(11,542)	-32%	65,099
Vote 3 - Community & Social Services	6,064	2,214	2,219	35	191	1,336	(1,145)	-86%	2,375
Vote 4 - Corporate Services	7,386	350	1,419	12	125	1,050	(925)	-88%	1,531
Vote 5 - Electricity	3,952	7,990	9,087	162	1,504	2,589	(1,085)	-42%	10,437
Vote 6 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 7 - Housing	-	2,000	2,000	-	-	2,000	(2,000)	-100%	2,000
Vote 8 - Planning	47	-	-	-	-	-	-	-	-
Vote 9 - Public Safety	37	3,570	3,570	1	3	570	(567)	-100%	3,571
Vote 10 - Sport & Recreation	2,400	2,150	2,180	1	190	650	(460)	-71%	2,370
<b>Total Capital single-year expenditure</b>	<b>70,877</b>	<b>45,380</b>	<b>66,159</b>	<b>4,563</b>	<b>26,227</b>	<b>44,229</b>	<b>(18,001)</b>	<b>-41%</b>	<b>87,777</b>
<b>Total Capital Expenditure</b>	<b>70,877</b>	<b>52,768</b>	<b>72,570</b>	<b>5,625</b>	<b>27,289</b>	<b>49,486</b>	<b>(22,197)</b>	<b>-45%</b>	<b>94,187</b>



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The table provides detail of capital expenditure according to the international standards.

**WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December**

Vote Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital Expenditure - Standard Classification</b>									
<b>Governance and administration</b>	<b>7,504</b>	<b>700</b>	<b>1,769</b>	<b>38</b>	<b>197</b>	<b>1,400</b>	<b>(1,203)</b>	<b>-86%</b>	<b>1,926</b>
Executive and council	–	–	–	–	–	–	–	–	–
Budget and treasury office	118	350	350	26	72	350	(278)	-79%	395
Corporate services	7,386	350	1,419	12	125	1,050	(925)	-88%	1,531
<b>Community and public safety</b>	<b>8,408</b>	<b>9,761</b>	<b>10,593</b>	<b>13</b>	<b>295</b>	<b>4,782</b>	<b>(4,487)</b>	<b>-94%</b>	<b>10,874</b>
Community and social services	5,971	1,941	1,946	11	79	1,063	(984)	-93%	2,014
Sport and recreation	2,400	2,150	2,180	1	190	650	(460)	-71%	2,370
Public safety	37	3,670	4,467	2	25	1,069	(1,043)	-98%	4,491
Housing	–	2,000	2,000	–	–	2,000	(2,000)	-100%	2,000
Health	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	<b>10,375</b>	<b>8,113</b>	<b>12,466</b>	<b>1,233</b>	<b>4,432</b>	<b>10,533</b>	<b>(6,102)</b>	<b>-58%</b>	<b>15,665</b>
Planning and development	47	–	–	–	–	–	–	–	–
Road transport	10,235	7,840	12,193	1,208	4,320	10,260	(5,941)	-58%	15,304
Environmental protection	94	273	273	24	112	273	(161)	-59%	361
<b>Trading services</b>	<b>44,591</b>	<b>34,194</b>	<b>47,743</b>	<b>4,341</b>	<b>22,366</b>	<b>32,771</b>	<b>(10,405)</b>	<b>-32%</b>	<b>65,722</b>
Electricity	3,583	7,860	8,160	161	1,482	2,060	(578)	-28%	9,487
Water	14,769	10,913	18,185	2,042	11,873	14,982	(3,108)	-21%	28,016
Waste water management	26,239	12,381	19,358	2,085	8,801	13,189	(4,388)	-33%	26,073
Waste management	–	3,040	2,040	53	210	2,540	(2,330)	-92%	2,145
<b>Other</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Standard Classification</b>	<b>70,877</b>	<b>52,768</b>	<b>72,570</b>	<b>5,625</b>	<b>27,289</b>	<b>49,486</b>	<b>(22,197)</b>	<b>-45%</b>	<b>94,187</b>



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The table provides detail of the municipality's financial position as at period end.

**WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M06 December**

Description	2014/15	Budget Year 2015/16			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	38,465	38,758	38,758	65,266	38,758
Call investment deposits	18,076	–	–	45,000	–
Consumer debtors	50,118	49,364	49,364	56,000	49,364
Other debtors	6,901	6,901	6,901	–	6,901
Current portion of long-term receivables	–	–	–	–	–
Inventory	5,752	5,752	5,752	5,953	5,752
<b>Total current assets</b>	<b>119,313</b>	<b>100,775</b>	<b>100,775</b>	<b>172,218</b>	<b>100,775</b>
<b>Non current assets</b>					
Long-term receivables	249	5,185	5,185	(200)	5,185
Investments	105	105	105	105	105
Investment property	48,300	48,300	48,300	48,877	48,300
Investments in Associate	–	–	–	–	–
Property, plant and equipment	650,933	679,647	679,647	691,773	679,647
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	–	–	–	4,162	–
Other non-current assets	–	–	–	22	–
<b>Total non current assets</b>	<b>699,587</b>	<b>733,237</b>	<b>733,237</b>	<b>744,739</b>	<b>733,237</b>
<b>TOTAL ASSETS</b>	<b>818,899</b>	<b>834,012</b>	<b>834,012</b>	<b>916,958</b>	<b>834,012</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	–	–	–	2,666	–
Trade and other payables	68,600	50,222	50,222	61,863	50,222
Provisions	2,765	2,765	2,765	7,495	2,765
<b>Total current liabilities</b>	<b>71,365</b>	<b>52,987</b>	<b>52,987</b>	<b>72,025</b>	<b>52,987</b>
<b>Non current liabilities</b>					
Borrowing	24,285	25,134	25,134	23,540	25,134
Provisions	93,580	94,958	94,958	147,605	94,958
<b>Total non current liabilities</b>	<b>117,866</b>	<b>120,092</b>	<b>120,092</b>	<b>171,145</b>	<b>120,092</b>
<b>TOTAL LIABILITIES</b>	<b>189,231</b>	<b>173,079</b>	<b>173,079</b>	<b>243,170</b>	<b>173,079</b>
<b>NET ASSETS</b>	<b>629,668</b>	<b>660,933</b>	<b>660,933</b>	<b>673,788</b>	<b>660,933</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	623,254	651,714	651,714	667,227	651,714
Reserves	6,415	9,219	9,219	6,561	9,219
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>629,668</b>	<b>660,933</b>	<b>660,933</b>	<b>673,788</b>	<b>660,933</b>



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The cash flows for the year to date are as follows:

**WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M06 December**

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	51,261	52,409	52,409	10,027	37,356	9,690	27,665	285%	52,409
Service charges	253,054	259,917	259,917	11,132	111,866	46,638	65,228	140%	259,917
Other revenue	47,410	28,392	28,392	9,915	23,979	4,688	19,291	411%	28,392
Government - operating	67,198	82,602	82,602	18,623	48,923	28,129	20,794	74%	82,602
Government - capital	63,358	25,218	25,218	3,919	29,715	3,941	25,774	654%	25,218
Interest	6,338	7,880	7,880	1,564	3,575	1,533	2,042	133%	7,880
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(421,310)	(401,664)	(401,664)	(40,821)	(194,542)	(74,321)	(120,221)	162%	(401,664)
Finance charges	(3,779)	(4,040)	(4,040)	-	(1,295)	(0)	(1,295)	-	(4,040)
Transfers and Grants	(1,199)	(831)	(831)	(174)	(504)	(149)	(356)	239%	(831)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>62,331</b>	<b>49,880</b>	<b>49,880</b>	<b>14,186</b>	<b>59,072</b>	<b>20,149</b>	<b>38,923</b>	<b>193%</b>	<b>49,880</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(25,033)	(52,768)	(52,768)	(2,154)	(7,723)	(4,177)	(3,547)	85%	(52,768)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(25,033)</b>	<b>(52,768)</b>	<b>(52,768)</b>	<b>(2,154)</b>	<b>(7,723)</b>	<b>(4,177)</b>	<b>3,547</b>	<b>7,723</b>	<b>(52,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	8,300	8,300	-	-	-	-	-	8,300
Increase (decrease) in consumer deposits	614	-	-	43	203	-	203	-	-
<b>Payments</b>									
Repayment of borrowing	(8,087)	-	-	-	(3,669)	-	(3,669)	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(7,473)</b>	<b>8,300</b>	<b>8,300</b>	<b>43</b>	<b>(3,466)</b>	<b>-</b>	<b>3,466</b>	<b>3,466</b>	<b>8,300</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>29,824</b>	<b>5,412</b>	<b>5,412</b>	<b>12,075</b>	<b>47,883</b>	<b>15,973</b>			<b>5,412</b>
Cash/cash equivalents at beginning:	-	62,383	62,383		62,383	62,383			62,383
Cash/cash equivalents at month/year end:	29,824	67,795	67,795		110,266	78,356			67,795



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 2. PART 2- SUPPORTING DOCUMENTATION

### 2.1 DEBTORS' ANALYSIS

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2015/16								Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr		
<b>R thousands</b>											
<b>Debtors Age Analysis By Income Source</b>											
Water	1200	10,570	1,207	897	953	1,141	839	5,193	32,498	53,300	40,625
Electricity	1300	14,674	394	344	298	280	229	1,335	2,536	20,091	4,679
Property Rates	1400	4,312	314	393	2,247	103	62	390	12,040	19,862	14,842
Waste Water Management	1500	5,605	487	448	451	414	407	2,268	14,854	24,936	18,395
Waste Management	1600	6,284	595	552	516	507	469	2,525	19,337	30,785	23,353
Property Rental Debtors	1700	255	26	26	25	24	24	134	1,401	1,916	1,608
Interest on Arrear Accounts	1810	1,419	66	79	146	125	109	959	29,872	32,775	31,211
Recoverable expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	(2,500)	49	28	44	62	25	165	1,070	(1,058)	1,366
<b>Total By Income Source</b>	<b>2000</b>	<b>40,619</b>	<b>3,139</b>	<b>2,768</b>	<b>4,680</b>	<b>2,657</b>	<b>2,165</b>	<b>12,971</b>	<b>113,607</b>	<b>182,605</b>	<b>136,080</b>
<b>2014/15 - totals only</b>										-	-
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	2200	1,161	156	145	656	143	144	336	1,816	4,556	3,095
Commercial	2300	12,819	356	394	991	358	236	1,438	8,120	24,712	11,143
Households	2400	24,894	2,406	1,964	2,418	2,017	1,680	10,537	99,216	145,133	115,869
Other	2500	1,744	221	265	615	139	104	661	4,455	8,204	5,974
<b>Total By Customer Group</b>	<b>2600</b>	<b>40,619</b>	<b>3,139</b>	<b>2,768</b>	<b>4,680</b>	<b>2,657</b>	<b>2,165</b>	<b>12,971</b>	<b>113,607</b>	<b>182,605</b>	<b>136,080</b>



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 2.2 INVESTMENT PORTFOLIO ANALYSIS

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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 month	Change in market value	Market value at end of the month
	Yrs/Months							
<b>R thousands</b>								
<b><u>Municipality</u></b>								
Standard Bank	4 motns	Fixed	23/03/2016	-	7.0%	-	13,000	13,000
ABSA	2 months	Fixed	20/01/2016	-	6.6%	-	11,000	11,000
Investec	1 month	Fixed	21/12/2015	-	6.4%	-	10,000	10,000
Nedbank	3 months	Fixed	22/02/2016	-	6.6%	-	11,000	11,000
	-	-	-	-		-	-	-
	-	-	-	-		-	-	-
	-	-	-	-		-	-	-
	-	-	-	-		-	-	-
	-	-	-	-		-	-	-
Entities	-	-	-	-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>				-		-	<b>45,000</b>	<b>45,000</b>



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 2.3 ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

### WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Budget Year 2015/16							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								
<b>RECEIPTS:</b>								
<b>Operating Transfers and Grants</b>								
<b>National Government:</b>	<b>58,307</b>	<b>-</b>	<b>-</b>	<b>25,650</b>	<b>60,735</b>	<b>(35,085)</b>	<b>-57.8%</b>	<b>60,735</b>
Local Government Equitable Share	54,850	-	-	22,854	54,124	(31,270)	-57.8%	54,124
	-	-	-	-	3,861	(3,861)	-100.0%	3,861
Finance Management	1,450	-	-	1,450	50	1,400	2800.0%	1,336
EPWP Incentive	1,041	-	-	416	364	52	14.3%	1,000
Municipal Systems Improvement	930	-	-	930	1,336	(406)	-30.4%	364
	36	-	-	-	1,000	(1,000)	-100.0%	50
<b>Provincial Government:</b>	<b>15,594</b>	<b>-</b>	<b>-</b>	<b>3,155</b>	<b>8,642</b>	<b>(5,631)</b>	<b>-65.2%</b>	<b>-</b>
Library	5,628	-	-	2,705	8,418	(5,713)	-67.9%	-
Mainroads	-	-	-	228	84			-
CDW	144	-	-	-	140	(140)	-100.0%	-
Housing	7,550	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	<b>74,411</b>	<b>-</b>	<b>-</b>	<b>28,939</b>	<b>69,377</b>	<b>(40,582)</b>	<b>-58.5%</b>	<b>60,735</b>
<b>Capital Transfers and Grants</b>								
<b>National Government:</b>	<b>47,762</b>	<b>-</b>	<b>-</b>	<b>33,136</b>	<b>47,762</b>	<b>(4,567)</b>	<b>-9.6%</b>	<b>47,762</b>
Capital Transfers and Grants	23,881	-	-	16,568	23,881	(7,313)	-30.6%	23,881
National Government	-	-	-	-	-			889
Regional Bulk Infrastructure	889	-	-	-	889			570
Municipal Systems Improvement Grant	570	-	-	-	570			21,168
Municipal Infrastructure Grant	21,168	-	-	12,568	21,168			-
Neighbourhood Development Partnership	-	-	-	-	-	-		114
<b>Provincial Government:</b>	<b>2,454</b>	<b>-</b>	<b>7,839</b>	<b>29,438</b>	<b>49,110</b>	<b>(19,672)</b>	<b>-40.1%</b>	<b>49,110</b>
<i>Other capital transfers [insert description]</i>	<b>1,227</b>	<b>-</b>	<b>3,919</b>	<b>14,719</b>	<b>24,555</b>	<b>(9,836)</b>	<b>-40.1%</b>	<b>24,555</b>
<i>Provincial Government:</i>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,327</b>
<b>Total Capital Transfers and Grants</b>	<b>50,216</b>	<b>-</b>	<b>7,839</b>	<b>62,574</b>	<b>96,872</b>	<b>(24,239)</b>	<b>-25.0%</b>	<b>96,872</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>124,627</b>	<b>-</b>	<b>7,839</b>	<b>91,513</b>	<b>166,249</b>	<b>(64,821)</b>	<b>-39.0%</b>	<b>157,607</b>





# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

The following table is a summary of the expenditure financed from Government Transfers and Grants:

## WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Budget Year 2015/16							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								
<b>EXPENDITURE</b>								
<b>Operating expenditure of Transfers and Grants</b>								
<b>National Government:</b>	<b>58,307</b>	<b>58,307</b>	<b>4,832</b>	<b>29,064</b>	<b>29,969</b>	<b>(905)</b>	<b>-3%</b>	<b>58,307</b>
Local Government Equitable Share	54,850	54,850	4,571	27,425	28,125	(700)	-2%	54,850
MIG	36	36	8	49	18	31	171%	36
MSIG	930	930	105	210	465	(255)	-55%	930
FMG	1,450	1,450	53	935	551	384		1,450
EPWP	1,041	1,041	95	445	811	(365)		1,041
<b>Provincial Government:</b>	<b>19,600</b>	<b>22,682</b>	<b>-</b>	<b>-</b>	<b>8,558</b>	<b>(8,558)</b>	<b>-100%</b>	<b>22,682</b>
Library MRF	5,628	5,628	-	-	-	-		5,628
Library Conditional Grant	2,061	2,061	-	-	1,030	(1,030)	-100%	2,061
Housing	7,550	9,755	-	-	4,981	(4,981)	-100%	9,755
CDW	144	144	-	-	-	-		144
Thusong Centre	211	211	-	-	105	(105)	-100%	211
Maintenance of Transport Infrastructure	4,007	4,883	-	-	2,441	(2,441)	-100%	4,883
<b>Other grant providers:</b>	<b>255</b>	<b>255</b>	<b>-</b>	<b>76</b>	<b>-</b>	<b>76</b>		<b>255</b>
<b>Belgium</b>	<b>255</b>	<b>255</b>	<b>-</b>	<b>76</b>	<b>-</b>	<b>76</b>		<b>255</b>
<b>Total operating expenditure of Transfers and Grants:</b>	<b>78,162</b>	<b>81,244</b>	<b>4,832</b>	<b>29,140</b>	<b>38,527</b>	<b>(9,387)</b>	<b>-24%</b>	<b>81,244</b>
<b>Capital expenditure of Transfers and Grants</b>								
<b>National Government:</b>	<b>23,104</b>	<b>24,104</b>	<b>-</b>	<b>7,613</b>	<b>7,390</b>	<b>223</b>	<b>3%</b>	<b>24,104</b>
MIG	19,104	19,104	-	7,191	6,890	301	4%	19,104
INEP	4,000	4,000	-	402	-	402		4,000
Rural Development	-	1,000	-	20	500	(480)	-96%	1,000
<b>Provincial Government:</b>	<b>1,076</b>	<b>8,845</b>	<b>-</b>	<b>5,316</b>	<b>1,423</b>	<b>3,894</b>	<b>274%</b>	<b>8,845</b>
Library Conditional Grant	925	925	-	-	305	(305)	-100%	925
MRF	151	151	-	41	147	(106)	-72%	151
Housing	-	7,656	-	5,164	971	4,194	432%	7,656
Municipal Infrastructure Support Grant	-	113	-	111	-	111		113
<b>Other grant providers:</b>	<b>1,038</b>	<b>1,038</b>	<b>-</b>	<b>-</b>	<b>519</b>	<b>(519)</b>	<b>-100%</b>	<b>1,038</b>
<i>Belgium</i>	1,038	1,038	-	-	519	(519)	-100%	1,038
<b>Total capital expenditure of Transfers and Grants</b>	<b>25,218</b>	<b>33,987</b>	<b>-</b>	<b>12,929</b>	<b>9,331</b>	<b>3,598</b>	<b>39%</b>	<b>33,987</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>103,380</b>	<b>115,230</b>	<b>4,832</b>	<b>42,069</b>	<b>47,859</b>	<b>(5,790)</b>	<b>-12%</b>	<b>115,230</b>



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 2.4 EXPENDITURE ON COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

### WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Budget Year 2015/16							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	B	C						D
<b>R thousands</b>								
<b>Councillors</b>								
Basic Salaries and Wages	8,665	8,665	668	4,016	4,333	(317)	-7%	8,032
Pension and UIF Contributions	-	-	-	-	-	-	-	-
Medical Aid Contributions	1,004	1,004	75	452	502	(50)	-10%	905
Motor Vehicle Allowance	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>	<b>9,669</b>	<b>9,669</b>	<b>743</b>	<b>4,468</b>	<b>4,835</b>	<b>(366)</b>	<b>-8%</b>	<b>8,937</b>
<b>% increase</b>								
<b>Senior Managers of the Municipality</b>								
Basic Salaries and Wages	3,917	3,917	323	1,912	1,958	(46)	-2%	3,825
Pension and UIF Contributions	637	637	53	292	319	(27)	-8%	584
Medical Aid Contributions	111	111	9	53	56	(2)	-4%	107
Overtime	-	-	-	-	-	-	-	-
Performance Bonus	785	785	-	-	393	(393)	-100%	-
Motor Vehicle Allowance	859	859	71	391	429	(38)	-9%	782
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	103	103	-	28	52	(24)	-46%	56
Other benefits and allowances	136	136	5	28	68	(40)	-59%	55
Payments in lieu of leave	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>6,548</b>	<b>6,548</b>	<b>462</b>	<b>2,704</b>	<b>3,274</b>	<b>(570)</b>	<b>-17%</b>	<b>5,408</b>
<b>% increase</b>								
<b>Other Municipal Staff</b>								
Basic Salaries and Wages	78,734	78,734	5,700	34,047	39,367	(5,320)	-14%	68,094
Pension and UIF Contributions	13,726	13,726	1,001	6,063	6,863	(800)	-12%	12,127
Medical Aid Contributions	6,191	6,191	415	2,510	3,096	(586)	-19%	5,020
Overtime	7,361	7,376	891	5,042	3,688	1,353	37%	10,083
Performance Bonus	6,826	6,826	538	3,145	3,413	(268)	-8%	6,291
Motor Vehicle Allowance	3,919	3,919	271	1,557	1,959	(403)	-21%	3,113
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	857	857	65	371	429	(58)	-13%	742
Other benefits and allowances	3,457	3,457	187	1,167	1,729	(562)	-33%	2,333
Payments in lieu of leave	750	750	963	1,376	375	1,001	267%	2,752
Long service awards	347	347	39	231	173	58	33%	462
Post-retirement benefit obligations	8,613	8,613	859	5,155	4,306	848	20%	10,309
<b>Sub Total - Other Municipal Staff</b>	<b>130,781</b>	<b>130,796</b>	<b>10,930</b>	<b>60,663</b>	<b>65,398</b>	<b>(4,735)</b>	<b>-7%</b>	<b>121,326</b>
<b>% increase</b>								
<b>TOTAL SALARY, ALLOWANCES &amp;</b>	<b>146,999</b>	<b>147,014</b>	<b>12,135</b>	<b>67,836</b>	<b>73,507</b>	<b>(5,671)</b>	<b>-8%</b>	<b>135,671</b>
<b>% increase</b>								
<b>TOTAL MANAGERS AND STAFF</b>	<b>137,329</b>	<b>137,344</b>	<b>11,392</b>	<b>63,367</b>	<b>68,672</b>	<b>(5,305)</b>	<b>-8%</b>	<b>126,734</b>



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## 3. SERVICE DELIVERY PERFORMANCE PLANNING

### 3.1 LEGISLATIVE OVERVIEW

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1)(b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mayor approved the Top Layer SDBIP for 2015/16 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 on **26 May 2015** which include the municipality's key performance indicators for 2015/16.

### 3.2 CREATING A CULTURE OF PERFORMANCE

#### a) Performance Framework

Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a performance management **policy framework** that was approved by Council on **26 November 2009**.

#### b) Monitoring Performance

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the KPI.
- The calculation of the actual performance reported. (If %)
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.
- It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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The organisational performance is monitored and evaluated via the SDBIP. An operating procedure for the management and implementation of the SDBIP has been developed. The operating procedure was workshopped with the relevant kpi owners and senior management. The procedures can be summarised as follows:

- 🍎 The Performance Administrator informs the relevant kpi owners, senior management and departmental secretaries of the closure date to submit actuals achieved for the preceding month. The date varies, but is usually around the 10<sup>th</sup> of each month. By this date the managers must submit their actuals achieved on the performance web based system.
- 🍎 Proof of evidence is saved on the system.
- 🍎 A second date is indicated whereby senior management must verify the information submitted by the manager, as well as the proof of evidence that confirms the information submitted. Any interventions for under-performance and/or general comments should be included on the system. The second closure date is usually approximately 3 days after the first closure date.
- 🍎 After the second closure date the Performance Administrator generate reports for the relevant portfolio committees, as well as for each directorate. The senior managers signs each of his/her directorate reports as an indication that the information submitted has been verified and that proof of evidence does exist for the actual performance.
- 🍎 The relevant departmental secretary print the signed manager monthly report and save it on Trim, the municipal archive system.
- 🍎 The monthly reports are then submitted for inclusion in the relevant Council Portfolio Committee.
- 🍎 The Performance Administrator generate an overall municipal report and submit it as the monthly SDBIP report to the Municipal Manager for submission to the Mayoral Committee.

### 3.3 LINK TO THE IDP AND THE BUDGET

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The municipality identified the following strategic objectives based on the inputs from the community in the 5 year Intergrated Development Plan (IDP):

- 🍎 Create an enabling environment to attract investment & support local economy
- 🍎 Ensure financial viability
- 🍎 Provide & maintain facilities that make citizens feel at home
- 🍎 Provide for the needs of informal settlements through improved services
- 🍎 Support institutional transformation & development
- 🍎 Support the poor & vulnerable through programmes & policy
- 🍎 Sustainable provision & maintenance of basic infrastructure
- 🍎 To maintain & strengthen relations with international- & intergovernmental partners as well as the local community through the creation of participative structures



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

### a) Performance indicators set in the approved Top Layer SDBIP for 2015/16 per strategic objective

#### i) *Create an enabling environment to attract investment & support local economy*

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL35	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards.	Phased implementation	All	1	1	0	0	0	1	1
TL36	Compile & Implementation of LED Strategy	Phased implementation	All	1	1	0	0	0	1	1

#### ii) *Ensure financial viability*

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL18	Financial viability expressed as Debt-Coverage ratio	Ratio	All	16	27	16	16	16	16	16
TL19	Financial viability expressed as Cost-Coverage ratio	Ratio	All	1.6	2.5	1.6	1.6	1.6	1.6	1.6
TL20	Financial viability expressed outstanding service debtors	Ratio	All	46%	70%	44%	44%	44%	44%	44%
TL21	Opinion of the Auditor-General on annual financial statements of the previous year.	Opinion of AG.	All	1	1	0	0	1	0	1
TL22	Increased revenue collection	Percentage revenue collected.	All	96%	94%	96%	96%	96%	96%	96%
TL23	Percentage of budget spent on maintenance.	Percentage of budget spent.	All	99%	99%	25%	50%	75%	98%	98%
TL24	Percentage spend of capital budget.	Percentage of budget spent.	All	96%	95%	10%	40%	60%	95%	95%

#### iii) *Provide & maintain facilities that make citizens feel at home*

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL27	Customer satisfaction survey (Score 1-5) - community facilities.	Score of survey.	All	3	2.3	0	0	0	4	4
TL28	% Expenditure on Maintenance Budget by Community Directorate	Percentage of budget spent.	All	99% of the operational budget spent	99% of the operational budget spent	25%	50%	75%	98%	98%
TL29	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	All	96%	97%	10%	40%	60%	95%	95%



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

### iv) Provide for the needs of informal settlements through improved services

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL11	Number of subsidised serviced sites developed.	Number of serviced plots.	All	485	470	0	50	50	50	150
TL12	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Number of informal areas.	All	2	2	3	3	3	3	3
TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas.	All	2	2	3	3	3	3	3
TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas.	All	2	2	3	3	3	3	3
TL15	Number of subsidised electricity connections installed.	Number of connections.	All	50	43	0	0	0	0	0

### v) Support institutional transformation and development

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL16	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	All	99%	100%	25%	50%	75%	99%	99%
TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	Percentage of equity groups	All	70%	71%	75%	75%	75%	75%	75%

### vi) Support the poor & vulnerable through programmes & policy

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL30	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders.	All	3 100	2 794	2 500	2 600	2 700	2 750	2 750
TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	Number of jobs created.	All	380	421	100	100	100	80	380
TL32	Number of social development programmes implemented	Number of programmes.	All	17	17	4	4	4	7	19
TL33	Number of housing opportunities provided per year.	Number of top structures.	All	42	42	0	0	0	0	0



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL34	Number of Rental Stock transferred	Number of properties transferred.	All	65	58	15	30	25	30	100

### *vii) Sustainable provision and maintenance of basic infrastructure*

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL1	% Expenditure on Maintenance Budget by Technical Directorate	Percentage of budget spent.	All	99% of the operational budget spent	99% of the operational budget spent	25%	50%	75%	98%	98%
TL2	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	All	96%	96%	10%	40%	60%	95%	95%
TL3	Percentage compliance with drinking water quality standards.	Percentage compliance.	All	97%	100%	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.	Percentage of outstanding applications.	All	2%	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.	Percentage of outstanding applications.	All	2%	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.	Percentage of outstanding applications.	All	2%	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.	Percentage of outstanding applications.	All	2%	0%	1%	1%	1%	1%	1%
TL8	Decrease unaccounted water losses.	Percentage water losses.	All	26%	21%	23%	23%	23%	23%	23%
TL9	Decrease unaccounted electricity losses.	Percentage electricity losses.	All	9%	9%	9%	9%	9%	9%	9%
TL10	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	All	2.6	4.83	0	0.5	1	0.8	2.3

### *viii) To maintain & strengthen relations with international- & intergovernmental partners as well as the local community through the creation of participative structures*

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL25	Number of IDP community meetings held.	Number of meetings held.	All	14	14	0	7	0	7	14





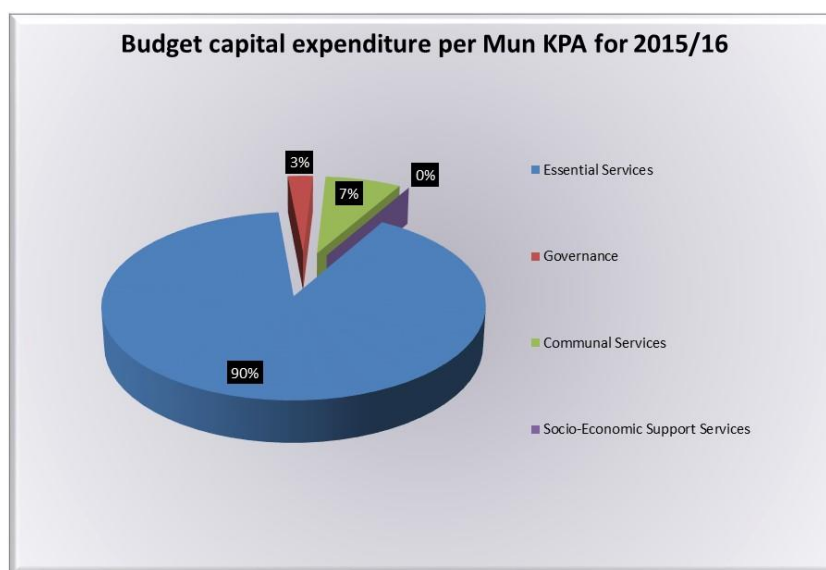
## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Wards	Target for 2014/15	Actual performance of 2014/15	Target for 2015/16				
						Q1	Q2	Q3	Q4	Annual
TL26	Number of meetings with inter-governmental partners.	Number of meetings held.	All	10	10	3	2	3	2	10

### b) Budget spending per IDP key performance area

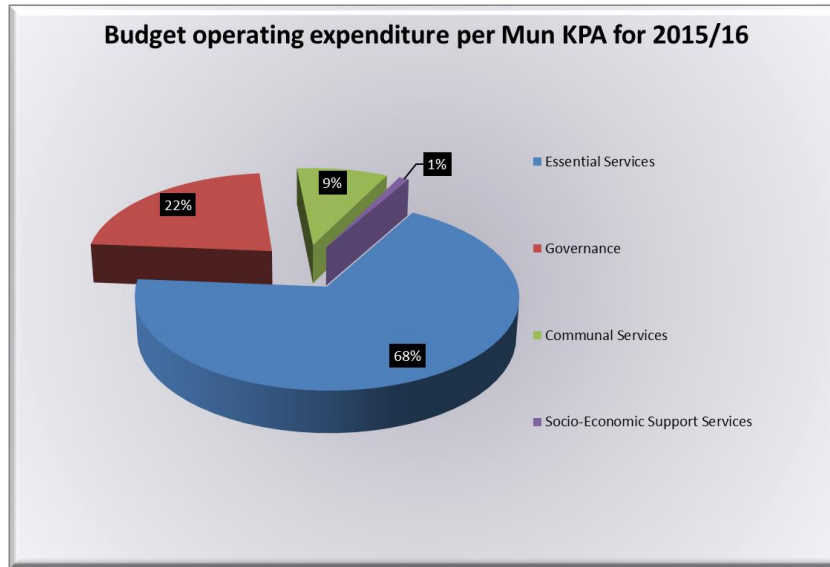
The table below provide an analysis of the budget allocation per Municipal Key Performance Area (Opex excludes internal transfers) for 2015/16:

Municipal Key Performance Area	Capital Budget R	Operational Budget (Opex) R
Essential Services	65 440 770	305 058 083
Governance	1 768 568	99 713 506
Communal Services	5 360 548	39 649 481
Socio-Economic Support Services	0	4 405 477
<b>Total</b>	<b>72 569 886</b>	<b>448 826 547</b>



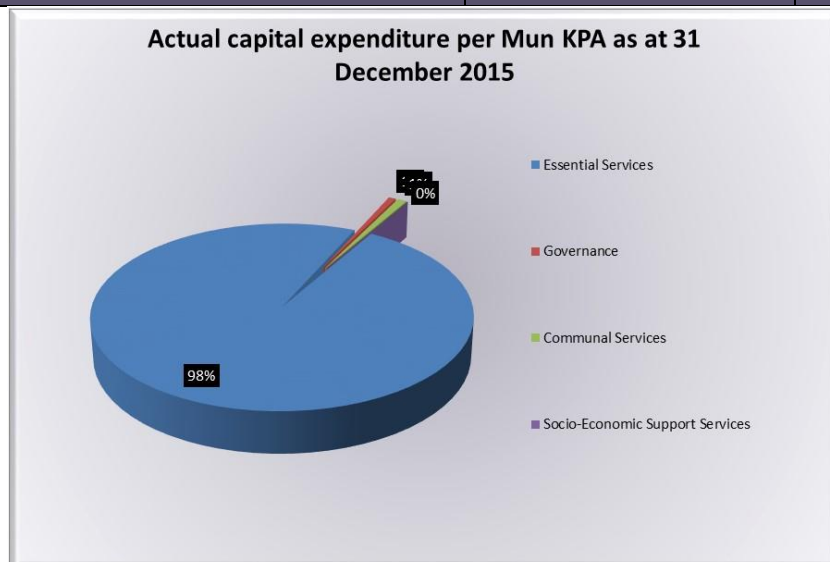


# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

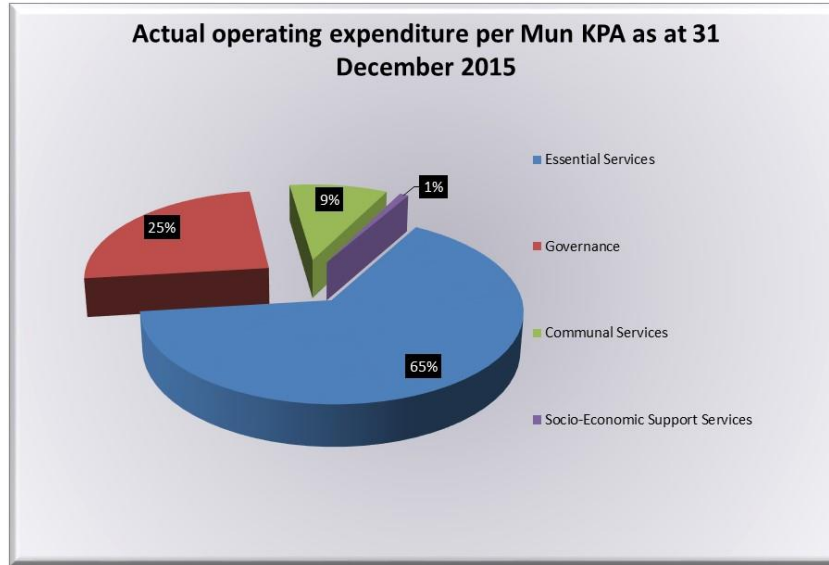


The table below provide an analysis of the actual spending per Municipal Key Performance Area for the mid-year ending 31 December 2015

Municipal Key Performance Area	Actual Capital Expenditure as at 31 December 2015 R	Actual Operating Expenditure as at 31 December 2015 R
Essential Services	26 835 374	121 108 428
Governance	196 747	46 222 122
Communal Services	257 059	18 018 597
Socio-Economic Support Services	0	1 648 014
<b>Total</b>	<b>27 289 180</b>	<b>186 997 161</b>



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015



## 3.4 MID-YEAR PERFORMANCE AGAINST THE PERFORMANCE INDICATORS SET IN THE APPROVED TOP LAYER SDBIP FOR 2015/16

### a) Highlights and challenges for the mid-year ending 31 December 2015

#### i) Highlights

Witzenberg Municipality received a clean audit with no findings for the audit of the 2014/15 financial year. This is the consecutive year that the municipality achieved this outstanding assessment from the Auditor-General.

#### ii) Challenges

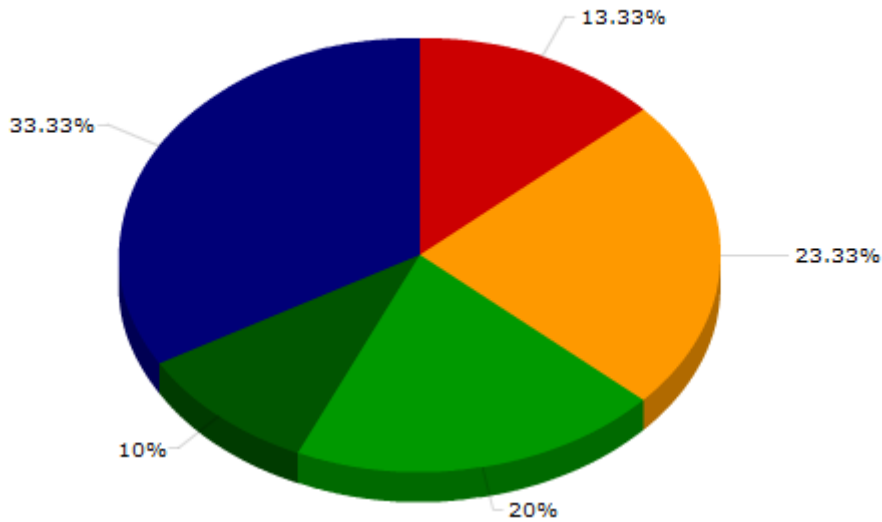
Witzenberg is experiencing a drought situation and all storage dams are critically low. Strict water restrictions have been implemented in all towns. Additional water sources such as boreholes has been implemented and new boreholes will be operational by February for Bella Vista and Nduli. Several farmers in the Tulbagh area have also assisted with additional water. Infrastructure to convey the water to the municipal dam has been implemented or is in the process of construction.



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

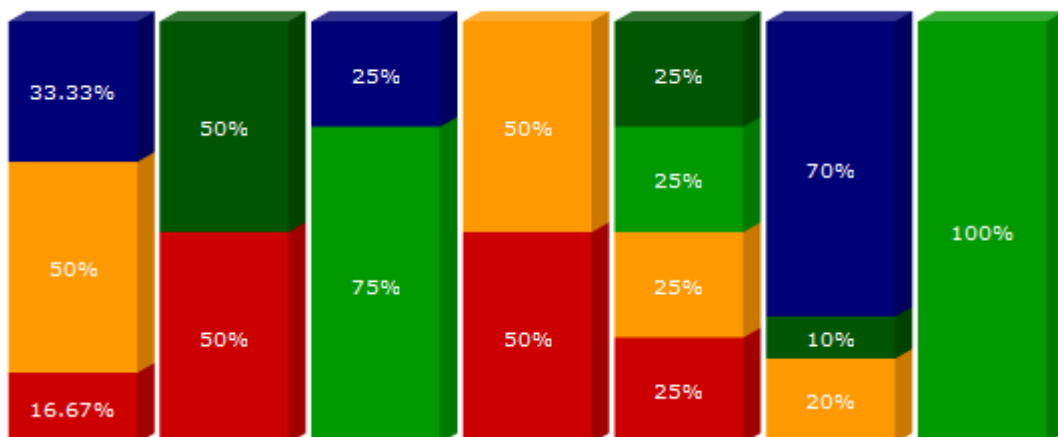
## b) Overall actual performance of indicators for the mid-year ending 31 December 2015

### Witzenberg Municipality



	Witzenberg Municipality
<span style="color: red;">■</span> KPI Not Met	4 (13.3%)
<span style="color: orange;">■</span> KPI Almost Met	7 (23.3%)
<span style="color: green;">■</span> KPI Met	6 (20%)
<span style="color: darkgreen;">■</span> KPI Well Met	3 (10%)
<span style="color: blue;">■</span> KPI Extremely Well Met	10 (33.3%)
<b>Total:</b>	<b>30</b>

### Strategic Objective



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

	Strategic Objective						
	Ensure financial viability.	Provide and maintain facilities that make citizens feel at home.	Provide for the needs of informal settlements through improved services.	Support institutional transformation and development.	Support the poor and vulnerable through programmes and policy.	Sustainable provision and maintenance of basic infrastructure.	To maintain and strengthen relations with international- and intergovernmental partners as well as the local community through the creation of participative structures.
<span style="color: red;">■</span> KPI Not Met	1 (16.7%)	1 (50%)	-	1 (50%)	1 (25%)	-	-
<span style="color: orange;">■</span> KPI Almost Met	3 (50%)	-	-	1 (50%)	1 (25%)	2 (20%)	-
<span style="color: green;">■</span> KPI Met	-	-	3 (75%)	-	1 (25%)	-	2 (100%)
<span style="color: darkgreen;">■</span> KPI Well Met	-	1 (50%)	-	-	1 (25%)	1 (10%)	-
<span style="color: blue;">■</span> KPI Extremely Well Met	2 (33.3%)	-	1 (25%)	-	-	7 (70%)	-
<b>Total:</b>	<b>6</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>10</b>	<b>2</b>

Category	Colour	Explanation
KPI's Not Met		0% >= Actual/Target < 75%
KPI's Almost Met		75% >= Actual/Target < 100%
KPI's Met		Actual/Target = 100%
KPI's Well Met		100% > Actual/Target < 150%
KPI's Extremely Well Met		Actual/Target >= 150%

### 3.5 ACTUAL PERFORMANCE PER STRATEGIC OBJECTIVE OF INDICATORS FOR THE MID-YEAR ENDING 31 DECEMBER 2015

Detailed below is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2015 which measures the municipality's overall performance per strategic objective. The tables, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

The municipality met **63%** (19 of 30) of the applicable 30 KPI's for the period as at **31 December 2015**. The remainder of the KPI's 4 on the Top Layer SDBIP out of the total number of 34 KPI's do not have targets for this period and will be reported on in future quarters when they are due. Only **37%** (11 of 30) kpi targets were not achieved as at **31 December 2015** of which the details are included in the tables below.

#### a) Ensure financial viability

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL18	Financial viability expressed as Debt-Coverage ratio	Ratio	16	[D137] <b>Manager: Financial Administration:</b> To be monitored to ensure the ration reaches an exceptable level	16	[D137] <b>Manager: Financial Administration:</b> (October 2015) [D137] <b>Manager: Financial Administration:</b> Target met	16	32.4		None required



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
				(September 2015)		(December 2015)				
TL19	Financial viability expressed as Cost-Coverage ratio	Ratio	1.6		1.6	<b>[D136] Manager: Financial Administration: (October 2015)</b> <b>[D136] Manager: Financial Administration: Target met (December 2015)</b>	1.6	4.84		None required
TL20	Financial viability expressed outstanding service debtors	Ratio	44%		44%	<b>[D138] Manager: Financial Administration: (October 2015)</b> <b>[D138] Manager: Financial Administration: Target not achieved (December 2015)</b>	44%	120%		<b>[D138] Manager: Financial Administration:</b> Workshop on debt collection to be held. (December 2015)
TL22	Increased revenue collection	Percentage revenue collected.	96%	<b>[D125] Manager: Income:</b> Most Rates payment monthly in stead of yearly (September 2015)	96%	<b>[D125] Manager: Income:</b> Less than Target (December 2015)	96%	92.73%		<b>[D125] Manager: Income:</b> Due to December holidays and opening of all blocked electricity during this time . January back to normal credit control measures (December 2015)
TL23	Percentage of budget spent on maintenance.	Percentage of budget spent.	25%	<b>[D143] Manager: Financial Administration:</b> To be reported to senior management (September 2015)	50%	<b>[D143] Manager: Financial Administration:</b> Invoices of R 2m received in Dec 2015 only paid in Jan 2016 resulting in non-achievement of target. (December 2015)	50%	40%		<b>[D143] Manager: Financial Administration:</b> Arrange for early submission of invoices especially in December when offices close due to the holiday period. (December 2015)
TL24	Percentage spend of capital budget.	Percentage of budget spent.	10%	<b>[D144] Manager: Financial Administration:</b> Rigorous monitoring to be implemented to ensure targets are met. Weekly senior management held to monitor monthly	40%	<b>[D144] Manager: Financial Administration:</b> Insufficient funding on certain projects reason for delay in implementation. (December 2015)	40%	30%		<b>[D144] Manager: Financial Administration:</b> Rigorous monitoring to be implemented to ensure targets are met. Weekly senior management held to monitor monthly



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
				expenditure (September 2015)						expenditure. Request for increase in approved project funding submitted to MIG. Additional funding also received from Human Settlements. (December 2015)

### b) Provide and maintain facilities that make citizens feel at home

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL28	% Expenditure on Maintenance Budget by Community Directorate	Percentage of budget spent.	25%	<b>[D93] Director: Community Services:</b> Plan for Maintenance on parks. (September 2015)	50%	<b>[D94] Director: Community Services:</b> Target is reached. (December 2015)	40%	56%		None required
TL29	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	10%	<b>[D94] Director: Community Services:</b> Prepare tenders for Op die Berg and Pollocross Community halls. (September 2015)	40%	<b>[D93] Director: Community Services:</b> Underspending because of slow SCM process for Capital items. (December 2015)	50%	4%		<b>[D93] Director: Community Services: Plan for maintenance on parks.</b> Tender documents is finalized for two upgrading of 2 Community halls. (December 2015)

### c) Provide for the needs of informal settlements through improved services

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL11	Number of subsidised serviced sites developed.	Number of serviced plots.	0		50	<b>[D36] Director: Technical Services:</b> Additional funding received to increase number of serviced plots. (December 2015)	50	225		None required
TL12	Provide basic services - number of informal areas with sufficient	Number of informal areas.	3	<b>[D47] Manager: Water:</b> Formalize (September 2015)	3	<b>[D47] Manager: Water:</b> All areas serviced. (December 2015)	3	3		None required



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
	communal water services points (taps).									
TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas.	3	<b>[D43] Manager: Sanitation:</b> Formalize plots. (September 2015)	3	<b>[D43] Manager: Sanitation:</b> All identified areas serviced. (December 2015)	3	3		None required
TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas.	3		3	<b>[D44] Manager: Solid Waste &amp; Cleansing:</b> achieved (December 2015)	3	3		None required

### d) Support institutional transformation & development

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL16	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	25%	<b>[D116] Manager: Human Resources:</b> To ensure to obtain % in next quarter and above. (September 2015)	50%	<b>[D116] Manager: Human Resources:</b> Target not met (December 2015)	50%	31%		<b>[D116] Manager: Human Resources:</b> Monitor regularly. Follow up with SCM on the contract that should be finalized. (December 2015)
TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	Percentage of equity groups	75%		75%	<b>[D115] Manager: Human Resources:</b> Target not achieved (December 2015)	75%	72%		<b>[D115] Manager: Human Resources:</b> Not always possible to appoint EE Candidates (December 2015)



# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## e) Support the poor and vulnerable through programmes and policy

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL30	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders.	2 500	<b>[D82] Manager: Social Development:</b> n/a (September 2015)	2 600	<b>[D82] Manager: Social Development:</b> Achieved. (December 2015)	2 600	2 754		None required
TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	Number of jobs created.	100	<b>[D81] Manager: LED:</b> n/a (September 2015)	100	<b>[D81] Manager: LED:</b> target achieved (December 2015)	200	188		<b>[D81] Manager: LED:</b> n/a (December 2015)
TL32	Number of social development programmes implemented	Number of programmes.	4	<b>[D83] Manager: Social Development:</b> n/a (September 2015) <b>[D86] Manager: Social Development:</b> n/a (September 2015) <b>[D88] Manager: Social Development:</b> n/a (September 2015) <b>[D90] Manager: Social Development:</b> n/a (September 2015)	4	<b>[D84] Manager: Social Development:</b> achieved (December 2015) <b>[D86] Manager: Social Development:</b> achieved (December 2015) <b>[D88] Manager: Social Development:</b> achieved (December 2015) <b>[D89] Manager: Social Development:</b> achieved (December 2015)	8	8		None required
TL34	Number of Rental Stock transferred	Number of properties transferred.	15	<b>[D80] Manager: Human Settlements:</b> Attorneys needs to fast track the registration process (September 2015)	30	<b>[D80] Manager: Human Settlements:</b> Due to unforeseen circumstances and lost title deeds the attorneys needed to apply for new documents at the deeds office which is a very lengthy process to enable them to do the necessary registrations (December 2015)	45	19		<b>[D80] Manager: Human Settlements:</b> Attorneys needs to fast track the registration processes (December 2015)





# MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

## f) Sustainable provision and maintenance of basic infrastructure

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL1	% Expenditure on Maintenance Budget by Technical Directorate	Percentage of budget spent.	25%	[D53] Director: Technical Services: Planning adjusted to reach target (September 2015)	50%	[D53] Director: Technical Services: Invoices of R 2m received in Dec 2015 only paid in January 2016 resulting in non-achievement of target. (December 2015)	50%	39%		[D53] Director: Technical Services: Arrange for early submission of invoices especially in December when offices close due to the holiday period. (December 2015)
TL2	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	10%	[D37] Director: Technical Services: n/a (September 2015)	40%	[D37] Director: Technical Services: Insufficient funding on certain projects reason for the delay in implementation. (December 2015)	40%	35%		[D37] Director: Technical Services: Request for increase in approved project funding submitted to MIG. Additional funding also received from Human Settlements. (December 2015)
TL3	Percentage compliance with drinking water quality standards.	Percentage compliance.	97%	[D46] Manager: Water: none (September 2015)	97%	[D46] Manager: Water: See attached (October 2015) [D46] Manager: Water: Target achieved (December 2015)	97%	100%		None required
TL4	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	1%		1%	[D139] Manager: Income: within target (December 2015)	1%	0%		None required
TL5	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	1%		1%	[D140] Manager: Income: within target (December 2015)	1%	0%		None required
TL6	Number of outstanding valid applications for electricity services expressed as	Percentage of outstanding applications.	1%		1%	[D141] Manager: Income: within target (December 2015)	1%	0%		None required



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
	a % of total number of billings for the service.									
TL7	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	1%		1%	<b>[D142] Manager: Income:</b> within target (December 2015)	1%	0%		None required
TL8	Decrease unaccounted water losses.	Percentage water losses.	23%	<b>[D45] Manager: Water:</b> Implement WDM strategy and identified measures. (September 2015)	23%	<b>[D45] Manager: Water:</b> Target achieved (December 2015)	23%	21%		None required
TL9	Decrease unaccounted electricity losses.	Percentage electricity losses.	9%		9%	<b>[D49] Head: Electrotechnical Services:</b> Target achieved. (December 2015)	9%	6%		None required
TL10	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	0		0.5	<b>[D42] Manager: Roads &amp; Storm water:</b> Target achieved (December 2015)	0.5	3.03		None required

g) To maintain and strengthen relations with international- and intergovernmental partners as well as the local community through the creation of participative structures

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for Sep 2015 to Dec 2015			Departmental Corrective Measures
			Target	Comments	Target	Comments	Target	Actual	R	
TL25	Number of IDP community meetings held.	Number of meetings held.	0		7	<b>[D8] Manager: IDP:</b> Meetings took place, (November 2015)	7	7		None required
TL26	Number of meetings with inter-governmental partners.	Number of meetings held.	3		2	<b>[D85] Director: Community Services:</b> IGR meetings held on 24 & 25 November 2015. (December 2015)	5	5		None required



## MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR THE PERIOD 1 JULY TO 31 DECEMBER 2015

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The Top Layer SDBIP will be revised and submitted with the Adjustments Budget to Council by the end of February 2016 with the necessary motivation where key performance indicator targets require amendment as a result of the Adjustments Budget and corrections as a result of the audit outcomes of 2014/15.



**MID-YEAR BUDGET STATEMENT AND PERFORMANCE ASSESSMENT FOR  
THE PERIOD 1 JULY TO 31 DECEMBER 2015**

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**4 MUNICIPAL MANAGER'S QUALITY CERTIFICATION**


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I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the mid-year budget and performance assessment have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

**Print name:** Mr. D NASSON

**Municipal Manager of WITZENBERG MUNICIPALITY**

**Signature:**

  
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**Date:** 15 January 2016

