

Lephalale Local Municipality

Quarter 3 Performance Report

2012-2013



"To build a vibrant city and be the energy hub of Africa"

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Lephalale Local Municipality

Third Quarter Performance Report 2012/2013

1. Purpose

The purpose of this report is to give feedback to Council regarding the non financial performance of Lephalale Local Municipality in compliance with section 52 of the Municipal Financial Management Act as well as National Treasury Circular 13 of 2005.

This non-financial third quarter performance report contains information about:

- ▶ Quarterly performance against quarterly and annual targets as per the SDBIP is reported on. The SDBIP contains the objectives and indicators as per the Municipal IDP as well as National indicators. The SDBIP¹ for 12/13 was developed to reflect **cumulative performance**, therefore the status of indicators are a reflection of the overall performance level achieved year to date.
- ▶ Measures taken to improve performance
 - Corrective action is included for each KPI
- ▶ Comparison of performance against set targets and performance in previous financial year
 - Calculations to calculate the variance between actual quarterly performance and annual targets are included for each KPI.
 - Calculations to calculate the variance between actual quarterly performance and baseline (previous financial year) performance are included for each KPI.
 - Comparisons of performance against quarterly targets are highlighted in the form of colours based on scores which were calculated using an automated system adapted to comply with the Lephalale Local Municipality's performance management requirements. The scoring method utilised is in line with the assessment rating calculator prescribed by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, Regulation 805 of 2006. The purpose of including these ratings and colour coding is to serve as early warning indicators so that Council can easily distinguish under performance, achievements and outstanding performance against pre-determined objectives. An explanation is as per the table below:

Colour code	% target achieved	
Rating	Low	High
Unsatisfactory	0.0%	66%
Below average	66.6%	99.9%
Achieved target	100%	132%
Achieved/ exceeded target	133%	166.9%
Outstanding	167.0%	+
NA – Not applicable for reporting in reporting period (excluded from performance measurement)		

¹ Service Delivery and Budget Implementation Plan

2. Components of the Third Quarter Performance Report

The following is reported on:

- SDBIP Non-financial performance of service delivery and performance indicators and targets
- General KPIs
- SDBIP Project Implementation
- SDBIP Budget Statement Components
- Approval of this report

3. SDBIP Service Delivery and Performance Indicators Performance

The IDP and SDBIP were developed reflecting indicators and targets per Key Performance Area (KPA). Performance against predetermined objectives (service delivery and key performance indicators and targets) per KPA follows:

<All> (SDBIP Key Areas)	Qtr 1	Qtr 2	Qtr 3
	KPI	KPI	KPI
Indicators	2.58	2.36	2.47
Financial Viability	2.84	3.19	2.55
Good Governance and Public Participation	2.97	1.76	1.89
Transformation and Organisational Development	3.07	3.04	2.19
Spatial Rationale	2.56	2.56	2.56
Service Delivery and Infrastructure	2.92	2.58	2.97
Local Economic Development	1.11	1.00	2.68

Table 1: SDBIP Performance per KPA

The overall average performance rated at **2.47 (82.33%)** for the third quarter with a slight improvement from the second quarter with an average rating of **2.36 (78.66%)**.

All of the Key performance areas had a below target performance rating at the end of the third quarter, with Service Delivery and Infrastructure that achieved the highest performance rating of **2.97 (99%)**, which is just below target with the main contributing factor thereto is that access to at least basic level of sanitation (VIP) was reported as only 45% at the end of the third quarter against the quarterly and annual target of 89%. Only 84.67% of Households are receiving access to basic level of water. And 23% of water loss was experienced in the third quarter out of a target of 18%.

Local Economic Development rated **2.68 (89.3%)** as only 185 jobs were created through LED initiatives against the targeted 235 year to date. Spatial Rationale achieved a performance rating **2.56 (85.3%)** due to only 80% land use (rezoning, special consent for other uses) applications that were considered by EXCO within 2 months of receipt of application.

The key performance area Financial Viability received a rating of **2.55 (85%)**. The low performance can be attributed to under-spending of the capital budget at the end of the third quarter that was reported as only at 39%. Also, the access of registered indigent households to free basic electricity and water is reported as only 30%, whereas the third quarter and annual target is set as 97%.

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Good Governance and Public Participation achieved the lowest score of **1.89 (63%)** mainly due to only 1 awareness campaign each related to gender, youth and elderly were held against the targets of three (3) each year to date.

Transformation and Organisational Development achieved a below target score of **2.19 (73%)** due to only 1.04% out of target of 2% of municipality's operating budget (salary budget) was spent on implementing its workplace skills plan.

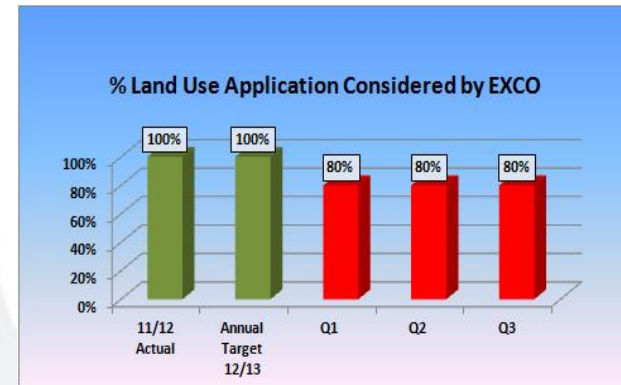
The details of performance per KPA as aligned to the IDP and SDBIP follow:



3.1 KPA1: Spatial Rationale

The KPA for Spatial Rationale achieved an overall performance rating of **2.56 (85.33%)** by the end of the third quarter as per the previous financial year. Five (5) indicators are contributing towards the SDBIP for this key performance area. Success was seen in the following:

- ▶ All land applications (consolidations, special consent for second building unit, building line relaxation) were considered within one month of receipt of application in compliance with the provisions of the town planning scheme.
- ▶ All (100%) land use (township establishment) applications were considered by Council within three months of receipt of application
- ▶ All 489 scheduled building inspections were conducted.
- ▶ All building plans for minor building construction were assessed within 2 weeks from receipt achieving its quarterly target of 69 applications.
- ▶ All building contraventions were attended to within 1 month from detection, in which 69 notices were issued.



Challenges were faced in that only 76% of building plans (res 2, 3, 4 and commercial) were processed within 1 month of receipt of building plan, improving from only 60% that was achieved at mid-year. Only 90% of land use contraventions were attended to within 1 month of detection. As well as only 79.77% of building plans (res 1) were assessed within 2 weeks of receipt of building plan. Land use (rezoning, special consent for other uses) applications considered by EXCO within 2 months of receipt of application applications underperformed with a target of 80% as per the previous financial years and against the quarterly and annual target of 100%.

Detail performance was as follows:

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Hierarchy (KPA\ Objective\ Programme)	I D	KPI	Owner	Sep 12		Dec 12			Mar 13						Annual Target 12/13	Baseline 11 /12	Variance from Annual Target 12/13	Variance from 11/12	
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development \ Land use	M - 1 4 4	Percentage of land use (rezoning, special consent for other uses) applications considered by EXCO within 2 months of receipt of application	MDP	100	80	1.67	100	80	1.67	100	80	Compliance with functional regulations of the Municipality i.e. NBRSA, Town Planning Scheme, etc.	Negligence of duties, delay in execution of instructions/ insubordination by one of the town planning officials; delayed submission of outstanding documents/information required to accompany such application by the relevant applicant	Assessment of applications upon receipt and during the objections/ comments period	1.67	100	100	20	20
Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development \ Land use	M - 1 4 6	Percentage of land use (consolidations, special consent for second building unit, building line relaxation) applications considered within 1 month of receipt of application	MDP	100	100	3.00	100	100	3.00	100	100	Compliance with the provisions of the town planning scheme	Availability of infrastructure services for additional dwelling unit/granny flats;	Municipal infrastructure development plans;	3.00	100	100	0	0

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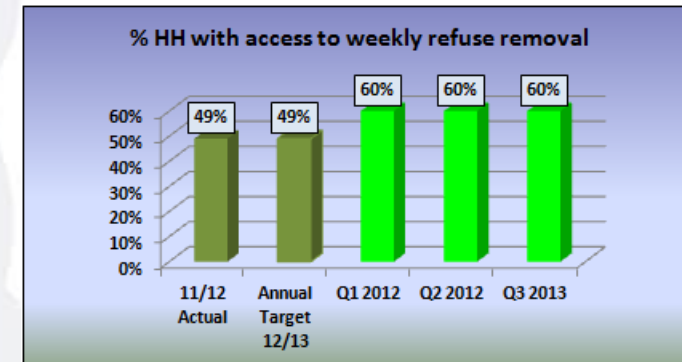
Hierarchy (KPA\ Objective\ Programme)	I D	KPI	Owner	Sep 12		Dec 12			Mar 13							Annual Target 12/13	Baseline 11 /12	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development Land use	M 2 4 3	Percentage of land use (township establishment) applications considered by Council within 3 months of receipt of application	MM	100	100	3.00	100	100	3.00	100	100	zero percent received	none	none	3.00	100	100	0	0

Table 2: Summary Performance – Spatial Rationale

3.2 KPA2: Service Delivery and Infrastructure

The KPA for Service Delivery and Infrastructure achieved an average performance rating of **2.97 (99%)** which is just below target. Success was seen in that all urban households (as per licensed area) are provided with electricity achieving its quarterly target of 13 652. 60% of households have access to weekly refuse removal, exceeding the third quarter and annual target of 49%. All urban households are receiving weekly kerbside refuse removal services

Challenges were mostly faced in that only 84.67% of households with access to basic level of water, but this was mainly due to some household resides on privately owned or un-proclaimed land that makes it difficult for the Municipality to install permanent systems. Access to basic level of sanitation for the whole municipal area only stands at 45% against the quarterly target of 85% and the annual target of 89%. The percentage water loss (unaccounted water) stood at 23% against the quarterly target of 18% and the annual target of 16%.



Hierarchy (KPA/ Objective/ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Service Delivery and Infrastructure\ Protect the environment and improve community well-being\ Refuse removal and solid waste disposal	M_2 42	Percenta ge of househol ds with access to weekly refuse removal	MM	49	60	3.28	49	60	3.28	49	60	N/A this quarter	N/A this quarter	N/A this quarter	3.28	49	49	-11	-11

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Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Service Delivery and Infrastructure\ Protect the environment and improve community well-being\ Refuse removal and solid waste disposal	M_2 50	Number of urban households with access to weekly refuse removal	MCS	13 652	13 652	3.00	13 652	13 652	3.00	13 652	13 652	All 13652 households provided with weekly refuse removal service	None	None	3.00	13652	13652	0	0
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Drinking water quality	M_1 71	Percentage Meeting green drop water quality standard	MIS	N/A this quarter	N/A this quarter	N/A	60		1.00	60	60	The Findings of the prior financial was addressed as required by green drop audit committee	Final effluent compliance still not met.	Improve the operation and maintenance of the system	3.00	60	20	0	-40
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	M_2 25	Number of urban households provided with electricity	MIS	13 652	13 652	3.00	13 652	13 652	3.00	13 652	13 652	N/A this quarter	N/A this quarter	N/A this quarter	3.00	13652	13652	0	0

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Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Roads and storm water	M_76	Total kms existing storm water measure s upgraded	MIS	N/A this quarter	N/A this quarter	N/A	0.50	N/A this quarter	1.00	1.50	1.50	Project completed	No challenges	No correctiv e measure s	3.00	2	1.50	0.90	0
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	M_23	Number households with access to basic level of sanitation (at least VIP level of service)	MIS	23 758	24 675	3.05	23 758	24 675	3.05	24 958	24 675	N/A this quarter	N/A this quarter	N/A this quarter	2.99	24958	23758	283	-917
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	M_241	Percentage households with access to basic level of sanitation (at least VIP level of service)	MM	85	45	1.38	85	45	1.38	89	45	N/A this quarter	N/A this quarter	N/A	1.36	89	85	44	40

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Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	M_24	Percentage households with access to basic level of water (within 200m of dwelling)	MIS	100	84.67	2.74	100	84.67	2.74	100	84.67	N/A this quarter	Some household resides on privately owned land/ Un-proclaimed land and that makes it difficult for the Municipality to install permanent systems	For new extension and old backlog technical report were developed and submitted to DWA.	2.74	100	100	15.33	15.33
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	M_81	Percentage of water loss (unaccounted water)	MIS	23	23	3.00	23	23	3.00	18	23	Based on the billing report from the Finance Department, we have gained instead of losing during the December month. The gain is so huge that we foresee gain at the end of March; we can only speculate that because we haven't received billing report for February and March from the same Department as yet.			2.88	16	22	-7.00	-1.00

Table 3: Summary Performance – Service delivery and Infrastructure

3.3 KPA3: Financial Viability

The KPA for Financial Viability achieved an overall performance rating of **2.55 (85%)** at end of the third quarter. The following KPIs had success:

- ▶ The Outstanding service debtors to revenue were at 15% and far below the allowable maximum target of 40%.
- ▶ The collection rate on billings stood at 93% at the end of the third quarter against the target of 92%.

Challenges were faced in that households with access to free basic water and free basic electricity were well below target in that only 30% (1 687) of the targeted 97% registered indigents receive free basic water and electricity, as well as that of the capital budget spent at the end of the third quarter was only at 39%. This is attributed to an outdated indigent register.

The cost coverage (calculated as (Available cash + Investments) / monthly fixed operational expenditure) stood at 145% below the 200% target.

Details are as follows:

Hierarchy (KPA/ Objective/ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Financial Viability\ Enhance revenue and financial management\ Asset Management	M_201	Percentage liquidity ratio	CFO	200	306	5.00	200	347	5.00	200	1 160	11.6013	none	None	5.00	200	300	-960	-860
Financial Viability\ Enhance revenue and financial management\ Expenditure Management	M_09	Percentage Capital budget actually spent on capital projects identified for financial year i.t.o. IDP	MM	25	0	1.00	50	39	2.73	75	39				1.35	100	70	61	31

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Hierarchy (KPA/ Objective/ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Financial Viability\ Enhance revenue and financial management\ Expenditure Management	M_157	MIG expenditure as Percentage of annual allocation	MIS			N/a	20		1.00	70					1.00	100	65	100	65
Financial Viability\ Enhance revenue and financial management\ Indigents / free basic services	M_10	Percentage of registered indigent household with access to free basic water	CFO	96	60	1.36	96	17	1.00	97	30	1,687 Indigents are receiving free basic Water.	The current indigent register is not up to date.	The Municipality is in the process of updating indigent register.	1.00	97	60	67	30
Financial Viability\ Enhance revenue and financial management\ Indigents / free basic services	M_204	Percentage of registered indigent household with access to free basic electricity	CFO	96	17	1.00	96	60	1.36	97	30	1,687 Indigents are receiving free basis Electricity	The Current indigent register is not up to date.	The Municipality is in the process of updating indigent register.	1.00	97	95	67	65
Financial Viability\ Enhance revenue and financial management\ Revenue Management	M_01	Percentage Cost coverage	CFO	200	1 077	5.00	200	1 042	5.00	200	250	250	None	None	1.63	200	200	55	55

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Hierarchy (KPA/ Objective/ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Financial Viability/ Enhance revenue and financial management/ Revenue Management	M_16	Percentage outstanding service debtors to revenue	CFO	40	20.83	3.32	40.00	16.68	4.39	40	15	151,036, 046.23 billed revenue	The Credit control unit officials were only appointed in Jan 2013	The Municipality is currently disconnecting electricity on a weekly basis	4.42	40	40	25	25

Table 4: Summary Performance – Financial Viability

3.4 KPA4: Local Economic Development

The KPA for Local Economic Development achieved an overall performance rating of **2.68 (89.33%)**, that is considerably better than the first two quarters. Only one (1) KPI is contributing to this key performance area. Only 185 jobs were created through the municipality's LED initiatives including capital projects, far below the quarterly target of 235 and the annual target of 235 but are higher than per the previous financial year, which were 15 jobs.

Details are as follows:

Hierarchy (KPA/ Objective/ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Local Economic Developme nt\ Create a conducive environmen t for businesses to invest and prosper\ Job Creation	M_5 1	Number jobs created through municipal ity's LED initiatives including capital projects	MM	55	15	1.11	155	15	1.00	235	185	A conducive environment for business was created for Medupi, Exxaro, and Boikarabelo.			2.68	235	663	50	478

Table 6: Summary Performance – Local Economic Development

3.5 KPA5: Transformation and Organisational Development

The KPA for Transformation and Organisational Development achieved an overall performance rating of **2.19 (73%)**. Three (3) KPIs contribute towards the challenges of this KPA as follows:

- ▶ The staff turn-over rate was 4.58% against the quarterly target of 3% and annual maximum target of 3%.
- ▶ Only 27 positions of the 29 (27/29) were filled for the first three levels.
- ▶ Only 1.04% of municipality's operating budget (salary budget) was spent on implementing its workplace against the quarterly target of 2%.

Details are as follows:



Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Transformation and Organisational Development\ Improve functionality, performance and professionalism \ Recruitment	M-14	Number people from employment equity groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	MM	29	29	3.00	29	29	3.00	29	27	Only 27 positions of the 29 were filled for the first three levels.	1. Suitable candidates were not found during the selection process 2. Postponement of short listing and interview dates by panellists	Positions were re-advertised and given priority 2. A process plan will be developed and distributed to all departments in time.	2.92	29	28	2	1

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Hierarchy (KPA\ Objective\ Programme)	K P I D	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Transformation and Organisational Development\ Improve functionality, performance and professionalism \ Recruitment	M 2 4 4	Percentage staff turn-over rate	MM	3	2	3.14	3	2	3.14	3.00	4.58	N/A this quarter	N/A this quarter	N/A this quarter	2.77	3	5	-1.58	0.42
Transformation and Organisational Development\ Improve functionality, performance and professionalism \ Training and Development	M 2 1 2	Percentage municipality's operating budget (salary budget) actually spent on implementing its workplace skills plan	MCSS	0	N/A this quarter	N/A	2	2	3.00	2	1.04	N/A this quarter	N/A this quarter	N/A this quarter	1.52	2	2	0.96	0.96

Table 5: Summary Performance – Transformation and Organisational Development

3.6 KPA6: Good Governance and Public Participation

The KPA for Good Governance and Public Participation achieved an overall performance rating of **1.89** (63%), the KPA with the lowest performance rating score by the end of the third quarter. The only success that was achieved was seen as three (3) of the targeted three (3) year to date Disability awareness campaigns were successfully held in, higher as per the previous financial year where only one was held.

Challenges were experienced in that only 90% of All Council resolutions were implemented. Seventy five percent (75%) of Presidential and Premier's hotline queries were addressed within 1 month of receipt. Three (3) out of nine (9) public participation meetings were successfully held in the third quarter. Only 10 out of the 12 of ward committees are functional. No progress since the first quarter has been made regarding awareness campaigns related to Gender, Youth and Elderly.

Details are as follows:

Hierarchy (KPA\ Objective\ Programme)	K P I I D	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M-178	Number of disability awareness campaigns held successfully	Strategic	1	1	3.00	2	1	1.50	3	3	Held three successful Disability Meetings in LLM	Poor planning of meetings by LDF	Greater involvement of the SPO in LDF meetings preparations.	3.00	4	4	1	1
Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M-179	Number of gender awareness campaigns held successfully	Strategic	1	1	3.00	2	1	1.50	3	1		Portfolio of evidence currently unavailable	Will be obtained on 23 May 2013	1.33	4	4	3	3

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				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M 1 8 5	Number of youth awareness campaigns held successfully	Strategic	1	1	3.00	2	1	1.50	3	1				1.33	4	4	3	3
Good Governance and Public Participation\ Capacitate disadvantaged groups\ Special Projects	M 2 5 9	Number of elderly awareness campaigns held successfully	Strategic	1	1	3.00	2	1	1.50	3	1	One elderly awareness campaign	Budgetary constraints emanating from unplanned mayoral inauguration.	Challenge will not arise in the new FY	1.33	4		3.00	-1.00
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Administration	M 2 6 7	Percentage of All Council resolutions implemented	MM	100	85	2.75	100	85	2.75	100	90	9 Items were marked out for the Municipal Manager, 6 were finalised, 3 are still pending	(SM and MIS to investigate and report back to MM)		2.83	100	100	10	10

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Hierarchy (KPA\ Objective\ Programme)	K P I D	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Anti-corruption	M — 1 8 3	Percentage of Presidential hotline enquiries addressed within 1 month of receipt of enquiry	Strategic	100	75	1.58	100	75	1.58	100	75				1.58	100	80	25	5
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Anti-corruption	M — 1 8 4	Percentage of Premier's hotline queries addressed within 1 month of receipt of enquiry	Strategic	100	75	1.58	100	75	1.58	100	75				1.58	100	90	25	15
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Auditor General	M — 0 4	AG audit results	MM	n.a.	n.a.	n.a.	100	50	1.17	n.a.	n.a.	Not applicable this quarter	n.a.	n.a.	n.a.	100	0	67	-33

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Hierarchy (KPA\ Objective\ Programme)	K P I D	KPI	Owner	Sep 12			Dec 12			Mar 13						Annual Target	Baseline	Variance from Annual Target 12/13	Variance from 11/12
				Target	Actual	Score	Target	Actual	Score	Target	Actual	Comments	Challenges	Corrective Action	Score				
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Public Participation	M 265	Number of public participation meetings held successfully	Strategic	2.00	3.00	4.50	5.00	3.00	1.60	9.00	3.00				1.00	9	11	6.00	8.00
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Ward Committees	M 208	Number ward committees that are functional	Strategic		12.00		12.00	12.00	3.00	12.00	10.00				2.71	12	10	2.00	0.00

Table 6: Summary Performance – Good Governance and Public Participation

4. General Indicator Performance

In terms of Section 43 of the Municipal Systems Act No 32 of 2000 and Section 10 of Regulation 796 of 2001 certain General Key Performance Indicators as these apply to a municipality, should form part of their indicators and need to be reported upon. For Lephalale Local Municipality, the General KPIs, to the extent that these indicators are applicable to the Municipality², performed as follows per Key Performance Area:

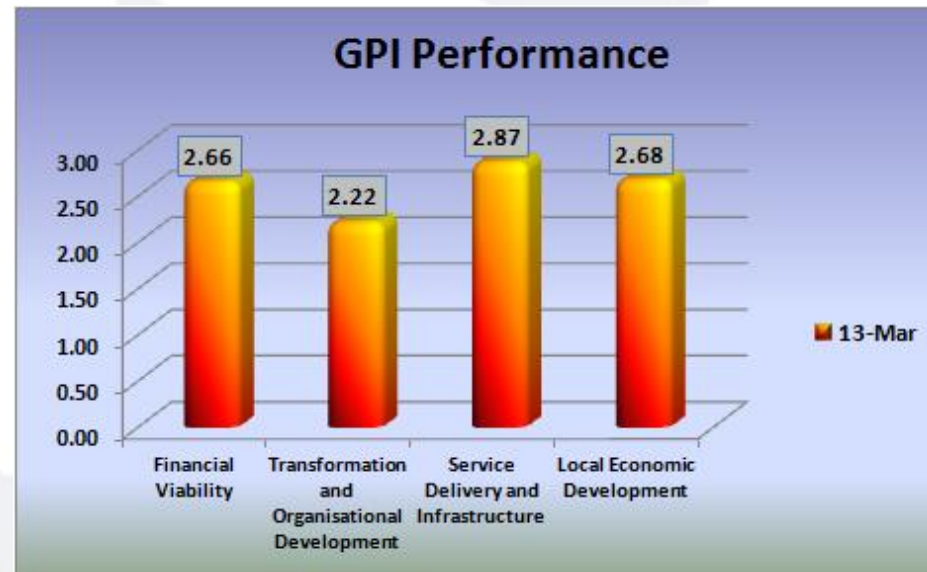


Table 7: General Indicator Performance per KPA

At the end of the third quarter the best area of performance was seen in the Service Delivery and Infrastructure that reached a performance level score of **2.87 (95.7%)**, then Local Economic Development with a below target score of **2.68 (89.3%)**. Financial Viability had a score of **2.66 (88.7%)** and Transformation and Organisational development also reached a below target overall score of **2.22 (74%)**. The indicators for Households with access to weekly refuse removal exceeded its target Debt coverage over exceeded its quarterly target achieving outstanding results.

Challenges were faced in most of the KPIs with Capital budget actually spent underperformed, achieving a target of 39%, only 30% (1,687) Indigents are receiving free basic Water and Electricity, 113,506 of Households have access to free basic sanitation. Only 185 jobs were created through municipality's LED initiatives. Only 1.04% of municipality's operating budget (salary budget) actually is spent on implementing its workplace skills plan out of quarterly target of 2%.

² S42 (2) of the Municipal Systems Act no 32 of 2000

5. Project Implementation

Project Implementation received a score of **1.70 (56.7%)** at the end of the third quarter due a lot of challenges that was faced in implementing the projects during this quarter. Detail provided below:

Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Financial Viability\ Enhance revenue and financial management\ Revenue Management	Credit control IT system	CFO	10		1.00	0	50		1.00	0	100			The Municipality has not yet acquired the credit control system.	The Municipality is in the process of procuring the credit control system. The specifications for this project have been finalised.	1.00	0	200000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Administration	Archives system	MCS	10	0		0	50		1.00	0	100			Feedback awaited from Provincial Treasury on the letter written for guidance on the specific system	To follow up with the Treasury	1.00	0	200000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Fleet Management	Sedan Registry department	MCS	10	10	3.00	1	100	10	1.10	0	100	100	Sedan was purchased in January 2013.	Not received any tender bids	Deviation from normal SCM policy.	3.00	145909	170000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Fleet Management	Motor vehicles for the Mayor (x) replacement of sedan	Strategic	100	100	3.00	890539	100	100	3.00	890539	100	100				3.00	0	900000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Fleet Management	Pool car (DC LDV)	Strategic	100	0	1.00	0	100	100	3.00	42792	100	100				3.00	0	600000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	Upgrade of board room-social services + temporary office space & reception area at main entrance of civic centre	MCS	10	10	3.00	0	30	10	1.33	0	100	10	- Mobile office sourced. - Furniture at reception area procured.	Quotations were received for boardroom furniture. Appointed service provider failed to supply items in line with the specs.	Applied for deviation and furniture will be sourced by end of April.	1.10	0	650000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	Trailer for road marking machine	MCS	10	10	3.00	0	100	10	1.10	0	100	80	Purchase order issued, waits for delivery.	none	None	2.80	54155	50000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	8 x New walk behind lawn mowers	MCS	10	50	5.00	5	100	50	1.50	0	100	10	Still waiting to be advertised by SCO.	Delays in the Supply chain processes	Tender to be re advertised in April.	1.10	0	200000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	6 X Brush cutters	MCS	10	25	5.00	10	100	25	1.25	0	100	100	All brush cutters purchased .	None	None	3.00	59700	90000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	2 X New chain saws	MCS	10	15	4.50	10	100	15	1.15	0	100	100	2x chainsaws were purchased .	None	None	3.00	14999	15000
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	Seleka sports stadium	MCS	10	25	5.00	0	30	25	2.83	0	70	25	Service provider for designs appointed.	Delays in Supply Chain processes.	Improvement in Turnaround time for appointment of Service providers by SC.	1.36	0	6548850

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Good Governance and Public Participation\ Responsible, accountable, effective and efficient corporate governance\ Municipal buildings, furniture and equipment	Fertilizer spreader	MCS	10	25	5.00	0	100	25	1.25	0	100	25	Advertised	Delays in the Supply Chain processes.	Speed up the Supply Chain processes.	1.25	0	60000
Service Delivery and Infrastructure\ Protect the environment and improve community well-being\ Refuse removal and solid waste disposal	Operationalise Weigh bridge-landfill site	MCS	10	10	3.00	0	100	10	1.10	0	100	70	Mobile offices procured	Awaits for installation of computers and solar panels	Installation by End of April	2.70	282209.28	300000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	315 KVA Generator for pump station 1 & 23 (x 2)	MIS	10		1.00	45	100		1.00	0	100	50	We only manage to buy one generator.	The procurement process was delayed and the time for tender lapsed.	Advertised it for two machines generators on a seven days notice.	1.50	0	1300000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Electrification of MPCC	MIS	10		1.00	100	50		1.00	0	100	100	The project is electrified and completed	none	none	3.00	0	500000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Substation 4 (Switch gear + building)	M I S	10		1.00	10	40		1.00	0	75					1.00	0	2500000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Upgrading of high mast lights in all the villages	M I S	10		1.00	25	30		1.00	0	100					1.00	0	2000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Solar lighting for unarticulated areas: Steenbokpan, Mmamojela Park and Steve Biko informal settlements	M I S	10		1.00	25	30		1.00	0	100					1.00	0	1000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Upgrading of robots and installation of new ones	M I S	10		1.00	25	30		1.00	0	60					1.00	0	1000000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Upgrading of lighting in all Municipal building and premises (Sports facilities; Offices; Hall & Library)	M I S	10		1.00	25	30		1.00	0	70	15	Service provider is appointed	Service provider was still manufacturing the scope of work.	To encourages them to start on time.	1.21	0	2000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	45 X Solar lighting for cemeteries in all villages	M I S	10		1.00	25	30		1.00	0	70					1.00	0	1000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	Removal of old incandescent and energy lights in Town and Marapong	M I S	10		1.00	25	30		1.00	0	70					1.00	0	1000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Electricity	13 High mast lights in various villages	M I S	10		1.00	0	30		1.00	0	70	10	tender only closed on the 3th/04/2013		Fast track the process of appointing service provider.	1.14	0	3315000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	Walk in safe to keep documents	M C S S	10	0	N/a	0	70		1.00	0	100					1.00	0	1800000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	Upgrade Weighbridge – for testing ground	M C S	10	10	3.00	0	100	10	1.10	0	100	100	Weighbridge was upgraded.	None	None	3.00	90932	100000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	Furniture MPCC/relocation of eNATIS to MPCC.	M C S	10	20	5.00	0	100	20	1.20	0	100	20	Tender evaluated waiting for adjudication.	No suitable bidders.	Request for deviation.	1.20	0	850000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	Security system for Marapong & MPCC Mokuruanyane	MCS	10	10	3.00	0	100	10	1.10	0	100	30	Palisade fence installed at Marapong library. Installation of CCTV at Mukuruanyane waits for completion of MPCC.	Waits for MPCC for completion.	Will be installed after completion of MPCC.	1.30	0	600000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	2 X Hand held alcohol screening apparatus	MCS	10	10	3.00	0	100	10	1.10	0	100	100	2x hand held alcohol screening apparatus procured.	None	None	3.00	0	60000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Municipal buildings, furniture and equipment	Mokuruanyane MPCC	MIS	10		1.00	0	100		1.00	0	100	100	completed		No corrective action as the project is completed	3.00	4723873	6647238
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Roads and storm water	Access roads	MIS	5		1.00	0	25		1.00	0	70	10	We have appointed consultants	Shortage of staff within the Supply Chain Office which led to advertisement not been advertised late.	They have appointed Two new officials within the SCM division and this will fast track the appointments	1.14	0	7800000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Roads and storm water	Storm water open channel phase 2	M I S	5		1.00	100	25		1.00	0	70		Designs 100% done.	Only R2,2m funding was approved from MIG. This resulted in the procurement of service providers for construction to be appointed late.	The tender was advertised and Evaluation and Adjudication has set; only the appointment be done.	1.00	0	1000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Roads and storm water	Mechanical street sweeping machine	M I S	10		1.00	25	100		1.00	0	100	0		Insufficient funds	Funds have been transferred to another project	1.00	0	250000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	VIP Toilets for rural villages: Bangalong, Ga-Seleka, Ga-Shongoane	M I S	15		1.00	15	40		1.00	0	70					1.00	0	7500000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	Sewer Dumping and metering equipment	M I S	10		1.00	25	30		1.00	0	80					1.00	0	1000000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	Land valuation-acquisition Marapong sewer site	M I S	100		1.00	100	100		1.00	0	100	100	Project completed . The 4 hectares of land was purchased			3.00	0	750000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Sanitation	Re-engineering of sewer network	M I S	10		1.00	40	40		1.00	0	70	45	None	The Contract was delayed due to one structure collapsing.	The Consultant has submitted new designs, and the Contractor is correcting the works and installing the telemetry system.	1.64	1924045	4065000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Mokuruanyane – Shongoane RWS Phase 4	M I S	10		1.00	15	35		1.00	0	70		The Consultants were appointed in Jan 2013, to conduct feasibility study. The Technical Report has been presented and submitted to DWA.	None	None	1.00	0	6035000

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Witpoort RWS Ga-Seleka WS Phase 4	M I S	10		1.00	15	35		1.00	0	70		Consultants were appointed to conduct feasibility study. Technical report is submitted to DWA.	None	None	1.00	0	3769096
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Water conservation and Water demand management	M I S	10		1.00	0	40		1.00	0	80	40		DWA withdraw allocation for 2012/2013 WC & WDM	Implementation of WC & WDM programme in 2013/2014 FY.	1.50	0	4400000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Reservoir cover - Marapong Reservoir	M I S	10		1.00	15	100		1.00	0	100	20		Challenges were encountered during the procurement process.	Dispense from supply chain management process memo was generated	1.20	0	1000000
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Seleka / Witpoort RWS Phase2 & Phase 3	M I S	10		1.00	0	100		1.00	0	100	85	All reticulation networks completed , only drilling and equipping of boreholes outstanding. Project to be completed end April	None	None	2.85	0	676465

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Hierarchy (KPA\ Objective\ Programme)	Project	Owner	Qtr 1				Qtr 2				Qtr 3							Annual Budget
			% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Score	YTD Expenditure	% Targeted Progress	% Actual Progress	Comments	Challenges	Corrective Action	Score	YTD Expenditure	
Service Delivery and Infrastructure\ Provide quality and well maintained infrastructural services in all municipal areas\ Water	Mokuruanyane RWS Phase 2 & Phase 3	MIS			N/a	0	0		N/a	0	100	89	All reticulation networks have been Completed	The Contract was not completed at the end of Feb 2013.	An extension of time was granted until the end of March 2013. The Contract is at practical completion.	2.89	8768802	12100814

Table 8: Summary Performance - SDBIP Projects

A summary of the reported expenditure on capital projects are reflected below per Key Performance Area:

Reported Capital Expenditure	Qtr 1	Qtr 2	Qtr 3	YTD Budget and Expenditure		
	Expenditure	Expenditure	Expenditure	Annual Budget	YTD Variance	% Budget Spent YTD
Financial Viability	0.00	0.00	0.00	200 000.00	200 000.00	0%
Good Governance and Public Participation	890 565.98	933 332.32	1 329 000.00	6 650 000.00	9 209 086.23	19.98%
Service Delivery and Infrastructure	655.00	0.00	32 986 000.00	110 713 000.00	69 528 751.62	29.79%
Total	891 220.98	933 332.32	34 315 000.00	117 563 000.00	78 937 837.85	29.19%

Table 9: Summary SDBIP Projects Expenditure

6. SDBIP Budget Statement Components

The Municipal Budget and Reporting Regulations (MBRR) R33, specifies that the financial report of a municipality must be in the format specified in Schedule C and include all the required tables, charts, explanatory information and the quality certificate, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

The Finance Department has submitted the following:

1. Table C1 – Summary
2. Table C2 – Financial Performance (standard classification)
3. Table C3 – Financial Performance (revenue and expenditure by municipal vote)
4. Table C4 – Financial Performance (revenue and expenditure)
5. Table C5 – Capital Expenditure (municipal vote, standard classification and funding)
6. Table C6 – Financial Position
7. Table C7 – Cash Flow

6.1 Component 1: Summary

LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - M09 March									
Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	27124000	34157000	30157000	2579875	23219163	22617750	601413	0.02659031	0
Service charges	146233000	132448000	140694000	13156875	118412282	105520500	12891782	0.12217325	0
Investment revenue	14693000	8877000	13277000	568309	9378832	9957750	-578918	-	0
Transfers recognised - operational	127656000	84639000	84638000	23627995	84638000	63478500	21159500	0.33333333	0
Other own revenue	13262000	96624000	137200300	10556109	36724303	102900225	-66175922	-	0
Total Revenue (excluding capital transfers and contributions)	328968000	356745000	405966300	50489163	272372580	304474725	-32102145	-	0
Employee costs	90958000	103787000	101502000	8309767	74465448	76126500	-1661052	-	0
Remuneration of Councillors	5855000	6279000	6245000	100821	4740446	4683750	56696	0.01210483	0
Depreciation & asset impairment	53574000	49072000	54734000	4605328	36544219	41050500	-4506281	-	0
Finance charges	4547000	7553000	14396000	1173658	9397159	10797000	-1399841	-	0
Materials and bulk purchases	77003000	82747000	89172000	13023532	64944671	66879000	-1934329	-	0
Transfers and grants	1019000	1054000	1054000	0	530208	790500	-260292	-	0
Other expenditure	74463000	72629000	70661000	1461552	37813294	52995750	-15182456	-	0
Total Expenditure	307419000	323121000	337764000	28674658	228435445	253323000	-24887555	-	0
Surplus/(Deficit)	21549000	33624000	68202300	21814505	43937135	51151725	-7214590	-	0
Transfers recognised - capital	0	-76875000	-117563000	-4818000	-34315000	-	76595000	-0.690605	0
Contributions & Contributed assets	0	0	0	0	0	0	0		0
Surplus/(Deficit) after capital transfers & contributions	21549000	-43251000	-49360700	16996505	9622135	-59758275	69380410	-	0
Share of surplus/ (deficit) of associate	0	0	0	0	0	0	0		0
Surplus/ (Deficit) for the year	21549000	-43251000	-49360700	16996505	9622135	-59758275	69380410	-	0
Capital expenditure & funds sources									
Capital expenditure	70432000	76874000	117563000	4816538	34314635	110910000	-76595365	-	0
Capital transfers recognised	36781000	62729000	82686000	3322594	17059053	82686000	-65626947	-	0
Public contributions & donations	0	0	2923000	0	2923000	2923000	0	-	0
Borrowing	0	0	0	0	0	0	0		0
Internally generated funds	33648000	14145000	31954000	1495000	14333000	25301000	-10968000	-	0
Total sources of capital funds	70429000	76874000	117563000	4817594	34315053	110910000	-76594947	-	0
Financial position									

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LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - M09 March									
Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Total current assets	206238000	56667000	154228000		275554971				0
Total non current assets	938331000	910401000	1002433000		942424475				0
Total current liabilities	77794000	15723000	50904000		87345399				0
Total non current liabilities	36189000	33920000	125952000		39346866				0
Community wealth/Equity	1030586000	917425000	979805000		1091287181				0
Cash flows									
Net cash from (used) operating	54326000	72276000	121415000	27478849	57088565	91061250	-33972685	-0.3730751	0
Net cash from (used) investing	-70676000	-76874000	-117573000	-4818000	-34315000	110910000	76595000	-0.690605	0
Net cash from (used) financing	-2435000	-2435000	-2435000	0	-1496538	-1497000	462	0.00030862	0
Cash/cash equivalents at the month/year end	117796000	20229000	119204000	0	141302396	5916250	135386146	22.8837771	120025369
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Revenue Source	12367500	19999025	8788615	5222597	4858400	4141369	16680452	60512762	132570720
Creditors Age Analysis									
Total Creditors	0	5965	0	0	0	0	0	0	5965

Table 9:C1 Monthly Budget Statement – Summary

6.2 Component 2: Financial Performance – Standard Classification

LIM362 Lephalale - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March									
Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue - Standard									
Governance and administration	59426000	59974000	58165000	12721000	46292000	43623750	2668250	0.0611651	0
Executive and council	57304000	56729000	54920000	11207000	43885000	41190000	2695000	0.0654285	0
Budget and treasury office	1237000	1500000	1500000	666000	987000	1125000	-138000	-0.122667	0
Corporate services	885000	1745000	1745000	848000	1420000	1308750	111250	0.0850048	0
Community and public safety	9919000	3287000	2475000	1293000	7318000	1856250	5461750	2.9423569	0
Community and social services	7388000	1017000	205000	1293000	3861000	153750	3707250	24.112195	0
Sport and recreation	0	0	0	0	0	0	0		0
Public safety	2440000	2270000	2270000	0	3457000	1702500	1754500	1.0305433	0
Housing	91000	0	0	0	0	0	0		0
Health	0	0	0	0	0	0	0		0
Economic and environmental services	21453000	7402000	7999000	4520000	10997000	5999250	4997750	0.8330625	0
Planning and development	658000	417000	596000	123000	557000	447000	110000	0.246085	0
Road transport	20795000	6985000	7403000	4397000	10440000	5552250	4887750	0.8803188	0
Environmental protection	0	0	0	0	0	0	0		0
Trading services	238171000	209207000	219764000	33888000	207767000	164823000	42944000	0.2605462	0
Electricity	128280000	123979000	125138000	16391000	112240000	93853500	18386500	0.1959064	0
Water	63905000	42476000	48039000	8492000	56449000	36029250	20419750	0.5667548	0

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LIM362 Lephalale - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March									
Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Waste water management	27529000	25108000	27341000	4596000	21349000	20505750	843250	0.0411226	0
Waste management	18457000	17644000	19246000	4409000	17729000	14434500	3294500	0.2282379	0
Other	0	0	0	0	0	0	0		0
Total Revenue - Standard	328969000	279870000	288403000	52422000	272374000	216302250	56071750	0.2592287	0
Expenditure - Standard									
Governance and administration	86570000	71808000	75415000	4573000	47453000	56561250	-9108250	-0.161033	0
Executive and council	57657000	33352000	34667000	1797000	21328000	26000250	-4672250	-0.1797	0
Budget and treasury office	13016000	16869000	18099000	1049000	11219000	13574250	-2355250	-0.173509	0
Corporate services	15897000	21587000	22649000	1727000	14906000	16986750	-2080750	-0.122493	0
Community and public safety	20274000	23592000	22207000	1259000	14460000	16987916.67	-2527917	-0.148807	0
Community and social services	15194000	18891000	17886000	874000	10644000	13414500	-2770500	-0.20653	0
Sport and recreation	0	0	0	0	0	0	0		0
Public safety	3041000	2471000	2325000	269000	2434000	1743750	690250	0.3958423	0
Housing	2039000	2230000	1996000	116000	1382000	1829666.667	447666.7	-0.244671	0
Health	0	0	0	0	0	0	0		0
Economic and environmental services	43388000	52402000	51245000	1979000	31523000	38433750	-6910750	-0.179809	0
Planning and development	4036000	6545000	6114000	414000	3760000	4585500	-825500	-0.180024	0
Road transport	39352000	45857000	45131000	1565000	27763000	33848250	-6085250	-0.17978	0
Environmental protection	0	0	0	0	0	0	0		0
Trading services	157188000	175319000	188897000	15130000	134999000	143697250	-8698250	-0.060532	0
Electricity	84537000	95782000	105022000	-34000	69106000	78766500	-9660500	-0.122647	0
Water	47181000	35710000	56729000	13908000	47163000	42546750	4616250	0.1084983	0
Waste water management	11372000	12171000	12147000	654000	8267000	11134750	-2867750	-0.25755	0
Waste management	14098000	31656000	14999000	602000	10463000	11249250	-786250	-0.069894	0
Other	0	0	0	0	0	0	0		0
Total Expenditure - Standard	307420000	323121000	337764000	22941000	228435000	255680166.7	27245167	-0.10656	0
Surplus/ (Deficit) for the year	21549000	-43251000	-49361000	29481000	43939000	39377916.67	83316917	-2.115828	0

Table 10:C2 Monthly Budget Statement – Financial Performance (standard classification)

6.3 Component 3: Financial Performance – Revenue and Expenditure by Municipal Vote

LIM362 Lephalale - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March									
Vote Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
[Insert departmental structure etc 3.]									
R thousands								%	
Revenue by Vote									
Vote 1 - Municipal Manager	36042000	41627000	37819000	6580159	29176029	28364250	811779	0.0286198	0
Vote 2 - Budget & Treasury	22499000	16602000	18601000	4293833	15696348	13950750	1745598	0.1251257	0
Vote 3 - Corporate Services	0	0	0	0	0	0	0		0
Vote 4 - Social Services	35387000	27555000	28943000	7795903	32085292	21707250	10378042	0.4780911	0
Vote 5 - Infrastructural services	234383000	193669000	202444000	33629498	194858777	151833000	43025777	0.2833757	0
Vote 6 - Planning Development	658000	417000	596000	122763	556829	447000	109829	0.2457025	0
Total Revenue by Vote	328969000	279870000	288403000	52422156	272373275	216302250	56071025	0.2592253	0

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LIM362 Lephalale - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March									
Vote Description	2011/12	Budget Year 2012/13							
[Insert departmental structure etc 3.]	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 - Municipal Manager	55326000	31526000	32766000	1950325	19476576	24574500	-5097924	-0.207448	0
Vote 2 - Budget & Treasury	17080000	20497000	21700000	1230369	14351056	16275000	-1923944	-0.118215	0
Vote 3 - Corporate Services	10641000	14435000	16100000	1068689	10749853	12075000	-1325147	-0.109743	0
Vote 4 - Social Services	41890000	48579000	46812000	2844045	30983449	35109000	-4125551	-0.117507	0
Vote 5 - Infrastructural services	177298000	200452000	213447000	15433061	148606299	160085250	-11478951	-0.071705	0
Vote 6 - Planning Development	5185000	7632000	6939000	414686	4267392	5204250	-936858	-0.180018	0
Total Expenditure by Vote	307420000	323121000	337764000	22941175	228434625	253323000	-24888375	-0.098248	0
Surplus/ (Deficit) for the year	21549000	-43251000	-49361000	29480981	43938650	-37020750	80959400	-2.186865	0

Table 11:C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

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6.4 Component 4: Financial Performance – Revenue and Expenditure

LIM362 Lephalale - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March									
Description	2011/12 Audited Outcome	Budget Year 2012/13							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	27124000	34157000	30157000	2579875	23219163	22617750	601413	0.0265903	
Property rates - penalties & collection charges						0	0		
Service charges - electricity revenue	101668000	93115000	93171000	8884875	79963551	69878250	10085301	0.1443268	
Service charges - water revenue	23189000	20423000	27002000	2824250	25418715	20251500	5167215	0.2551522	
Service charges - sanitation revenue	14876000	12059000	13605000	884375	7959593	10203750	-2244157	-0.219935	
Service charges - refuse revenue	6500000	6851000	6916000	563375	5070423	5187000	-116577	-0.022475	
Service charges - other		0	0	0		0	0		
Rental of facilities and equipment	913000	1339000	1339000	11329	555703	1004250	-448547	-0.446649	
Interest earned - external investments	8982000	4320000	6620000	568309	5183929	4965000	218929	0.0440945	
Interest earned - outstanding debtors	5711000	4557000	6657000	0	4194903	4992750	-797847	-0.159801	
Dividends received			300	0		225	-225	-1	
Fines	90000	164000	190000	1908	144239	142500	1739	0.0122035	
Licences and permits	6944000	6479000	7077000	1094448	6037700	5307750	729950	0.1375253	
Agency services				0		0	0		
Transfers recognised - operational	127656000	84639000	84638000	23627995	84638000	63478500	21159500	0.3333333	
Other revenue	5315000	88642000	128594000	9448424	29986661	96445500	-66458839	-0.689082	
Gains on disposal of PPE						0	0		
Total Revenue (excluding capital transfers and contributions)	328968000	356745000	405966300	50489163	272372580	304474725	-32102145	-0.105435	0
Expenditure By Type									
Employee related costs	90958000	103787000	101502000	8309767	74465448	76126500	-1661052	-0.02182	
Remuneration of councillors	5855000	6279000	6245000	100821	4740446	4683750	56696	0.0121048	
Debt impairment	12898000	2500000	4500000	0	0	3375000	-3375000	-1	
Depreciation & asset impairment	53574000	49072000	54734000	4605328	36544219	41050500	-4506281	-0.109774	
Finance charges	4547000	7553000	14396000	1173658	9397159	10797000	-1399841	-0.129651	
Bulk purchases	77003000	82747000	89172000	13023532	64944671	66879000	-1934329	-0.028923	
Other materials						0	0		
Contracted services	10759000	9436000	10277000	452088	6672063	7707750	-1035687	-0.13437	
Transfers and grants	1019000	1054000	1054000	0	530208	790500	-260292	-0.329275	
Other expenditure	50806000	60693000	55884000	1009464	31141231	41913000	-10771769	-0.257003	
Loss on disposal of PPE						0	0		
Total Expenditure	307419000	323121000	337764000	28674658	228435445	253323000	-24887555	-0.098244	0
Surplus/(Deficit)	21549000	33624000	68202300	21814505	43937135	51151725	-7214590	-0.141043	0
Transfers recognised - capital		-76875000	-117563000	-4818000	-34315000	-110910000	76595000	-0.690605	
Contributions recognised - capital							0		
Contributed assets							0		
Surplus/(Deficit) after capital transfers & contributions	21549000	-43251000	-49360700	16996505	9622135	-59758275			0
Taxation							0		
Surplus/(Deficit) after taxation	21549000	-43251000	-49360700	16996505	9622135	-59758275			0
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	21549000	-43251000	-49360700	16996505	9622135	-59758275			0
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	21549000	-43251000	-49360700	16996505	9622135	-59758275			0

Table 12:C4 Monthly Budget Statement – Financial Performance (revenue and expenditure)

6.5 Component 5: Capital Expenditure – Municipal Vote, Standard Classification and Funding

LIM362 Lephalale - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M09 March

Vote Description	Ref	2011/12 Audited Outcome	Budget Year 2012/13 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Total Capital Multi-year expenditure	4,7	0	0	0	0	0	0	0		0
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		796000	2300000	2300000	0	1329207	1500000	-170793	-0.113862	0
Vote 2 - Budget & Treasury		373000	200000	200000	0	0	200000	-200000	-1	0
Vote 3 - Corporate Services		75000	2000000	2550000	0	0	0	0		0
Vote 4 - Social Services		10135000	3145000	14546000	1936062	8597361	11243000	-2645639	-0.235314	0
Vote 5 - Infrastructural services		59049000	69229000	96467000	2880476	24388067	96467000	-72078933	-0.747187	0
Vote 6 - Planning Development		4000	0	1500000	0	0	1500000	-1500000	-1	0
Total Capital single-year expenditure	4	70432000	76874000	117563000	4816538	34314635	110910000	-76595365	-0.690608	0
Total Capital Expenditure		70432000	76874000	117563000	4816538	34314635	110910000	-76595365	-0.690608	0
Capital Expenditure - Standard Classification										
Governance and administration		1244000	4500000	5050000	0	1329000	1700000	-371000	-0.218235	0
Executive and council		796000	2300000	2300000	0	1329000	1500000	-171000	-0.114	
Budget and treasury office		373000	200000	200000			200000	-200000	-1	
Corporate services		75000	2000000	2550000			0	0		
Community and public safety		7511000	2845000	10492000	1937000	6696000	7189000	-493000	-0.068577	0
Community and social services		7511000	2845000	10192000	1937000	6696000	7189000	-493000	-0.068577	
Sport and recreation								0		
Public safety								0		
Housing		0	0	300000		0		0		
Health								0		
Economic and environmental services		19259000	29995000	44893000	186000	3109000	44893000	-41784000	-0.930746	0
Planning and development		4000		1500000			1500000	-1500000	-1	
Road transport		19255000	29995000	43393000	186000	3109000	43393000	-40284000	-0.928352	
Environmental protection								0		
Trading services		42418000	39534000	57128000	2695000	23181000	57128000	-33947000	-0.594227	0
Electricity		4786000	15615000	18749000	0	3372000	18749000	-15377000	-0.82015	
Water		23468000	10804000	15727000	2008000	10219000	15727000	-5508000	-0.350226	
Waste water management		11540000	12815000	18598000	687000	7689000	18598000	-10909000	-0.586568	
Waste management		2624000	300000	4054000	0	1901000	4054000	-2153000	-0.53108	
Other								0		
Total Capital Expenditure - Standard Classification	3	70432000	76874000	117563000	4818000	34315000	110910000	-76595000	-0.690605	0
Funded by:										
National Government		36781000	62729000	82686000	3322594	17059053	82686000	-65626947	-0.793689	
Provincial Government								0		
District Municipality								0		
Other transfers and grants								0		
Transfers recognised - capital		36781000	62729000	82686000	3322594	17059053	82686000	-65626947	-0.793689	0
Public contributions & donations	5			2923000		2923000	2923000	0		
Borrowing	6			0		0	0	0		
Internally generated funds		33648000	14145000	31954000	1495000	14333000	25301000	-10968000	-0.433501	
Total Capital Funding		70429000	76874000	117563000	4817594	34315053	110910000	-76594947	-0.690605	0

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Table 13:C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

6.6 Component 6: Financial Position

LIM362 Lephalale - Table C6 Monthly Budget Statement - Financial Position - M09 March						
Description	Ref	2011/12	Budget Year			
		Audited Outcome	2012/13	Original Budget	Adjusted Budget	YearTD actual
						Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		117797000	20228000	119204000	141302369	
Call investment deposits						
Consumer debtors		56694000	23354000	23354000	121027951	
Other debtors		30099000	11329000	9914000	11542976	
Current portion of long-term receivables						
Inventory		1648000	1756000	1756000	1681675	
Total current assets		206238000	56667000	154228000	275554971	0
Non current assets						
Long-term receivables						
Investments		12000	10000	10000	12334	
Investment property						
Investments in Associate						
Property, plant and equipment		938319000	910391000	1002423000	942412141	
Agricultural						
Biological assets						
Intangible assets						
Other non-current assets		0				
Total non current assets		938331000	910401000	1002433000	942424475	0
TOTAL ASSETS		1144569000	967068000	1156661000	1217979446	0
LIABILITIES						
Current liabilities						
Bank overdraft						
Borrowing		2616000	2435000	2435000	3199681	
Consumer deposits		7378000	6144000	6144000	6181318	
Trade and other payables		65778000	5354000	40535000	76532886	
Provisions		2022000	1790000	1790000	1431514	
Total current liabilities		77794000	15723000	50904000	87345399	0
Non current liabilities						
Borrowing		8386000	9829000	101861000	9520243	0
Provisions		27803000	24091000	24091000	29826623	0
Total non current liabilities		36189000	33920000	125952000	39346866	0
TOTAL LIABILITIES		113983000	49643000	176856000	126692265	0
NET ASSETS	2	1030586000	917425000	979805000	1091287181	0
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1030586000	917425000	979805000	1091287181	0
Reserves		0	0			
TOTAL COMMUNITY WEALTH/EQUITY	2	1030586000	917425000	979805000	1091287181	0

Table 14:C6 Monthly Budget Statement – Financial Position

6.7 Component 7: Cash Flow

LIM362 Lephalale - Table C7 Monthly Budget Statement - Cash Flow - M09 March										
Description	2011/12	Budget Year 2012/13								
	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										
Ratepayers and other	167592000	191909000	241134000	15594859	140353742	180850500	-40496758	-0.223924		
Government - operating	73300000	80984000	84639000	25372995	86383000	63479250	22903750	0.3608069		
Government - capital	45327000	64064000	65006000	3322594	17059053	48754500	-31695447	-0.650103		
Interest	8044000	4320000	6620000	568309	5183929	4965000	218929	0.0440945		
Dividends							0			
Payments										
Suppliers and employees	-235390000	-260452000	-261588000	-17159000	-182494000	-196191000	-13697000	0.0698146		
Finance charges	-4547000	-8549000	-14396000	-220908	-9397159	-10797000	-1399841	0.1296509		
Transfers and Grants							0			
NET CASH FROM/(USED) OPERATING ACTIVITIES	54326000	72276000	121415000	27478849	57088565	91061250	-33972685	-0.373075	0	
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Short term loans							0			
Borrowing long term/refinancing							0			
Increase (decrease) in consumer deposits							0			
Payments										
Repayment of borrowing	-2435000	-2435000	-2435000	0	-1496538	-1497000	-462	0.0003086		
NET CASH FROM/(USED) FINANCING ACTIVITIES	-2435000	-2435000	-2435000	0	-1496538	-1497000	-462	0.0003086	0	
NET INCREASE/ (DECREASE) IN CASH HELD	-18785000	-7033000	1407000	22660849	21277027	-21345750			0	
Cash/cash equivalents at beginning:	136581000	27262000	117797000		120025369	27262000				120025369
Cash/cash equivalents at month/year end:	117796000	20229000	119204000		141302396	5916250				120025369

Table 15:C7 Monthly Budget Statement - Cash Flow

7. Risks and Recommendations

The Auditor General identified a number of matters for attention during their auditing of non-financial performance for 2011-2012 financial year, namely:

1. Corroborating evidence for measures taken to improve performance
2. Validity of actual reported performance
3. Accuracy of actual reported performance
4. Completeness of actual reported performance
5. Achievement of targets

It is recommended that Senior Management ensures that reported actual performance is accurate, valid and corroborated by supporting documentation and that those be validated by internal audit and confirmed by the Municipal Manager prior to reports being drafted and submitted for approval. In addition thereto, is it important that corrective action is identified, implemented and corroborating evidence to the effect is supplied in cases of under achievement of targets.

Although the Directorates can be commended for their improved efforts to provide detailed background information for each indicator, all efforts should be made to improve even more in this regard for the Annual Performance Report to obtain a better audit opinion.

8. Approval

AS Naidoo

Municipal Manager

Date: