

ITEM: C 065/2015-2016

**MID-YEAR BUDGET AND PERFORMANCE ASSESMENT REPORT FROM JULY –
DECEMBER 2015**

RESOLVED:

In terms of Section 116 of the Municipal Finance Management Act, Act no 56 of 2003, it is hereby resolved,

1. That an Adjustment Budget, in terms of the results of the 2015/2016 Mid-Year Budget and Performance Assessment be required.
2. That 2015/2016 Service Delivery and Budget Implementation Plan, which formed the basis of the Mid-Year Assessment, be approved with the necessary adjustments.
3. That the adjustments of the 2015/2016 Mid-Year Budget and Performance Assessment and Budget Implementation Plan, with the necessary budget adjustments be signed by the Section 54 and Section 56 managers and that it be attached to their performance agreements and forwarded to the relevant National and Provincial Treasury
4. That in terms of chapter 4 section 72 of the MFMA, Act 56 of 2003 the Mid-Year Budget and Performance Assessment report be submitted to the National and Provincial Treasury by no later than 25 January 2016
5. That the Accounting Officer submit the Mid-Year Budget and Performance Assessment report to the Administrator for tabling in Council.



**CLLR C-N-PHOYANE
SPEAKER/MAYOR**

VENTERSDORP LOCAL MUNICIPALITY



2015/2016 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR SIX (6) MONTHS PERIOD ENDED 31 DECEMBER 2015

VENTERSDORP LOCAL MUNICIPALITY MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 2015/2016 IN TERMS OF MFMA SECTION 72(1) AND FOR THE PERIOD OF SIX MONTHS ENDED ON 31 DECEMBER 2015

PURPOSE

To inform Council on progress made in the implementation of the budget and financial state of affairs of the municipality to the Mayor in respect of the first six months of the 2015/2016 financial year, in compliance with Section 72(1)(a) and 52 (d) of the MFMA. And the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 by providing statement on the implementation of budget and performance outcome of the VLM.

BACKGROUND

In terms of Section 72(1) of the Local Government Municipal Finance Management Act 2003 (hereinafter referred to as the MFMA), and Section 28 of Government Gazette Notice 32141 dated 17 April 2009, and Municipal Budget and Reporting Regulation" the Accounting Officer of the municipality must

Assess the performance of the municipality during the first half of the financial year, taking into account:-

- The monthly statements referred to in section 71 for the first half of the financial year;
- 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;
- The past year's annual report and progress on resolving problems identified in the annual report and;
- 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

Submit a report on such assessment to:-

The Mayor of the municipality
National Treasury; and
The relevant provincial treasury
DLGTA

Thereafter the Mayor must in terms of Section 54(1)

- i. Consider the report
- ii. Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- iii. Consider and if necessary, make any revision to the service delivery and budget implementation plan, provide that revision 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 adjustment budget;
- iv. Issue any appropriate instruction to the accounting officer to ensure:-
 - That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - That spending of funds and revenue collection proceed in accordance with the budget;
- v. identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- vi. Submit the report to the Council by 31 January of each year.

During the mid-year budget performance assessment the following was taken into consideration:-

- Actual revenue, per revenue source
- Actual expenditure per category
- Actual capital expenditure per vote
- Cash collection of revenue during the year
- Projected revenue, per revenue source
- Projected capital expenditure per vote
- Additional revenues that have become available over and above those anticipated in the annual budget.
- Unforeseeable and unavoidable expenditure approved by the Mayor.

1. HIGH LEVEL ASSESSMENT OF THE SECTION 71 FINANCIAL REPORTS FOR THE PAST 6 MONTHS

Summary of Financial Performance

ANALYSIS OF OPERATING REVENUE

	Budget	Actual Expenditure as at 31 December 2015						Total
		July	Aug	Sep	Oct	Nov	Dec	
OPERATING REVENUE								
Property Rates	9 707 550	1 100 590	1 116 636	1 106 683	1 111 418	1 113 653	5 910 920	11 459 900
Service Charges	63 863 880	9 820 894	13 483 407	4 008 482	3 012 352	4 998 847	4 158 283	39 482 265
Rent Of Facilities And Equipment	115 070	872	2 644	1 864	2 662	5 195	772	14 009
Interest Earned - External Investments	628 600	26 826	41 580	44 884	46 417	35 971	34 588	230 266
Fines	5 533 560	2 000	500	1 458 395	350 000	-	1 103 000	2 913 895
Licenses and Permits	1 587 720	130 580	127 104	63 242	2 670	-	-	323 596
Transfers Recognised - Operating	69 404 000	34 805 000	2 592 000	-	-	-	8 460 000	45 857 000
Transfers Recognised - Capital	-	-	-	-	-	-	3 400 000	3 400 000
Other Revenue	667 300	87 172	147 308	50 023	188 161	178 701	50 316	701 681
TOTAL OPERATING REVENUE	151 507 680	45 973 934	17 511 179	6 733 573	4 713 680	6 332 367	23 117 879	104 382 612

Operating Revenue for the period July 2015 to 31 December 2015 stand at 83.36 %, which is higher than what has been budgeted for the first quarter, however, this is inclusive of Water Charges which was incorrectly processed and the matter still needs to be corrected.

The Actual income for the six months as reflected should be adjusted as follows:

Description	Budgeted	Actuals	% Variance
Operating Income until 31 Dec 2016	R 75 753 840	R 93 509 608	123.44

The actual results are 123.44% more than the Budget that was supposed to be achieved, This means an amount of R 17 755 768 over the Budget was realised, one can however not only rely on the general norm and have to analyse the individual Revenue items, particularly in respect of Services Charges Income, In addition, the level of Expenditure must be compared to the Income realised to ensure that a cash shortages does not arise as a result of not meeting the Income targets.

A detailed analysis of Services Charges as well as the line items which was not achieved by 5% or more was done and the following comments are provided:

Property Rates

The year to date Budget on Property Rates amounts to R 4 853 775 and the Actual is R 11 459 900, this represent an amount of R 6 606 125 over the Budget for the first quarter. The reason for this difference is as a results of corrections that were done on the Financial System on all Government Properties which were not billed, other were billed on low tariffs, The Municipality has finalized payment of all the Department of Rural development properties payment and has started engagement with the Department of Public Works, the Budget will be adjusted accordingly during the Adjustment Budget.

Electricity Sales

The Municipality is within the Budget on the Sale of Electricity, this is despite the number of the high number of meters being billed on an average and the high number of illegal connection, more focus will be on this service in the second quarter and all faulty meters will be replaced by new meters, all illegal connected boxes will be removed and penalties will be charged to offenders.

Debt Collection policy will be fully implemented and all outstanding accounts using prepaid meters will be linked to accounts and the 60/40 will be implemented, this will assist the Municipality to reduce Electricity Losses and to maintain Electrical Network.

Rent of Facilities and Equipment

This item includes the rental of council owned properties and it does not performed as planned, the deviation could be as a result of excessive Budget estimates during the compilation of the Budget, though the negative effect of this Income is not material, it will warrant an Adjustment Budget.

Interest Earned-External Investments

Various transfers of Cash between the primary account and other bank accounts of Council are taking place during every month, more money was transferred from call accounts which resulted in low returns in those accounts.

Capital Grants

Capital Grants Income reflects 68% and 35.08% for both INEP and MIG, all the Grants were received in line with the payment schedule except the second trench of R 7 473 000 which the Municipality was supposed to have received in October 2015, though the spending was on the slow side, it is expected that spending will increase during February 2016

ANALYSIS OF OPERATING EXPENDITURE

	Actual Expenditure as at 31 December 2015							Total
	Budget	July	Aug	Sep	Oct	Nov	Dec	
OPERATING EXPENDITURE								
Employee Related Costs - Wages & Salaries	-35 066 520	-3 288 809	-2 697 763	-2 724 734	-3 346 546	-3 174 542	-3 092 685	-18 325 079
Employee Related Costs - Social Contributions	-7 880 890	-689 484	-672 543	-672 659	-698 626	-682 113	-682 383	-4 097 808
Remuneration Of Councillors	-3 714 496	-	-547 995	-270 615	-272 129	-269 283	-270 475	-1 630 497
Debt Impairment	-	-	-	-	-	-	-	-
Depreciation and Asset Impairment	-8 000 000	-	-	-	-	-	-	-
Interest Expense - External Borrowings	-1 181 930	-	-	-	-	-	-	-
Bulk Purchases	-49 427 670	-	-5 470 169	-4 967 348	-4 003 983	-2 918 088	-6 532 784	-23 892 372
Other Materials	-8 285 270	-168 945	-116 532	-471 438	-486 043	-1 456 705	-192 258	-2 891 921
Contracted Services	-7 130 820	-142 989	-279 010	-559 747	-873 363	-487 562	-318 347	-2 661 018
Other Expenditure	-22 482 870	-1 238 338	-1 420 819	-3 691 957	-1 106 542	-2 093 661	-1 053 384	-10 604 701
Contributions To/(From) Provisions	-3 000 000	-250 000	-250 000	-250 000	-250 000	-250 000	-250 000	-1 500 000
TOTAL OPERATING EXPENDITURE	-146 170 466	-5 778 565	-11 454 831	-13 608 498	-11 037 232	-11 331 954	-12 392 316	-65 603 396

Operating expenditure for the year to date is 10.25% lower than what has been budgeted for in the first quarter. An amount of R 73 085 233 was available to spend for the first half and R 58 106 776 was spent, No expenditure was incurred under Depreciation and Interest Expense, This is the concern as the typical spending patterns of low spending in the first half of the year and increases during the compilation of the Annual Financial Statements

The line items where the full expenditure budget was not spent (by 5% or more) are

Remuneration of Councillors

The expenditure for the year is 6.11% below the Budget, the Under spending of the Budget is as a result of a provision of seven percent increase for Councillors Remunerations which is more than the approved upper limits for Councillors.

Repairs and Maintenance

The spending on Repairs and Maintenance has registered a negative deviation of 15% for the first quarter of the year, low spending under Public Works, Water and Sewerage divisions has a direct impact on low spending overall, and Maintenance of Vehicles is also contributing negatively on this line item.

Bulk Purchases

Bulk Water Purchases has no movement for the first half of the year due to DWA not sending monthly invoices to the Municipality, this matter has been reported to DWA and they committed that invoices will be timely send as from February 2016

Contracted Services

The major contributing factor for low spending is that invoices from contractors are not been received timeously.

ANALYSIS OF OUTSTANDING DEBTORS

Debtor's age analysis at the end of the reporting period was as follows:

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	475 207	331 925	404 865	372 931	12 074 465	3 503 293	6 204 872	2 931 318	26 298 876
Trade and Other Receivables from Exchange Transactions - Electricity	4 104 602	3 678 083	2 216 693	3 190 697	4 193 039	5 442 468	12 616 608	4 777 088	40 219 278
Receivables from Non-exchange Transactions - Property Rates	1 040 901	883 000	840 954	847 954	814 957	2 737 725	6 544 954	0	13 710 445
Receivables from Exchange Transactions - Waste Water Management	499 386	473 231	451 956	443 614	447 446	2 115 228	11 365 619	2 019 460	17 815 940
Receivables from Exchange Transactions - Waste Management	322 155	315 851	304 843	300 870	279 889	1 431 518	8 112 615	1 416 689	12 484 430
Receivables from Exchange Transactions - Property Rental Debtors	0	0	0	0	0	0	0	0	0
Interest on Arrear Debtor Accounts	0	0	0	0	0	0	5 079	0	5 079
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	0	0	0	0	0	0	0	0	0
Other	3 070	489	0	0	26	1 901	7 187 549	339 428	7 532 463
Total By Income Source	6 445 321	5 682 579	4 219 311	5 156 066	17 809 822	15 232 133	52 037 296	11 483 983	118 066 511
Debtors Age Analysis By Customer Group									
Organs of State	908 585	895 782	562 917	2 242 702	2 079 872	2 229 395	2 725 140	1 069 322	12 713 715
Commercial	3 381 586	2 881 715	1 835 194	1 261 115	2 552 015	4 312 187	13 951 367	3 182 294	33 357 473
Households	1 959 292	1 646 760	1 597 901	1 464 014	13 023 567	7 740 993	33 184 432	6 878 998	67 495 957
Other	195 858	258 322	223 299	188 235	154 368	949 558	2 176 357	353 369	4 499 366
Total By Customer Group	6 445 321	5 682 579	4 219 311	5 156 066	17 809 822	15 232 133	52 037 296	11 483 983	118 066 511

ANALYSIS OF GRANTS RECEIVED

Grant Allocations received and Expenditure for the Mid-Year were as follows:

	July	Aug	Sep	Oct	Nov	Dec	Total
Operating Grant Receipts							
Finance Management Grant	-	1 875 000					1 875 000
Municipal Systems Improvement	930 000	-	-	-	-	-	930 000
Expanded Public Works Programme	-	717 000	-	-	-	538 000	1 255 000
Project Management Unit	-	-	-	-	-	-	-
Municipal Infrastructure Grant	-	7 473 000	-	-	-	-	7 473 000
Intergrated National Electrification					1 500 000	1 900 000	3 400 000
TOTAL	930 000	10 065 000	-	-	1 500 000	2 438 000	14 933 000
Operating Grants Expenditure							
Finance Management Grant	163 935	170 102	738 591	89 374	94 756	82 913	1 339 671
Municipal Systems Improvement	-	-	81 529	-	24 008	-	105 537
Expanded Public Works Programme	1 908	167 945	167 945	164 394	165 387	104 723	772 302
Project Management Unit	12 368	109 415	86 103	72 814	44 697	44 716	370 113
Municipal Infrastructure Grant	-	-	-	75 145	1 286 316	-	1 361 461
Intergrated National Electrification	-	-	-	-	409 210	404 498	813 708
TOTAL	178 211	447 462	1 074 168	401 727	2 024 374	636 850	4 762 792

- Municipal infrastructure Grant, **R 7 473 000**, Total Expenditure as at 31 December 2015 is **R 1 361 461**
- Finance Management Grant, **R 1 875 000**, Total Expenditure as at 31 December 2015 is **R 1 339 671**

- Municipal Systems improvement Grant, **R 930 000**, Expenditure as at 31 December 2015 is **R 105 537**
- Integrated National Electrification Programme, **R 3 400 000**, Expenditure as at 31 December 2015 is **R 813 708**
- Expanded Public Works Programme, **R 1 255 000**, Expenditure as at 31 December 2015 is **R 772 302**

ANALYSIS OF CAPITAL EXPENDITURE

Capital Expenditure	Budget	MTD Actual	YTD Actual	Balance	%
ACCESS ROAD DEVELOPMENT APPELDRAAI	4 000 000		623 598.69	2 876 401.31	17.81
BULK WATER SUPPLY BOIKHUTSONG	1 500 000			1 500 000.00	
ELECTRIFICATION 21HOUSEHOLDS BULK L	1 200 000		152 764.74	1 047 235.26	12.73
ELECTRIFICATION250 HOUSEHOLDS BOIKOT	3 000 000	394 248.00	600 439.25	2 399 560.75	20.01
ELECTRIFICATION 50 HOUSEHOLDS JOKO	800 000			800 000.00	
INTERNAL ROAD DEVELOP TSHING PROPER	7 500 000		291 626.92	7 208 373.08	3.88
ELECTRIFICATION OF 200 HOUSEHOLDS TO PAVED ROAD EXT 3	4 500 000		443 713.79	56 286.21	88.74
MIG: INTERNAL ROAD: BOIKHUTSONG			374 500.00	-374 500.00	
MIG: 3 HIGH MAST LIGHTS TSHING	1 000 000		72 779.09	-72 779.09	
STORMWATER DRAINAGE	2 500 000		100 976.98	6 399 023.02	1.55
TSHING EXT 6 INTERNAL ROAD			394 914.00	-394 914.00	
PIG: TSHING EXT 11 WATER SEWER RETIC			873 618.42	-873 618.42	
PIG: PIT LATRINES DE-SLUDGING 2400HH			520 000.00	-520 000.00	
SUB-TOTAL GRANT & SUBS NEW	26 000 000	394 248	5 289 595	19 210 405	21.59

The Capital Expenditure for the first half ending 31 December 2015 is R 5 289 595, It is R 7 710 405 less than the planned projected spending of R 13 000 000 (or 40.69% negative deviation).

Interventions are taking place to address capacity constraints in certain in the Project Management Unit Departments. Project managers and clerks of works are currently being appointed to assist departments with capacity.

Despite the special efforts to increase not only the Actual Expenditure, but to ensure value for money through the expenditure, challenges are still experienced with capacity constraints within the project management environment, contractors defaulting and under-performing at the last moment as well as procurement challenges like the non-award of bids due to no qualifying bids received.

2. MID-YEAR PERFORMANCE ASSESSMENT FOR THE PAST 6 MONTHS

2.1 INTRODUCTION

The Mid-Year Performance Assessment deals with the performance of the Directorates.

The report also summarized how well the organisation has performed on achieving its targets for the period 1 July 2015 to 31 December 2015.

The report further deals with projects on the SDBIP that needs to be terminated, or adjusted as well as changes to targets and indicators.

2.2 2015/2016 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan provide the link between the Mayor, Council and Administration and facilitate the process for holding management Accountable for its performance.

The Service Delivery and Budget Implementation Plan was approved by the Mayor on the 26 July 2015 and Performance Agreements of the Municipal Manager and Manager directly accountable to the Municipal Manager were approved by the Mayor on 31 July 2015

The first quarter performance report was not concluded on time and was not submitted to the Internal Audit Shared Service and Audit Committee for perusal.

Concerns noted during the first and second quarter reports back period included:-

- Late or No Submissions by Directorates
- Poor populated information
- Portfolio of evidence not attached
- Quarterly report not signed off by HOD's
- Poorly stated deviations and planned remedial actions
- No commitment to report by Head of Departments

In order to comply with MFMA Section 72 and the Municipal Budget and reporting regulations (Reg 33-35) for the Mid-year performance assessment, SDBIP Review and Adjustment Session was held on the 19 Jan 2016 at Rubicon Guesthouse

Focus during these assessment sessions was based on the following:-

- Reporting and monitoring and columns definitions
- Submission dates and flow of information
- Adjustment of budgets
- Adjustment of targets
- Well defined indicators and targets
- Vote numbers
- AG outcomes on the 2014/2015 Performance Audit.

2.3 OVERALL PERFORMANCE

The following table reflects a summary of the directorate's performance as well as the overall performance of the municipality.

KEY PERFORMANCE AREAS	ANNUAL KPI's	No of KPI's Applicable for 2 nd Quarter	2 nd Quarter Targets Achieved	2 nd Quarter Target Not Achieved	2 nd Quarter Targets applicable but not Reported	% Achievement for 2 nd Quarter
Municipal Institutional Development and Transformation	19	12	2	8	2	17%
Service Delivery & Infrastructure	68	53	8	40	5	15%
Municipal Financial Viability and Management	33	32	6	15	11	19%
Local Economic Development	13	11	5	4	2	45%
Good Governance and Public Participation	71	43	3	29	11	7%
TOTAL	204	151	24	96	31	16%

% of overall performance from 1 July 2015 to 31 Dec 2015 = 16%

2.4 CURRENT STATUS OF SERVICE DELIVERY PERFORMANCE AGAINST INDICATORS AND TARGETS SET

Due to the tight financial situation experienced by Ventersdorp Local Municipality and after careful assessment, it is suggested that the following projects be removed/moved forward/adjusted on the 2015/2016 Service Delivery Budget and Implementation Plan.

2.5 PROJECTS TO BE AMENDED/REVIEWED ON THE 2015/2016 SDBIP

No.	FUNCTIONAL AREA / DEVELOPMENT PRIORITIES	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI) ANNUAL TARGET	REASON FOR CHANGE	NEW KPI/ TARGET / AMOUNT
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT					
1.	PMS		Number of Quarterly reviews conducted by end June 2016	The KPI and Target to be reduced from 4 to 1	1 Quarterly reviews conducted by June 2016
2.	PMS		Number of Performance Agreements signed by end June 2015	The KPI and Target to be re-defined and the date to be corrected	Number of Section 56 & 57 Managers Performance Agreements signed by July 2015 Target: 6 Signed Performance Agreements of Section 56 & 57 Managers by July 2015
3.	PMS		Number of quarterly organisational performance reviews conducted	KPI to be taken out of the SDBIP, due to the repetition	KPI to be taken out of the SDBIP
4.	SDF		Number of Skills Development Programmes Implemented	KPI to be well defined and specific	Number of Skills Development Programmes Implemented (2 Learnerships, 2 Internship, 2 Councillors programme, and 10 employees training programmes)
5.	HR		% of implementation of proper recruitment and appointment processes	KPI to be changed in numbers	Number of critical vacant position to be filled by June 2016 Annual and quarterly Target: 26 critical vacant positions to be filled by June 2016
6.			Number of jobs created through Local Economic Development	Annual target to be reduced to 83 1 st quarter and 4 th quarter to target 43 1 st quarter and 40 in the 4 th quarter	83 jobs opportunities created through EPWP by June 2016

No.	FUNCTIONAL AREA / DEVELOPMENT PRIORITIES	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI) ANNUAL TARGET	REASON FOR CHANGE	NEW KPI/ TARGET / AMOUNT
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT					
1.	Water		Number of households currently serviced with basic water services	The KPI and Target to be specific	Number of households currently serviced with basic water services in VSD area 14 562 households currently serviced with basic water services in VSD area by June 2016
2.	Water		Number of sites currently serviced with house water connections quarterly	The irrelevant KPI to be removed in the SDBIP	The irrelevant KPI to be removed in the SDBIP
3.	Sanitation		Waste Water Treatment Plant licenced acquired by June 2016	The KPI and Target date to be consistent	Acquiring Waste Water Treatment Plant licence by June 2016
4.			Compliance with Waste Management and Disposal policies & Legislation in order to promote a safe and healthy environment by June 2015	KPI to be taken out of the SDBIP as it is irrelevant	KPI to be taken out of the SDBIP as it is irrelevant
5.	Water	1025-45-5-02-0353	Bulk Water Supply Upgraded for the provision of 250 households in Boikhutsong (Ward 5) by June 2015	The date to be corrected and scope of work to be decreased 2 nd Quarter and 3 rd Quarter to be removed, as the project is not a construction project, it is a multi-year project. The completion of the project will be by 3 rd quarter The repeated KPI in page 32 to be removed	Design of Bulk Water Supply Upgraded for the provision of 250 households in Boikhutsong (Ward 5) by June 2016 Annual Target : Designed an upgraded Bulk Water Supply for provision of 250 households in Boikhutsong (Ward 5) by June 2016 Quarterly Targets: Designed Bulk Water Supply Upgraded by June 2016

6.	Elec		Number of H/H currently provided with access to basic electricity	The KPI to be specific and the Target to be corrected 1 st – 3 rd quarter to be removed. 4 th quarter report to be corrected include 521 total households electrification projects to be installed in 2015/2016 Repetition in page 32 to be removed	Number of H/H currently provided with access to basic electricity in VSD area 13192 currently provided with access to basic electricity in the VSD area by June 2016
7.		1025-15-5-02-0101	Number of Km of new tarred internal road developed in Appeldraai (ward 3) by June 2016	Target to be re-defined and budget to be increased from R4 000 000.00 to R6 000 000.00 as per scope of work The repeated target in page 31 to be removed	Constructing 1Km of new tarred internal road developed in Appeldraai (ward 3) by June 2016 Target Budget: R6 000 000.00
8.		1025-50-5-02-0727	Number of households electrified in Boikhutsong in Ward 5 by June 2016	KPI to be removed as it is a repetition in page24 and page34	KPI be removed from the SDBIP
9.		1025-50-5-02-0765	Number of households electrified in Toevlug in (Ward 6) by June 2016	This KPI to be removed in page 25 as it is a repetition in page 33	KPI to be removed from the SDBIP
10.		1025-50-5-02-3725	Number of high mast installed in Tshing Ext 2 (Ward 01) by June 2016	The Target to be corrected for consistency The repeated KPI in page 33 to be removed from the SDBIP	3 high mast installed in Tshing Ext 2 (Ward 01) by June 2016

11.			Electricity Bulk Line Supply Developed	KPI and Target to be re-defined	Km of Electricity Bulk Line Supply Developed in Boikhutsong (ward 5) by June 2016 Annual Target: 2.8Km of electricity bulk line supply developed in Boikhutsong (ward 5) by June 2016
12.		1025-50-5-02-0726	Number of household provided with Bulk Line Supply to electrify in Doornkop (ward 3) by June 2016	KPI and Target to be consistent and number of households to increase at a reduced budget from R1 270 000.00 to R1 200 000.00 and all other amounts to be removed	34 household provided with Bulk Line Supply to electrify in Doornkop (ward 3) by June 2016 Budgeted amount of R1 200 000.00
13.		1025-50-5-02-0728	Number of households electrified in Joko farm in (ward 4) by June 2016	The correction of the location name and ward number on KPI and Target Number of households to be electrified to reduce due to scope of work. Page 34 Repeated KPI to be removed from the SDBIP	Number of households electrified in Buffelsvlei (Ward 4) by June 2016 Electrification of 21 households in Buffelsvlei (Ward 4) by June 2016
14.			Number of backlogs with the access to basic level of electricity by June 2016 in the Urban Area	200 to be included in the Annual and 4 th Quarter targets	200 backlogs with the access to basic level of electricity by June 2016 in the Urban Area
15.			Number of households without access to basic level of electricity in the Rural area by June 2016	Target to be corrected as there will be projects of electrification to reduce the numbers Page 35 repeated KPI to be removed from the SDBIP	700 households without access to basic level of electricity in the rural area by June 2016

16.			Number of new electricity meter boxes procured for illegal bridging by September 2016	KPI and target to be re-defined and correction on target date	Number of new electricity meter boxes procured to eliminate illegal bridging by June 2016 Target: Procuring 2000 of new electricity meter boxes to eliminate illegal bridging by June 2016
17.	Sanitation		Number of households currently serviced with sewerage removal service by June 2016	KPI to be removed from the SDBIP as there is no plan and budget of sewerage connections	KPI to be removed from the SDBIP
18.			Number of households living in informal areas receiving sewage removal services	KPI to be removed from the SDBIP as there is no plan and budget of connection	KPI to be removed from the SDBIP
19.			Number of additional households to be provided with sewer connections	KPI to be removed from the SDBIP as there is no plan and budget of connection	KPI to be removed from the SDBIP
20.	Road		Number of Km of new tarred internal road developed in Tshing Ext 6 (ward 6) by September 2015	KPI to be removed from the SDBIP as there is no plan and budget for the development of road in the area	KPI to be removed from the SDBIP
21.			Number of Km of new tarred internal road developed in Tshing proper & Ext 4 (Ward 02) by June 2016	Target to be reduced from 3Km to 1.9Km due to scope of work	1.9Km of new tarred internal road developed in Tshing proper & Ext 4 (Ward 02) by June 2016
22.			Number of Km of new paved internal road developed in Tshing Ext 3 Ward 4 by June 2016	Repeated KPI to be removed from the SDBIP	KPI to be removed from the SDBIP
23.	Water		Number of Km of Storm water drainage constructed in Ext 2 (Ward 01) by June 2016	Target to be reduced as per scope of work	300m Open Storm Water Channel I constructed in Ext 2 (Ward 01) by June 2016
24..			Sports Ground facilities constructed in Tshing Ext 5 (ward 6)	KPI to be removed, as there is no budget for the completion of the project	KPI to be removed from the SDBIP
25.	Refuse		Total number of sites currently serviced with solid waste removal service by June 2016	KPI to be removed, as there is no new project planned	KPI to be removed from the SDBIP

26.			Fleet management plan developed for implementation for VLM	KPI to be moved from Corporate Service to Engineering Services	KPI to be moved from Corporate Service to Engineering Services
27.			Number of Health and Safety compliance reports on projects approved by Council	Annual Target and Quarterly targets to be reduced	1 Health and Safety compliance reports on projects approved by Council by June 2016 1 by 4 th quarter all targets to be removed
28.			Compliance with waste management and disposal policies & Legislations in order to promote a safe and healthy environment by June 2016	KPI to be removed as the municipality does not have an existing policy of Waste management and disposal policies	KPI to be removed from the SDBIP
29.	Parks		Report on fencing of new cemeteries by June 2016.	KPI to be removed from the SDBIP, as the cemeteries has been moved to be District function	KPI to be removed from the SDBIP
30.	Library		Number of awareness programmes presented in Ventersdorp Area	KPI to be re-defined for consistency	Number of library awareness programmes presented in Ventersdorp Area
31.			Number of consultation session convened	KPI to be re-defined for the consistency	Number of consultation session with formal and informal educators to create heritage awareness and disseminate educational content convened
32.	Fire		Number of fire inspections conducted	KPI and Targets of re-defined to be specific	Number of fire inspections conducted in the municipality and the whole of VSD area
33.			Number of fire safety campaigns conducted in Schools	KPI to be re-defined and Target to be specific with the timeframe	Number of fire safety campaigns conducted in the VSD area
34.	Traffic		Number of traffic road safety conducted at School		Number of traffic road safety conducted in the VSD area
35.			Number of (K78) multi road blocks	KPI to be specific with the area	Number of (K78) multi road blocks with all law enforcement agencies in the VSD
36.			Number of traffic road safety awareness campaigns conducted at Schools	KPI to be re-defined	Number of traffic road safety awareness campaigns conducted at VSD area

				Target to increase from 4 to 8. Quarterly targets to increase to 2 each quarter	8 traffic road safety awareness campaigns conducted in the VSD area by June 2016
37.			Number of traffic road safety awareness campaigns conducted at crèches	KPI to be taken from the SDBIP as it is a repetition.	The KPI to be taken out of the SDBIP
38.			Number of streets identified for faded road marking	KPI to decrease from 6 to 5 2 nd quarter to decrease to 1	5 streets identified for faded road marking by June 2016
39.			Traffic road signs painted and replaced	KPI to be separated for reporting purpose and to be specific	8 traffic road signs painted and 8 signs replaced by June 2016
40.			Number of speed humps constructed	KPI to be redefined to be specific and decrease from 12 to 8 3 rd Quarter and 4 th Quarter to decrease from 3 to 1	8 speed humps constructed by June 2016 around VSD area
41.			R value income collected from drivers and learners licenses	KPI taken out of SDBIP due to building damaged, no drivers and learners tests are conducted	KPI to be taken out of the SDBIP
42.	Fire		Number of abattoir inspections as regulated	KPI to be taken out of the SDBIP, as it is the DRKKDM functionality	KPI taken out of the SDBIP
43.			Number of municipal by-laws implemented	KPI to be taken out of the SDBIP	KPI to be taken out of the SDBIP
45.	Housing		Number of Title Deeds pre 1994 old stock houses transferred through the Deeds Office to the beneficiaries Ext 1, 2 and Ext 3 by June 2016	KPI to be removed from the SDBIP, as per monotorium from Province	KPI to be removed from the SDBIP
46.			Number of transfer properties from the municipality to individual members of Toevlug, Wilgepark, and Moosapark Community	KPI to be removed from the SDBIP, as per monotorium from Province	KPI to be removed from the SDBIP

No.	FUNCTIONAL AREA / DEVELOPMENT PRIORITIES	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI) ANNUAL TARGET	REASON FOR CHANGE	NEW KPI/ TARGET / AMOUNT
FINANCIAL VIABILITY AND MANAGEMENT					
1.	Revenue		Cost coverage ratio for 2014/2015	KPI financial year to be corrected and the targeted date included	(0.1) Cost coverage ratio for 2014/2015 by June 2016
2.			R value spend on Free Basic Services	National KPI	R14 380 000.00 spent on Free Basic Services by June 2016
No.	FUNCTIONAL AREA / DEVELOPMENT PRIORITIES	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI) ANNUAL TARGET	REASON FOR CHANGE	NEW KPI/ TARGET / AMOUNT
LOCAL ECONOMIC DEVELOPMENT AND SPATIAL RATIONALE					
1.	LED		Number of reports on functional cooperatives	KPI to be removed on the SDBIP	KPI to be removed on the SDBIP
2.			Number of reports on new formal enterprises established	KPI to be taken out of the SDBIP	KPI to be taken out of the SDBIP
3.			Number of reports on jobs created through other government initiatives	KPI to be taken out of the SDBIP	KPI to be moved to HR Unit
4.			Number of reports on jobs created through private/business sector initiatives	KPI to be taken out of the SDBIP due to capacity of the unit	KPI to be removed on the SDBIP
5.			Number of report on market stalls developed	KPI to be taken out of the SDBIP as it is funded by DRKKDM	KPI to be taken out of the SDBIP

No.	FUNCTIONAL AREA / DEVELOPMENT PRIORITIES	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI) ANNUAL TARGET	REASON FOR CHANGE	NEW KPI/ TARGET / AMOUNT
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
1.	MM		Number of Audit findings resolved	KPI and target to be specific	Number of 2013/2014 Audit findings resolved 123 Audit findings resolved by June 2016
2.	HR		% Implementation of municipal policies	KPI to be removed from the SDBIP, as the municipality has no checklist and it is Irrelevant	KPI to be taken out of the SDBIP
3.	Admin		Number of functional section 80 committees (portfolio committee) conducted	Target to be reduced from 12 to 3 annually	3 functional section 80 committees (portfolio committee) conducted by June 2016
4.			Number of ordinary council meetings convened by June 2016	KPI to be re-defined as it should highlight all council meeting (ordinary and special council meetings) Target to be included	Number of Council meetings convened by June 2016 4 Council (Ordinary and Special) meetings convened by June 2016
5.			Number of Council Resolution implemented	KPI, Annual Target and Quarterly target to change to Percentage	% Council resolutions implemented by June 2016
6.	Legal		Number of municipal by-laws implemented	Repeated KPI to be removed from the SDBIP	KPI to be removed from the SDBIP
7.			Number of By-Laws published annually in the provincial gazette	Annual Target to be reduced from 3 to 1, to be by 4 th Quarter	1 By-Laws published annually in the provincial gazette by June 2016
8.			Number of reports on the implementation of IGR Framework Act	KPI to be removed as it is the District function	KPI to be removed from the SDBIP
9.	MM		Number of monthly reports per Municipal Departments/unit approved by Council	KPI to be removed as it is irrelevant	KPI to be removed from the SDBIP

10.	MM		Number of municipal Strategies approved by Council	KPI to be removed from the SDBIP as it is not relevant	KPI to be removed from the SDBIP
11.	SCM		Contract management system managed and relevant department informed within 2 months of expiry of contracts	KPI to be moved to the relevant unit (SCM unit) not admin	KPI to be moved to SCM

2.6 PROJECTS ON WHICH A FINAL DECISION MUST BE TAKEN BEFORE ADDING TO THE 2015/2016 SDBIP

No item in terms of roll-over projects approved by Council to date.

All IDP projects must be included in the 2015/2016 SDBIP, but it is difficult to Determine if the money will be available or not.

It is therefore suggested that a final decision be taken during the Adjustment Budget and be amended accordingly.

FUNCTION AREA	VOTE NUMBER	KEY PERFORMANCE INDICATOR (KPI)	AMOUNT
ENGINEERING SERVICES			
PMU/ROAD	1025-15-5-02-0101	1Km access road in Appeldraai (ward 3) by June 2016	R6 000 000.00

RECOMMENDATIONS OF THE REPORT

1. That an Adjustment Budget in terms of the results of the 2015/2016 SDBIP Mid-Assessment in Capital and Operational is required.