

Lephalale Local Municipality

Quarter 1 Performance Report

2012-2013



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

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1. Purpose

The purpose of this report is to give feedback to Council regarding the non financial performance of Mogalakwena 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 first 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. An explanation is as per the table below:

Colour code	% target achieved	
	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 First 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. General Indicator Performance

General Key Performance Indicators (KPIs) are prescribed as per Section 43 of the Municipal Systems Act No 32 of 2000 and Section 10 of Regulation 796 of 2001. For Lephalale Local Municipality, the National KPIs, to the extent that these indicators are applicable to the Municipality², performed as follows per Key Performance Area:

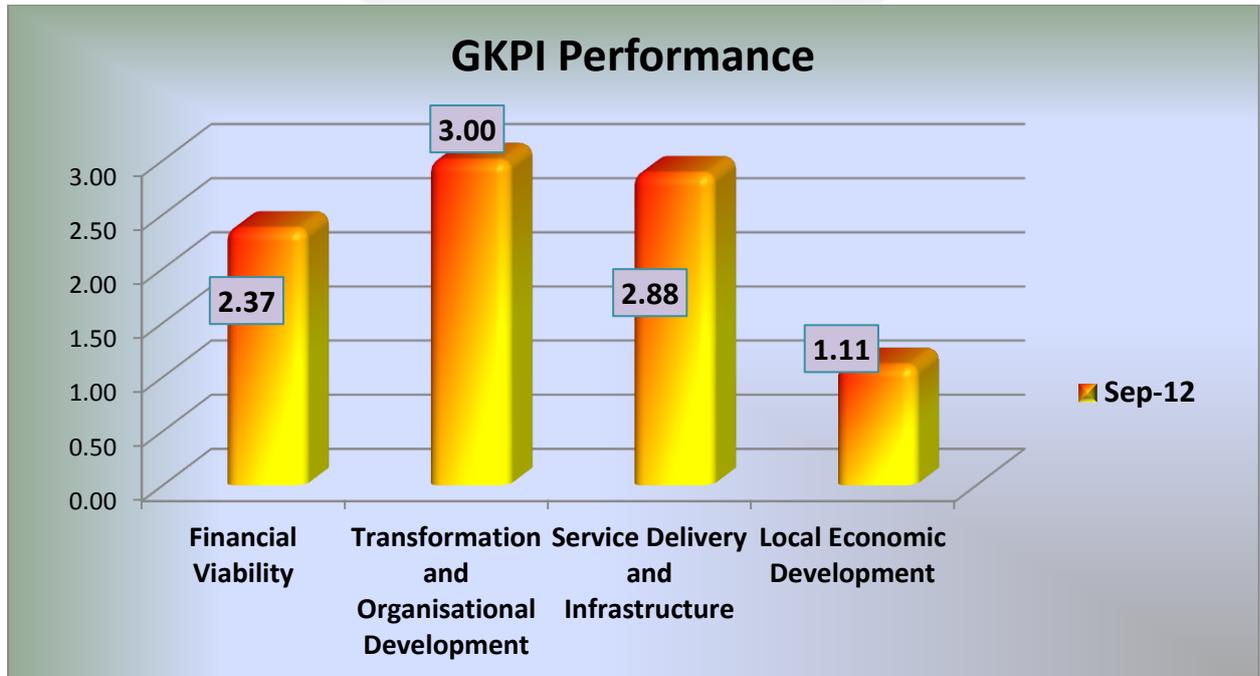


Table 1: General Indicator Performance per KPA

The best area of performance was seen in Transformation and Organisational development, followed by Service Delivery and Infrastructure. The indicators for Cost Coverage, Households with access to weekly refuse removal, people from employment equity groups employed in the three highest levels of management and municipality's budget (salary budget) actually spent on implementing its workplace skills plan all achieved target.

Challenges were mainly faced in only 60% of indigent households have access to free basic water and free basic against annual targets of 97%. Only 17% of indigent households have access to free basic electricity and only 15 new jobs were created through capital projects.

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

4. 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)	Sep 12
	KPI
Indicators	2.58
Financial Viability	2.84
Good Governance and Public Participation	2.97
Transformation and Organisational Development	3.07
Spatial Rationale	2.56
Service Delivery and Infrastructure	2.92
Local Economic Development	1.11

Table 2: SDBIP Performance per KPA

The overall performance of service delivery and performance indicators were below target with a performance rating of **2.58 (86%)**. At the end of the first quarter, only one of the key performance areas achieved target with the best level of performance in Transformation and Organisational Development with a score of **3.07 (102%)**. Local Economic Development achieved the lowest score of **1.11 (37%)** as only 15 jobs were created against the target of 55 for the reporting period to date.

The average performance per Directorate follows:

Lephalale Municipality	Sep 12
	AVG
Budget and Treasury	3.45
Office of the Municipal Manager	2.21
Strategic Services	3.02
Corporate Support Services	
Development Planning	2.34
Infrastructure Services	2.97
Social Services	3.00

Table 3: SDBIP per Department

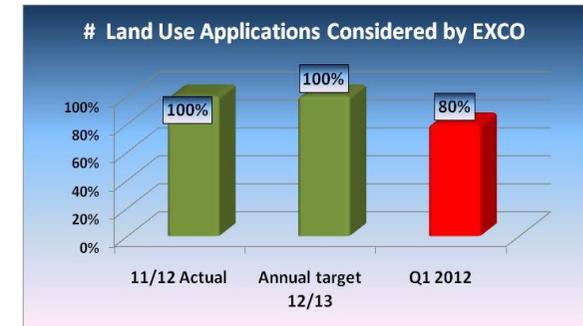
It should be noted that the target for the only SDBIP indicator for which Corporate Support Services Directorate is the lead department, was not applicable for the first quarter, namely: "Percentage municipality's operating budget (salary budget) actually spent on implementing its workplace skills plan", therefore no score apply for the said Directorate for the first quarter.

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

4.1 KPA1: Spatial Rationale

The KPA for Spatial Rationale achieved an overall performance rating of 85.33% by the end of the first quarter. Only three (3) 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



Challenges were faced in that 80% of Land use (rezoning, special consent for other uses) applications were considered by EXCO within two months of receipt of application against the quarterly and annual target of 100%.

Detail performance was as follows:

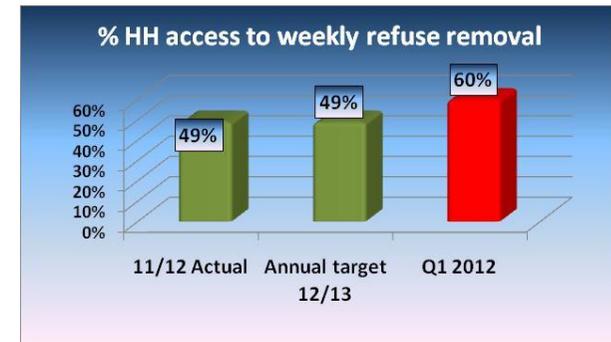
Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Spatial Rationale\ Rational planning to bridge first and second economies and provide adequate land for development\ Land use	M_144	Percentage of land use (rezoning, special consent for other uses) applications considered by EXCO within 2 months of receipt of application	%	Dev PI	100.00	80.00	Site Inspections	Assessment of applications upon receipt and during the objections/comments period	1.67	100.00	100.00	20.00	20.00
	M_146	Percentage of land use (consolidations, special consent for second building unit, building line relaxation) applications considered within 1 month of receipt of application	%	Dev PI	100.00	100.00	Compliance with the provisions of the town planning scheme	None	3.00	100.00	100.00	0.00	0.00
	M_243	Percentage of land use (township establishment) applications considered by Council within 3 months of receipt of application	%	Off. MM	100.00	100.00			3.00	100.00	100.00	0.00	0.00

Table 4: Summary Performance – Spatial Rationale

4.2 KPA2: Service Delivery and Infrastructure

The KPA for Service Delivery and Infrastructure achieved an overall performance rating of 97.33%. Success was seen in that 60% of households have access to weekly refuse removal, exceeding the first quarter and annual target of 49%. The percentage water loss (unaccounted water) stood at 23% as per the quarterly target, but 7% higher than annual target of 16%.

Challenges were mostly faced in that 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%.



Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Service Delivery and Infrastructure\Protect the environment and improve community well-being\Public lighting	M_217	Number new street lights provided	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	45.00	15.00		
	M_220	Number high mast lights provided	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	13.00	6.00		
	M_221	Number high mast lights upgraded	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	30.00	4.00		
	M_222	Number streetlights upgraded with energy saving LED globes	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	100.00	100.00		
Service Delivery and Infrastructure\Protect the environment and improve community well-being\Refuse removal and solid waste disposal	M_242	Percentage of households with access to weekly refuse removal	%	Off. MM	49.00	60.00			3.28	49.00	49.00	-11.00	-11.00
	M_250	Number of urban households with access to weekly refuse removal	#	Social	13 652.00	13 652.00	All Urban households have access to weekly refuse removal		3.00	13 652.00	13652.00	0.00	0.00
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Drinking water quality	M_171	Percentage Meeting green drop water quality standard	%	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	60.00	20.00		

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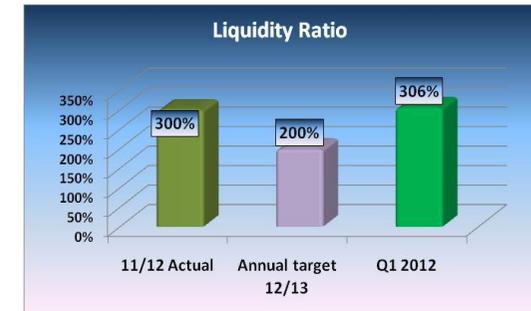
Hierarchy (KPA Objective/ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Drinking water quality	M_83	Percentage Meeting blue drop water quality standard	%	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	95.00	93.00		
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	M_225	Number of urban households provided with electricity	#	Inf	13 652.00	13 652.00			3.00	13 652.00	13652.00	0.00	0.00
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Roads and storm water	M_74	Number of km's of gravel roads upgraded to tar	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	1.80	4.40		
	M_76	Total kms existing storm water measures upgraded	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	2.40	1.50		
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sanitation	M_166	Number of new VIPs constructed	#	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	1 200.00	0.00		
	M_223	Number households with access to basic level of sanitation (at least VIP level of service)	#	Inf	23 758.00	24 675.00			3.05	24 958.00	23758.00	283.00	-917.00
	M_241	Percentage households with access to basic level of sanitation (at least VIP level of service)	%	Off. MM	85.00	45.00			1.38	89.00	85.00	44.00	40.00
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sports, Arts and Culture	M_251	Number existing sport and recreation facilities upgraded	#	Social	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	1.00	0.00		
	M_258	Number existing sport and recreation facilities rebuilt	#	Social	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	0.00	0.00		
Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Water	M_224	Percentage households with access to basic level of water (within 200m of dwelling)	%	Inf	100.00	84.67			2.74	100.00	100.00	15.33	15.33
	M_81	Percentage of water loss (unaccounted water)	%	Inf	23.00	23.00			3.00	16.00	22.00	-7.00	-1.00

Table 5: Summary Performance – Service delivery and Infrastructure

4.3 KPA3: Financial Viability

The KPA for Financial Viability achieved an overall performance rating of 80% at end of first quarter. The following KPIs had success:

- ▶ The percentage liquidity ratio was at 306% exceeding the quarterly and annual target of 200%.
- ▶ The percentage cost coverage stood at 1 0477% by the end of the first quarter, exceeding the quarterly and annual target of 200%.
- ▶ The Outstanding service debtors to revenue were at 20.83% and far below the allowable maximum target of 40%.



Challenges were faced in that households with access to free basic water and free basic electricity were below target, as well as that of the capital budget spent.

Details are as follows:

Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Financial Viability\Enhance revenue and financial management\Asset Management	M_201	Percentage liquidity ratio	%	BTO	200.00	306.15	3.0614732195		5.00	200.00	300.00	-106.15	-6.15
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	%	Off. MM	25.00	0.00	No money spent the purchasing of furniture is a longer process as bidders must come in for measurements and provide samples beforehand.	Furniture to be acquired by the end of the second quarter.	1.00	100.00	70.00	100.00	70.00
	M_157	MIG expenditure as Percentage of annual allocation	%	Inf	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	100.00	65.00		
Financial Viability\Enhance revenue and financial management\Indigents / free basic services	M_10	Percentage of registered indigent household with access to free basic water	%	BTO	96.00	60.00			1.36	97.00	60.00	37.00	0.00

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Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Financial Viability\Enhance revenue and financial management\Indigents / free basic services	M_204	Percentage of registered indigent household with access to free basic electricity	%	BTO	96.00	17.00			1.00	97.00	95.00	80.00	78.00
Financial Viability\Enhance revenue and financial management\Revenue Management	M_01	Percentage Cost coverage	%	BTO	200.00	1 077.48	10.774784251		5.00	200.00	200.00	-877.48	-877.48
	M_16	Percentage outstanding service debtors to revenue	%	BTO	40.00	20.83			3.32	40.00	40.00	19.17	19.17

Table 6: Summary Performance – Financial Viability

4.4 KPA4: Local Economic Development

The KPA for Local Economic Development achieved an overall performance rating of **37%**. Only one (1) KPI is contributing to this key performance area. Only 15 jobs were created through the municipality's LED initiatives including capital projects, far below the quarterly target of 55 and the annual target of 235.

Details are as follows:

Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Local Economic Development\Create a conducive environment for businesses to invest and prosper\Job Creation	M_51	Number jobs created through municipality's LED initiatives including capital projects	#	Off. MM	55.00	15.00	15 jobs were created in the first were created in the 1st quarter.		1.11	235.00	663.00	220.00	648.00

Table 7: Summary Performance – Local Economic Development

4.5 KPA5: Transformation and Organisational Development

The KPA for Transformation and Organisational Development achieved an overall performance rating of **106%**. Two (2) KPIs contribute towards the achievement of this KPA as follows:

- ▶ The staff turn-over rate was less than 2% against the quarterly target of 3% and annual maximum target of 3%.
- ▶ The Number of people from employment equity groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan was at twenty nine (29) against the quarterly and annual target of 29.



Details are as follows:

Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	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	#	Off. MM	29.00	29.00			3.00	29.00	28.00	27.00	26.00
	M_244	Percentage staff turn-over rate	%	Off. MM	3.00	2.00	Less than 2%		3.14	3.00	5.00	1.00	3.00
Transformation and Organisational Development\Improve functionality, performance and professionalism\Training and Development	M_212	Percentage municipality's operating budget (salary budget) actually spent on implementing its workplace skills plan	%	Corp	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	2.00	2.00		

Table 8: Summary Performance – Transformation and Organisational Development

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4.6 KPA6: Good Governance and Public Participation

The KPA for Good Governance and Public Participation achieved an overall performance rating of 99%. Three (3) public participation meetings held by end of the quarter against the quarterly target of 2 and the annual target of nine (9). Challenges were experienced in that seventy five percent (75%) of Presidential and Premier’s hotline queries were addressed within 1 month of receipt.

Details are as follows:

Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Good Governance and Public Participation\Capacitate disadvantaged groups\Special Projects	M_178	Number of disability awareness campaigns held successfully	#	Strategic	1.00	1.00	1		3.00	4.00	4.00	3.00	3.00
	M_179	Number of gender awareness campaigns held successfully	#	Strategic	1.00	1.00	1		3.00	4.00	4.00	3.00	3.00
	M_185	Number of youth awareness campaigns held successfully	#	Strategic	1.00	1.00	1		3.00	4.00	4.00	3.00	3.00
	M_259	Number of elderly awareness campaigns held successfully	#	Strategic	1.00	1.00	1		3.00	4.00	0.00	3.00	-1.00
Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Administration	M_267	Percentage of All Council resolutions implemented	%	Off. MM	100.00	85.00			2.75	100.00	100.00	15.00	15.00
Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Anti-corruption	M_183	Percentage of Presidential hotline enquiries addressed within 1 month of receipt of enquiry	%	Strategic	100.00	75.00	75		1.58	100.00	80.00	25.00	5.00
	M_184	Percentage of Premier's hotline queries addressed within 1 month of receipt of enquiry	%	Strategic	100.00	75.00	75		1.58	100.00	90.00	25.00	15.00
Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Auditor General	M_04	AG audit results	#	Off. MM	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	100.00	50		

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Hierarchy (KPA\ Objective\ Programme)	KPI ID	KPI	UOM	Vote / Lead dept.	Quarter 1 (July - Sept '12)					Annual Target 12/13	Baseline 11/12	Variance from Annual Target 12/13	Variance from 11/12
					Target	Actual	Achievements	Corrective Action	Score				
Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Customer Care	M_232	Percentage overall customer satisfaction level - Municipality	%	Off. MM	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a. this quarter	n.a.	80.00	70.00		
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	3		4.50	9.00	11.00	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		3.00	12.00	10.00	0.00	-2.00

Table 9: Summary Performance – Good Governance and Public Participation

5. Project Implementation

Project Implementation received a score of **2.01** at the end of the first quarter due to minimum information supplied. The details are as follows:

Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Financial Viability\Enhance revenue and financial management\Revenue Management	P_01	Credit control IT system	BTO	Procurement process concluded. Service provider appointed	10.00	Actual Required	0.00	1.00	200000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Administration	P_02	Archives system	Corp	Procurement process concluded.	10.00	0.00	20.00	1.00	200000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Fleet Management	P_03	Sedan Registry department	Social	Procurement process concluded.	10.00	10.00	1.00	3.00	170000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Fleet Management	P_04	Motor vehicles for the Mayor (x) replacement of sedan	Strat	Mayoral vehicle purchased	100.00	100.00	890 539.98	3.00	900000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Fleet Management	P_05	Pool car (DC LDV)	Strat	LDV pool vehicle purchased	100.00	0.00	0.00	1.00	600000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_06	Upgrade of board room- social services + temporary office space & reception area at main entrance of civic centre	Social	Designs completed. Procurement processes completed	10.00	10.00	0.00	3.00	650000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_07	Trailer for road marking machine	Social	Procurement process concluded.	10.00	10.00	0.00	3.00	50000

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Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_08	8 x New walk behind lawn mowers	Social	Procurement process concluded.	10.00	50.00	5.00	5.00	200000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_09	6 X Brush cutters	Social	Procurement process concluded.	10.00	25.00	10.00	5.00	90000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_10	2 X New chain saws	Social	Procurement process concluded.	10.00	15.00	10.00	4.50	15000
Capital\Good Governance and Public Participation\Responsible, accountable, effective and efficient corporate governance\Municipal buildings, furniture and equipment	P_12	Fertilizer spreader	Social	Procurement process concluded.	10.00	25.00	0.00	5.00	60000
Capital\Service Delivery and Infrastructure\Protect the environment and improve community well-being\Refuse removal and solid waste disposal	P_14	Operationalize Weigh bridge-landfill site	Social	Procurement process concluded.	10.00	10.00	0.00	3.00	300000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_16	315 KVA Generator for pump station 1 & 23 (x 2)	Inf	Procurement process concluded.	10.00	Actual Required	45.00	1.00	1300000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_17	Electrification of MPCC	Inf	Designs completed. Procurement processes completed	10.00	Actual Required	100.00	1.00	500000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_18	Substation 4 (Switch gear + building)	Inf	Designs completed. Procurement processes completed	10.00	Actual Required	10.00	1.00	2500000

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Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_19	Upgrading of high mast lights in all the villages	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	2000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_20	Solar lighting for unarticulated areas: Steenbokpan, Mmamojela Park and Steve Biko informal settlements	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_21	Upgrading of robots and installation of new ones	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_22	Upgrading of lighting in all Municipal building and premises (Sports facilities; Offices; Hall & Library)	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	2000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_23	45 X Solar lighting for cemeteries in all villages	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_24	Removal of old incandescent and energy lights in Town and Marapong	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Electricity	P_25	13 High mast lights in various villages	Inf	Procurement process concluded.	10.00	Actual Required	0.00	1.00	3315000

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Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings	P_11	Seleka sports stadium	Social	Procurement process concluded.	10.00	25.00	0.00	5.00	6548850
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings, furniture and equipment	P_29	Walk in safe to keep documents	Corp	Designs completed. Procurement processes completed	10.00	0.00	20.00	1.00	1800000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings, furniture and equipment	P_30	Upgrade Weighbridge – for testing ground	Social	Procurement process concluded.	10.00	10.00	0.00	3.00	100000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings, furniture and equipment	P_31	Furniture MPCC/relocation of eNATIS to MPCC.	Social	Procurement process concluded.	10.00	20.00	0.00	5.00	850000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings, furniture and equipment	P_32	Security system for Marapong & MPCC Mokuruanyane	Social	Procurement process concluded.	10.00	10.00	0.00	3.00	600000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Municipal buildings, furniture and equipment	P_33	2 X Hand held alcohol screening apparatus	Social	Procurement process concluded.	10.00	10.00	0.00	3.00	60000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Roads and storm water	P_36	Access roads	Inf	Designs completed	5.00	Actual Required	0.00	1.00	7800000

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Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Roads and storm water	P_37	Storm water open channel phase 2	Inf	Designs completed	5.00	Actual Required	100.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Roads and storm water	P_38	Mechanical street sweeping machine	Inf	Procurement process concluded.	10.00	Actual Required	25.00	1.00	250000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sanitation	P_39	VIP Toilets for rural villages: Bangalong, Ga-Seleka, Ga-Shongoane	Inf	Material delivered. Digging of pits completed	15.00	Actual Required	15.00	1.00	750000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sanitation	P_40	Sewer Dumping and metering equipment	Inf	Designs of completed. Procurement processes completed	10.00	Actual Required	25.00	1.00	1000000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sanitation	P_41	Land valuation- acquisition Marapong sewer site	Inf	Land acquired and ownership transferred to municipality. (depending on Eskom's quotation)	100.00	Actual Required	100.00	1.00	750000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Sanitation	P_42	Re-engineering of sewer network	Inf	Designs completed. Procurement processes completed	10.00	Actual Required	40.00	1.00	4065000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Water	P_44	Mokuruanyane –Shongoane RWS Phase 4	Inf	Designs of completed. Procurement processes completed	10.00	Actual Required	15.00	1.00	6035000

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Hierarchy (KPA\ Objective\ Programme)	ID	Project	Vote / Lead Dept.	Sep 12					Annual Budget
				Milestone	% Targeted Progress	% Actual Progress	YTD Expenditure	Score	
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Water	P_45	Witpoort RWS Ga-Seleka WS Phase 4	Inf	Designs of completed. Procurement processes completed	10.00	Actual Required	15.00	1.00	3769096
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Water	P_47	Water conservation and Water demand management	Inf	Procurement processes completed	10.00	Actual Required	0.00	1.00	4400000
Capital\Service Delivery and Infrastructure\Provide quality and well maintained infrastructural services in all municipal areas\Water	P_48	Reservoir cover -Marapong Reservoir	Inf	Procurement processes completed	10.00	Actual Required	15.00	1.00	1000000

Table 10: Summary Performance - SDBIP Projects

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

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6.1 Component 1: Summary

LIM362 Lephalale - Table C1 Monthly Budget Statement Summary - M03 September

Description	Budget Year 2012/13					
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands						%
Financial Performance						
Property rates	34156894	2606337	7847337	8539	7838798	917.9995316
Service charges	132447420	10889627	36837627	33111855	3725772	0.112520787
Investment revenue	8876663	1135571	4435571	2219165.75	2216405.25	0.998756064
Transfers recognised - operational	86384000	43137	33841137	21596000	12245137	0.567009492
Other own revenue	94878815	4605671	9286671	23719703.75	-14433032.75	-0.608482842
Total Revenue (excluding capital transfers and contributions)	356743792	19280343	92248343	80655263.5	11593079.5	0.14373618
Employee costs	103787307	9029615	24326615	25946826.75	-1620211.75	-0.062443541
Remuneration of Councillors	6279470	570996	1601996	1569867.5	32128.5	0.02046574
Depreciation & asset impairment	8609254.87	0	0	2152313.718	-2152313.718	-1
Finance charges	7552956	228535	228535	1888239	-1659704	-0.878969241
Materials and bulk purchases	82747427	9647426	19159426	20686856.75	-1527430.75	-0.073835806
Transfers and grants	1054000	0	0	263500	-263500	
Other expenditure	149501906	5480374	13065569	36751101.5	-23685532.5	-0.644484969
Total Expenditure	359532320.9	24956946	58382141	89258705.22	-30876564.22	-0.345922161
Surplus/ (Deficit) for the year	-2788528.87	-5676603	33866202	-8603441.718	42469643.72	-4.936355137
Capital expenditure & funds sources						
Capital expenditure	76874000	8538491	11115038	11115000	38	0
Capital transfers recognised	62729000	4942399	6515145	6515000	145	0
Borrowing	0	0	0	0	0	
Internally generated funds	14145000	3596000	4600000	4600000	0	
Total sources of capital funds	76874000	8538399	11115145	11115000	145	0
Financial position						
Total current assets	56667313.94		216431447.5			
Total non current assets	910400760.4		948599571			
Total current liabilities	15722925.11		62357236.33			
Total non current liabilities	33920334.18		36188116			
Community wealth/Equity	917424815		1066485666			
Cash flows						
Net cash from (used) operating	72275494.19	-4818709	-8232331	0	-8232331	
Net cash from (used) investing	-76874135	-8538491	-11115038	0	-11115038	
Net cash from (used) financing	-2435000	-142847	-142847	0	-142847	
Cash/cash equivalents at the month/year end	20228359.19	0	143282074	27262000	116020074	4.255743306
Debtors & creditors analysis	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Debtors Age Analysis						
Total By Revenue Source	9117827	5837984	5771207	2659195	15069114	54923501
Creditors Age Analysis						
Total Creditors	3602	0	0	0	0	0

Table 11:C1 Monthly Budget Statement – Summary

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6.2 Component 2: Financial Performance – Standard Classification

LIM362 Lephalale - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	Budget Year 2012/13		YearTD actual	YearTD budget	YTD variance	YTD variance
	Original Budget	Monthly actual				
R thousands						%
Revenue - Standard						
Governance and administration	59973758	4366000	15841000	14993439.5	847560.5	0.056528757
Executive and council	56728758	4197000	15533000	14182189.5	1350810.5	0.095246965
Budget and treasury office	1500000	43000	97000	375000	-278000	-0.741333333
Corporate services	1745000	126000	211000	436250	-225250	-0.516332378
Community and public safety	3287000	319000	2112000	821750	1290250	1.570124734
Community and social services	1017000	29000	56000	254250	-198250	-0.779744346
Public safety	2270000	290000	2056000	567500	1488500	2.622907489
Economic and environmental services	7402000	750000	2822000	1814250	1007750	0.55546369
Planning and development	417000	60000	204000	104250	99750	0.956834532
Road transport	6985000	690000	2618000	1710000	908000	0.530994152
Trading services	209207000	13845000	71472000	52301750	19170250	0.366531713
Electricity	123979000	8005000	37582000	30994750	6587250	0.212527928
Water	42476000	4129000	18181000	10619000	7562000	0.712119785
Waste water management	25108000	1035000	8797000	6277000	2520000	0.401465668
Waste management	17644000	676000	6912000	4411000	2501000	0.566991612
Total Revenue - Standard	279869758	19280000	92247000	69931189.5	22315810.5	0.319110981
Expenditure - Standard						
Governance and administration	71808000	7100000	17603000	17952000	-349000	-0.019440731
Executive and council	33352000	3018000	8301000	8338000	-37000	-0.004437515
Budget and treasury office	16869000	1441000	3988000	4217250	-229250	-0.054360069
Corporate services	21587000	2641000	5314000	5396750	-82750	-0.015333302
Community and public safety	23592173	1760886	4394886	5898043.25	-1503157.25	-0.254856939
Community and social services	18891173	1262886	3059886	4722793.25	-1662907.25	-0.352102487
Public safety	2471000	299000	827000	617750	209250	0.338729259
Housing	2230000	199000	508000	557500	-49500	-0.088789238
Economic and environmental services	52402000	2398000	6143000	13100500	-6957500	-0.5310866
Planning and development	6545000	510000	1228000	1636250	-408250	-0.249503438
Road transport	45857000	1888000	4915000	11464250	-6549250	-0.571275923
Trading services	175319000	13699000	30241000	43829750	-13588750	-0.310034851
Electricity	95782000	8960000	18755000	23945500	-5190500	-0.216763066
Water	35710000	2395000	6198000	8927500	-2729500	-0.305740689
Waste water management	31656000	1185000	2633000	7914000	-5281000	-0.667298458
Waste management	12171000	1159000	2655000	3042750	-387750	-0.127434065
Total Expenditure - Standard	323121173	24957886	58381886	80780293.25	-22398407.25	-0.277275637
Surplus/ (Deficit) for the year	-43251415	-5677886	33865114	-10849103.75	44714217.75	-4.121466508

Table 12:C2 Monthly Budget Statement – Financial Performance (standard classification)

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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) - M03 September

Vote Description	Budget Year 2012/13					
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands						%
Revenue by Vote						
Vote 1 - Municipal Manager	41626758	2909966.75	10591000	10406689.5	184310.5	0.017710772
Vote 2 - Budget & Treasury	16601803	1329746	5038746	4150450.75	888295.25	0.214023802
Vote 3 - Corporate Services	0	0	0	0	0	
Vote 4 - Social services	27554812	1665721	11596746	6888703	4708043	0.683444039
Vote 5 - Infrastructure	193668789	13315141	64817383	48417197.25	16400185.75	0.338726458
Vote 6 - Planning Development	417000	59828	203828	104250	99578	0.955184652
Total Revenue by Vote	279869162	19280402.75	92247703	69967290.5	22280412.5	0.318440408
Expenditure by Vote						
Vote 1 - Municipal Manager	31526713	2579207	7867207	7881678.25	-14471.25	-0.001836062
Vote 2 - Budget & Treasury	20496896	2061399	4802268	5124224	-321956	-0.062830196
Vote 3 - Corporate Services	14434681	2099154	4002075	3608670.25	393404.75	0.109016541
Vote 4 - Social services	48578782	3972149	9739796	12144695.5	-2404899.5	-0.198020568
Vote 5 - Infrastructure	200452132	13637361	30474539	50113033	-19638494	-0.391883964
Vote 6 - Planning Development	7631400	608062	1496062	1907850	-411788	-0.215838771
Total Expenditure by Vote	323120604	24957332	58381947	80780151	-22398204	-0.277273609
Surplus/ (Deficit) for the year	-43251442	-5676929.25	33865756	-10812860.5	44678616.5	-4.131988617

Table 13: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

Description	Budget Year 2012/13					
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands						%
Revenue By Source						
Property rates	34156894	2606337	7847337	8539	7838798	917.9995316
Property rates - penalties & collection charges				0	0	
Service charges - electricity revenue	93114569	7701566	24855566	23278642.25	1576923.75	0.067741225
Service charges - water revenue	20422968	1701906	7115906	5105742	2010164	0.393706537
Service charges - sanitation revenue	12058883	908833	3137833	3014720.75	123112.25	0.040837033
Service charges - refuse revenue	6851000	577322	1728322	1712750	15572	0.009091811
Rental of facilities and equipment	1338671	261682	373682	334667.75	39014.25	0.116576067
Interest earned - external investments	4320000	8987	1230987	1080000	150987	0.139802778
Interest earned - outstanding debtors	4556663	1126584	3204584	1139165.75	2065418.25	1.813097216
Fines	164000	6670	12670	41000	-28330	-0.69097561
Licences and permits	6479000	670012	2572012	1619750	952262	0.587906776
Transfers recognised - operational	86384000	43137	33841137	21596000	12245137	0.567009492
Other revenue	86897144	3667307	6328307	21724286	-15395979	-0.708698965
Total Revenue (excluding capital transfers and contributions)	356743792	19280343	92248343	80655263.5	11593079.5	0.14373618
Expenditure By Type						
Employee related costs	103787307	9029615	24326615	25946826.75	-1620211.75	-0.062443541
Remuneration of councillors	6279470	570996	1601996	1569867.5	32128.5	0.02046574
Debt impairment	2500000	0	0	625	-625	-1
Depreciation & asset impairment	8609254.87	0	0	2152313.718	-2152313.718	-1
Finance charges	7552956	228535	228535	1888239	-1659704	-0.878969241
Bulk purchases	82747427	9647426	19159426	20686856.75	-1527430.75	-0.073835806
Other materials				0	0	
Contracted services	9435902	1655374	2237374	2358975.5	-121601.5	-0.051548437
Transfers and grants	1054000	0	0	263500	-263500	-1
Other expenditure	137566004	3825000	10828195	34391501	-23563306	-0.685149101
Loss on disposal of PPE			0	0	0	
Total Expenditure	359532320.9	24956946	58382141	89258705.22	-30876564.22	-0.345922161
Surplus/(Deficit)	-2788528.87	-5676603	33866202	-8603441.718	42469643.72	-4.936355137
Transfers recognised - capital		0			0	
Contributions recognised - capital					0	
Contributed assets					0	
Surplus/ (Deficit) for the year	-2788528.87	-5676603	33866202	-8603441.718		

Table 14:C4 Monthly Budget Statement – Financial Performance (revenue and expenditure)

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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) - M03 September

Vote Description	Budget Year 2012/13					
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands						%
Multi-Year expenditure appropriation						
Total Capital Multi-year expenditure	0	0	0	0	0	
Single Year expenditure appropriation						
Vote 1 - Municipal Manager	2300000	0	890540	891000	-460	-0.000516274
Vote 2 - Budget & Treasury	200000	0	0	0	0	
Vote 3 - Corporate Services	2000000	0	0	0	0	
Vote 4 - Social services	3145000	1066746	1180007	1180000	7	0
Vote 5 - Infrastructure	69229000	7471745	9044491	9044000	491	0
Total Capital single-year expenditure	76874000	8538491	11115038	11115000	38	0
Total Capital Expenditure	76874000	8538491	11115038	11115000	38	0
Capital Expenditure - Standard Classification						
Governance and administration	4500000	0	891000	891000	0	
Executive and council	2300000	0	891000	891000	0	
Budget and treasury office	200000				0	
Corporate services	2000000				0	
Community and public safety	2845000	1067000	1067000	1067000	0	
Community and social services	2845000	1067000	1067000	1067000	0	
Economic and environmental services	29995000	0	0	0	0	
Planning and development					0	
Road transport	29995000				0	
Environmental protection					0	
Trading services	39534000	7471000	9157000	9157000	0	
Electricity	15615000	520000	520000	520000	0	
Water	10804000	3317000	4890000	4890000	0	
Waste water management	12815000	3634000	3634000	3634000	0	
Waste management	300000	0	113000	113000	0	
Other					0	
Total Capital Expenditure - Standard Classification	76874000	8538000	11115000	11115000	0	
Funded by:						
National Government	62729000	4942399	6515145	6515000	145	0
Provincial Government				0	0	
District Municipality				0	0	
Other transfers and grants				0	0	
Transfers recognised - capital	62729000	4942399	6515145	6515000	145	0
Public contributions & donations					0	
Borrowing					0	
Internally generated funds	14145000	3596000	4600000	4600000	0	
Total Capital Funding	76874000	8538399	11115145	11115000	145	0

Table 15:C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

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6.6 Component 6: Financial Position

LIM362 Lephalale - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Budget Year 2012/13	
	Original Budget	YearTD actual
R thousands		
ASSETS		
Current assets		
Cash	20228359.19	143282479
Call investment deposits	0	
Consumer debtors	23353893.91	65094791.9
Other debtors	11329482.92	6228490.58
Current portion of long-term receivables		
Inventory	1755577.92	1825686
Total current assets	56667313.94	216431447.5
Non current assets		
Long-term receivables		
Investments	10000	12334
Property, plant and equipment	910390760.4	948587237
Total non current assets	910400760.4	948599571
TOTAL ASSETS	967068074.3	1165031018
LIABILITIES		
Current liabilities		
Bank overdraft		
Borrowing	2435000	1881098
Consumer deposits	6144177.16	7263989.28
Trade and other payables	5354037.95	51188051.05
Provisions	1789710	2024098
Total current liabilities	15722925.11	62357236.33
Non current liabilities		
Borrowing	9829298.18	8385591
Provisions	24091036	27802525
Total non current liabilities	33920334.18	36188116
TOTAL LIABILITIES	49643259.29	98545352.33
NET ASSETS	917424815	1066485666
COMMUNITY WEALTH/EQUITY		
Accumulated Surplus/(Deficit)	917424815	1066485666
Reserves		
TOTAL COMMUNITY WEALTH/EQUITY	917424815	1066485666

Table 16:C6 Monthly Budget Statement – Financial Position

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6.7 Component 7: Cash Flow

LIM362 Lephalale - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Budget Year 2012/13				
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
R thousands					
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Ratepayers and other	191908995.2	19700291	38798190		38798190
Government - operating	80984000	0	6515000		6515000
Government - capital	64063865	0	13061000		13061000
Interest	4320000	667000	1222000		1222000
Dividends					0
Payments					
Suppliers and employees	-260452410	-24957000	-67599521		67599521
Finance charges	-8548956	-229000	-229000		229000
Transfers and Grants					0
NET CASH FROM/(USED) OPERATING ACTIVITIES	72275494.19	-4818709	-8232331	0	-8232331
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE					0
Decrease (Increase) in non-current debtors					0
Decrease (increase) other non-current receivables					0
Decrease (increase) in non-current investments					0
Payments					
Capital assets	-76874135	-8538491	-11115038		11115038
NET CASH FROM/(USED) INVESTING ACTIVITIES	-76874135	-8538491	-11115038	0	11115038
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans					0
Borrowing long term/refinancing					0
Increase (decrease) in consumer deposits					0
Payments					
Repayment of borrowing	-2435000	-142847	-142847		142847
NET CASH FROM/(USED) FINANCING ACTIVITIES	-2435000	-142847	-142847	0	142847
NET INCREASE/ (DECREASE) IN CASH HELD	-7033640.81	-13500047	-19490216	0	
Cash/cash equivalents at beginning:	27262000		162772290	27262000	
Cash/cash equivalents at month/year end:	20228359.19		143282074	27262000	

Table 17: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.

8. Approval

AS Naidoo

Municipal Manager

Date: