

# BLUE CRANE ROUTE MUNICIPALITY (EC102)



**2019/2020**

**Mid-Year Report**

**(Sec 72 & Sec 52(d))**

This report is compiled as per guidelines of Chapter 7, Section 72 and 52(d) and 53 and 168(1) of the MFMA No.56 of 2003, and Section 33; 31(1); 34 and 35 of the Government Gazette No 32141 of 17 April 2009

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# 1. PURPOSE AND BACKGROUND OF THE MID YEAR BUDGET & PERFORMANCE ASSESSMENT - 2019/2020 FINANCIAL YEAR

The purpose of this mid-year budget & performance assessment report is to assess the Municipality's financial performance against the budget and service delivery targets set up for the first six months of the 2019/2020 financial year.

The following guidelines and regulations necessitates that specific financial information be reported on in the format prescribed, hence this report to meet legislative compliance.

## 1.1 The Municipal Finance Management Act 56 of 2003, Section 72 requires the Accounting Officer of a municipality to do the following in half-year:

*"72. (1) The accounting officer of a municipality must by 25 January of each year—*

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

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

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

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

## 1.2 The Municipal Finance Management Act 56 of 2003, Section 52(d) requires the Mayor of a municipality to submit a report to council on the implementation of the budget and the financial state of the municipality as follows:

*"52. (d) must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality."*

1.3 **The Local Government: Finance Management Act 56 of 2003: Municipal budget and reporting regulations, Section 31(1); 33; 34; and 35 of the Government Gazette No 32141 of 17 April 2009 prescribes the following:**

***"31. (1) The mayor's quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by section 52(d) of the Act must be –***

- (a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and***
- (b) consistent with the monthly budget statement for September, December, March and June as applicable; and***
- (c) submitted to the National Treasury and the relevant Provincial Treasury within five days of tabling of the report in the council."***

**and**

***"33. A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act"***

**and**

***"34. (1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website"***

***(2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including –***

- (a) Summaries in alternative languages predominant in the community; and***
- (b) Information relevant to each ward in the community"***

This report will entail the recommendations and what is to be done on the challenges ahead.

# **PART 1 – IN-YEAR REPORT**

## **2. MAYOR'S REPORT**

### **2.1. Implementation of Budget during the second quarter of the financial year**

At the end of the second quarter for 2019/20, the actual operational revenue was at 61% against the estimated budget of R262,883,252.

The operational expenditure at the end of December 2019 was at 49% against the annual estimated budget of R282,832,040.

The capital expenditure for the same period is at 32% against the capital budget of R52,716,973. This included the approved roll over grant from WSIG of R23,4m.

### **2.2. Financial problems or risks facing the municipality**

As mentioned in previous reports the continuous ongoing challenges for the municipality, but not limited to, are the continuous increasing outstanding debtors, ageing infrastructure, unfunded mandates, non-cash-backed provisions and reserves. The Municipality also needs to ensure that the adjusted budget for 2019/20 and the 2020/21 MTREF will result in a much more positive cash flow. This is to ensure that there will be funds available for the arrear contributions to SAMWU provident fund of around R17m which includes interest. It must be noticed that the Municipality operational budget is already under pressure.

#### **2.2.1. Revenue**

##### **Refer to Table C4- Financial Performance**

It must be noted that the revenue for the consumer's services and rates is the accrued revenue as raised through the billing accounts and not what is actually received.

The income from water charges is at risk as it is only at 39% which is R1,6million less than the budget for six months. This could be the result of the installation of new water meters and more accurate readings. The budget should be adjusted on this income source.

Although property rates shows a percentage of 108% and a possible additional income of R3,6m, disputes with the Game Farmers, could result in much lessor income. Electricity Revenue is according to the budget at 50% which shows that the additional income as budgeted for as a basic charge to pre-paid consumers did materialise as per budget.

### 2.2.2. Operating Expenditure

#### **Refer to Table C4 – Financial Performance**

The operational expenditure is according to budget at 49% but the Bulk Electricity purchases is quite high at 53% and must be monitored as this is the biggest expenditure component and only 1% above the budget is already around R1m.

Personnel cost is at 51% but should be decrease in the next few months as the 13<sup>th</sup> cheque bonus was paid in November 2019 for 12 months.

In the light of the serious financial risks facing this Municipality, vacancies should only be filled if it can be financed from grant funding or if it is a Senior Manager position.

Finance charges is only at 4% as 90% of the Interest charges is for the Post Retirement Medical Aid provision as well as the Land fill site rehabilitation cost that will only be accounted for at year end, but these transactions does not have a cash out flow.

### 2.2.3. Capital Expenditure

#### **Refer to Table C5 – Capital Expenditure**

The total capital expenditure as at 31 December 2019 was R16,6m which is only 32% of the total budget of R52,7m. This included the roll over approval of WSIG of R23,4m. Spending should be closely monitored in the next 6 months to ensure that there is no roll overs for 2020/21 as in the current year.

### 2.2.4. Cash Flow

#### **Refer to Cash Flow Table C7 & Supporting Table SC9**

The total cash available for this Municipality at 31 December 2019 was only an amount of R18.7 million and not even represents the full unspent National Government capital grants of R21,4m.

The Municipality therefore does not have any surplus cash at the end of December 2019 for their own expenses.

**This is a very serious stage in which the Municipality is currently in and must be addressed in the adjustment budget of 2019/20 to put measures in place to prevent a situation that employees cannot be paid salaries.**

## 2.3. Annual Report for 2019/2020

The Annual Report for 2019/2020 has raised the following challenges:

### 2.3.1. Major challenges in Water Services and Remedial Actions

The following challenges are faced by the BCRM:

#### **Pearston**

Pearston obtains its water from boreholes only. Close monitoring of the abstraction is required to ensure sustainable and sufficient water supply on a long term for Pearston. Safe yield test results established on an ACIP project for Augmentation of Community Water Supply are a positive step towards borehole management, however data logging is needed to monitor the level of water in the boreholes for more accurate and reliable monitoring of the boreholes.

#### **Somerset East**

Water is obtained from surface water that is seasonal and rainfall dependant, as well as water from the Orange-Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange-Fish Canal supply. A project has been completed and it's being implemented for a new bulk water pipeline to ensure that the town will be able to overcome any water shortage threats in the future.

#### **Cookhouse**

Due to the fact that Cookhouse was administered by the old Transnet, all assets and rights still resides with Transnet. The town is dependent on water from the Orange-Fish Irrigation Scheme and has no surface or borehole sources.

The present water supply to the town is not reliable, and a pipeline was completed from the Orange- Fish Scheme to secure sustainable water to the town. However, this line is only approximately 35% of the bulk line to Cookhouse which needs an upgrade.

#### **Water losses**

The total water losses in the municipality are estimated to be at 74 ML/annum. Domestic activities account for the largest amount of the water usage and losses thereof in Blue Crane Route Municipality, industries being the biggest user. According to available data, domestic water usage is increasing by approximately 700 cubic meters per day. Industries have however seen an increase in water usage of approximately 50 cubic meters per day.

The municipal water balance is not as accurate as it should. Open space such as parks and sports fields are not metered and therefore used in these premises are accounted for as water losses or unaccounted for. Water used through fire hydrants is also not accounted for and contributes to non-revenue water or water losses.

### 2.3.2. Electricity Services

The BCRM is a licensed distributor of Electricity within the area and is registered with NERSA licence number NER/D/EC102. Electricity is distributed by the Municipality to its consumers of about 8691. The Blue Crane Route Municipality has vast distribution networks consisting of a combination of urban and rural infrastructure to ensure a sustainable electricity supply to its consumers.

It is a challenging task to maintain this vast electrical infrastructure and expand, upgrade, or refurbish with the available funding. The agricultural sector is the biggest electricity consuming sector and is growing.

### 2.3.3. Waste Management

Refuse collection services are provided to all the residents of BCRM in Cookhouse, Pearston and Somerset East. There is a set schedule for the collection of household and business refuse. This type of waste is collected at least once a week on different days in residential areas of Somerset East. In Cookhouse and Pearston household and business refuse is collected Monday's only and the rest of the remaining days in that week are used to collect garden refuse.

The challenge with the collection of garden refuse is that it is not regulated by the municipality. Members of the community dump any day of the week and some dump big heaps. Some even create illegal dumps as they do not want to dump in front of their own properties and so they dump on the corners of the streets.

All three of the municipal solid waste disposal sites are permitted but none is managed according to the minimum requirements for landfill sites. The Sarah Baartman District Municipality has assisted the municipality by appointing a service provider to review the IWMP and council adopted it in 2017. The nine youth that were trained by the Department of Environmental Affairs as part of the Youth Jobs in Waste their contract expired. The municipality does not have any warm body to register waste received at the landfill sites and the weigh pad is broken.



#### 2.3.4. Roads and Stormwater

Roads form one of most basic infrastructural components necessary for development. A well-functioning and well-maintained road network creates a positive economic environment influencing the economic activity of the area. In the context of the BCRM, the extent and quality of the existing road network has a significant impact on both the local economy and the community as a whole, since it fundamentally impacts on the mobility of both people and produce into the area.

In an economic context, this specifically affects the agricultural related industries and tourism, in particular. If the road network is not sufficiently maintained it could have a negative influence on the potential growth rate of the leading economic sectors. The existing bitumen surfaced roads are deteriorating, as the Municipality does not have sufficient funding for road maintenance.

The municipality's residential areas are below the mountains and most of the time it affects the roads and the driveways of houses. This gives the municipality the challenge of receiving complaints from the community members about their houses being damaged by the strong water flowing from those mountain falls.

The budget is very limited to address all the stormwater drainage challenges because currently only using the maintenance budget which does not do much in addressing these issues.

#### 2.3.5. Housing

The municipality is facilitating the delivery of housing on behalf of the Provincial Department of Human Settlements. The Blue Crane Route Municipality has one running project in Cookhouse for 150 units, all challenges are attended. In Somerset East there is a strategic project planned in the destitute approach, to attend to housing challenges, the delay is due to the bulk infrastructure, water, electricity and sanitation. Adding to that there is another running at Mnandi Location for 93 units. There is a National Plan to address the informal settlements in Somerset East and Cookhouse, the project is in early stages not yet in the development stage.

The Department is planning to implement Plastering and Ceiling project for Chris Hani and Old Location. The Department is also planning to implement new housing project however this is delayed by the lack of availability of suitable land for housing development.

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Engagements are ongoing with various stakeholders and potential landowners in order to obtain land for housing development.

### 2.3.6. Traffic

The following challenges are experienced within the municipality's traffic department:

1. Staff shortage hamper services
2. No deputy chief or shift leaders
3. No Management Representative
4. Lack of cooperation from live-stock owners
5. BRCM area under served.
6. High accident rates with fatalities on both the R63 and N10 routes

### 2.3.7. Parks, Open Spaces, Nature Reserves and Cemeteries

#### 2.3.7.1. Cemeteries

BCRM has nine cemeteries in total. Only six of the nine cemeteries are officially operating. These are all three in Pearston, one in Cookhouse and two in Somerset East. The other three are full. Two cemeteries in Bongweni and Aeroville are about to reach their full capacity and that means new sites must be identified soon to undergo all environmental processes to be authorised as a cemeteries.

In Somerset East, a new site was identified in Aeroville to establish a new cemetery and a ROD was received in 2014.

Due to lack of funds for this project, the ROD lapsed and a new application to the Department of Environmental Affairs was done. The municipality is looking at other funding options for this project as it cannot afford it from its own coffers. No funding provided for in the capital budget for this project as a result up to this stage, the cemetery has not been developed except for the realignment of the road that cross through the cemetery.

The maintenance of cemeteries is performed by a group of employees who are also responsible for the parks and open spaces. It is difficult to separate expenditure for cemeteries as there is no separate budget for them. This is for both general expenditure and employee expenses. The municipality is assisted mostly by the CWP participants to clean cemeteries due to shortage of staff and resources.

### 2.3.8. Housing and Town Planning

The municipality is facilitating the delivery of housing on behalf of the Provincial Department of Human Settlements. The Blue Crane Route Municipality has one running project in Cookhouse for 150 units, all challenges are attended. In Somerset East there is a strategic project planned in the destitute approach, to attend to housing challenges, the delay is due to the bulk infrastructure, water, electricity and sanitation. Adding to that there is another running at Mnandi Location for 93 units. There is a National Plan to address the informal settlements in Somerset East and Cookhouse, the project is in early stages not yet in the development stage.

The Department is planning to implement Plastering and Ceiling project for Chris Hani and Old Location. The Department is also planning to implement new housing project however this is delayed by the lack of availability of suitable land for housing development. Engagements are ongoing with various stakeholders and potential landowners in order to obtain land for housing development.

### 2.3.9. Staff Issues

As much as there is adequate provision of staff in the organogram, most of the positions are vacant. Shortage of staff due to budgetary constraints is affecting service delivery negatively.

  
B.A. MANXOWENI  
MAYOR/SPEAKER

13/01/2020  
DATE

### 3. RESOLUTION

**This is the resolution that will be presented to Council when the In-year report is tabled:**

**Recommendation:**

- (a) **THAT** the Council notes the quarterly report (period October to December 2019) on the implementation of the budget and the financial affairs of the municipality referred to in section 52(d) of the MFMA; and
- (b) **THAT** the Council notes the mid-year budget and performance assessment (period July to December 2019) referred to in section 72 of the MFMA; and
- (c) **THAT** the Council notes that an adjustments budget be prepared and approved by Council by not later than 25 February 2020; and
- (d) **THAT** the Council notes revenue and expenditure projections be revised up and down wards where necessary; and
- (e) **THAT** Council notes that the report be submitted to the undermentioned and placed on the BCRM website:
  - o National Treasury
  - o Provincial Treasury
  - o Dept. of Local Government



#### **4. EXECUTIVE SUMMARY**

The expenditure contained in this report has been implemented in line with the approved 2019/2019 Budget and Service Delivery Budget Implementation Plan (SDBIP).

The Operating budget is being spent in-line with cash flow projections at a macro level and improved budgeting mechanisms must be introduced to ensure better accountability.

The major components of the Municipality's financial performance, as reflected in Tables C4 to C7, will be discussed in this section.

##### **4.1. Overview of Operating Revenue and Expenditure performance for the period October to December 2019 (Table C4)**

The Table below is reflecting an analysis of the operating Revenue and Expenditure performance compared to the approved operating 2019/2020 Original Budget.

##### **4.1.1. Below is a discussion of the significant revenue and expenditure variations:**

The statement of financial performance indicates a surplus of approximately R 21,1million.

This is because of the Equitable Share that is received for three months in advance.



EC102 Blue Crane Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2019/20								
		2018/19	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		13 223	18 027	18 027	387	19 401	9 013	10 388	115%	18 027
Service charges - electricity revenue		94 385	119 382	119 382	11 156	60 170	59 691	479	1%	119 382
Service charges - water revenue		13 955	15 694	15 624	1 068	6 186	7 847	(1 661)	-21%	15 694
Service charges - sanitation revenue		5 059	5 433	5 433	428	2 727	2 716	10	0%	5 433
Service charges - refuse revenue		7 107	7 897	7 897	598	3 821	3 946	(127)	-3%	7 897
Rental of facilities and equipment		414	390	390	32	225	195	30	15%	390
Interest earned - external investments		2 052	850	850	75	809	425	384	90%	850
Interest earned - outstanding debtors		4 482	4 198	4 198	493	2 684	2 099	585	28%	4 198
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		260	423	423	10	124	211	(87)	-41%	423
Licences and permits		467	480	480	15	276	240	38	16%	480
Agency services		1 013	856	850	59	528	425	104	25%	850
Transfers and subsidies		56 673	60 969	60 969	18 088	45 156	30 485	14 671	48%	60 969
Other revenue		1 416	1 277	1 277	116	596	639	(43)	-7%	1 277
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>200 516</b>	<b>235 869</b>	<b>235 869</b>	<b>32 527</b>	<b>142 706</b>	<b>117 935</b>	<b>24 771</b>	<b>21%</b>	<b>235 869</b>
<b>Expenditure By Type</b>										
Employee related costs		75 701	83 160	83 138	6 428	42 716	41 568	1 148	3%	83 150
Remuneration of councillors		3 994	4 254	4 254	309	1 902	2 127	(226)	-11%	4 254
Debt impairment		19 453	11 104	11 104	925	5 552	5 552	(0)	0%	11 104
Depreciation & asset impairment		35 052	42 179	42 179	3 806	21 963	21 090	874	4%	42 179
Finance charges		3 308	5 019	5 019	114	218	2 509	(2 291)	-91%	5 019
Bulk purchases		79 992	97 294	97 294	6 060	51 315	48 647	2 668	5%	97 294
Other materials		3 420	4 678	4 539	146	1 272	2 294	(1 022)	-45%	4 678
Contracted services		8 014	8 453	8 514	394	2 307	4 257	(1 950)	-46%	8 453
Transfers and subsidies		814	884	884	-	841	442	399	90%	884
Other expenditure		15 443	25 817	25 797	2 379	11 572	12 921	(1 349)	-10%	25 817
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>245 191</b>	<b>282 832</b>	<b>282 822</b>	<b>20 561</b>	<b>139 658</b>	<b>141 407</b>	<b>(1 749)</b>	<b>-1%</b>	<b>282 832</b>
<b>Surplus/(Deficit)</b>										
(National / Provincial and District)		(44 674)	(46 963)	(46 953)	11 966	3 048	(23 473)	26 521	(0)	(46 963)
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		88 960	27 014	52 057	8 041	18 119	26 028	(7 908)	(0)	27 014
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>			<b>(19 949)</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>			<b>(19 949)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>			<b>(19 949)</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>			<b>(19 949)</b>

The Municipality total income was an amount of R160,8 million at 31 December 2019. Although this is 61% of the budget and it looks on track, the income from Water services is at risk as it is only at 39% which is R1,6million less than the budget for 6 months. The Municipality should therefore consider adjusting the water revenue in the adjustment budget.

The only reason for the total income to be 61%, is the equitable share that is received for three months in advance which is an amount of R13,3million and property rates that is already billed for the full year. Revenue from property rates is at risk as the Game Farmers is still challenging the correct valuation and classification of their property rates levied.

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Transfers from capital grants is also only at 31% but should increase in the next quarter as the spending on capital projects will be more on track. The spending of the capital grants is very important as the Municipality budgeted for the VAT portion of these grants as revenue to have a cash funded budget. The VAT portion is in total R6,8million. Only an amount of R2.4million of the VAT on Grants were utilised at 31 December 2019 which is R1million below the budget.

As mentioned under the Mayor's Report the total expenditure for six months is R139,7million which is 49% of the total budget. The main reason for this lower than budgeted expenditure is the interest on landfill site provision and the interest on post-retirement benefits that falls under the finance costs and will only be calculated and accounted for at year end.

The salary budget is at 51% and therefore care should be taken with the appointments of new staff so that the Municipality do not exceed the budget and address the cash flow as outlined in the Mayor's report.

The Eskom bulk electricity purchases is also after six months with 3% more than the budget and this should also be monitored each month so that the budget is not exceeded as this can lead to a huge cash flow shortage. Each percent of the bulk purchases of electricity is R0.97million (R972 941).

## 4.2. Capital Budget Performance (Table C5)

EC102 Blue Crane Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	20 000	43 459	-	-	21 729	(21 729)	-100%	20 000
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	20 000	43 459	-	-	21 729	(21 729)	-100%	20 000
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		51	40	463	1	118	231	(114)	-49%	40
Vote 4 - BUDGET & TREASURY		29	50	50	-	49	25	24	98%	50
Vote 5 - TECHNICAL SERVICES		78 062	7 504	7 504	7 354	16 334	3 752	12 582	335%	7 504
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		1 030	40	1 201	1	147	601	(454)	-76%	40
Vote 7 - CORPORATE SERVICES		29	40	40	-	15	20	(5)	-23%	40
<b>Total Capital single-year expenditure</b>	4	79 201	7 674	9 258	7 356	16 664	4 629	12 035	260%	7 674
<b>Total Capital Expenditure</b>		79 201	27 674	52 717	7 356	16 664	26 358	(9 694)	-37%	27 674

EC102 Blue Crane Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06  
December

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		176	13 734	13 734	1 313	5 073	6 867	(1 794)	-26%	13 734
Executive and council		-	40	40	1	4	20	(16)	-78%	40
Finance and administration		176	13 694	13 694	1 312	5 069	6 847	(1 778)	-26%	13 694
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		3 650	40	1 201	1	147	601	(454)	-76%	40
Community and social services		-	40	40	1	6	20	(14)	-68%	40
Sport and recreation		2 652	-	-	-	-	-	-	-	-
Public safety		998	-	1 161	-	141	581	(440)	-76%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		3 553	40	463	1	122	231	(109)	-47%	40
Planning and development		-	-	423	-	113	211	(98)	-46%	-
Road transport		3 553	40	40	1	9	20	(11)	-55%	40
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		71 822	13 860	37 319	6 041	11 322	18 659	(7 338)	-39%	13 860
Energy sources		5 614	800	800	101	267	400	(133)	-33%	800
Water management		44 896	13 030	34 454	5 680	10 326	17 227	(6 901)	-40%	13 030
Waste water management		21 312	30	2 065	260	729	1 033	(304)	-29%	30
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	79 201	27 674	52 717	7 356	16 664	26 358	(9 694)	-37%	27 674
<b>Funded by:</b>										
National Government		77 628	27 064	50 523	7 252	16 072	25 261	(9 189)	-36%	27 064
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		1 166	-	1 584	-	254	792	(538)	-68%	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		78 794	27 064	52 107	7 252	16 326	26 053	(9 727)	-37%	27 064
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
Internally generated funds		408	610	610	104	338	305	33	11%	610
<b>Total Capital Funding</b>		79 201	27 674	52 717	7 356	16 664	26 358	(9 694)	-37%	27 674

As mentioned under the Mayor's report the total capital expenditure as at 31 December 2019 was only 32% of the total Capital budget, but it must be noted that the roll over of R23,4m was only approved at 31 October 2019, which is now included in the total capital budget.

The reason for this low spending is the following:

- VAT on grants is included in the capital budget. If VAT is excluded from the Capital budget, the capital spending will be 36%.
- Roll over grant only approved in October 2019.

The capital spending will increase in the next 3 months as projects get on track when all MIG and WSIG grants are received before 31 March 2020. The receipt of the grants were also delayed because of the slow spending.

The Technical Services department must make sure that projects are according to plan so that no unspent funds are carried over to the next financial year.



EC102 Blue Crane Route - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		27 624	1 500	1 500	247	1 500
Call investment deposits					18 512	-
Consumer debtors		28 842	27 500	27 500	35 964	27 500
Other debtors		6 699	6 000	6 000	19 276	6 000
Current portion of long-term receivables		3	-	-	3	-
Inventory		1 305	1 200	1 200	1 685	1 200
<b>Total current assets</b>		<b>64 474</b>	<b>36 200</b>	<b>36 200</b>	<b>75 685</b>	<b>36 200</b>
<b>Non current assets</b>						
Long-term receivables						
Investments						
Investment property		25 259	25 323	25 323	25 259	25 323
Investments in Associate						
Property, plant and equipment		618 579	625 495	625 495	618 593	625 495
Biological						
Intangible		7			7	
Other non-current assets		458	458	458	458	458
<b>Total non current assets</b>		<b>644 302</b>	<b>651 276</b>	<b>651 276</b>	<b>644 316</b>	<b>651 276</b>
<b>TOTAL ASSETS</b>		<b>708 776</b>	<b>687 476</b>	<b>687 476</b>	<b>720 002</b>	<b>687 476</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft					-	
Borrowing		4 866	648	648	2 939	648
Consumer deposits		2 674	2 700	2 700	2 674	2 700
Trade and other payables		64 327	28 500	28 500	22 152	28 500
Provisions		1 733			1 733	-
<b>Total current liabilities</b>		<b>73 599</b>	<b>31 848</b>	<b>31 848</b>	<b>29 498</b>	<b>31 848</b>
<b>Non current liabilities</b>						
Borrowing		1 044			1 044	
Provisions		48 268	49 000	49 000	48 268	49 000
<b>Total non current liabilities</b>		<b>49 312</b>	<b>49 000</b>	<b>49 000</b>	<b>49 312</b>	<b>49 000</b>
<b>TOTAL LIABILITIES</b>		<b>122 911</b>	<b>80 848</b>	<b>80 848</b>	<b>78 810</b>	<b>80 848</b>
<b>NET ASSETS</b>	2	<b>585 865</b>	<b>606 628</b>	<b>606 628</b>	<b>641 192</b>	<b>606 628</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		585 865	606 628	606 628	641 192	606 628
Reserves						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>585 865</b>	<b>606 628</b>	<b>606 628</b>	<b>641 192</b>	<b>606 628</b>

### 4.3. Analysis of the Municipality's Cash Flow Statement (Table C7)

EC102 Blue Crane Route - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		12 563	16 585	16 585	461	7 149	8 292	(1 144)	-14%	13 149
Service charges		100 211	140 381	140 381	12 371	67 185	70 191	(3 005)	-4%	133 155
Other revenue		4 323	10 468	10 468	3 667	15 446	5 234	10 212	195%	21 458
Government - operating		53 560	60 969	60 969	17 839	43 362	30 485	12 878	42%	60 969
Government - capital		115 360	27 014	27 014	426	12 318	13 507	(1 189)	-9%	27 014
Interest		2 014	4 628	4 628	75	809	2 314	(1 505)	-65%	1 409
Dividends			-	-						
<b>Payments</b>										
Suppliers and employees		(176 248)	(223 647)	(223 647)	(19 430)	(134 006)	(111 823)	22 183	-20%	(235 710)
Finance charges		(738)	(461)	(461)	(114)	(114)	(230)	(116)	50%	(461)
Transfers and Grants		(839)	(864)	(864)	-	(841)	(442)	399	-90%	(841)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>110 225</b>	<b>35 053</b>	<b>35 053</b>	<b>15 295</b>	<b>11 307</b>	<b>17 526</b>	<b>6 220</b>	<b>35%</b>	<b>20 142</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		416								
Decrease (increase) in non-current debtors		3	4	4						4
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments										
<b>Payments</b>										
Capital assets		(79 201)	(27 674)	(27 674)	(7 356)	(18 092)	(13 837)	4 255	-31%	(47 772)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(78 782)</b>	<b>(27 670)</b>	<b>(27 670)</b>	<b>(7 356)</b>	<b>(18 092)</b>	<b>(13 837)</b>	<b>4 255</b>	<b>-31%</b>	<b>(47 768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits		95	50	50	13	88	25	63	251%	176
<b>Payments</b>										
Repayment of borrowing		(5 136)	(4 000)	(4 000)	(591)	(2 165)	(2 000)	165	-8%	(4 465)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(5 041)</b>	<b>(3 950)</b>	<b>(3 950)</b>	<b>(579)</b>	<b>(2 077)</b>	<b>(1 975)</b>	<b>102</b>	<b>-5%</b>	<b>(4 289)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>26 402</b>	<b>3 433</b>	<b>3 433</b>	<b>7 360</b>	<b>(8 862)</b>	<b>1 714</b>			<b>(31 915)</b>
Cash/cash equivalents at beginning:		1 223	1 000	1 000		27 621	1 000			27 621
Cash/cash equivalents at month/year end:		27 624	4 433	4 433		18 758	2 714			(4 295)

As mentioned under the Mayor's report the total cash available for this Municipality at 31 December 2019 was only R18,7 million which is not enough to cover the capital grants of R21,4m.

Therefore, the projected cash flow shows a negative balance at 30 June 2020 of R4,2million.

The Adjusted budget should therefore reflect a surplus of at least R4million to ensure the Municipality will be able to pay all their commitments and salaries.

It is therefore very important that the Municipality must control their budget and expenses very well in the next six months to have cash available when the capital grants need to be spent.

It must also be taken into account that the Municipality could only afford to budget for R11.1million for the provision of bad debts/debts written off while the pay rate currently shows a provision of R20million should be more appropriate. This must also be addressed with the adjusted budget during February 2020. This will result in a budget cash shortfall of R9million.

This is currently the main reasons why the Municipality is financially struggling, and revenue enhancement strategies should be put in place to overcome this budget shortfall.

This supporting table SC9 gives a detailed breakdown of information summarised in Table C7



EC102 Blue Crane Route - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

R thousands	Description	Ref	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework				
			July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year			
			Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
<b>Cash Receipts By Source</b>																			
	Property rates		564	2 453	2 212	848	611	461	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	13 149	17 954	19 44
	Service charges - electricity revenue		7 483	7 923	9 232	10 824	12 071	10 994	9 600	8 600	8 600	8 600	8 600	8 600	8 600	8 600	115 728	118 724	124 88
	Service charges - water revenue		607	519	616	826	746	629	700	700	700	700	700	700	700	700	7 943	15 304	16 22
	Service charges - sanitation revenue		318	284	285	412	387	312	350	350	350	350	350	350	350	350	4 098	5 298	5 61
	Service charges - refuse		440	412	445	485	498	436	450	450	450	450	450	450	450	450	5 387	7 701	8 16
	Rental of facilities and equipment		44	44	29	47	29	32	33	23	33	33	33	33	33	33	388	390	39
	Interest earned - external investments		26	207	180	139	182	75	130	80	130	80	150	80	80	1 409	850	85	
	Interest earned - outstanding debtors		300	320	325	305	311	315	300	300	300	300	300	300	300	300	3 676	4 004	4 33
	Dividends received		15	180		43	17	10	113	20	20	20	20	20	20	20	518	448	47
	Fines, penalties and forfeits		52	60	40	51	59	15	40	40	40	40	40	40	40	40	518	509	54
	Licences and permits		106	85	107	86	87	59	90	90	90	90	90	90	90	90	1 069	893	93
	Agency services		22 300	2 588			635	17 839		17 807							60 989	63 338	67 01
	Transfer receipts - operating		4 301	553	2 837	882	453	3 236	500	500	500	500	500	500	500	500	15 293	4 893	5 41
	Other revenue		36 557	15 639	16 309	14 947	16 086	34 413	13 273	29 600	13 549	12 587	230 143	240 304	254 30	273 339	273 339	30 90	
	<b>Cash Receipts by Source</b>																		
	<b>Other Cash Flows by Source</b>																		
	Transfer receipts - capital		5 892	2 000			4 000	426	5 635	9 061							27 014		
	Contributions & Contributed assets																		
	Proceeds on disposal of PPE																		
	Short term loans																		
	Borrowing long term/refinancing																		
	Increase in consumer deposits																		
	Receipt of non-current debtors		15	17	13	15	16	13	15	17	15	17	15	15	15	17	176	50	5
	Receipt of non-current receivables																		
	Change in non-current investments																		
	<b>Total Cash Receipts by Source</b>		<b>42 464</b>	<b>17 655</b>	<b>16 322</b>	<b>14 961</b>	<b>20 102</b>	<b>34 851</b>	<b>13 286</b>	<b>38 678</b>	<b>13 564</b>	<b>12 518</b>	<b>257 333</b>	<b>267 693</b>	<b>285 25</b>	<b>267 693</b>	<b>285 25</b>	<b>30 90</b>	
	<b>Cash Payments by Type</b>																		
	Employee related costs		6 542	6 436	6 422	6 390	10 498	6 428	6 650	6 650	6 650	6 650	6 650	6 650	6 650	6 650	82 615	88 721	94 84
	Remuneration of councillors		333	333	316	283	328	309	450	355	355	355	355	355	355	355	4 127	4 539	4 86
	Interest paid							114									278	142	7
	Bulk purchases - Electricity		15 438	12 808	11 904	8 873	7 478	7 679	6 060	6 500	6 500	6 500	6 500	6 500	6 500	6 500	104 240	103 613	108 89
	Bulk purchases - Water & Sewer			2	20	123	223	52	50	50	50	50	50	50	50	50	721	1 628	1 72
	Other materials		129	160	553	64	221	146	400	400	400	400	400	400	400	400	3 872	4 912	5 15
	Contracted services		17	234	739	432	490	394	1 000	500	1 000	1 000	1 000	1 000	1 000	1 000	7 307	9 284	9 66
	Grants and subsidies paid - other municipalities			841															
	Grants and subsidies paid - other		4 272	2 349	2 717	4 747	2 702	4 422	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	841	943	1 00
	General expenses		26 732	23 163	22 672	20 911	21 940	19 544	16 610	16 455	16 955	17 575	18 000	18 000	18 000	18 000	237 012	241 256	255 78
	<b>Cash Payments by Type</b>																		
	<b>Other Cash Flows/Payments by Type</b>																		
	Capital assets																		
	Repayment of borrowing			3 258	2 267	3 390	1 821	7 356	4 780	4 780	4 780	4 780	4 780	4 780	4 780	4 780	4 772	28 119	31 81
	Other Cash Flows/Payments																		
	<b>Total Cash Payments by Type</b>		<b>26 732</b>	<b>26 421</b>	<b>24 939</b>	<b>24 301</b>	<b>25 335</b>	<b>27 491</b>	<b>21 390</b>	<b>21 235</b>	<b>21 735</b>	<b>24 005</b>	<b>24 430</b>	<b>24 430</b>	<b>24 430</b>	<b>24 430</b>	<b>289 248</b>	<b>270 023</b>	<b>287 60</b>
	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>15 733</b>	<b>(8 766)</b>	<b>(8 616)</b>	<b>(9 339)</b>	<b>(5 233)</b>	<b>7 360</b>	<b>(1 064)</b>	<b>(7 947)</b>	<b>(8 171)</b>	<b>(11 487)</b>	<b>(11 826)</b>	<b>(11 826)</b>	<b>(11 826)</b>	<b>(11 826)</b>	<b>(31 915)</b>	<b>(2 330)</b>	<b>(2 35)</b>
	Cash/cash equivalents at the monthly/year beginning:		27 621	43 353	34 587	25 971	16 631	11 398	18 758	17 694	27 190	19 019	7 532	27 621	27 621	27 621	4 485	(4 295)	(6 62)
	Cash/cash equivalents at the monthly/year end:		43 353	34 587	25 971	16 631	11 398	18 758	17 694	17 694	19 019	7 532	(4 295)	(4 295)	(4 295)	(4 295)	4 485	(6 625)	(8 97)

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#### **4.4. Evaluation of Conditional Grant Expenditure**

The municipality is the recipient of various conditional grants that are allocated in the Division of Revenue Act (DoRA) with the relevant amount and conditions attached. Below is a brief summary of performance at mid-year:

##### **4.4.1. Municipal Infrastructure Grant (MIG)**

MIG is earmarked for the provision of Bulk and Social Infrastructure to communities. A total of R 14,3million has been allocated to the municipality for MIG for the 2019/2020 financial year. A Total amount of R10million was transferred by 31 December 2019. The municipality spent in total R6,1million which is 43% of the total MIG allocation.

##### **4.4.2. Financial Management Grant (FMG)**

The FMG is intended to build and strengthen the financial expertise and capacity within Local Government and the municipality is fully committed to the conditions of this grant. The municipality have five (5) Interns currently in its employ, Two (2) in Finance department and two (2) in Internal Audit department and one in the IDP office. Other programmes funded by the grant are employment of three (3) skills officials to build capacity and the appointment of two permanent Accountants. The balance of this grant will be spent on the ongoing implementation of mSCOA. (Municipal Standard Chart of Accounts). As at 31 December 2019, 35% of the R 2,235million of the allocated amount has been spent. This is because of the delay with the appointment of the two Accountants. The full Grant should be spent at the end of this Financial year.

##### **4.4.3. Expanded Public Works Programme Integrated Grant (EPWP)**

The EPWP is an incentive grant received for the municipality's efforts in creating jobs. An amount of R1,41million was allocated and to date, an amount of R 988,000 was transferred. The full amount has already been claimed as expenditure on labour costs for projects.

##### **4.4.4. Integrated National Electrification Programme (INEP)**

The Municipality received an allocation of R410,000 for the upgrading of electricity. On 31 December 2019, the project did not yet started.

#### 4.5.5 Water Services Infrastructure Grant (WSIG)

The Municipality received an allocation of R13million originally for 2019/20 financial year. The roll over amount of R23,4m as approved by National Treasury was added to this amount in October 2019 which will increase the total amount to R36,4million for the year. At the end of December 2019, an amount of R12,3m was spent.

#### 4.5. Summary of any financial problems or risks facing the municipality

The Municipality is on track with the operating expenses but Electricity purchases exceeded its budget and should be closely monitored. The Capital expenditure is much lower than the budget, but most projects is on track and expenditure will increase drastically the next few months.


It must be highlighted that the revenue collection has been below the set target and has resulted in a possibility of not collecting the budgeted service charges. Collection rate at 31 December 2019 was at 88% for service charges and only 36% for Property Rates.

Furthermore, a court order was received which instructed the Municipality to pay an amount of R3,8m to SAMWU Provident Fund for arrear contributions as well as R13,1m towards interest on the arrear charges, which is in total an amount of R16,9m. The Municipality will not be able to pay this amount and need to find a solution as soon as possible which was not yet decided on with the date of this report.

It is recommended that an adjustments budget be compiled and tabled to Council in February 2020 to address the possible over and under-spending as well as some adjustments to revenue.

  
\_\_\_\_\_  
THABISO KLAAS  
MUNICIPAL MANAGER

DATE

13/01/2020 

## 5. IN-YEAR BUDGET STATEMENT TABLES

The Tables C1 to C7 and SC9 is reflects in the above section 4. EXECUTIVE SUMMARY.

# PART 2 – SUPPORTING DOCUMENTATION

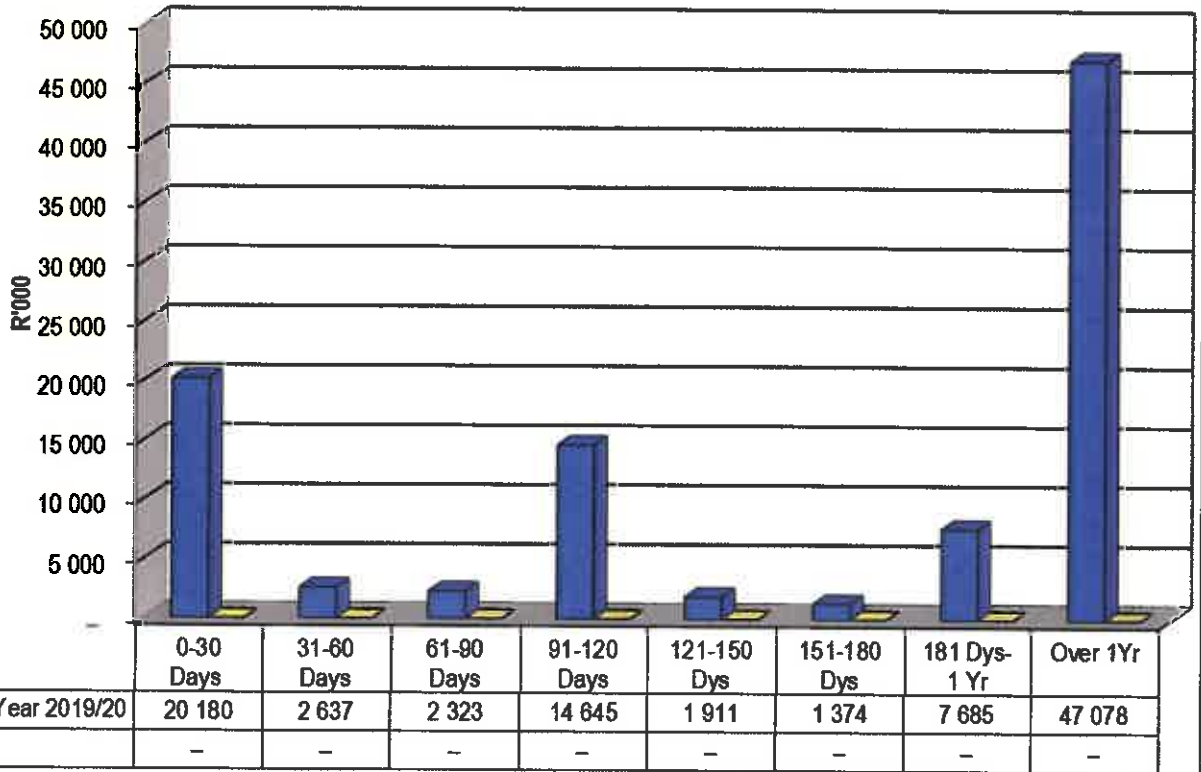
## 6. SUPPORTING DOCUMENTATION

### 6.1. Debtors' Analysis – Table SC3

EC102 Blue Crane Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2019/20									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	2 676	636	666	655	638	365	2 348	9 469	17 442	13 475		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 396	1 131	745	708	452	456	2 129	5 250	25 268	8 995		
Receivables from Non-exchange Transactions - Property Rates	1400	542	195	65	12 154	56	62	275	5 927	19 276	18 475		
Receivables from Exchange Transactions - Waste Water Management	1500	1 346	240	235	297	278	165	931	5 134	8 326	6 805		
Receivables from Exchange Transactions - Waste Management	1600	1 466	343	343	366	368	244	1 371	7 175	11 705	9 553		
Receivables from Exchange Transactions - Property Rental Debtors	1700	8	2	2	2	1	1	6	76	97	86		
Interest on Arrear Debtor Accounts	1810	466	43	94	440	75	64	536	12 382	14 703	14 100		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	(420)	47	182	24	12	16	88	1 064	1 014	1 204		
<b>Total By Income Source</b>	<b>2000</b>	<b>20 180</b>	<b>2 637</b>	<b>2 323</b>	<b>14 645</b>	<b>1 911</b>	<b>1 374</b>	<b>7 685</b>	<b>47 078</b>	<b>97 832</b>	<b>72 693</b>	-	-
2018/19 - totals only													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	934	23	25	3 383	10	18	22	4 774	9 189	8 207		
Commercial	2300	3 176	58	46	104	45	44	282	1 467	5 222	1 942		
Households	2400	9 906	1 776	1 919	2 143	1 664	1 052	5 856	36 226	60 542	46 941		
Other	2500	6 163	781	333	9 016	193	260	1 524	4 610	22 880	15 603		
<b>Total By Customer Group</b>	<b>2600</b>	<b>20 180</b>	<b>2 637</b>	<b>2 323</b>	<b>14 645</b>	<b>1 911</b>	<b>1 374</b>	<b>7 685</b>	<b>47 078</b>	<b>97 832</b>	<b>72 693</b>	-	-

**Chart C3 Aged Consumer Debtors Analysis**



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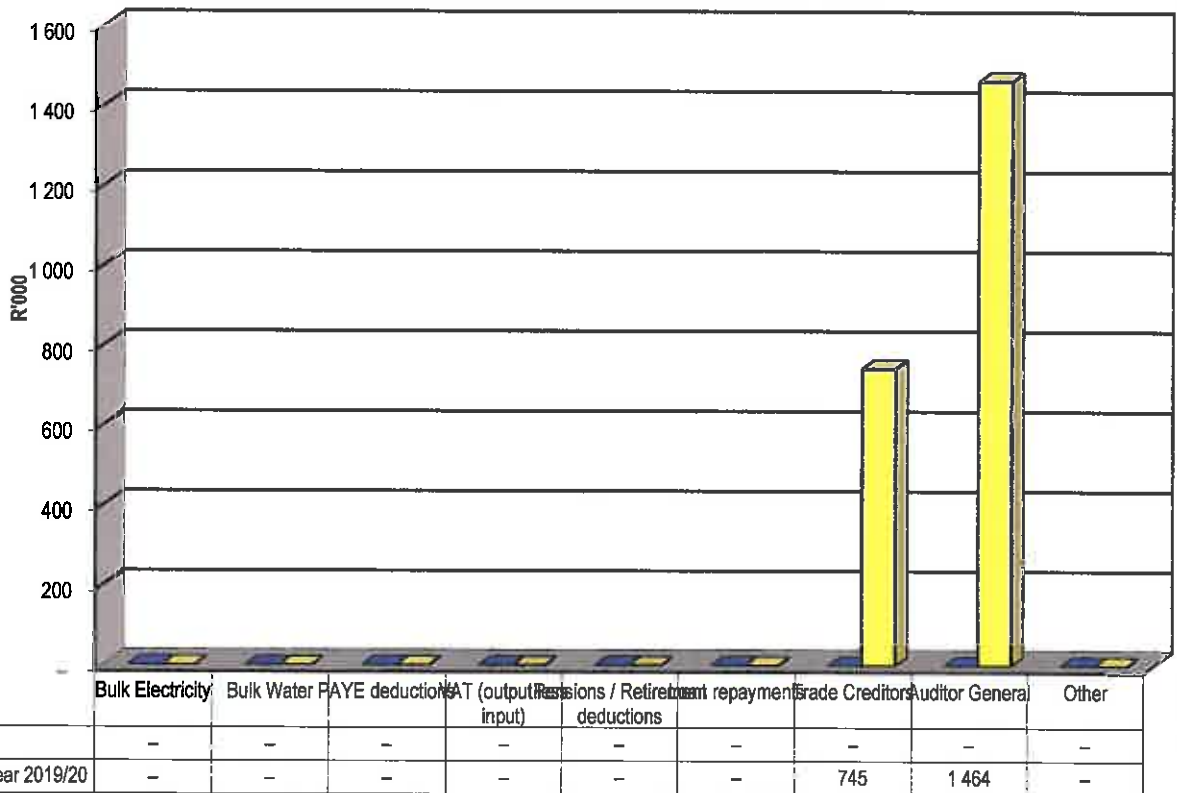


## 6.2. Creditors' Analysis – Table SC4

EC102 Blue Crane Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2019/20									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	209	27	-	-	-	-	-	-	509	745	-
Auditor General	0800	142	1 323	-	-	-	-	-	-	-	1 464	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>351</b>	<b>1 350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>509</b>	<b>2 209</b>	<b>-</b>

Chart C5 Aged Creditors Analysis



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### 6.3. Investment Portfolio Analysis – Table SC5

EC102 Blue Crane Route - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
<b>R thousands</b>														
<b>Municipality</b>														
ABSA - 2053825035			Security Bond							8				8
NEDBANK - 1263036023			Money Market							3		(0)		3
NEDBANK - 18312491			Fixed Dep							5				5
NEDBANK - 1263034756			Money Market							83	0	(0)		83
FNB - 6269597005			Call Account							8 374	39			8 413
ABSA - 9354967056			Fixed Dep							-			10 000	10 000
										-				-
<b>Municipality sub-total</b>										<b>8 472</b>		<b>(0)</b>	<b>10 000</b>	<b>18 512</b>
<b>Entities</b>														
														-
														-
														-
														-
														-
<b>Entities sub-total</b>										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>									<b>8 472</b>		<b>(0)</b>	<b>10 000</b>	<b>18 512</b>

## 6.4. Allocation and Grant Receipts and Expenditure – Tables SC6; SC7(1) and SC7(2)

EC102 Blue Crane Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		52 487	57 880	57 880	17 839	44 078	28 940	13 380	46.2%	57 880
Local Government Equitable Share		49 012	53 519	53 519	17 839	40 139	26 760	13 380	50.0%	53 519
Finance Management		1 770	2 235	2 235	-	2 235	1 118			2 235
EPWP Incentive		1 000	1 410	1 410	-	988	705			1 410
Municipal Infrastructure Grant (Schedule 5B)		705	716	716	-	716	358			716
Other transfers and grants [insert description]	3									
<b>Provincial Government:</b>		2 300	2 300	2 300	-	2 300	1 150	1 150	100.0%	2 300
Sport and Recreation		2 300	2 300	2 300	-	2 300	1 150	1 150	100.0%	2 300
Other transfers and grants [insert description]	4									
<b>District Municipality:</b>		-	789	789	-	418	395	24	6.0%	789
Environmental Health			789	789	-	418	395	24	6.0%	789
Other grant providers: [insert description]		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	54 787	60 969	60 969	17 839	46 796	30 485	14 553	47.7%	60 969
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		111 712	27 014	27 014	4 296	15 718	13 507	205	1.5%	27 014
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		6 000	410	410	-	410	205	205	100.0%	410
Municipal Infrastructure Grant (MIG)		13 412	13 604	13 604	4 296	9 308	6 802			13 604
WSIG		92 300	13 000	13 000	-	6 000	6 500			13 000
Other capital transfers [insert description]										
<b>Provincial Government:</b> [insert description]		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		1 626	-	-	180	180	-	180	#DIV/0!	-
Fire Disaster Grant		1 487			180	180		180	#DIV/0!	
Infrastructure Grant		139								
Other grant providers: [insert description]		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	113 338	27 014	27 014	4 476	15 898	13 507	385	2.9%	27 014
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	168 125	87 983	87 983	22 315	62 694	43 992	14 938	34.0%	87 983

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EC102 Blue Crane Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		52 487	57 880	57 880	4 709	28 913	28 940	(27)	-0.1%	57 880
Local Government Equitable Share		43 012	53 519	53 519	4 459	25 759	25 750	(0)	0.0%	53 519
Finance Management		1 770	2 235	2 235	54	799	1 118	(348)	-31.2%	2 235
EPWP Incentive		1 000	1 410	1 410	136	1 026	705	321	45.6%	1 410
Municipal Infrastructure Grant		705	715	716	60	358	358	(0)	0.0%	716
Other transfers and grants [insert description]										
Provincial Government:		2 300	2 300	2 300	192	1 150	1 150	-		2 300
Sport and Recreation		2 300	2 300	2 300	192	1 150	1 150	-		2 300
Other transfers and grants [insert description]										
District Municipality:		-	789	789	418	418	395	24	6.0%	789
Environmental Health			789	789	418	418	395	24	6.0%	789
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
<b>Total operating expenditure of Transfers and Grants:</b>		<b>54 787</b>	<b>60 969</b>	<b>60 969</b>	<b>5 319</b>	<b>30 481</b>	<b>30 485</b>	<b>(4)</b>	<b>0.0%</b>	<b>60 969</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		88 253	27 014	27 014	8 041	18 119	13 507	4 612	34.1%	27 014
Integrated National Electrification Programme (Municipal Grant) [Sch		6 000	410	410	-	-	205	(205)	-100.0%	410
Municipal Infrastructure Grant		13 412	13 604	13 604	1 509	5 747	6 802	(1 055)	-15.5%	13 604
WSIG		68 841	13 000	13 000	6 533	12 373	6 500	5 873	90.3%	13 000
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		325	-	-	-	275	-	275	#DIV/0!	-
Fire Disaster Grant		325	-	-	-	162	-	162	#DIV/0!	-
LED Tourism Grant						113		113	#DIV/0!	-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]										
<b>Total capital expenditure of Transfers and Grants</b>		<b>88 578</b>	<b>27 014</b>	<b>27 014</b>	<b>8 041</b>	<b>18 395</b>	<b>13 507</b>	<b>4 888</b>	<b>36.2%</b>	<b>27 014</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>143 365</b>	<b>87 983</b>	<b>87 983</b>	<b>13 360</b>	<b>48 875</b>	<b>43 992</b>	<b>4 884</b>	<b>11.1%</b>	<b>87 983</b>

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EC102 Blue Crane Route - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 Decemb

Description	Ref	Budget Year 2019/20				
		Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
<b>EXPENDITURE</b>						
<b>Operating expenditure of Approved Roll-overs</b>						
<b>National Government:</b>		-	-	-	-	
Local Government Equitable Share						
Finance Management						
EPWP Incentive						
Municipal Infrastructure Grant [Schedule 5B]						
Other transfers and grants [insert description]						
<b>Provincial Government:</b>		-	-	-	-	
Sport and Recreation						
Other transfers and grants [insert description]						
<b>District Municipality:</b>		-	-	-	-	
Environmental Health						
<b>Other grant providers:</b>		-	-	-	-	
[insert description]						
<b>Total operating expenditure of Approved Roll-overs</b>		-	-	-	-	
<b>Capital expenditure of Approved Roll-overs</b>						
<b>National Government:</b>		23 500	-	-	23 500	100.0%
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]						
WSIG		23 500			23 500	100.0%
Other capital transfers [insert description]						
<b>Provincial Government:</b>		-	-	-	-	
<b>District Municipality:</b>		-	-	-	-	
Infrastructure Grant						
<b>Other grant providers:</b>		-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>		23 500	-	-	23 500	100.0%
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>		23 500	-	-	23 500	100.0%

## 6.5. Councillor and Board Members Allowances and Employees Benefits - Table SC8

EC102 Blue Crane Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2018/19		Budget Year 2019/20						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		221	228	228	18	112	114	(2)	-2%	228
Medical Aid Contributions		38	41	41	3	19	21	(1)	-8%	41
Motor Vehicle Allowance		785	836	836	60	372	418	(46)	-11%	836
Cellphone Allowance		488	520	520	37	229	260	(31)	-12%	520
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 461	2 628	2 628	190	1 169	1 314	(145)	-11%	2 628
<b>Sub Total - Councillors</b>		<b>3 994</b>	<b>4 254</b>	<b>4 254</b>	<b>308</b>	<b>1 902</b>	<b>2 127</b>	<b>(225)</b>	<b>-11%</b>	<b>4 254</b>
% increase	4		6.5%	6.5%						6.5%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 573	4 538	4 533	297	2 050	2 267	(217)	-10%	4 538
Pension and UIF Contributions		135	166	166	11	116	83	33	40%	166
Medical Aid Contributions		4	63	68	4	27	34	(7)	-20%	63
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		59	279	279	-	58	140	(82)	-58%	279
Motor Vehicle Allowance		408	434	434	43	259	217	42	19%	434
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		240	548	548	14	133	274	(141)	-51%	548
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>4 419</b>	<b>6 029</b>	<b>6 029</b>	<b>370</b>	<b>2 643</b>	<b>3 014</b>	<b>(371)</b>	<b>-12%</b>	<b>6 029</b>
% increase	4		36.4%	36.4%						36.4%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		48 375	52 875	52 860	4 487	26 593	26 430	163	1%	52 875
Pension and UIF Contributions		8 930	9 691	9 692	796	4 740	4 845	(105)	-2%	9 691
Medical Aid Contributions		2 133	2 123	2 123	183	1 110	1 061	49	5%	2 123
Overtime		3 838	4 047	4 049	207	1 516	2 024	(507)	-25%	4 047
Performance Bonus		4 238	4 098	4 098	56	4 209	2 049	2 160	105%	4 098
Motor Vehicle Allowance		584	726	726	44	281	363	(82)	-23%	726
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		820	898	898	64	419	449	(30)	-7%	898
Other benefits and allowances		1 423	1 749	1 750	154	792	875	(83)	-10%	1 749
Payments in lieu of leave		743	799	799	-	-	399	(399)	-100%	799
Long service awards		-	532	532	-	-	266	(266)	-100%	532
Post-retirement benefit obligations		199	(416)	(416)	66	412	(208)	620	-298%	(416)
<b>Sub Total - Other Municipal Staff</b>		<b>71 282</b>	<b>77 121</b>	<b>77 109</b>	<b>6 057</b>	<b>40 072</b>	<b>38 553</b>	<b>1 519</b>	<b>4%</b>	<b>77 121</b>
% increase	4		8.2%	8.2%						8.2%
<b>Total Parent Municipality</b>		<b>79 695</b>	<b>87 404</b>	<b>87 392</b>	<b>6 736</b>	<b>44 617</b>	<b>43 695</b>	<b>923</b>	<b>2%</b>	<b>87 404</b>
Unpaid salary, allowances & benefits in arrears:										
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
% increase	4									

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EC102 Blue Crane Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages								-		
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations	2							-		
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	-		-
<b>% Increase</b>	4									
<b>Other Staff of Entities</b>										
Basic Salaries and Wages								-		
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-		-
<b>% increase</b>	4									
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-		-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		79 695	87 404	87 392	6 736	44 617	43 695	923	2%	87 404
<b>% increase</b>	4		9.7%	9.7%						9.7%
<b>TOTAL MANAGERS AND STAFF</b>		75 701	83 150	83 138	6 428	42 716	41 568	1 148	3%	83 150

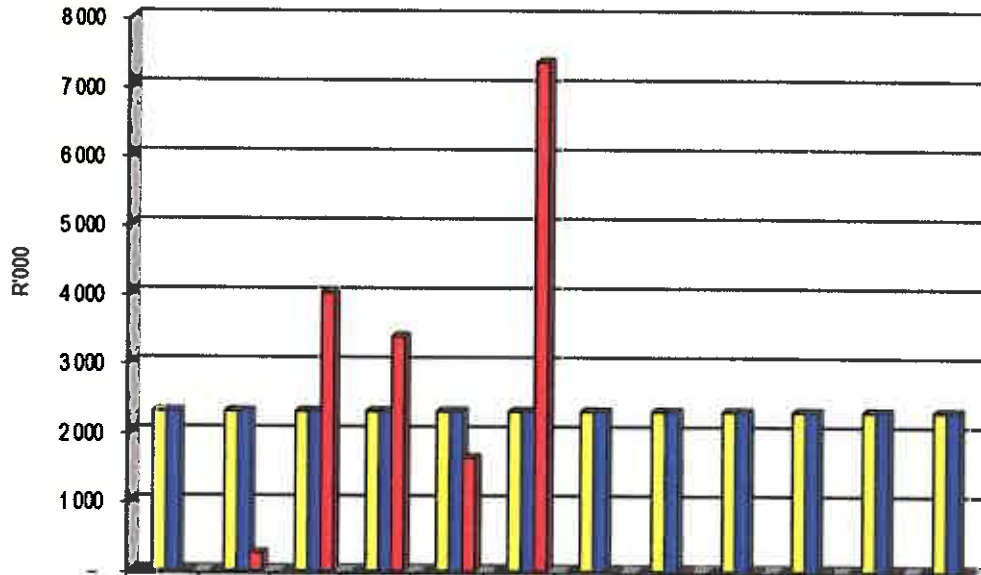
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## 6.6. Capital Programme Performance – Table SC12

EC102 Blue Crane Route - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July		2 306	2 306	-	-	2 306	2 306	100.0%	0%
August		2 306	2 306	259	259	4 612	4 353	94.4%	1%
September		2 306	2 306	4 023	4 282	6 919	2 636	38.1%	15%
October		2 306	2 306	3 390	4 282	9 225	4 942	53.6%	15%
November		2 306	2 306	1 636	4 282	11 531	7 245	62.9%	15%
December		2 306	2 306	7 356	4 282	13 837	9 555	69.1%	15%
January		2 306	2 306		4 282	16 143	11 861	73.5%	15%
February		2 306	2 306		4 282	18 449	14 167	76.8%	15%
March		2 306	2 306		4 282	20 756	16 473	79.4%	15%
April		2 306	2 306		4 282	23 062	18 779	81.4%	0
May		2 306	2 306		4 282	25 368	21 085	83.1%	0
June		2 306	2 306		4 282	27 674	23 392	84.5%	0
<b>Total Capital expenditure</b>	-	<b>27 674</b>	<b>27 674</b>	<b>16 664</b>					

Chart C1 2019/20 Capital Expenditure Monthly Trend: actual v target



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2018/19	-	-	-	-	-	-	-	-	-	-	-	-
Original Budget	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306
Adjusted Budget	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306	2 306
Monthly actual	-	259	4 023	3 390	1 636	7 356	-	-	-	-	-	-



**6.7. Other Supporting Documents – Table SC13(a); SC13(b); SC13(c);SC13(d) and SC(e)**

The undermentioned Supporting Tables reflects under **Annexure 'A'**:

- **Table SC13(a)** - Capital Expenditure on new Assets by Asset Class; and
- **Table SC13(b)** - Capital Expenditure on Renewal of Existing Assets by Asset Class; and
- **Table SC13(c)** - Expenditure on Repairs and Maintenance by Asset Class; and
- **Table SC13(d)** - Depreciation by Asset Class
- **Table SC13(e)** – Capital Expenditure on Upgrading of Existing Assets by Assets Class

EC102 Blue Crane Route - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	170	170	2	76	85	9	11.0%	170
Furniture and Office Equipment		-	170	170	2	76	85	9	11.0%	170
<b>Machinery and Equipment</b>		-	70	1 231	-	173	616	443	72.0%	70
Machinery and Equipment		-	70	1 231	-	173	616	443	72.0%	70
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	-	240	1 401	2	248	701	452	64.6%	240

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## **7. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) PERFORMANCE**

The review of the SDBIP performance is attached as **Annexure "B"**, whilst the Budget Performance assessment is as per above sections as per the guidelines of Chapter 7, Section 72; 52(d); 54 and 168(1) of the MFMA No.56 of 2003, and Section 35; 33 and 31(1) of the Government Gazette No 32141 of 17 April 2009.

The Auditor General has concluded their audit on the 2018/19 financial year and has provided the municipality with an unqualified opinion.

Internal Audit and the Performance Management sections are intensifying their reviews of evidence to ensure that they are now reliable for the 2019/2020 financial year and address the audit findings.

## 8. QUALITY CERTIFICATE

I, **Thabiso Klaas**, the **Municipal Manager of Blue Crane Route Municipality (EC102)**, hereby certify that –

the monthly budget statement

quarterly report on the implementation of the budget and financial state affairs of the municipality

mid-year budget and performance assessment

for the month of **DECEMBER** of **2019** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.



**THABISO KLAAS**

**MUNICIPAL MANAGER OF BLUE CRANE ROUTE MUNICIPALITY (EC102)**

**13/01/2020**

**DATE**



Table C1: Monthly Budget Statement Summary

EC102 Blue Crane Route - Table C1 Monthly Budget Statement Summary - M06 December

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	13 223	18 027	18 027	387	19 401	9 013	10 388	115%	18 027
Service charges	120 505	148 405	148 405	13 251	72 904	74 203	(1 299)	-2%	148 405
Investment revenue	2 052	850	850	75	809	425	384	90%	850
Transfers and subsidies	56 673	60 969	60 969	18 088	45 156	30 485	14 671	48%	60 969
Other own revenue	8 063	7 618	7 618	725	4 436	3 809	627	16%	7 618
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>200 516</b>	<b>235 869</b>	<b>235 869</b>	<b>32 527</b>	<b>142 706</b>	<b>117 935</b>	<b>24 771</b>	<b>21%</b>	<b>235 869</b>
Employee costs	75 701	83 150	83 138	6 428	42 716	41 568	1 148	3%	83 150
Remuneration of Councillors	3 994	4 254	4 254	309	1 902	2 127	(225)	-11%	4 254
Depreciation & asset impairment	35 052	42 179	42 179	3 806	21 963	21 090	874	4%	42 179
Finance charges	3 308	5 019	5 019	114	218	2 509	(2 291)	-91%	5 019
Materials and bulk purchases	83 412	101 972	101 933	6 206	52 587	50 941	1 646	3%	101 972
Transfers and subsidies	814	884	884	-	841	442	399	90%	884
Other expenditure	42 910	45 375	45 416	3 698	19 431	22 731	(3 299)	-15%	45 375
<b>Total Expenditure</b>	<b>245 191</b>	<b>282 832</b>	<b>282 822</b>	<b>20 561</b>	<b>139 658</b>	<b>141 407</b>	<b>(1 749)</b>	<b>-1%</b>	<b>282 832</b>
<b>Surplus/(Deficit)</b>	<b>(44 674)</b>	<b>(46 963)</b>	<b>(46 953)</b>	<b>11 966</b>	<b>3 048</b>	<b>(23 473)</b>	<b>26 521</b>	<b>-113%</b>	<b>(46 963)</b>
Transfers and subsidies - capital (monetary alloc	88 960	27 014	52 057	8 041	18 119	26 028	(7 909)	-30%	27 014
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>	<b>18 612</b>	<b>728%</b>	<b>(19 949)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>	<b>18 612</b>	<b>728%</b>	<b>(19 949)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>79 201</b>	<b>27 674</b>	<b>52 717</b>	<b>7 356</b>	<b>16 664</b>	<b>26 358</b>	<b>(9 694)</b>	<b>-37%</b>	<b>27 674</b>
Capital transfers recognised	78 794	27 064	52 107	7 252	16 326	26 053	(9 727)	-37%	27 064
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	408	610	610	104	338	305	33	11%	610
<b>Total sources of capital funds</b>	<b>79 201</b>	<b>27 674</b>	<b>52 717</b>	<b>7 356</b>	<b>16 664</b>	<b>26 358</b>	<b>(9 694)</b>	<b>-37%</b>	<b>27 674</b>
<b>Financial position</b>									
Total current assets	64 474	36 200	36 200		75 685				36 200
Total non current assets	644 302	651 276	651 276		644 316				651 276
Total current liabilities	73 599	31 848	31 848		29 498				31 848
Total non current liabilities	49 312	49 000	49 000		49 312				49 000
Community wealth/Equity	585 865	606 628	606 628		641 192				606 628
<b>Cash flows</b>									
Net cash from (used) operating	110 225	35 053	35 053	15 295	11 307	17 526	6 220	35%	20 142
Net cash from (used) investing	(78 782)	(27 670)	(27 670)	(7 356)	(18 092)	(13 837)	4 255	-31%	(47 768)
Net cash from (used) financing	(5 041)	(3 950)	(3 950)	(579)	(2 077)	(1 975)	102	-5%	(4 289)
<b>Cash/cash equivalents at the month/year end</b>	<b>27 624</b>	<b>4 433</b>	<b>4 433</b>	<b>-</b>	<b>18 758</b>	<b>2 714</b>	<b>(16 044)</b>	<b>-591%</b>	<b>(4 295)</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	20 180	2 637	2 323	14 645	1 911	1 374	7 685	47 078	97 832
<b>Creditors Age Analysis</b>									
Total Creditors	351	1 350	-	-	-	-	-	509	2 209

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**Table C2: Monthly Budget Statement - Financial Performance(standard classification)**

This table reflects the operating budget (financial performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist with the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

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

The operating expenditure budget is approved by Council on the municipal vote level.

The municipal votes reflects the organisational structure of the municipality which is made up of the following directorates: Mayoral Executive; Municipal Council; Accounting Officer; Budget & Treasury; Technical Services; Community, Safety & Social Services and Corporate Services;

**EC102 Blue Crane Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06**

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - MAYORAL EXECUTIVE	1	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		19 033	20 812	20 812	17 839	40 139	10 406	29 733	285.7%	20 812
Vote 3 - ACCOUNTING OFFICER		11	-	423	-	-	211	(211)	-100.0%	-
Vote 4 - BUDGET & TREASURY		20 591	24 642	24 642	925	23 171	12 321	10 850	88.1%	24 642
Vote 5 - TECHNICAL SERVICES		230 080	197 497	220 956	21 065	89 718	110 478	(20 760)	-18.8%	197 497
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		19 478	19 774	20 935	739	7 717	10 468	(2 751)	-26.3%	19 774
Vote 7 - CORPORATE SERVICES		283	159	159	-	81	80	1	1.4%	159
<b>Total Revenue by Vote</b>	<b>2</b>	<b>289 476</b>	<b>262 883</b>	<b>287 926</b>	<b>40 568</b>	<b>160 825</b>	<b>143 963</b>	<b>16 862</b>	<b>11.7%</b>	<b>262 883</b>
<b>Expenditure by Vote</b>										
Vote 1 - MAYORAL EXECUTIVE	1	394	433	433	33	223	216	6	3.0%	433
Vote 2 - MUNICIPAL COUNCIL		5 146	5 620	5 620	395	2 470	2 810	(340)	-12.1%	5 620
Vote 3 - ACCOUNTING OFFICER		7 551	8 557	8 557	663	4 158	4 278	(120)	-2.8%	8 557
Vote 4 - BUDGET & TREASURY		29 887	35 348	35 348	1 770	14 229	17 674	(3 445)	-19.5%	35 348
Vote 5 - TECHNICAL SERVICES		158 993	187 313	187 303	13 822	96 127	93 648	2 479	2.6%	187 313
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		37 365	37 690	37 690	3 215	18 616	18 845	(229)	-1.2%	37 690
Vote 7 - CORPORATE SERVICES		6 754	7 873	7 873	662	3 835	3 936	(101)	-2.6%	7 873
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>245 191</b>	<b>282 832</b>	<b>282 822</b>	<b>20 561</b>	<b>139 658</b>	<b>141 407</b>	<b>(1 749)</b>	<b>-1.2%</b>	<b>282 832</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>44 285</b>	<b>(19 949)</b>	<b>5 104</b>	<b>20 007</b>	<b>21 167</b>	<b>2 556</b>	<b>18 612</b>	<b>728.2%</b>	<b>(19 949)</b>

B.A

**Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class**

EC102 Blue Crane Route - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	170	170	2	76	85	9	11.0%	170
Furniture and Office Equipment		-	170	170	2	76	85	9	11.0%	170
<b>Machinery and Equipment</b>		-	70	1 231	-	173	616	443	72.0%	70
Machinery and Equipment		-	70	1 231	-	173	616	443	72.0%	70
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	-	240	1 401	2	248	701	452	64.6%	240

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**Table SC13b: Monthly Budget Statement – Capital expenditure on existing assets by asset class**

EC102 Blue Crane Route - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		77 858	1 250	1 250	-	-	625	625	100.0%	1 250
Roads infrastructure		-	1 250	1 250	-	-	625	625	100.0%	1 250
Roads		-	1 250	1 250	-	-	625	625	100.0%	1 250
Road Structures										
Road Furniture										
Capital Spares										
Storm water infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		25 919	-	-	-	-	-	-	-	-
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works		25 919								
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		21 312	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers		21 312								
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		30 627	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares		30 627	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Capital Spares										
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-

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EC102 Blue Crane Route - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Capital Expenditure on renewal of existing assets</b>	1	77 858	1 250	1 250	-	-	625	625	100.0%	1 250

**Table SC3c: Monthly Budget Statement – Expenditure on repairs and maintenance by asset class**

EC102 Blue Crane Route - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		491	516	516	-	-	233	233	100.0%	516
Roads Infrastructure		47	40	40	-	-	20	20	100.0%	40
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		47	40	40	-	-	20	20	100.0%	40
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		343	376	376	-	-	188	188	100.0%	376
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyence		343	376	376	-	-	188	188	100.0%	376
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		101	100	100	-	-	25	25	100.0%	100
Power Plants		101	100	100	-	-	25	25	100.0%	100
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		483	500	500	-	-	250	250	100.0%	500
Computer Equipment		483	500	500	-	-	250	250	100.0%	500
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		803	1 082	1 158	-	2	579	577	99.7%	1 082
Transport Assets		803	1 082	1 158	-	2	579	577	99.7%	1 082
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	1 778	2 098	2 174	-	2	1 062	1 060	99.8%	2 098

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**Table SC13d: Monthly Budget Statement – Depreciation by asset class**

EC102 Blue Crane Route - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	15 938	15 938	1 328	7 969	7 969	(0)	0.0%	15 938
Roads infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	9 397	9 397	783	4 699	4 699	-	-	9 397
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	9 397	9 397	783	4 699	4 699	-	-	9 397
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	6 541	6 541	545	3 270	3 270	(0)	0.0%	6 541
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	6 541	6 541	545	3 270	3 270	(0)	0.0%	6 541
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	3 795	3 795	316	1 898	1 898	-	-	3 795
Operational Buildings		-	3 795	3 795	316	1 898	1 898	-	-	3 795
Municipal Offices		-	3 795	3 795	316	1 898	1 898	-	-	3 795
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-

EC102 Blue Crane Route - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	3 122	3 122	260	1 561	1 561	(0)	0.0%	3 122
Computer Equipment			3 122	3 122	260	1 561	1 561	(0)	0.0%	3 122
<b>Furniture and Office Equipment</b>		-	7 591	7 591	634	3 800	3 795	(5)	-0.1%	7 591
Furniture and Office Equipment			7 591	7 591	634	3 800	3 795	(5)	-0.1%	7 591
<b>Machinery and Equipment</b>		-	7 534	7 534	628	3 767	3 767	(0)	0.0%	7 534
Machinery and Equipment			7 534	7 534	628	3 767	3 767	(0)	0.0%	7 534
<b>Transport Assets</b>		-	4 200	4 200	640	2 968	2 100	(868)	-41.4%	4 200
Transport Assets			4 200	4 200	640	2 968	2 100	(868)	-41.4%	4 200
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Depreciation</b>	1	-	42 179	42 179	3 806	21 963	21 090	(874)	-4.1%	42 179

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**Table SC13(e): Monthly Budget Statement – Capital expenditure on upgrading of existing assets by assets class**

**EC102 Blue Crane Route - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -**

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	24 584	48 043	7 354	15 881	24 021	8 140	33.9%	24 584
Roads Infrastructure		-	2 400	2 400	-	53	1 200	1 147	95.6%	2 400
Roads		-	1 000	1 000	-	-	500	500	100.0%	1 000
Road Structures		-	1 400	1 400	-	53	700	647	92.5%	1 400
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	1 424	1 424	1	28	712	684	96.0%	1 424
Drainage Collection		-	1 424	1 424	1	28	712	684	96.0%	1 424
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	760	760	101	252	380	128	33.7%	760
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	760	760	101	252	380	128	33.7%	760
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	20 000	43 459	7 252	15 548	21 729	6 181	28.4%	20 000
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	20 000	43 459	7 252	15 548	21 729	6 181	28.4%	20 000
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	1 600	2 023	-	534	1 011	477	47.1%	1 600
Community Facilities		-	-	423	-	113	211	98	46.4%	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	423	-	113	211	98	46.4%	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	1 600	1 600	-	421	800	379	47.3%	1 600
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	1 600	1 600	-	421	800	379	47.3%	1 600
Capital Spares		-	-	-	-	-	-	-	-	-

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EC102 Blue Crane Route - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment										
<b>Furniture and Office Equipment</b>		147	-	-	-	-	-	-	-	-
Furniture and Office Equipment		147	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		1 197	-	-	-	-	-	-	-	-
Machinery and Equipment		1 197	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Capital Expenditure on upgrading of existng</b>	1	1 343	26 184	50 066	7 354	16 416	25 033	8 617	34.4%	26 184

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**SERVICE DELIVERY AND BUDGET  
IMPLEMENTATION PLAN (SDBIP)  
PERFORMANCE**

# **BLUE CRANE ROUTE LOCAL MUNICIPALITY**



**REPORT OF THE ACCOUNTING OFFICER**  
**MID YEAR PERFORMANCE REVIEW**  
**01 July 2019 – 31 December 2019**  
***(Combined with 2<sup>nd</sup> quarter performance report)***



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## **REPORT OF THE ACCOUNTING OFFICER: MID YEAR PERFORMANCE**

### **1. INTRODUCTION & LEGISLATIVE BACKGROUND**

The Municipal Finance Management Act, Section 72(1)(a)(ii) and (b) state that:

*The accounting officer of a municipality must by 25 January of each year—*

- *(a)(ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan*
- *(b) submit a report to on such assessment to—*
  - *(i) the mayor of the municipality;*
  - *(ii) the National Treasury; and*
  - *(iii) the relevant provincial treasury.*

Furthermore, the Municipal Systems Act, Section 41(1)(e)

*A municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed, establish a process of regular reporting to*

- (i) the council, other political structures, political office bearers and staff of the municipality; and*
- (ii) the public and appropriate orgms of state.*

MSA Section 41(2) further states that *"The system applied by a municipality must be devised in such a way that it may serve as an early warning indicator of under-performance"*

### **2. FINANCIAL IMPLICATIONS**

*The financial implications of this reports are contained in the financial performance report compiled by the Office of the CFO*

### 3. OVERALL MUNICIPAL PERFORMANCE & ANALYSIS PER PER DEPARTMENT

DEPARTMENT	QUARTER 1			QUARTER 2			Overall Mid year review		
	Total Targets	Achieved	Not Achieved	Total Targets	Achieved	Not Achieved	Total Targets	Achieved	%
Corporate Services	8	5	3	5	4	1	13	9	69%
Technical Service	8	1	7	11	5	6	19	6	32%
Community Services	8	8	0	7	7	0	15	15	100%
Financial Services	2	2		3	3	0	4	4	100%
Office of the Municipal Manager	9	3		10	7	3	19	9	47%
LED	1	1		3	0	0	4	1	25%
<b>Overall municipal performance as per Q1</b>	<b>36</b>	<b>20</b>	<b>10</b>	<b>38</b>	<b>24</b>	<b>11</b>	<b>74</b>	<b>44</b>	<b>61%</b>

- The Finance and Community Services Directorates are performing excellently well as all targets allocated to these departments have been achieved and met, whilst Corporate Services is performing at 69%
- The following departments have achieved poor results for the mid-term period under review
  - o Technical Services: 32%
  - o LED 25%
- The Office of The Municipal Manager has also performed averagely, partly due to the lack of stability in the office during the first quarter

The overall municipal performance for quarter 2 is 67%, whilst the overall mid year performance rating is 61%

A detailed analysis reveals the following:

- There is no balance of distribution of KPIs amongst the directorates, and KPIs cutting across all directorates do not feature in all directorates, e.g. The audit outcomes

- Certain directorates carry very few KPIs and even less applicable to the period under review (e.g Finance has 5 KPIs, with only 2 applicable in Q2)

A year on year analysis is attached as annexure to this report

The performance reviews for the Midterm/2<sup>nd</sup> quarter are to be conducted. A formal invitation will be sent soon to constitute a panel to assess individual performance as required.

The departmental reports and performance evidence files were reviewed by the PMS and Internal Audit Office.

#### **RECOMMENDATIONS TO THE PERFORMANCE AUDIT COMMITTEE**

- a. That the Performance Audit Committee notes the report on quarter 2 performance
- b. That the Performance Audit Committee notes the mid-term performance report
- c. That the report for mid term performance be submitted to Council
- d. That SDBIP be revised accordingly for correction of shortcomings identified
- e. That a duly constituted panel be convened to conduct performance assessments prior to the Adjustment Budget approval

**PREPARED BY:**



**Mr T Klaas**

**MUNIIPAL MANAGER**

22/01/2020

**DATE**

**APPROVED BY:**

\_\_\_\_\_

**Cllr B Manxoweni**

**MAYOR/SPEAKER**

\_\_\_\_\_

**NON-FINANCIAL DELIVERY AND BUDGET IMPLEMENTATION PLAN 2022/23 FINANCIAL YEAR**  
**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

Priority Area	Strategic Focus / Objectives	Substrate	Activity	Measure / Indicator	Budget & Source	Wife No.	Baseline	Q1 Chamber Target	Q1 Chamber Evidence	Actual Performance	Process for Evaluation	Contractive Measures	Q2 Deliverable Target	Q2 Evidence	Actual Performance	Reason for Evaluation	Chamber Evidence	Annual Target	Custodian	No of KPA
Local Economic Development	To ensure promotion local economic development and job creation by 2022 and beyond	% progress in the development of LED Strategy	Development LED Strategy	Quarterly report	OPEX	N/A part of staff duties	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25% progress in the development of LED Strategy	Stakeholder forum established			100% progress in the development of LED Strategy	Municipal Manager	30
			LED forum established	Quarterly report	OPEX	N/A part of staff duties	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Stakeholder forum established			1 LED forum established	Municipal Manager
SME Development and Business Advisory Services	To facilitate the mainstreaming of Small, Medium and Micro Enterprises (SMEs) business into the formal economy in BCRIM by 2022 and beyond	Number of BCRIM chamber of businesses established	BCRIM Chamber of businesses established		OPEX	N/A part of staff duties	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		1 BCRIM chamber of businesses established	Municipal Manager	32
			Implement Business support initiatives	Quarterly report	OPEX	N/A part of staff duties	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2 business support initiatives implemented			4 business support initiatives implemented	Municipal Manager
Job Creation	To strive for reduction on household poverty through labour intensive construction methods in 2022 and beyond	Number of jobs created through grant funding	SME Support	Quarterly report	OPEX	N/A part of staff duties	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		20 SMEs supported	Municipal Manager	34
			Create jobs through grant funding	Quarterly progress reports	EPWP GRANT: R1,000,000	20170609024671	94 jobs created through EPWP	10 jobs created through grant funding	Progress Report	Target met- 78 work opportunities	N/A	N/A	N/A	Progress Report	20 jobs created through grant funding			78 jobs created through grant funding	Director Technical Services ,CFO	35

PORT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/21 FINANCIAL YEAR

Priority Area/Strategic Objective	Activity/Project	Initiative	Milestone	Q1 Deliverable		Q2 Deliverable		Actual Performance	Reason for Variance	Corrective Measures	Annual Report/Compliance No of PA	
				Target	Evidence	Target	Evidence					
Internal Controls	To ensure effective Audit, Risk management and Corporate governance function that will result in improved compliance and clean administration by 2022	By institutionalizing the AIP and ensure implementation at all levels	Audit report N/A	24 findings (100%)	n/a	50% annual reduction in reportable audit issues	n/a	n/a	n/a	Develop and implement audit improvement plan (AIP) Monitoring and oversight of the AIP	42	
				2 Audit Committee meetings organized	n/a	1 Audit Committee meetings organized	n/a	Target met. 2 Audit Committee meetings organized	n/a	Target met	4 Audit Committee meetings organized	43
				1 MPAC meeting organized	n/a	1 MPAC meeting organized	n/a	Target not met.	n/a	MPAC is currently displaced as the secretariat should be located at Corporate Services	4 MPAC meeting organized	44
				0 1 reports on progress against approved IAP submitted to AC	n/a	1 reports on progress against approved IAP submitted to AC	n/a	Target met-1 reports on progress against approved IAP submitted to AC	n/a	1 reports on progress against approved IAP submitted to AC	4 reports on progress against approved IAP submitted to AC	45
Fraud and Anti-Corruption	To ensure effective implementation of the Fraud and Anti-corruption Policy by 2022	By reviewing and institutionalization of the Fraud and Anti-corruption policy	Review Fraud prevention policy	Fraud prevention policy	n/a	n/a	n/a	n/a	n/a	1 Fraud prevention policy reviewed	46	

Performance Management	To ensure that the municipality is responsive to the needs of the community as well as the to strengthen a culture of performance management by 2022	By reviewing PMS policy	No of PMS policies reviewed	Review PMS policy					PMS policy	n/a	n/a	n/a	n/a	1 PMS policy reviewed	PMS policy	Target met.	The PMS policy was taken on review for comments by directors and will be tabled at the policy workshop	1 PMS policy reviewed	Municipal Manager	47
		By facilitating the implementation of the approved performance management system	No of performance assessment of senior management conducted.	PMS Implementation	Internal funds					0	1 performance assessment of senior management conducted.	Target not met.	The performance reviews will be conducted in the second quarter	1 performance assessment of senior management conducted.	Performance Report	Target met.	Performance assessments were scheduled for the 3rd quarter after the return of the Accounting Officer	4 performance assessment of senior management conducted.	Municipal Manager	48
Public Participation	To ensure efficient and compliant public participation by 2022 and beyond	By reviewing and implementing the public participation strategy	No of public participation strategy reviewed	Review public participation strategy	Internal					Public participation in strategy	n/a	n/a	n/a	n/a	n/a	n/a	1 Public participation strategy reviewed	Municipal Manager	49	
		By implementing the public participation strategy	Number of Public Participation sessions convened	Conduct Public Participation	Internal					4 Public Participation sessions convened	Minutes and attendance register	Target met	Target met and exceeded	4 Public Participation session convened	Minutes and attendance register	7 Public Participation sessions convened	Target met	4 Public Participation session convened	Municipal Manager	50
		By developing Model to promote functionality of war rooms.	No of models developed to improve functionality of war rooms.	Quarterly report	Internal					Development of a draft model and workshop for council	Draft Model and report	Target not met.	Target not met.	Present the model to council for consideration	Minutes	Target not met	This is due to the fact that War Rooms are a competency of the Premier's office	1 model developed to improve functionality of war rooms	Municipal Manager	51
		By resuscitating IGR	No of IGR Forum Resuscitated	Quarterly report	Internal					Development of Terms of Reference and Resuscitate IGR Forum	Draft TOR and report	Target not met.	Target not met.	Present the TOR to council for consideration	Minutes	Target met	1 IGR Forum Resuscitated	Municipal Manager	52	





**LOCAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2019/2020 FINANCIAL YEAR**

KPA 1 - MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT															
Priority Area	Strategic Plus Objective	Strategy	Measurable	Activity / Project	Management Source	Output	Key In	Baseline	Q2 Deliverable Target	Actual Performance	Reason for Variations	Corrective Measures	Annual Target	Classification	No of KPI
Records Management	To establish a fully functional and legally compliant records management system by 2022	By developing Records Management Policy that complies with legislation	Number of Records Management Policies developed and submitted to council for approval	Develop Records Management Policy	Records Management Policy developed	OPEX	N/A part of staff duties	0	Internal Stakeholders consulted for inputs	Attendance Register and Minutes	Target met		1 Records Management Policies developed and submitted to council for approval	Director Corporate Services	1
	To ensure uninterrupted supply of competent Human Resources	By reviewing HR policies	No of HR Policies reviewed and submitted to Council for approval (Retention and attraction Policy, Termination Policy)	Review Retention & Attraction and Termination HR Policies	Retention & Attraction and Termination HR Policies Reviewed	OPEX	N/A part of staff duties	0	Retention & Attraction and Termination HR Policies	n/a	n/a		2 HR Policies Reviewed	Director Corporate Services	2
Human Resource Development	To promote employment equity and ensure competent workforce by 2022	By establishing Human Resource Development training committee and Employment Equity committee	No of Human Resource Development training committees established	Establish Human Resource Development training committee	Human Resource Development training committee established	OPEX	N/A part of staff duties	0	n/a	n/a	n/a		1 Human Resource Development training committee established	Director Corporate Services	3
			No of Employment Equity committee established.	Establish Employment Equity committee established	Employment Equity committee established	OPEX	N/A part of staff duties	0	n/a	n/a	n/a		1 Employment Equity committee established	Director Corporate Services	4

Employee Relations	To promote sound employee relations by 2022	By promoting awareness and building capacity on identified areas	No of roadshows on awareness and capacity building conducted in directorates	Conduct roadshows on Awareness and capacity building	Quarterly reports	OPEX	N/A part of staff duties	5 roadshows on Awareness and capacity building roadshow conducted in Directorates	1 roadshows on awareness building conducted in directorates	Attendance Register	Target met			4 roadshows on Awareness and capacity building roadshow conducted in Directorates	Director Corporate Services	5
Complaints management	To ensure functional and effective customer care management	By developing an institutional complaints management system	No of institutional complaints management system established	Establish institutional complaints management system	Quarterly reports	No Budget		Customer Care Policy and Complaint Register	Register of complaints compiled	Bi-monthly reports	Target met			1 institutional complaints management system established	Director Corporate Services	6
Occupational Health and Safety	To ensure health and safety of employees in the workplace and compliance with OHS Act by 2022	By implementing OHS policy	No of OHS structures established	Establish Structure	Functional structures in place	OPEX	N/A part of staff duties	Draft OHS Policy and OHS Act	OHS Committees established	Minutes, Attendance Registers and List and Names of Committee Members	Target partially met			1 OHS structure established	Director Corporate Services	7
Information and Communication Technology	To ensure Effective ICT Governance and Controls by 2022	By developing an ICT Strategy	No of ICT Strategies developed	Develop ICT Strategy	IDP (Identified IT related needs), ICT Structure, Public Services Corporate Governance Framework	Existing Budget		ICT Policies and PS Corporate Governance Framework	IT Strategy developed	Draft IT Strategy	Target met			1 ICT Strategy developed	Director Corporate Services	8

Strategy	Indicator	Activity / Project	Measurement Source and Frequency	Budget & Source	Volts No.	Baseline	Q1 Deliverable Target	Q1 Evidence	Actual Performance	Reason for variation	Compliance	Q2 Deliverable Target	Q2 Evidence	Actual Performance	Reason for variation	Compliance measure	Annual Target	Classification	No of MAs
By upgrading bulk water supply in Coedhouse	Diameter in km of 315mm pipeline to be installed	Upgrading of Coedhouse bulk water supply	Quarterly progress reports	MIG - R1m	5010100061	Existing 150mm diameter bulk water pipeline	0.5 km of 315mm diameter pipeline to be installed	Quarterly reports, with photos and progress of km.	Target not met - 0.1m of 315mm diameter pipeline installed. Appointment of a contractor, inspection meeting, site establishment	Contractor appointment was delayed, due to prolonged procurement processes.	Contractor will commence on site. Programme will be closely monitored to ensure targets are met.	0.75 km of 315mm diameter pipeline to be installed	Quarterly reports, with photos and progress of km.	Target met. The 1.5 km of 315mm diameter pipeline installed to date. The progress is 1.5 km ahead of planned target.	N/A	N/A	1.5 km of 315mm diameter pipeline to be installed	Director Technical Services	9
By constructing the water treatment plant in Peaston	% progress on site of Peaston Water Treatment Works	Construction of Peaston WTW: site establishment, earth works, excavations, structures, access roads, fencing, electricity connection	Quarterly progress reports	MISG - R15m	5010215201	None	10% progress on site of Peaston Water Treatment Works	Quarterly reports, with photos and % progress on site	Target met - 45% progress achieved	n/a	n/a	25% progress on site of Peaston Water Treatment Works	Quarterly reports, with photos and % progress on site	Target met. The overall progress achieved to date is approximately 70%. The progress is 45% ahead of planned target.	n/a	60% progress on site of Peaston Water Treatment Works	Director Technical Services	10	
By submitting business plans for water and sanitation services	Number of business plans submitted	Submit business plans	Business plan	OPEX	N/A part of staff duties	Treatment works operating beyond its design capacity	2 business plans submitted	n/a	n/a	n/a	n/a	2 business plans submitted	Administrative plan of receipt of business plans and Copy of the sent email to DMS	Target met - 2 x business plans were submitted in the quarter	n/a	7 business plans submitted	Director Technical Services	11	
By refurbishing of old distribution lines	Number of transmission poles replaced	Replace transmission poles	Quarterly progress reports	OPEX	Part of Maintenance budget	20 existing rotten poles	2 transmission poles replaced	Quarterly report with progress of number of poles replaced	Target not met - 0 number of poles planned.	Crane Truck that was faulty for almost 8 weeks.	Fix crane truck and reschedule work and will be tracked in Q2.	5 transmission poles replaced	Quarterly report, with progress of number of poles replaced	Target met. Crane Truck has faulty injector pump.	When the truck is repaired, planning of poles will be fast tracked by planning additional poles per month.	20 transmission poles replaced	Director Technical Services	12	
By electrifying low cost houses in Coedhouse, Somerset East and Peaston	Number of houses electrified	Electrical services connection on outstanding households	Quarterly progress reports	INEP - R41000	5010100039	150 semi detached houses	10 houses electrified	Quarterly report with progress on number of houses electrified	Target not met - 0 number of houses electrified	Awaiting bid and Accounting Officer for the appointment of service provider to supply material	More resources (human resources, tools of trade and time) will be assigned on the project to fast track it.	20 houses electrified	Quarterly report with progress on number of houses electrified	Target met - 44 households electrified this financial year	n/a	75 houses electrified	Director Technical Services	13	
By upgrading Sportfield in Aeroville	% progress on site	Upgrading in Sportfield in Aeroville, site establishment, earth works, excavations, ablation block, fields, fencing.	Quarterly reports	MIG - R1.6m	5010100064	Unusable Sportfield	n/a	n/a	n/a	n/a	n/a	15% progress on site construction of Aeroville Sportfield	Quarterly reports, with photos and % progress on site	Target met. The 15% progress on site is in line with the target. The progress is 15% ahead of planned target.	Delay in appointment of Consulting Engineers due to prolonged procurement processes reported in Q1)	Evaluation is expected to take place in one week time from now and appointment to be done by end of January 2020. Programme will be closely monitored to ensure targets are met.	60% progress on site construction of Aeroville Sportfield	Director Technical Services	14
By strengthening functionality of EPWP steering committee	Number of EPWP steering committee meetings held	Strengthen functionality of EPWP steering committee	Quarterly reports / Minutes and Registers	OPEX	N/A part of staff duties	Terms of Reference per quarter	One meeting held per quarter	Attendance register and minutes of the meeting	Target not met	Meeting did not take place due to unavailability of stakeholders, as they were busy with council engagements.	Two meetings will set in the second quarter	Attendance register and minutes of the meeting	Attendance register and minutes of the meeting	Target met - 41 EPWP Steering committee meeting was held in October 2019	n/a	4 EPWP steering committee meetings held	Director Technical Services	15	







