

EPHRAIM MOGALE LOCAL MUNICIPALITY

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EXTRACTS FROM THE MINUTES OF THE 5th SPECIAL COUNCIL MEETING OF EPHRAIM MOGALE
LOCAL MUNICIPALITY HELD ON TUESDAY THE 28 JANUARY 2020

FILE/S : 2/4/3/6

SC5/07/2020: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORTS 2019/2020

RESOLVED

1. That council note the mid-year budget and performance assessment reports.
2. That council note the mid-year budget and performance assessment report be submitted to National and Provincial Treasury.
3. That council note the mid-year budget and performance assessment report should be placed on the municipal website.
4. That the Acting Municipal Manager to implement the decision accordingly.



CLLR. MABASO T

ACTING SPEAKER

28 JANUARY 2020

FINALISATION BY:

REFERRED TO Acting GFO (BOT) & PED/PMS BY ACTING MUNICIPAL MANAGER



KL PHASHA

ACTING MUNICIPAL MANAGER

28/01/2020

DATE RECEIVED

EPHRAIM MOGALE LOCAL MUNICIPALITY

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 2019/2020

PURPOSE

To submit to Council a report on the mid-year budget and performance assessment report of the Municipality for the period July 2019 to December 2019 for noting. Included hereto with the report is the Schedule C and the service delivery performance assessment reports arising out of the SDBIP's approved for the financial year 2019/2020.

BACKGROUND

The main objectives of the Mid-year Budget and Performance Assessments Review is to comply with Section 72 of the MFMA that requires:

“ 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 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;”

In broad terms the report gives an overview on the implementation of the budget over the past six months 1 July 2019 to 31 December 2019. This report will also cover the implementation of the budget and the financial state of affairs of the municipality in terms of section 52 of the MFMA.

The report must furthermore focus on the attainment of the performance objectives, targets and performance indicators as set out in the SDBIP approved by the mayor.

The approved SDBIP is linked with the IDP key performance areas which are:

- Basic service delivery
- Local economic development
- Municipal financial viability and management

- Municipal transformation and organizational development
- Good governance and Public participation

BUDGET PERFORMANCE ASSESSMENT

The assessment includes the review of the following Schedule C as prescribed by the Municipal Budget and Reporting Regulations:

1. Monthly Budget Statement Summary – Mid Year Assessment (Revenue)
2. Monthly Budget Statement Summary – Mid Year Assessment (Expenditure)
3. Table C2: Monthly Financial Performance by Vote
4. Table C4: Monthly Financial Performance by Revenue source
5. Table C5: Monthly Capital Expenditure by Vote
6. Table C6: Monthly Budget Statement Financial Position
7. Table C7: Monthly Budget Statement Cash Flow
8. Debtors Age Analysis
9. Creditors Age Analysis
10. Investment Portfolio Analysis
11. Allocation and grant receipts

1. Monthly Budget Statement Summary – Mid Year Assessment (Revenue)

LIM471 Ephraim Mogale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue By Source											
Property rates			37,509		3,108	18,648	18,754	(106)	-1%	37,509	
Service charges - electricity revenue			61,224		4,881	29,624	30,612	(989)	-3%	61,224	
Service charges - water revenue			-		-	-	-	-	-	-	
Service charges - sanitation revenue			-		-	-	-	-	-	-	
Service charges - refuse revenue			4,463		398	2,387	2,231	156	7%	4,463	
Rental of facilities and equipment			163		12	94	82	13	16%	163	
Interest earned - external investments			3,685		515	2,786	1,842	944	51%	3,685	
Interest earned - outstanding debtors			7,463		655	3,947	3,731	215	6%	7,463	
Dividends received			-		-	-	-	-	-	-	
Fines, penalties and forfeits			101		7	63	51	12	24%	101	
Licences and permits			3,345		2,031	2,032	1,673	360	22%	3,345	
Agency services			-		-	-	-	-	-	-	
Transfers and subsidies			148,974		-	69,416	140,000	(70,584)	-50%	148,974	
Other revenue			3,396		48,435	39,936	1,698	38,238	2252%	3,396	
Gains on disposal of PPE			-		-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)			-	270,323	-	60,043	168,933	200,675	(31,741)	-16%	270,323

From the table above it should be noted that for the last six month ending December 2019, the revenue to the amount of R168.9 million was realized. The year to date

budgeted revenue amounts to R200 million which reflect an unfavorable variance of 16%. The revenue includes grants and subsidies from National Government.

Special attention should be given to:

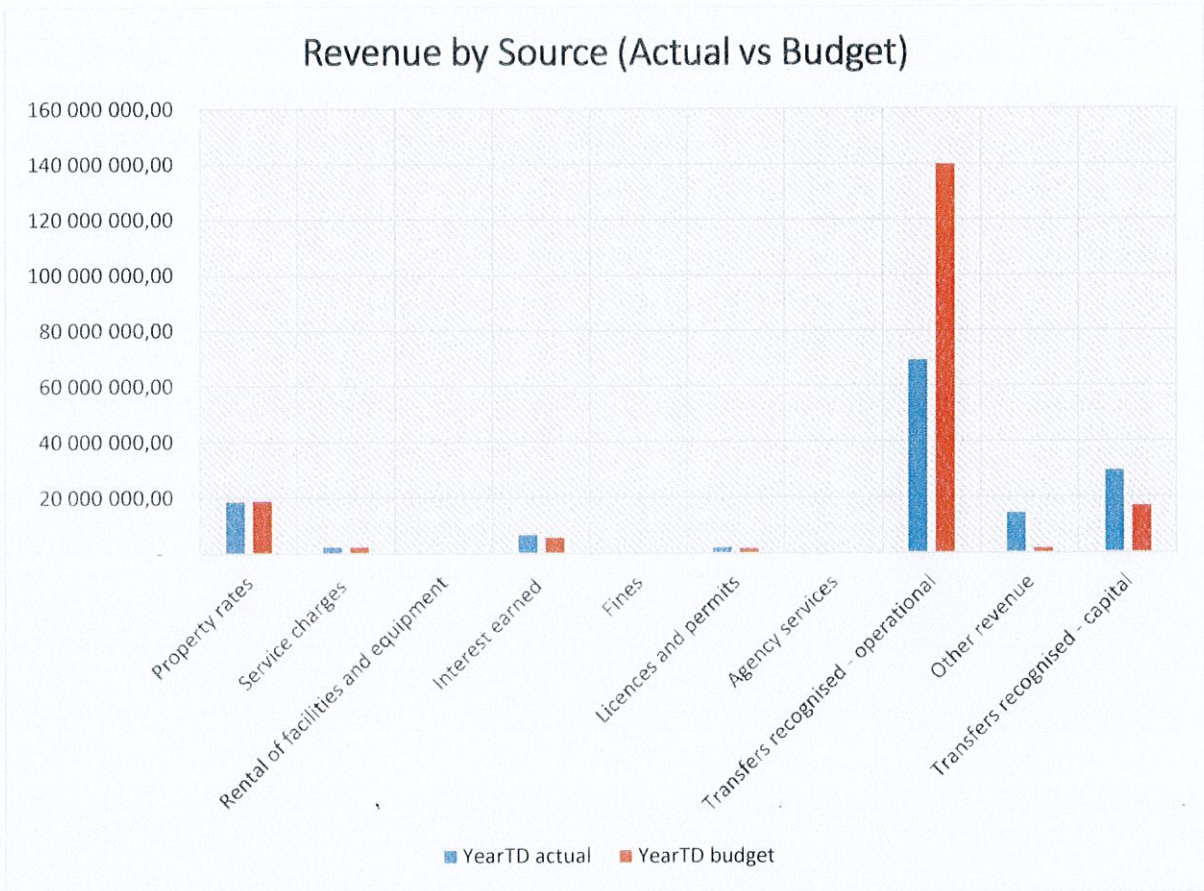
Property rates reflect an unfavorable variance of -1%, though it should be noted that this does not represent actual cash collected but total rates billed yearly. The budgeted amount must be aligned to the current valuation roll and the actual receipts on property rates should also be borne in mind.

Electricity revenue which reflects an unfavorable variance of -3%.

Fine revenue reflects favorable variance of 24%.

Rental of facilities and equipment reflects favorable variance of 16% which can be attributed to less usage of our community halls.

The revenue by major source is therefore presented in the graph below:



In conclusion, although some of the revenue streams need to be reviewed and some shows positive deviation the total Operation Revenue shows a negative deviation of only 7% when compared with the expected year to date budget.

2. Monthly Budget Statement Summary – Mid Year Assessment (Expenditure)

Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Expenditure By Type											
Employee related costs			87,715		633	39,431	43,857	(4,427)	-10%	87,715	
Remuneration of councillors			14,533		8	6,690	7,267	(577)	-8%	14,533	
Debt impairment			13,321		-	-	6,660	(6,660)	-100%	13,321	
Depreciation & asset impairment			52,000		-	-	26,000	(26,000)	-100%	52,000	
Finance charges			365		-	117	183	(66)	-36%	365	
Bulk purchases			42,224		15	17,484	21,112	(3,628)	-17%	42,224	
Other materials			1,275		130	3,664	638	3,027	475%	1,275	
Contracted services			36,355		3,038	13,200	18,177	(4,977)	-27%	36,355	
Transfers and subsidies			-		-	-	-	-		-	
Other expenditure			52,314		2,142	15,180	26,157	(10,977)	-42%	52,314	
Loss on disposal of PPE			-		-	-	-	-		-	
Total Expenditure			-		-	5,966	95,766	150,051	(54,285)	-36%	300,102

The table above shows operating expenditure of R 95.7 million against year to date budgeted expenditure of R 150 million.

The following categories must however be noted:

Employee related cost reflect unfavorable variance of -10%, this results from post that are budgeted for and not filled by the 31 December 2019.E.G CFO

Remuneration of councilors reflects a variance of -8 %.

Debt Impairment and Depreciation and Asset Impairment are non-cash items that reflect zero expenditure to date. These expenditures are processed at year end for inclusion in the annual financial statements.

Bulk purchase reflects a variance of -17% as a result of increase in tariffs by ESKOM in July and also by increase in the level of consumption.

Finance Charges reflects a variance of -36%, which could be attributable to savings as a results of municipality settling vehicle finance contract.

The under budgeting or over spending should be noted with **other materials** line item at higher than the expected expenditure mainly consist of **repairs and maintenance**, the following budget line items contributed to the under spending:

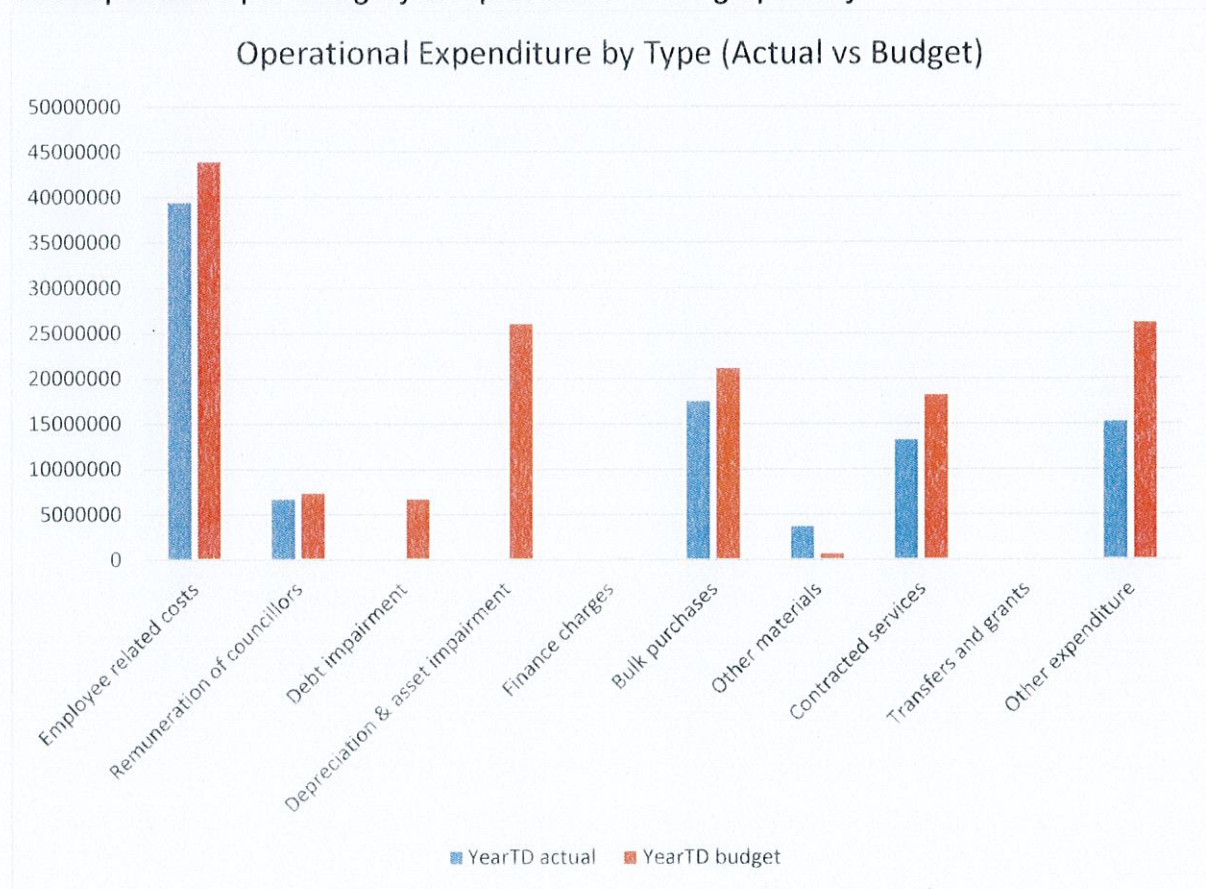
Function	Funding	SegmentDesc	TotalBudget	December	TotalActual
Administrative and Co	OWN REVENUE	Purchase of Furniture (500/305065)	300000	0	0
Cemeteries Funeral Pa	OWN REVENUE	Lawnmower	200004	0	0
Electricity: Electricity	OWN REVENUE	Replace 50 kWh Meters	100008	0	0
Electricity: Electricity	OWN REVENUE	Replace Streetlight Wood Poles at M	200004	0	0
Electricity: Electricity	OWN REVENUE	Upgrade Municipal ESKON Supply	2000004	0	0
Electricity: Electricity	OWN REVENUE	Industrial Substation Second Supply F	3250008	0	0
Finance: Finance	OWN REVENUE	Money-safe	10008	0	0
Finance: Finance	OWN REVENUE	CASH cOUNTING MACHINES	60000	0	0
Housing: Housing and I	OWN REVENUE	Air Conditioning	100008	0	0
Information Technolog	OWN REVENUE	master tower pole	95004	0	0
Information Technolog	OWN REVENUE	Purchase of routers and wireless acce	100008	0	0
Information Technolog	OWN REVENUE	ICT Computers	180000	0	0
Information Technolog	OWN REVENUE	Community wifi	1000008	0	0
Licensing and Regulati	OWN REVENUE	Vehicle - Traffic	600000	0	0
Cemeteries Funeral Pa	OWN REVENUE	Landscaping & Greening (425/305071	500004	13428.7	13428.7
Information Technolog	OWN REVENUE	PURCHASE OF PRINTERS	130008	17500	17500
Information Technolog	OWN REVENUE	Television	28008	28000	28000
Information Technolog	OWN REVENUE	Purchase Of ICT Equipments	77004	669.57	58619.09
Electricity: Electricity	OWN REVENUE	Replace PEX Cable in Ext 5	750000	466744.96	466744.96
Roads: Roads & Stormw	MIG	Leeufontein Sports Complex	2500008	0	836282.88
Roads: Roads& Stormw	MIG	Phetwane Internal Road (650/305184	8384160	0	561529.49
Roads: Roads & Stormw	MIG	Stormwater Extension 6(650/305147)	6000000	511264.64	958730.81
Roads: Roads& Stormw	MIG	Mashemong/Mooihoek Internal Stree	8768304	2204866.15	3432383.88
Roads: Roads & Stormw	MIG	MAKGATLE	7500000	1864458.48	3819274.41
Roads: Roads& Stormw	MIG	Malebitsa internal road	7384152	2625108.7	4772815.36
GRAND TOTAL			50216712	7732041.2	14965309.58

Transfers and grants consist of bursaries paid to our community members and indigent on free basic electricity. The unfavorable variance of 15% is mainly as a results of few number of indigent registered.

Other expenditure reflects 8% performance below benchmark; hence adjustment on general expenditure needs to be considered.

Although there is generally under performance in expenditure some line items have exceeded the 50% mid-year benchmark whereby strict measures need to be put in place for all those that are non-essential to service delivery. Such expenditure must be analyzed and discussed during Budget Steering Committee meetings.

The expenditure per category is represented below graphically:



3. Table C2: Monthly Financial Performance by standard classification

LIM471 Ephraim Mogale - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	198,754	-	52,697	134,621	99,377	35,245	35%	198,754
Executive and council		-	2,287	-	78	460	1,143	(684)	-60%	2,287
Finance and administration		-	196,467	-	52,619	134,162	98,234	35,928	37%	196,467
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	237	-	15	128	118	10	8%	237
Community and social services		-	53	-	3	25	26	(2)	-6%	53
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	184	-	12	104	92	11	12%	184
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	33,496	-	-	8	10,387	(10,379)	-100%	33,496
Planning and development		-	53	-	-	8	26	(18)	-68%	53
Road transport		-	33,443	-	-	-	10,361	(10,361)	-100%	33,443
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	67,465	-	5,293	32,080	33,732	(1,652)	-5%	67,465
Energy sources		-	62,761	-	4,881	29,624	31,381	(1,757)	-6%	62,761
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4,703	-	412	2,456	2,352	105	4%	4,703
<i>Other</i>	4	-	3,815	-	2,038	2,095	1,908	187	10%	3,815
Total Revenue - Functional	2	-	303,766	-	60,043	168,933	145,523	23,411	16%	303,766
Expenditure - Functional										
<i>Governance and administration</i>		-	181,487	-	5,914	48,727	90,743	(42,016)	-46%	181,487
Executive and council		-	47,087	-	2,481	18,431	23,544	(5,113)	-22%	47,087
Finance and administration		-	134,399	-	3,433	30,296	67,200	(36,904)	-55%	134,399
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	23,565	-	202	8,070	11,783	(3,712)	-32%	23,565
Community and social services		-	9,148	-	110	3,736	4,574	(838)	-18%	9,148
Sport and recreation		-	2,264	-	16	675	1,132	(457)	-40%	2,264
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	7,807	-	20	1,804	3,903	(2,099)	-54%	7,807
Health		-	4,347	-	56	1,855	2,173	(319)	-15%	4,347
<i>Economic and environmental services</i>		-	20,929	-	297	8,453	10,464	(2,011)	-19%	20,929
Planning and development		-	9,368	-	167	3,525	4,684	(1,159)	-25%	9,368
Road transport		-	11,561	-	131	4,928	5,780	(852)	-15%	11,561
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	62,249	-	418	25,257	31,124	(5,868)	-19%	62,249
Energy sources		-	56,177	-	378	22,747	28,089	(5,341)	-19%	56,177
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	6,071	-	40	2,510	3,036	(526)	-17%	6,071
<i>Other</i>		-	11,872	-	130	5,258	5,936	(678)	-11%	11,872
Total Expenditure - Functional	3	-	300,102	-	6,962	95,766	150,051	(54,285)	-36%	300,102
Surplus/ (Deficit) for the year		-	3,664	-	53,080	73,168	(4,528)	77,696	-1716%	3,664

Table C2 measures the actual performance against the year to date budget figures which realized by vote for revenue and expenditure using standard classification. All revenue deviation which reflects under collection need to be analysed and considered for adjustment. Item details are reflected in the analysis above on consolidated budget statement. On the expenditure side most of the votes are projected to be less than planned.

4. Table C4: Monthly Financial Performance by Revenue source and Expenditure Type

LIM471 Ephraim Mogale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue By Source											
Property rates			37,509		3,108	18,648	18,754	(106)	-1%	37,509	
Service charges - electricity revenue			61,224		4,881	29,624	30,612	(989)	-3%	61,224	
Service charges - water revenue			-		-	-	-	-	-	-	
Service charges - sanitation revenue			-		-	-	-	-	-	-	
Service charges - refuse revenue			4,463		398	2,387	2,231	156	7%	4,463	
Rental of facilities and equipment			163		12	94	82	13	16%	163	
Interest earned - external investments			3,685		515	2,786	1,842	944	51%	3,685	
Interest earned - outstanding debtors			7,463		655	3,947	3,731	215	6%	7,463	
Dividends received			-		-	-	-	-	-	-	
Fines, penalties and forfeits			101		7	63	51	12	24%	101	
Licences and permits			3,345		2,031	2,032	1,673	360	22%	3,345	
Agency services			-		-	-	-	-	-	-	
Transfers and subsidies			148,974		-	69,416	140,000	(70,584)	-50%	148,974	
Other revenue			3,396		48,435	39,936	1,698	38,238	2252%	3,396	
Gains on disposal of PPE			-		-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)			-	270,323	-	60,043	168,933	200,675	(31,741)	-16%	270,323
Expenditure By Type											
Employee related costs			87,715		633	39,431	43,857	(4,427)	-10%	87,715	
Remuneration of councillors			14,533		8	6,690	7,267	(577)	-8%	14,533	
Debt impairment			13,321		-	-	6,660	(6,660)	-100%	13,321	
Depreciation & asset impairment			52,000		-	-	26,000	(26,000)	-100%	52,000	
Finance charges			365		-	117	183	(66)	-36%	365	
Bulk purchases			42,224		15	17,484	21,112	(3,628)	-17%	42,224	
Other materials			1,275		130	3,664	638	3,027	475%	1,275	
Contracted services			36,355		3,038	13,200	18,177	(4,977)	-27%	36,355	
Transfers and subsidies			-		-	-	-	-	-	-	
Other expenditure			52,314		2,142	15,180	26,157	(10,977)	-42%	52,314	
Loss on disposal of PPE			-		-	-	-	-	-	-	
Total Expenditure			-	300,102	-	5,966	95,766	150,051	(54,285)	-36%	300,102
Surplus/(Deficit)											
Transfers and subsidies - capital (inter-fund transfers)			-	(29,779)	-	54,077	73,168	50,624	22,544	0	(29,779)
(National / Provincial and District)				33,443			14,381	16,890	(2,509)	(0)	33,443
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)				-		-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)				-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions			-	3,664	-	54,077	87,549	67,514			3,664
Taxation				-		-	-	-	-	-	-
Surplus/(Deficit) after taxation			-	3,664	-	54,077	87,549	67,514			3,664
Attributable to minorities				-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality			-	3,664	-	54,077	87,549	67,514			3,664
Share of surplus/ (deficit) of associate				-		-	-	-	-	-	-
Surplus/ (Deficit) for the year			-	3,664	-	54,077	87,549	67,514			3,664

This table provides the actual performance details for revenue by source and expenditure by type. For the purpose of reporting detailed analysis together with graphic presentations has been provided in the consolidated budget statement above.

5. Table C5: Monthly Capital Expenditure by Vote

funding) - M06 December

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		-	2,020	-	526	584	1,010	(426)	-42%	2,020
Executive and council								-		
Finance and administration			2,020		526	584	1,010	(426)	-42%	2,020
Internal audit								-		
Community and public services		-	800	-	-	-	400	(400)	-100%	800
Community and social services			700				350	(350)	-100%	700
Sport and recreation								-		
Public safety								-		
Housing			100				50	(50)	-100%	100
Health								-		
Economic and environmental		-	40,537	-	7,206	14,381	20,268	(5,887)	-29%	40,537
Planning and development								-		
Road transport			40,537		7,206	14,381	20,268	(5,887)	-29%	40,537
Environmental protection								-		
Trading services		-	6,300	-	-	-	3,150	(3,150)	-100%	6,300
Energy sources			6,300				3,150	(3,150)	-100%	6,300
Water management								-		
Waste water management								-		
Waste management								-		
Other			600				300	(300)	-100%	600
Total Capital	3	-	50,257	-	7,732	14,965	25,128	(10,163)	-40%	50,257
Funded by:										
National Government			33,443			14,381	16,890	(2,509)	-15%	33,443
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		-	33,443	-	-	14,381	16,890	(2,509)	-15%	33,443
Borrowing	6							-		
Internally generated funds			16,814		7,732	584	8,238	(7,654)	-93%	16,814
Total Capital Funding		-	50,257	-	7,732	14,965	25,128	(10,163)	-40%	50,257

Table C5 below indicates the actual performance details on capital expenditure for all votes, whilst the 31 December 2019 forecasted figures are reflected in the last column. Capital expenditure amounts to R14 million against the planned figure of R25 million.

6. Table C6: Monthly Budget Statement Financial Position

LIM471 Ephraim Mogale - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2018/19	Budget Year 2019/20				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			46,530		107,550	46,530	
Call investment deposits							
Consumer debtors					52,813		
Other debtors			35,600			35,600	
Current portion of long-term receivables					3,459		
Inventory					37,045		
Total current assets			-	82,130	-	200,866	82,130
Non current assets							
Long-term receivables							
Investments							
Investment property			93,450		60,102	93,450	
Investments in Associate							
Property, plant and equipment			843,200		784,250	843,200	
Biological							
Intangible							
Other non-current assets					642		
Total non current assets			-	936,650	-	844,993	936,650
TOTAL ASSETS			-	1,018,780	-	1,045,859	1,018,780
LIABILITIES							
Current liabilities							
Bank overdraft							
Borrowing							
Consumer deposits			1,300		1,369	1,300	
Trade and other payables			10,000		37,496	10,000	
Provisions			285		1,464	285	
Total current liabilities			-	11,585	-	40,329	11,585
Non current liabilities							
Borrowing							
Provisions			41,000		49,264	41,000	
Total non current liabilities			-	41,000	-	49,264	41,000
TOTAL LIABILITIES			-	52,585	-	89,594	52,585
NET ASSETS	2		-	966,195	-	956,266	966,195
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			966,195		956,145	966,195	
Reserves					121		
TOTAL COMMUNITY WEALTH/EQUITY	2		-	966,195	-	956,266	966,195

This table reflects on whether the municipality is able to meet its obligation in a long term. In general the community wealth of the municipality for the month of December 2019 is R 966 195.00

7. Table C7: Monthly Budget Statement Cash Flow

LIM471 Ephraim Mogale - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			30,007		3,108	12,432	15,004	(2,572)	-17%	30,007
Service charges			56,120		3,806	12,873	28,060	(15,187)	-54%	56,120
Other revenue			3,610		1,872	4,328	1,805	2,523	140%	3,610
Government - operating			148,974			60,416	67,416	(7,000)	-10%	148,974
Government - capital			33,443		-	14,381	16,890	(2,509)	-15%	33,443
Interest			9,655		159	1,008	4,827	(3,820)	-79%	9,655
Dividends			-				-	-		-
Payments										
Suppliers and employees			(234,416)		(3,824)	(80,586)	(117,208)	(36,622)	31%	(234,416)
Finance charges			(365)		-	(117)	(183)	(66)	36%	(365)
Transfers and Grants			-		-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES			47,028		5,121	24,734	16,611	(8,123)	-49%	47,028
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets			(50,257)		-	(14,381)	(25,128)	(10,747)	43%	(50,257)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(50,257)		-	(14,381)	(25,128)	(10,747)	43%	(50,257)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES			-		-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD			(3,229)		5,121	10,353	(8,517)			(3,229)
Cash/cash equivalents at beginning:			45,265				45,265			-
Cash/cash equivalents at month/year end:			42,036			10,353	36,748			(3,229)

Table C7 provides detail of the projected cash in- and outflow. The actual cash flow of the municipality since July 2019 to December 2020 is shows a favourable/positive balance of R24 Million. It shows that actual cash flow of the municipality from the actual cash flow from operating activities; cash flow from investing activities; cash flow from financing activities and net increase / decrease in cash held by the municipality Based on the mid-year assessment it is projected that sufficient cash will be available to fund the budget.

8. Debtors Age Analysis

EPHRAIM MOGALE LOCAL MUNICIPALITY FINANCIAL YEAR 2019/20 AGEING REPORT DECEMBER 2019 GL							
	30 Days	60 Days	90 Days	120 Days	150 Days	150 Plus	Total
Type of Service	2019/12	2019/11	2019/10	2019/09	2019/08	2019/07	
Rates	4370465.7	1476421.06	1464445.77	1451100.24	1408430.11	66939818.03	77,110,680.91
Electricity	5429245	146172.48	146346.75	141925.52	104592.24	4450952.66	10,419,234.65
Refuse	495152.11	104894.73	111039.4	99870	96029.31	3472592.32	4,379,577.87
Other	1232583.61	700010.96	413371.28	793160.31	739036.62	26803267.05	30,681,429.83
Total	11,527,446.42	2,427,499.23	2,135,203.20	2,486,056.07	2,348,088.28	101,666,630.06	122,590,923.26

Category	2019/12	2019/11	2019/10	2019/09	2019/08	2019/07	Total
Psi	4054.86	2023.73	2021.27	2019.17	2016.7	131551.14	143,686.87
Farms / agri	3083800.68	1356470.13	1358799.21	1369735.87	1346937.8	56097016.74	64,612,760.43
Business	3376812.37	216381.06	171457.87	210967.49	179008.42	5145833.51	9,300,460.72
Churches	25332.69	2289.67	2281.63	2394.72	2207.12	73592.16	108,097.99
Commercial	0	0	0	0	0	29221.64	29,221.64
Domestic	0	0	0	0	0	15058.42	15,058.42
Industrial	1574228.49	148017.34	-129723.51	145540.23	133457.56	5407890	7,279,410.11
Municipality	5433.51	5916.32	5978.02	8522.29	6063.73	16128.38	48,042.25
Residential	3416710.51	705717.5	722362.39	741513.51	674959.72	34742008.07	41,003,271.70
School/hosp	41073.31	-9316.52	2026.32	5362.79	3437.23	8330	50,913.13
Total	11,527,446.42	2,427,499.23	2,135,203.20	2,486,056.07	2,348,088.28	101,666,630.06	122,590,923.26

Supporting Table SC3 provides a breakdown of consumer debtors which are broken down into electricity, refuse removals and property rates. The table below shows the total outstanding debtors as at 31 December 2019 amounting to R 122 Million. This continuous increase debtors poses a serious threat to the municipality as this amount is likely to be irrecoverable thereby necessitating a write-off. Strict debt collection measures need to be put in place to reduce the outstanding debtors.

9. Creditors Analysis

The municipality continues to pay its creditors within 30 days

10. Investment Portfolio Analysis

The municipality has invested R80 Million at a rate of 9.15% over with VBS Mutual Bank which is now under the curatorship.

11. Transfers and Grants Receipts

All grants till the month of December 2019 were received. Remaining Grants will be received in March 2020.

12. Material Variance Explanation

Material variances are detailed in various tables listed above.

13. Councilors and Staff Benefits

Employee related cost reflect unfavorable variance of -10%, this results from post that are budgeted for and filled very recently. E.g CFO. Remuneration of councilors reflects a variance -8%, which will be aligned with the upper limits.

PROPOSED RECOMMENDATIONS

It is recommended:

1. That the mid-year budget and performance assessment report presented be noted.
2. That the mid-year budget and performance assessment report be submitted to National and Provincial Treasury after it is tabled to Council.
3. That the mid-year budget and performance assessment report be placed on the municipal website after it is tabled to Council.
4. That the Municipal Manager to implement the decision accordingly.

EPHRAIM MOGALE LOCAL MUNICIPALITY

MID-TERM INSTITUTIONAL PERFORMANCE REPORT – 2019/2020



"Agricultural Hub of choice"

Slogan - RE HLABOLLA SECHABA

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1. Foreword

The purpose of this report is to give feedback regarding the performance of the Ephraim Mogale Local Municipality as required through The Municipal Systems Act No 32 of 2000, section 41(e) and the Municipal Finance Management Act 56 of 2003, section 52(d). The information included in this report is based on the IDP¹ and SDBIP² as developed for the financial year 2019/2020. The scorecards were developed to reflect ***cumulative performance***, therefore the status of indicators are a reflection of the overall performance level achieved year to date.

2. Executive Summary

This report serves as the **Mid-Term Institutional Performance Report** for the **2019/2020** financial year **ending December 2019**. It provides feedback on the performance level achieved (accumulative reporting) against the targets as laid out in the IDP/SDBIP Scorecard. In the case of under-performance, the respective concerns or mitigating reasons are highlighted and detail pertaining to the relevant measures taken to address these challenges are included thereto.

The overall performance for the Ephraim Mogale Local Municipality is based on a composite Performance Scorecard of each Department comprising of all indicators assessed in the period under review.

The overall Mid-Term Institutional performance achieved for the 2019/20 financial year reflected a **79%** with only **88** out of **111 KPI's** assessed attaining set targets.

Improvement performance levels were experienced in four key performance areas as depicted in the Table Ref No1. The quality of departmental performance submissions needs to be addressed as a significant number of KPI's were not reported on. Departments need to take responsibility and accountability for service delivery and related activities measured in the performance reports, as this is a public document and reflects negatively on the municipality's commitment to service delivery. We need to instil a culture of accountability in the organisation and significantly improve the levels of monitoring and evaluation which are a prerequisite to ensure responsible management decisions can be taken.

¹ Integrated Development Plan

² Service Delivery and Budget Implementation Plan

3. Key Performance Areas and Organisational Strategic Objectives

The following Key Performance Areas and Strategic Objectives have been adopted by the municipality for the purposes of reporting on the attainment of the Institutional performance indicators and targets

KPA 1: Spatial Development Analysis and Rationale

Strategic Objective: Plan for the future and promote integrated human settlement and agrarian reform

KPA 2: Service Delivery and Infrastructure Development

Strategic Objective A: Improve community well-being through provision of accelerated basic service delivery

Strategic Objective B: Improved social well-being

KPA 3: Local Economic Development

Strategic Objective A: Grow the economy and provide livelihood support

KPA 4: Municipal Transformation and Institutional Development

Strategic Objective A: Develop and retain skilled and capacitated workforce

KPA 5: Municipal Financial viability and Management

Strategic Objective: Become Financially Viable

KPA 6: Good Governance and Public Participation

Strategic Objective: Sound Governance through effective oversight

4. Comparison of Institutional Performance Levels 2017/18 – 2019/20

Table 1: Institutional Performance Comparison

KPA No	KPA	2017/18			2018/19			Mid-Term 2019/20			
		Total KPI's Assessed	Targets Achieved	% Target Achieved	Total KPI's Assessed	Targets Achieved	% Target Achieved	Total KPI's Assessed	Targets Achieved	Targets Not Achieved	% Target Achieved
1	Spatial Rationale	07	05	71%	13	10	77%	06	06	0	100%
2	Basic Service Delivery and Infrastructure Development	32	21	66%	43	22	51%	20	16	04	80%
3	Local Economic Development	10	06	60%	12	11	92%	07	05	02	71%
4	Municipal Transformation and Institutional Development	19	16	84%	36	30	83%	24	20	04	83%
5	Municipal Financial Viability and Management	17	13	76%	20	18	90%	15	15	0	100%
6	Good Governance and Public Participation	30	24	80%	49	37	76%	39	26	13	67%
	TOTAL	115	85	74%	173	128	74%	111	88	23	79%

The following section contains a comprehensive breakdown of the individual Departmental performance. The scores highlight the progress with respect to performance not only at a departmental level, but also represents the progress made within each Key Performance Area (KPA).

Table 2: Individual Departmental performance Comparison

No	Department	Mid-Term 2019/20			% Target Achieved
		Total KPI's Assessed	Targets Achieved	Targets Not Achieved	
1	Office of the Municipal Manager	24	17	07	71%
2	Planning & Economic Development	14	12	02	86%
3	Infrastructure Services	15	12	03	80%
4	Community Services	05	05	0	100%
5	Budget & Treasury Services	15	15	0	100%
6	Corporate Services	38	27	11	71%
	TOTAL	111	88	23	79%

5. Service Delivery and Performance Indicator

The high level non-financial measurable performance objectives in the form of service delivery targets and other related performance indicators form part of this section of the SDBIP. These indicators and targets will be cascaded to departmental scorecards, which will be used for internal monitoring of the organisation and relevant individuals.

5.1 KPA 1: SPATIAL RATIONALE

Strategic Objective: Plan for the future and promote integrated human settlement and agrarian reform

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department	
				Budget	Actual				Target	Actual	Achievements	Challenges			Corrective Action
Compliance with Town Planning Scheme Regulations	Land Use Management	% of land use applications received and processed within 60 days as per the SPLUMA Act 16 of 2013	SR 01	Internal	Internal	100%	100%	100%	100%	Achieved	None	None	100%	Land Use application register	Planning & Economic Development
PMLM own planning By-laws		No. of Town Planning related By-Laws/policies developed and adopted by Council by June 2020	SR 02	R150 000	0.00	3	N/A	N/A	N/A	Target set for Q4	None	None	1	Council Resolution	
Appropriate and integrated development		No. of Land Use Awareness workshops held with Magoshi by June 2020	SR 07	0.00	0.00	4	N/A	1	1	Achieved	None	None	2	Attendance registers and reports	

Compliance with National Building Regulations	Building Plans Administration	% of buildings; constructed with approved plans, received and inspected within 5 days that comply with the National Building Regulations and Building Standards Amendments Act No 49 of 1995	SR 03													
			Internal	Internal	100%	N/A	N/A	100%	N/A	100%	N/A	Inspections are conducted as per request by the Developers	None	None	100%	Individual site inspection reports and the Building plan file register
			Internal	Internal	100%	100%	100%	100%	100%	100%	100%	Achieved	None	None	100%	Building Plan submission register
		% of New Building Plans of less than 500 square meters received and assessed within 28 days of receipt of plans	Internal	Internal	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Building plan submission register	
		% of New Building Plans of more than 500 square meters received and assessed within 60 days of receipt of plans	Internal	Internal	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Building plan submission register	

Maintenance of Municipal buildings	Facilities Maintenance Management	No. of municipal buildings maintained as per the approved municipal maintenance plan by June 2020	SR 04	1 500 000.00	132.869.83	20	6	5	10	11	Achieved	None	None	20	Final Inspection Reports & Approved Maintenance Plan
Housing		No. of municipal houses maintained as per the requests received from the occupants by June 2020	SR 05			40	N/A	N/A	4	N/A	Houses are maintained as and when requests are received	none	None	8	Requests & Final inspection report
Human settlement		No. of quarterly progress reports in terms of new housing units provided by CoGHSTA submitted to Council by June 2020	SR11	Internal	Internal	1	1	1	2	2	Achieved	None	None	4	Quarterly Progress Report
Township establishment		No. of sites demarcated by June 2020	SR10	459 000.00	0.00	0	N/A		N/A	N/A	Target set for Q4	None	None	300 sites demarcated	Approved Layout/General Plan

5.2 KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategic Objective A: Improve community well-being through provision of accelerated basic service delivery
 Strategic Objective B: Improved social well-being

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20			Annual	Portfolio of Evidence	Responsible Department		
				Budget	Actual				Target	Actual	Achievements				Challenges	Corrective Action
Transformer maintenance and oil testing	Electricity	No. of transformers maintained by June 2020	BS01	2,150	602	48	N/A	N/A	N/A	N/A	Target set for Q4. Service provider appointment for oil testing	Very long SCM process. Late appointment.	SCM must improve.	50 transformers tested.	Completion certificate	Infrastructure Services
Ring Main Unit maintenance	Electricity	No. of ring main units serviced by June 2020	BS02			20	N/A	N/A	N/A	N/A	Target set for Q4. BEC on 17/12/2019	Tenders will expire 02/01/2020. Availability of components for old equipment.	SCM must improve.	20 Ring main units serviced	Completion certificate	Infrastructure Services
Public lighting inspection of streets lights	Electricity	No. of Street light fittings inspected by June 2020	BS03	600	94	1056	1092	1637	1092	3428	Achieved	ESKOM supply, vandalism, severe weather	None	1092	Inspection monthly reports	Infrastructure Services
Public lighting maintenance of streetlights	Electricity	% of faulty Street light fittings repaired within 90 days.	BS04			100%	100%	100%	100%	100%	Achieved	None	None	100%	Inspection/repair monthly reports	Infrastructure Services
Public lighting inspection of Mast lights	Electricity	No. of Mast lights fittings inspected by June 2020	BS05			528	531	576	531	1134	Achieved	ESKOM supply, vandalism, severe weather	None	531	Inspection monthly reports	Infrastructure Services

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20					Portfolio of Evidence	Responsible Department	
				Budget	Actual				Target	Actual	Achievements	Challenges	Corrective Action			Annual
Public lighting-maintenance of Mast lights		% of Faulty Mast light fittings repaired within 90 days	BS06			100%	100%	100%	100%	100%	100%	None	None	100%	Inspection/repair monthly reports	
Replace 30 meters		No. of electricity meters replaced by June 2020	BS07	100	0	New	N/A.	N/A	N/A	N/A.	N/A.	Target set for Q4. Service provider appointed. 15 replaced	Very long SCM process. Late appointment.	30 Electricity meters replaced	Meter replacement forms	
Replace streetlight wood poles at Mamphokgo by June 2020		No. of wood streetlight poles replaced at Mamphokgo by June 2020	BS08	200	0	New	N/A.	N/A	N/A	N/A	N/A	Target set for Q4. BEC 17/12/2019	Quotations will expire 02/01/2020	20 wood poles replaced.	Completion certificate	
Replace PEX cable in Ext		Meter of old PEX cable from RMU to minisubstation stand 906 and minisubstation stand 907 replaced with new cable by June 2020	BS11	750	306	New	N/A.	740	N/A	740		Target set for Q4. Completed. 740meter replaced	Insufficient budget	740 meter of cable replaced	Completion certificate	
Industrial substation second supply phase (cable OTK to Ind Sub)		Meter of new cable installed from OTK substation by June 2020	BS12	3,250	0	New	N/A.		N/A	N/A.		Target set for Q4. BEC 17/12/2019	Tender will expire 02/01/2020. Not enough time to implement.	900meter of new cable installed	Completion certificate	

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department		
				Budget	Actual				Target	Actual	Achievements	Challenges			Corrective Action	Annual
Electrification of households		No. of quarterly reports in terms of households with access to basic levels of electricity submitted to MM (GKPI)	New	7,540 (INEP/Es kom)	6,137	4	1	1	1	2	2	None	None	4	Quarterly reports	
							529.10km	418.80km	400km	947.90	Achieved	None	None	1500km	Inspection report	
							727.90 m ²	864.56 m ²	400m ²	1592.46 m ²	Achieved	None	None	1800m ²	Inspection report	
STREETS	Roads and Storm Water	Kilometer of roads graded by June 2020	BS 115	2 125 240.64	924 746.75	1500km	18.58 km	11.784km	15km	30.364km	Achieved	Inclement weather	The division to put more efforts during Q3 to compensate for the work done not achieved in this Quarter	52.7 km	Inspection report	
							52.7km	42km	42km	78.191km	Achieved	None	None	172 km	Inspection report	
							52.7km	42km	42km	78.191km	Achieved	None	None	172 km	Inspection report	
Malebita Internal Road	Roads and Storm Water	Kilometer of roads to be upgraded by June 2020	BS64	7 500,0	5,430,378	New	Contractor appointed	Construction at 40%	Construction Earthworks (40%)	Construction is at 40%	Achieved	None	None	1.0km of roads upgraded	Progress reports and completion certificates	
							Contractor appointed	Construction at 40%	Construction Earthworks (40%)	Construction is at 40%	Achieved	None	None	1.0km of roads upgraded	Progress reports and completion certificates	

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20					Portfolio of Evidence	Responsible Department
				Budget	Actual				Target	Actual	Achievements	Challenges	Corrective Action		
Rehabilitation of Leuwfontein internal streets		Kilometer of road to be rehabilitated by June 2020	BS62	2 500,0	0.00	New	N/A	Construction Earthworks (0%)	Construction Earthworks (0%)	Not Achieved	The project has been temporarily halted to accommodate the completion of Leeufontein sports complex	The project will be re budgeted during the Midyear budget adjustment	0.5km of roads rehabilitated	Progress reports and completion certificates	
Mashemong 'Mooihoek' internal streets		Kilometer of roads to be upgraded by June 2020	BS66	8 768,0	3,909,868	New	Contractor appointed	Construction at 40%	Construction at 40%	Achieved	None	None	1.0km of roads upgraded	Progress reports and completion certificates	
Vimkgatle internal road		Kilometer of roads to be upgraded by June 2020	BS86	7 384,1	4,392,947	New	Contractor appointed	Construction at 40%	Construction at 40%	Achieved	None	None	1.0km of roads upgraded	Progress reports and completion certificates	
Mogalatsan e/phetwane internal street		Kilometer of roads to be upgraded by June 2020	BS100	8 384,1	679,746	New	Project advertised	Project re-advertised	Project re-advertised	Not Achieved	Project re-advertised	Contractor only appointed in December 2019	1.2km of roads upgraded	Progress reports and completion certificates	
Marble hall Ext 6 stormwater management infrastructure		Km of stormwater constructed by June 2020	BS57	600,0	877,700	New	Contractor appointed	Construction Earthworks (0%)	Construction Earthworks (0%)	Not Achieved	Ward committee disagree with the appointment of the CLO	MMC infrastructure intervened	0.5km of stormwater drain constructed	Progress reports and completion certificate	

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20						Portfolio of Evidence	Responsible Department
				Budget	Actual				Target	Actual	Achievements	Challenges	Corrective Action	Annual		
Mayor's cup	Sport and Recreation Arts and Culture	No. of mayors cup events held by June 2020	BS139	233 808.00	0.00	1	N/A	N/A	N/A	Target set Q.4	None	None	1	Final report of Mayors cup	Community Services	
Heritage Day celebration		No. of Heritage events held by June 2020	BS141	95 016.00	95.016.00	1	1	N/A	1	Achieved	None	None	1	Final report of Heritage celebration		
Diturupa		No. of Cultural festival held by June 2020	BS142	328 608.00	0.00	1	N/A	N/A	N/A	Target set Q3	None	None	1	Final report of Diturupa event		
Beauty Pageant		No. of Beauty Pageant held by June 2020	BS143	97 524.00	0.00	1	N/A	N/A	N/A	Target set Q.4	None	None	1	Final report of Beauty Pageant event		
Arrive alive	Safety and Security	No. of road safety awareness / prevention campaigns scheduled and held by June 2020	BS148	15 372.00	6.83	10	N/A	5	5	Achieved	None	None	10	Arrive Alive Plan and report		
Purchase traffic vehicles		No. of traffic vehicles procured by June 2020	BS149	600.0	0.00	New	N/A	N/A	N/A	Target set Q3	None	None	2	Invoice and delivery note		
Disaster Management	Disaster Management	No. of disaster awareness campaigns scheduled and held per ward	BS156	211 922.00	7066.63	24	2	2	4	Achieved	None	None	8	Reports and attendance registers		

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20						Portfolio of Evidence	Responsible Department
				Budget	Actual				Target	Actual	Achievements	Challenges	Corrective Action	Annual		
Cemetery fencing	Cemetery	by June 2020 No. of cemeteries fenced with EPWP employees by June 2020	BS135	700 008	R3304 34.00	7	N/A	N/A	N/A	Target set Q4	None	None	6	Final handover certificate		
Machinery & equipment	Parks	No. of brushcutters purchased by June 2020	BS133	200,0	0.00	New	N/A	N/A	N/A	Target set Q3	None	None	20	Invoice and delivery note		
Loosening of gravel at landfill site or covering material	Waste Management	No. of plan developed for the loosening of gravel for covering Landfill Site by June 2020	BS123	200.0	0.00	New	N/A	N/A	N/A	Target set Q.4	None	None	1	Plan and Invoice		
Conduct external compliance audit on landfill site		External compliance audit on landfill site conducted by June 2020	BS125	Internal	Internal	New	N/A	N/A	N/A	Target set Q.3	None	None	1	Final report		
Landscaping & Greening		No. of landscaping and greening project implemented by June 2020	BS129	500,0	0.00	1	N/A	N/A	N/A	Target set Q.4	None	None	1	Final progress report		
Waste Management		% of households with access to a minimum level of basic waste removal by June 2020 (once per week) (GKPI)	New	Internal	Internal	>17.4 % (5619 h/h)	N/A	N/A	N/A	Target set Q.4	None	None	>17.4 % (5619h/h)	Monthly signed waste collection reports		

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20					Portfolio of Evidence	Responsible Department
				Budget	Actual				Target	Actual	Achievements	Challenges	Corrective Action		
		Number of households with access to a minimum level of basic waste removal by June 2020 (once a week)	New	Internal	Internal	5619 h/h week	5619 h/h week	5619 h/h week	5619 h/h week	Achieved	None	None	5619 h/h week	Monthly signed waste collection reports	
		Number of Refuse containers placed in villages/and farms for access to refuse removal (once a week removal)	New	Internal	Internal	5	5/week	5/week	5/week	Achieved	None	None	5/week	Monthly signed waste collection reports	

5.3 KPA 3: LOCAL ECONOMIC DEVELOPMENT

Strategic Objective A: Grow the economy and provide livelihood support

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actual	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department		
				Budget	Actual				Target	Actual	Achievements	Challenges			Corrective Action	Annual
ED Support	Local Economic Development	No. of training workshops conducted for SMME's by June 2020	LED01	0.00	0.00	4	1	1	2	2	Achieved	None	None	4	Reports and Attendance registers	Economic Development & Planning
ED forum		No. of quarterly LED forum meetings held by June 2020	LED02	55 209.04	30440.00	4	1	1	2	2	Achieved	None	None	4	Reports and Attendance Registers	
ED Summit		Hosting of annual LED Summit by 30 Jun 2020	LED03	135 493.44	0.00	1	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Reports and Attendance Register	
Tourism forum		No. of quarterly Tourism Forum meetings held by June 2020	LED08	Internal	Internal	New	1	1	2	2	Achieved	None	None	4	Reports and Attendance Registers	
Effective CWP Local Reference forum		No. of quarterly CWP Local Reference Forum meetings held by June 2020	LED06	Internal	Internal	New	1	1	2	2	Achieved	None	None	4	Reports and Attendance Register	
ED Projects Awards		Hosting of an Annual LED Awards ceremony by 30 June 2020	LED11	0.00	0.00	New	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Report and Attendance Register	

Management of Informal Traders	No. of Quarterly Marble Hall Hawkers Forum meetings held by June 2020	New	Internal	Internal	Internal	New	1	1	2	2	Achieved	None	None	None	4	Minutes and attendance register
Review LED strategy	No. of LED strategy developed and submitted to Council by 30 June 2020	New	0.00	212 004.12	LED10	N/A	N/A	N/A	N/A	N/A	Target set for Q3	None	None	None	1	LED Strategy and Council resolution
Social Responsibility Programs	No. of quarterly reports submitted to Council with respect to the implementation of Social Labour Plan (SLP) and Corporate Social Investment (CSI) programmes of Mining Companies by June 2020	0	Internal	LED14	0	1	2	1	1	2	Not Achieved	The report was compiled timeously and could not be presented to council due to non-quorate Portfolio Committee meeting.	None	None	4	Quarterly report and Council resolution
	No. of quarterly reports on the implementation of Limpopo Business Regulation Act by June 2020	New	Internal	New	N/A	N/A	N/A	N/A	N/A	N/A	Target set for Q3	None	None	None	2	Quarterly Report

EPWP	No. of EPWP job opportunities provided (FTE) through EPWP grant funding by 30 June 2020 (GKPI)	LED07	1 317 000.00	310 639.00	307	73	50	220	123	Not Achieved	Late appointment of EPWP personnel and contractors on Capital projects	Fastrack appointment of EPWP personnel and contractors on Capital projects	447	Quarterly reports submitted to the Department of Public Work
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5.4 KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Strategic Objective A: Develop and retain skilled and capacitated workforce

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actual	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department		
				Budget	Actual				Target	Actual	Achievements	Challenges			Corrective Action	Annual
Employment Equity	Institutional Development	No. of people employed in accordance with EE Plan by June 2020	MTOD 01	Internal	Internal	68	N/A	N/A	N/A	N/A	Target set for Q4	None	None	11	Appointment letters	Corporate Services
		No. of EE Committee meetings held by June 2020		31,800.00	0.00	4	1	2	3	Achieved	None	None	4	Attendance registers		
Training		No. of Councilors capacitated in roles and duties pertaining to their responsibilities by the 30 June 2020	GG08	132 207.44	47171.75	32	21	0	10	21	Achieved	None	None	32	Proof of payments	

Review of organizational structure	No. of workforce trained as per target of Workplace Skill Plan (WSP) by 30 Jun 2020	MTOD 03	520 000 .00	12316 2.10	50	35	2	30	37	Achieved	None	None	60	Annual training report and Proof of payment
	% of budget spent implementing the Workplace Skills Plan by the 30 Jun 2020 (GKPI)		Internal	Internal	100%	9.46%	25.91%	30%	35.37%	Achieved	Delay in appointment of service providers	Appointment of service providers for training	100%	Annual training report and Proof of payment
Review of organizational structure	Review Organizational structure and align to the IDP and Budget by 30 June 2020	MTOD 10&11	Internal	Internal	1	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Approved Organizational structure and council resolution
	% of approved critical posts processed within three months on post being vacant (Sec 56/54A)	MTOD 02	Internal	Internal	100%	0%	0%	100%	0%	Not Achieved	No suitable candidates applied	CFO post recommended for re-advertisement	100%	Appointment letters
	% of approved posts processed within three months on post being vacant (below Sec 56/54A)	MTOD 02	Internal	Internal	100%	N/A	0%	100%	0%	Not Achieved	Reconciliation between of captured list and registered list	Process of filling advertised post to be implemented during 3 rd quarter and re-advertised posts with challenges	100%	Appointment letters

Legal Cost	Legal Services	New	Internal	Internal	Internal	100%	100%	100%	100%	100%	100%	100%	Achieved	None	None	100%	Minutes and attendance registers
	% of disciplinary proceedings initiated in relation to reported matters	MTOD 25	5 000 004 .00	50897 .62	100%	100%	100%	100%	100%	100%	100%	100%	Achieved	None	None	100%	Quarterly Report on SLA's and employment contracts
	% of Service Level Agreements (SLA's) and Employment Contracts processed within the time frame of 30 days																
	Career Week hosted by June 2020	New	Internal	Internal	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Attendance register of both Tertiary Institutions and learners
Customer care	Youth Development	New	Internal	Internal	4	1	2	2	1	2	2	2	Achieved	None	None	4	Quarterly Compiled reports
	No. of quarterly Customer Complaint reports submitted to the Municipal Manager (inclusive of Premier & Presidential Hotline) by June 2020																
	No. of Batho Pele committee meetings held by 30 Jun 2020	New	Internal	Internal	10	3	5	5	2	5	5	5	Achieved	None	None	10	Minutes and attendance register

CT Forums		No. of quarterly ICT steering committee meetings held in terms of the implementation of the ICT governance strategy and policy by June 2020	MTOD 24	R0.00	0.00	3	0	1	2	1	Not Achieved	Non-Adherence to meeting schedule	Adhere to meeting schedule	4	Minutes and attendance register	
Website hosting		% of hosting and management of the website by SITA by June 2020	MTOD 23	65 000.00	0.00	100%	100%	100%	100%	100%	Achieved	None	None	100%	Quarterly reports	
Policies	Policies	No. of new / reviewed policies adopted by Council by June 2019 (Total Organisation)	New	Internal	Internal	12	N/A	N/A	N/A	N/A	Target set for Q4	None	None	12	Approved policies and Council resolution	
DP Process	IDP	Final IDP tabled and approved by Council by the 31st May 2020	MTOD 29	275 549 .12	0.00	1	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Approved IDP Framework and Plan	Planning and Economic Development
		2019/20 IDP/Budget review Process Plan approved by 30th June 2020				1	1	N/A	1	1	Achieved	None	None	1	Approved IDP/Budget Process Plan	

5.5 KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Strategic Objective: Become Financially Viable

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department		
				Budget	Actual				Target	Actual	Achievements	Challenges			Corrective Action	Annual
Data Cleansing	Financial Management	No. of consumer accounts updated by the 30 June 2019	FV01	250000.	0.00	4249	115	656	750	775	Achieved	None	None	1500	Data cleansing reports	Budget & Treasury Office
SAMAP/GRAP Asset Register	Financial Management	GRAP Compliance Register in place July 2019	FV08	Internal	Internal	1	1	N/A	1	1	Achieved	None	None	1	Fixed Assets Register	Budget & Treasury Office
Revenue Enhancement	Financial Accounting (Revenue)	% outstanding service debtors to revenue by the 30 June 2019 (GKPI)	FV02	900 000	0.00	New	19%	24%	6%	43%	Achieved	None	None	15%	Section 71	Budget & Treasury Office
		% improvement in revenue enhancement by 30 June 2019	New	Internal	Internal	New	0%	7.5%	4%	7.5%	Achieved	None	None	7.5%	Billing reports	Budget & Treasury Office
		% of consumer payment received with respect to municipal services provided as compared to that billed by June 2019	New	Internal	Internal	>85%	83%	95%	>85%	89%	Achieved	None	None	>85%	Section 71 report	Budget & Treasury Office
Creditors Payments	Financial Accounting (Expenditure)	% of approved (compliant) invoices paid within 30 days	FV03	Internal	Internal	100%	100%	100%	100%	100%	Achieved	None	None	100%	Approved (compliant) invoices register	Budget & Treasury Office

Compilation of annual and adjustment budget	Budget Management	Submission of MTRE Budget to Council for approval by the 31 May 2020	FV05	Internal	Internal	Internal	1	N/A	N/A	N/A	N/A	Target set for Q4	None	None	Approved Budget and Council resolution
Policies	Policies	No. of new / reviewed policies adopted by Council by June 2019 (BTO only)	New	Internal	Internal	Internal	1	N/A	N/A	N/A	N/A	Target set for Q4	None	12	Approved policies and Council resolution
Implementation of SCM regulations and policies	Supply Chain Management	No. of quarterly SCM procurement plan reports submitted to the Executive Committee by June 2020	FV07	Internal	Internal	Internal	4	1	2	2	2	Achieved	None	4	Quarterly SCM reports
		No. of quarterly deviation reports submitted to the MM by June 2020	FV 07	Internal	Internal	Internal	12	3	6	6	6	Achieved	None	12	Quarterly SCM reports
AFS	Financial Management	Draft Annual Financial Statements (AFS) submitted on or before the 31 August 2019	FV10	Internal	Internal	Internal	1	N/A	1	1	1	Achieved	None	1	Proof of submission from AG
		% of FMG grant spent by June 2020	FV11	Internal	Internal	Internal	100%	43%	50%	50%	50%	Achieved	None	100%	FMG report
Financial Reporting		No. of quarterly section 52(d) MFMA reports submitted to the Mayor by June 2020	FV 06	Internal	Internal	Internal	4	1	2	2	Achieved	None	4	4	Section 71 report

Financial Reporting	No. of monthly section 71 MFMA reports submitted to EXCO by June 2020	FV 06	Internal	Internal	12	3	3	6	6	Achieved	None	None	12	Section 52(d) report	
		Section 72 (midyear) MFMA report submitted to the Mayor by June 2020	FV 06	Internal	Internal	1	N/A	N/A	N/A	N/A	Target set for Q3	None	None	1	Section 72 report
	Financial Management	No. of MFMA checklists submitted per quarter as legislated	FV 06	Internal	Internal	4	1	1	2	2	Achieved	None	None	4	MFMA checklists
		Annual submission of the asset verification report to the MM by 30 Sept 2019	New	Internal	Internal	1	1	N/A	1	1	Achieved	None	None	1	Asset verification report
	No. of Fleet Management reports submitted to Council by 30 June 2020	FV 09	Internal	Internal	4	1	1	2	2	2	Achieved	None	None	4	Monthly Fleet Management report

5.6 KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective: Sound Governance through effective oversight

Project Name	Priority Programme	KPI	IDP Ref No	R 000's		Baseline 2017/18	Q1 Actuals	Q2 Actuals	Mid-Term Targets 2019/20				Portfolio of Evidence	Responsible Department		
				Budget	Actual				Actual	Challenges	Corrective Action	Annual				
Special programs	Transversal	No. of quarterly Special Programs held in terms of the (Elderly, Children, Disabled, Traditional healers, LGBT and other marginalised groups by June 2020	GG01	153 528.00	60 954.76	4	5	4	6	9	Achieved	None	None	12	Special programmes reports	Corporate Services
MAYORAL PROGRAMME: YOUTH DEVELOPMENT		No. of Youth programmes / initiatives implemented each quarter	GG04	138 528.00	53 510.00	4	1	1	2	2	Achieved	None	4	Quarterly Youth reports		
		No. of Youth strategy developed by June 2020														Internal
Public participation	Public Participation	No. of Community stakeholder meetings facilitated and attended by 30th Jun 2020	GG02	674 160.00	0.00	12	3	1	2	4	Achieved	None	12	Reports and Attendance register		

Programme, Events and meetings	HIV/AIDS and other Diseases	Number quarterly Local Aids Council meetings scheduled and held by June 2020	GG06	88 308.00	0.00	4	1	1	2	2	2	Achieved	None	None	None	4	Reports, LAC Meeting minutes and attendance registers
awareness campaigns		No. of quarterly HIV/AIDS awareness campaigns conducted by June 2020	GG07	63 600.00	4115.00	4	1	2	3	2	3	Achieved	None	None	4	Awareness campaign Meeting minutes and attendance registers	
Ward committee support	Ward Committee	No. of monthly Ward Committees meetings held by June 2020	GG03	1,920.00	42300.00	196	48	48	96	96	96	Achieved	None	None	196	Quarterly ward committee's reports	
		Hosting of Annual Ward Committee Conference by June 2020		136 048.00	0.00	1	N/A	0	1	0	0	Not Achieved	Target was captured incorrectly	Target to be implemented in Q4	1	Ward Committee Conference Reports	
		No. of annual Ward Committee operational plans submitted to Council by June 2020		Internal	Internal	0	N/A	0	1	0	0	Not Achieved	Target was captured incorrectly	Target to be implemented in Q4	1	Annual ward committee report	
		No. of Ward Committee Training conducted by June 2020		522 600.00	0.00	0	N/A	N/A	N/A	N/A	N/A	Target set for Q4	None	None	1	Training Report & attendance register	

Indigents	% of (indigents) households with access to free basic electricity services by 30 Jun 2020 (GKPI)	New	Internal	Internal	100%	100%	100%	100%	100%	100%	Achieved	None	None	None	100%	Approved monthly indigent register submitted to Council
Municipal Newsletter	No. of quarterly newsletters published by June 2020	GG05	316	89664.00	3	1	0	2	1	1	Not Achieved	Delay of printing Q2 newsletter by service provider	None	Printing of Q2 newsletter to be done during Q3	4	Published Newsletters
Council Functionality	No. of ordinary Council meeting held by June 2020 as per the approved Calendar of Events	New	Internal	Internal	5	2	2	4	4	4	Achieved	None	None	None	7	Council meeting minutes
	No. of Council meetings resolutions resolved within the prescribed timeframe of (3) months (Total organisation)	New	Internal	Internal	4	0	1	2	1	1	Not Achieved	Failure of department to confirm resolution implementations	Department to confirm council resolutions on time	None	4	Quarterly status report of Council resolutions resolved
	No. of monthly EXCO meetings held by June 2020	New	Internal	Internal	12	3	3	6	6	6	Achieved	None	None	None	12	EXCO meeting minutes
	No. of Section 79 Committee meetings held each quarter	New	Internal	Internal	4	3	3	6	6	6	Achieved	None	None	None	12	Agenda and minutes of Section 79 Committee meeting

Operation Clean Audit(OPCA)	OPCA	Action Plan on issues raised by the Auditor General compiled and tabled to Council by January 2020	GG11	Internal	Internal	Internal	New	N/A	N/A	N/A	N/A	N/A	Target set for Q3	None	None	1	Approved Action Plan	Office of the Municipal Manager
		% of Auditor General matters resolved as per the approved Audit Action plan by 30 June 2020 (Total organisation)	New	Internal	Internal	Internal	84%	N/A	N/A	N/A	N/A	N/A	Target set for Q3	None	None	100%	Quarterly AG Action Plan report	
Audit & Performanc e Committee	Audit & Performance Committee	No. of quarterly Audit & Performance Committee Meetings held by June 2020	GG12	319 1 41.87	470 556. 00	4	2	1	2	3	Achieved	None	None	None	4	Minutes of the A&P Committee meetings with attendance register		
Enterprise Risk Managemen t	Risk Services	Risk Management Policies reviewed by the committee by the 31st May 2020	GG13	Internal	Internal	5	N/A	N/A	N/A	N/A	Target set for Q4	None	None	None	5	Council resolution		
		Risk Management Implementation Plan approved by 30th Jun 2020		Internal	Internal	1	N/A	N/A	N/A	N/A	Target set for Q4	None	None	None	1	Risk Managemen t Implementa tion Plan		

Risk Management Committee	No. of quarterly Risk Committee Meetings held by June 2020	GG15	Internal	Internal	4	1	0	2	1	Not Achieved	Late review and approval of Risk Management Documents (i.e. Policies, Plans, Strategies etc.).	Risk Management Documents (i.e. Policies, Plans, Strategies etc.) to be reviewed and approved in Q3	4	Risk committee Agenda pack
	No. of Risk Management reports submitted to the Audit Committee per quarter		Internal	Internal	4	1	0	2	1	Not Achieved	Late review and approval of Risk Management Documents (i.e. Policies, Plans, Strategies etc.).	Risk Management Documents (i.e. Policies, Plans, Strategies etc.) to be reviewed and approved in Q3	4	Quarterly Risk Report
	% execution of Risk management plan within prescribed timeframes per quarter (Total organisation)		Internal	Internal	50%	77.55%	0%	100%	77.55%	Not Achieved	Late review and approval of Risk Management Documents (i.e. Policies, Plans, Strategies etc.).	Risk Management Documents (i.e. Policies, Plans, Strategies etc.) to be reviewed and approved in Q3	100%	Quarterly Risk management reports

Security Management Services	Security Services	Security risk assessment conducted and approved by 31 st July 2019	Internal	Internal	1	N/A	1	1	Achieved	None	None	1	Approved Security risk assessment		
		Security upgrade plan developed and approved by 31 st July 2019	Internal	Internal	1	N/A	1	1	Achieved	None	None	1	Approved Security upgrade plan		
		% implementation of Security upgrade plan activities within prescribed time-frames	152 004.00	0.00	New	0%	0%	100%	0%	Not Achieved	Amendments of specification	Awaits for appointments	100%	Security monitoring & Incident management reports	
		No. of Municipal Community halls safe-guarded through EPWP programme	1 317 000.00 (EPWP Grant)	310 639.00	10	0	10	10	10	Achieved	None	None	10	Security monitoring & Incident management reports	
		No. of Security monitoring & Incident management reports compiled	Internal	Internal	3	3	6	6	6	Achieved	None	None	12	Security monitoring & Incident management reports	
		No. of Security awareness/educational campaigns conducted	Internal	Internal	0	1	2	1	1	Not Achieved	Unavailability of State Security Agency (SSA) during Q1	None	4	Security monitoring & Incident management reports and Attendance registers	

6. PERFORMANCE OF SERVICE PROVIDERS FOR MID-TERM 2019/20 FINANCIAL YEAR

This report is prepared in accordance with Section 46(1) (a) of the Local Government Municipal Systems Act 32 of 2000 which requires that a municipality must prepare for each financial year a performance report reflecting the performance of the municipality and each of the service providers during the financial year

Service /Project	Service Provider	Date appointed	End of the Contract	Revised completion date	Bid Amount	Expenditure	Performance Rating 1-5
EPMLM/8/3/316 SUPPLY AND INSTALLATION OF A 740M PILC, 11KV CABLES IN EXT 5(RE-ADVERT)	115 Electrical Solutions (PTY) LTD	04/06/2019	15/11/2019	N/A	R1 159 308.20	R782 742.77	3
Construction of Mmakgatle A-B Bus route	Tshatshu consulting Engineers/Rishakwa Trading and Projects	Multi -Year	09/09/2020	None	R 16 210 804.99	R 4 392 947.52	3
Construction Mashemong/Mooihoek Internal Streets	MVE Consulting Engineers/Loge Construction	Multi -Year	04/12/2020	None	R 22 488 640.14	R 3 909 868.18	3
Construction of Malebitsa Internal streets	MGM Bluhray Consulting/Unity Construction	Multi -Year	21/04/2020	None	R 18 152 750.00	R 5 430 378.00	3
Construction of Mogalatsane- Phetwane internal roads	Civistruct consulting/Moisha Trading	Multi -Year	13/01/2021	None	R 21 035 028.59	R679 746.22	3
Provision of Telephone System.	Telkom SA	14/04/2011	Month to month	N/A	Quarterly cost: R216 888.45	R231 181.00	5
Provision of VPN Connection.	Telkom SA	14/04/2011	Month to month	N/A	Quarterly cost: R58 849.29	R87 942.21	5
Offsite Document Archiving.	Ironmountain (Pty) Ltd	15/05/2014	Month to month	N/A	Quarterly cost: R3 745.32	R3 745.32	5
Supply, Delivery, Installation and Maintenance of Copier Machines.	Anaka Group (Pty) Ltd	15/03/2018	30/06/2021	N/A	R3 099 600.00	R322 924.81	5
Quarterly maintenance of Fire Detectors in Server Room and Registry.	Multinet Systems (Pty) Ltd	26/07/2019	26/08/2021	N/A	R130 391.14	R14 777.50	5
SITA	Municipal Website Maintenance	01/07/2013	Month to month	01/07/2019 pending SLA to be signed.	R 65 000	R 4 829 Pending	2

Service /Project	Service Provider	Date appointed	End of the Contract	Revised completion date	Bid Amount	Expenditure	Performance Rating 1-5
HCIT	Maintenance Municipal wireless Network	10/01/2012	Month to month	N/A	R420 0000	payments as SLA not finalised R 210 000	5
IT Iq hazululo	ICT Support and Maintenance	07/01/2013	Month to month	N/A	R 288 000	R 144 000	5
Burika ICT Solution	Supply and Delivery of Laptop and Desktop Computer	01/07/2019	30/07/2021	N/A	R 180 000	R 172 812.44 Pending for finance to finalize payment	5
MUNSOFT	Preparation of Annual Financial Statement and Assets register	01/06/2019	31/12/2019	N/A	R2 970 000	R2 970 000	4
Payroll	SAGE (VIP)	06/01/2011	ANNUAL CONTRACT	N/A	Schedule of rates	R 35 420	3
Printing of statements	MailTronics	01/05/2019	30/04/2021	N/A	Rates per statement	R 38 877	3
Prepaid vending services	CONLOG	16/11/2016	ANNUAL CONTRACT	31/07/2019	Schedule of rates	R 105,188.75	3
Banking Services	FNB	01/07/2017	30/06/2022	N/A	Schedule of rates	R 471 780.67	3
General Valuation roll for 2017-2022	Manna Holding	18/08/2016	30/06/2022	N/A	R883,262.50	R 60 000	3

7. DESCRIPTION OF PERFORMANCE SCORING

Level	Terminology	Description
5	Outstanding performance	Performance far exceeds the standard expected
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job
3	Fully effective	Performance fully meets the standards expected in all areas of the job
2	Not fully effective	Performance is below the standard required for the job in key areas
1	Unacceptable performance	Performance does not meet the standard expected for the job

APPROVAL



K.L. PHASHA
ACTING MUNICIPAL MANAGER

Date: 21/01/2020