

LAINGSBURG MUNICIPALITY

SECTION 52 REPORT

QUARTERLY PERFORMANCE

ASSESSMENT REPORT - Q 2

1 October – 31 December 2015

A municipality that works



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QUALITY CERTIFICATE

I, Pedro Allan Williams the municipal manager of Laingsburg Local Municipality, here certify that quarterly report on the implementation of the budget and financial state affairs

For the period of 1 October 2015 until 31 December 2015 has been prepared in accordance of the Municipal Finance Management Act and regulations made under the Act.



.....
PA WILLIAMS
MUNICIPAL MANAGER

10 January 2016

1 PURPOSE

The purpose of this report is to inform Council regarding the progress made with the implementation of Key Performance Indicators (KPI's) in the realisation of the developmental priorities and strategic objectives as determined in the Municipality's Integrated Development Plan (IDP) as well as in the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the first quarter (01 October - 31 December 2015) of the 2015/2016 financial year.

NON- FINANCIAL PERFORMANCE REPORT

2 LEGISLATIVE REQUIREMENTS

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

Definition of Performance Management

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

Institutionalising Performance Management

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether the strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an “accountable government”. The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community,
- and to facilitate a culture of public service and accountability amongst staff.

Strategic Performance

This report highlight the strategic performance in terms of the municipality’s Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the IDP Strategic objectives, performance on the National Key Performance Indicators prescribed in terms of Regulation 796. Details regarding specific basic service delivery targets, achievements and challenges will be included in the Annual Report of the municipality.

Definition of Service Delivery Budget Implementation Plan

The SDBIP is defined in terms of Section 1 of the Municipal Finance Management Act (MFMA), no. 56 of 2003, and the format of the SDBIP is prescribed by MFMA Circular 13.

Section 41(1) (e) of the Municipal Systems Act (MSA), no 32 of 2000, prescribes that a process must be established of regular reporting to Council.

The Report is a requirement in terms of section 52 of the Local Government: Municipal Financial Management Act, no. 56 of 2003 which provide for:

- a) The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality;
- b) The Accounting Officer, while conducting the above, must take into account:
 - Section 71 Reports;
 - Performance in line with the Service Delivery & Budget Implementation Plans.

The IDP and the Budget

The reviewed IDP and the budget for 2015/16 were approved by Council on 27 May 2015. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

Municipal Scorecard

The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- One-year detailed plan, but should include a three-year capital plan
- The 5 necessary components includes:
- Monthly projections of revenue to be collected for each source
- Expected revenue to be collected NOT billed
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Section 71 format (Monthly budget statements)
- Quarterly projections of service delivery targets and performance indicators for each vote
- Non-financial measurable performance objectives in the form of targets and indicators
- Output not input / internal management objectives
- Level and standard of service being provided to the community
- Ward information for expenditure and service delivery

- Detailed capital project plan broken down by ward over three years

3 BACKGROUND TO THE FORMAT OF SDBIP

The Municipality's SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each individual Department. For purposes of reporting, the TL SDBIP is used to report to Council and the Community on the organisational performance of the Municipality. The TL SDBIP measure the achievement of performance indicators with regards to the provision of basic services as prescribed in Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of the Laingsburg Local Municipality (LLM).

The Top Layer SDBIP was approved by the Mayor on the 14th of June 2015. The Departmental SDBIP's measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans have been approved by the Municipal Manager. This Quarterly Performance Assessment Report are based on the seven (7) Strategic Objectives of the municipality.

The overall assessment of actual performance against targets set for the key performance indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

Table 3.1: SDBIP Measurement Categories

The Performance Management System is an internet based system and it uses the Service Delivery Budget Implementation Plan (SDBIP) which is approved as its basis. The SDBIP is a layered plan comprising Top Layer SDBIP and Departmental SDBIPs. The performance reporting on the top layer SDBIP is done to Council on a quarterly, half

yearly (Mid-year Budget and Performance Assessment Report) and annual basis. Annual amendments to the Top Layer SDBIP must be approved by Council following the submission of the Mid-year Budget and Performance Assessment Report as well as the approved adjustment budget.

This non-financial part of the report is based on the Top Layer SDBIP and comprises the following;

- Summary of the quarterly performance of the Municipality in terms of the seven (7) Municipal Strategic Objective; and
- A detailed performance review per Municipal directorate.

4 Monitoring and Evaluation

The performance is monitored and evaluated via the SDBIP system. The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets every month for the previous month's performance.

The system close every month between the 10th to the 15th day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. No access is available to a month's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting take place. Departments must motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.

The system provides management information in tables and graphs, indicating actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.

The system requires key performance indicator owners to update performance comment for each actual captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence for audit purposes.

In terms of Section 46(1) (a) (iii) of the Municipal Systems Act the Municipality must reflect annually in the Annual Performance Report on measures taken to improve

performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved.

5 ACTUAL PERFORMANCE FOR THE 2ND QUARTER

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements)

The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments with corrective measures with regard to indicators not achieved. A detailed analysis of actual performance for the first quarter of the financial year 2015/2016 is provided for in section 6 of this report.

Overall performance (dashboard) per National and Municipal Key Performance Area will be provided for in section 6 of this report.

6 OVERALL PERFORMANCE OF THE MUNICIPALITY

The following graphs illustrate the overall performance of the LLM measured in terms of the Top Layer (strategic) SDBIP 2015/2016 (second quarter).

The performance is also measured and reported on; per National and Municipal Key Performance Area.

The following graphs and tables give an overview on performance per directorate for the term under review (01 October 2015 to 31 December 2015).

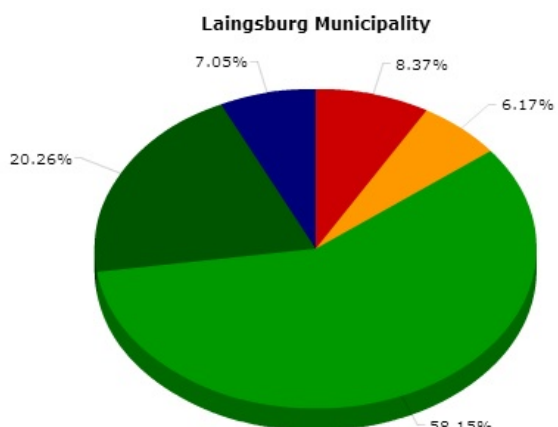


Diagram 6.1: Pie Chart on Performance as per KPI's

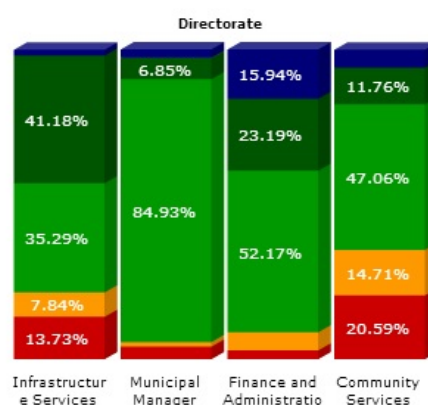


Diagram 6.2: Bar Chart outlining directorate performance

The above diagrams illustrate that 8 % of KPI's were not met and falls in all four (4) directorates within the municipality. It is not clear what the reason for under performance is, but the municipal manager within its formal performance evaluation investigate and implement controls and measures to improve performance.

The next diagrams outline municipal performance in line with the seven (7) strategic objectives of the municipality. Summarising institutional performance in achieving the municipal vision;

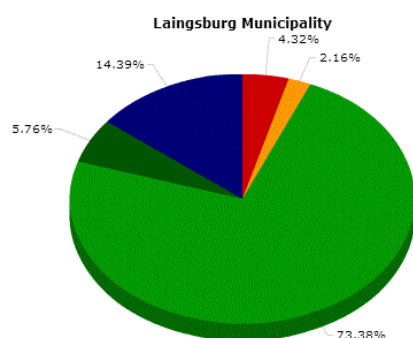


Diagram 6: 4 Pie chart on Strategic Performance

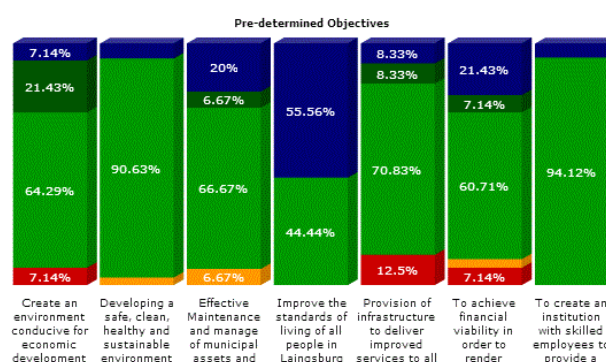


Diagram6.5: Bar chart Performance per Strategic Objective

The above diagrams give a reflection on strategic performance in line with pre-determined objectives set by council in the municipal strategic objectives.

4.32% of KPI's was not met during this quarter. Under-performance will be handled during the formal performance evaluations that will be conducted by the municipal manager. Correctives measures will be put in place to improve performance and ensure that the municipality achieve its strategic goals and vision.

The next section focus on performance linked to the Top level (TL) SDBIP for the quarter under review.

Performance with regards to the TL SDBIP is less impressive with 32% of targets not met.

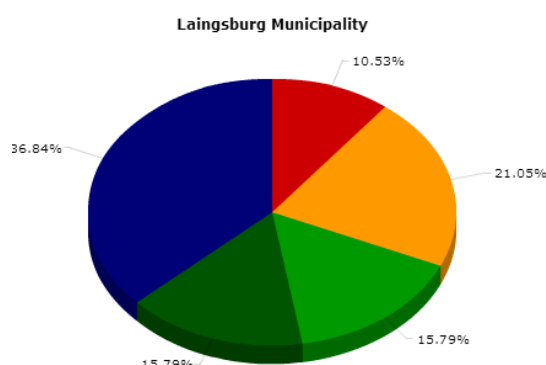


Diagram 6.7 TL KPI Performance

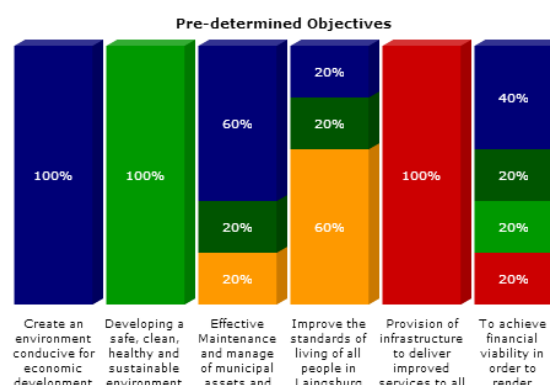


Diagram6.8 TL Strategic Objective Performance

Even though more than 66% of KPI's were achieved it needs to be flagged that it 52% was well and extremely well met. The municipal manager will also have to address this poor performance to ensure that strategic performance is improved and corrective measures and even penalties are considered.

FINANCIAL PERFORMANCE REPORT

7 LEGISLATIVE FRAMEWORK

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on services delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52,
- And The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.

"28. the monthly budget statement of a Municipality 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."

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of Municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

8 Financial problems or risks facing the Municipality

There are no financial problems facing the Municipality. Operating revenues and expenditures to date remain in line with the projected year to date budgets taking accruals and prior year trends into account.

The new financial year started on 1 July 2015, and no major spending has occurred during the financial year.

9 Other relevant information

Year-to-date revenue raised is 102.6% of the projected year-to-date budget for the first quarter. Operating expenditure incurred amounts to 96.1% of year-to-date budget.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the quarter ended December 2015.

R thousands	Original	YTD Actual	YTD %
Total Revenue (Excl. Capital transfers and contributions)	36 043	11 452	32,00
Total Expenditure	46 376	6 991	15,00
Surplus (Deficit) (Exl Capital transfers)	-10 333	4 461	
Capital Expenditure			
Sources of Finance			
Transfers from Grants	11 943	2 155	18,00
Transfers from Internal funds	541	65	12,00
Capital Expenditure	12 484	2 220	18,00

9.1 Operating Revenue

The Municipality have generated 60.1% or R40, 860 million of the Budgeted Revenue to date which is in line with the budgeted amounts. During the financial year operating grants totalling R14, 286 million were received. The largest part of the grants received forms part of the equitable share allocation for the financial year. Revenue from electricity is 8% under the year to date budget.

9.2 Operating Expenditure

For the quarter ending December 2015, the Municipality managed to spend within the budgeted norms. An amount of R R37,858 million or 48,8% have been spent to date.

The year to date actual employee costs is 6% under the year to date budget. This is due to the provision for the deferred benefit plan that will only be calculated on year end.

9.3 Capital Expenditure

The Municipality has incurred R389 000 or 23.3% of the internal funded Capital Budget to date. The MIG spending for the year to date totals to R8, 108 million to date.

Cash Flow

The Municipality started off with a cash flow balance of R14, 758 million at the beginning of the year and increased it with R15, 408 million. The closing balance for this quarter is R30, 166 million. The increase in cash flow is due to the receipt of the operational grants. The Municipal Cash flow is mainly from Operating Activities as no Borrowing or Investments are budgeted for the 2015/2016 financial year.

9.4 Debtors

The Outstanding Debtors of the Municipality amounts to R R8,129 million for the quarter ending December 2015. The outstanding debt for more than 90 days amounts to 58.1%. The payment rate for 2014/2015 financial year was 96.9%. For the financial year to date the payment rate is 52.26%. This is a decrease since the previous financial year. The Municipality is fully implementing the Debt Collection and Credit Control Policy. It should be noted that the Municipal debt collection and credit control policy was revised during August 2013.

9.5 Creditors

Total outstanding creditors amount to R0.00 for the quarter ending December 2015. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. Cases occur where suppliers issue their invoices more than 30 days after the date of the invoice, for payment, but in most cases the payments are made at presentation of the invoices.

10 IN YEAR BUDGET STATEMENT TABLES

The following tables outline performance against the budget;

WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	3 040	3 000	3 000	60	3 325	1 500	1 825	122%	3 000
Service charges	13 929	17 826	17 826	3 333	7 570	8 913	(1 343)	-15%	17 826
Investment revenue	1 101	827	827	450	659	414	246	59%	827
Transfers recognised - operational	19 788	16 841	16 841	8 116	14 286	8 594	5 691	66%	16 841
Other own revenue	31 675	29 483	29 483	7 501	15 020	14 741	278	2%	29 483
Total Revenue (excluding capital transfers and contributions)	69 532	67 977	67 977	19 460	40 860	34 163	6 697	20%	67 977
Employee costs	12 930	17 096	17 096	5 324	8 756	8 270	486	6%	17 096
Remuneration of Councillors	2 220	2 453	2 453	434	1 013	1 227	(214)	-17%	2 453
Depreciation & asset impairment	9 523	12 073	12 073	1 963	4 768	6 501	(1 733)	-27%	12 073
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	6 573	6 523	6 523	2 326	3 961	3 261	700	21%	6 523
Transfers and grants	3 244	4 231	4 231	254	1 301	2 116	(815)	-	4 231
Other expenditure	37 452	35 159	35 159	10 001	18 060	17 990	70	0%	35 159
Total Expenditure	71 940	77 536	77 536	20 302	37 858	39 364	(1 506)	-4%	77 536
Surplus/(Deficit)	(2 408)	(9 559)	(9 559)	(842)	3 001	(5 202)	8 203	-158%	(9 559)
Transfers recognised - capital	19 707	27 082	27 082	6 108	8 101	13 541	(5 440)	-40%	27 082
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	17 298	17 523	17 523	5 266	11 102	8 339	2 763	33%	17 523
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	17 298	17 523	17 523	5 266	11 102	8 339	2 763	33%	17 523
Capital expenditure & funds sources									
Capital expenditure	28 348	28 419	28 419	6 157	8 497	5 655	2 842	50%	28 419
Capital transfers recognised	27 834	26 754	26 754	6 115	8 108	5 419	2 689	50%	26 754
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	514	1 666	1 665	42	389	236	153	65%	1 665
Total sources of capital funds	28 348	28 419	28 419	6 157	8 497	5 655	2 842	50%	28 419
Financial position									
Total current assets	18 711	25 997	25 997		35 389				25 997
Total non current assets	152 413	166 679	166 679		171 552				166 679
Total current liabilities	7 003	14 077	14 077		17 334				14 077
Total non current liabilities	6 872	4 051	4 051		3 961				4 051
Community wealth/Equity	157 249	174 548	174 548		185 646				174 548
Cash flows									
Net cash from (used) operating	25 335	22 257	22 257	18 602	23 904	18 450	5 454	30%	22 257
Net cash from (used) investing	(18 491)	(12 484)	(12 484)	(6 157)	(8 497)	(899)	(7 598)	845%	(12 484)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	21 602	24 532	24 532	-	30 166	32 309	(2 144)	-7%	24 532
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Revenue Source	1 478	812	1 115	134	137	85	82	4 286	8 129
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table 10.1: C1 Summary

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q2 Second Quarter

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		40 037	47 523	47 523	13 531	25 414	23 783	1 631	7%	46 964
Executive and council		20 481	39 219	39 219	8 024	15 126	19 609	(4 483)	-23%	39 219
Budget and treasury office		8 102	5 134	5 134	83	3 377	2 567	811	32%	4 574
Corporate services		11 454	3 171	3 171	5 423	6 910	1 606	5 304	330%	3 171
<i>Community and public safety</i>		31 008	28 900	28 900	7 513	14 667	14 603	64	0%	28 900
Community and social services		920	974	974	322	328	640	(312)	-49%	974
Sport and recreation		3	2	2	2	2	1	1	57%	2
Public safety		29 723	27 913	27 913	7 186	14 332	13 956	375	3%	27 913
Housing		363	11	11	3	5	6	(0)	-1%	11
Health		-	0	0	0	-	0	(0)	-100%	0
<i>Economic and environmental services</i>		2 737	1 129	1 129	320	488	564	(76)	-13%	1 129
Planning and development		-	90	90	-	-	45	(45)	-100%	90
Road transport		2 737	1 039	1 039	320	488	519	(31)	-6%	1 039
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		15 456	17 507	17 507	4 205	8 391	8 754	(363)	-4%	17 507
Electricity		9 471	11 352	11 352	2 616	5 333	5 676	(343)	-6%	11 352
Water		2 361	2 078	2 078	642	1 185	1 039	145	14%	2 078
Waste water management		1 895	2 106	2 106	517	1 042	1 053	(10)	-1%	2 106
Waste management		1 730	1 971	1 971	431	831	986	(154)	-16%	1 971
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	89 238	95 059	95 059	25 568	48 960	47 704	1 257	3%	94 500
Expenditure - Standard										
<i>Governance and administration</i>		20 558	25 722	25 722	5 676	11 050	13 297	(2 247)	-17%	25 722
Executive and council		7 502	10 920	10 920	2 275	4 803	5 060	(257)	-5%	10 920
Budget and treasury office		7 939	7 610	7 610	1 977	3 603	3 866	(263)	-7%	7 610
Corporate services		5 116	7 193	7 193	1 424	2 643	4 370	(1 727)	-40%	7 193
<i>Community and public safety</i>		28 568	28 460	28 460	7 680	14 742	14 370	372	3%	28 460
Community and social services		1 851	1 904	1 904	521	925	952	(27)	-3%	1 904
Sport and recreation		65	451	451	17	27	247	(220)	-89%	451
Public safety		26 441	25 828	25 828	7 091	13 696	13 032	664	5%	25 828
Housing		186	188	188	46	88	94	(6)	-6%	188
Health		26	90	90	5	6	45	(39)	-86%	90
<i>Economic and environmental services</i>		10 742	11 199	11 199	3 178	5 431	5 614	(184)	-3%	11 199
Planning and development		660	774	774	191	335	402	(66)	-17%	774
Road transport		10 082	10 425	10 425	2 987	5 095	5 213	(117)	-2%	10 425
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		12 067	12 143	12 143	3 766	6 633	6 077	556	9%	12 143
Electricity		7 183	7 077	7 077	2 407	4 126	3 538	588	17%	7 077
Water		1 775	2 172	2 172	483	1 097	1 086	11	1%	2 172
Waste water management		1 677	1 505	1 505	553	878	753	125	17%	1 505
Waste management		1 432	1 390	1 390	324	532	701	(168)	-24%	1 390
<i>Other</i>		5	12	12	2	3	6	(3)	-48%	12
Total Expenditure - Standard	3	71 940	77 536	77 536	20 302	37 858	39 364	(1 506)	-4%	77 536
Surplus/ (Deficit) for the year		17 298	17 523	17 523	5 266	11 102	8 339	2 763	33%	16 964

Table 10.2: C2 Financial Performance (Standard Classification)

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter

Vote Description		Ref	2015/16	Budget Year 2016/17							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Revenue by Vote		1									
Vote 1 - MAYORAL & COUNCIL			20 481	39 219	39 219	8 024	15 126	19 609	(4 483)	-22.9%	39 219
Vote 2 - MUNICIPAL MANAGER			-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES			11 454	3 171	3 171	5 423	6 910	1 606	5 304	330.2%	3 171
Vote 4 - BUDGET & TREASURY			8 102	5 134	5 134	83	3 377	2 567	811	31.6%	5 134
Vote 5 - PLANNING AND DEVEOLPMENT			-	90	90	-	-	45	(45)	-100.0%	90
Vote 6 - COMMUNITY AND SOCIAL SERV			920	974	974	322	329	640	(311)	-48.6%	974
Vote 7 - SPORTS AND RECREATION			3	2	2	2	2	1	1	57.2%	2
Vote 8 - HOUSING			363	11	11	3	5	6	(0)	-0.9%	11
Vote 9 - PUBLIC SAFETY			29 723	27 913	27 913	7 186	14 332	13 956	375	2.7%	27 913
Vote 10 - ROAD TRANSPORT			2 737	1 039	1 039	320	488	519	(31)	-6.0%	1 039
Vote 11 - WASTE MANAGEMENT			1 506	1 971	1 971	431	831	986	(154)	-15.7%	1 971
Vote 12 - WASTE WATER MANAGEMENT			1 895	2 106	2 106	517	1 042	1 053	(10)	-1.0%	2 106
Vote 13 - WATER			2 361	2 078	2 078	642	1 185	1 039	145	14.0%	2 078
Vote 14 - ELECTRICITY			9 471	11 352	11 352	2 616	5 333	5 676	(343)	-6.0%	11 352
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	89 015	95 059	95 059	25 568	48 961	47 704	1 257	2.6%	95 059
Expenditure by Vote		1									
Vote 1 - MAYORAL & COUNCIL			4 815	7 231	7 231	1 421	3 268	3 216	52	1.6%	7 231
Vote 2 - MUNICIPAL MANAGER			2 687	3 689	3 689	854	1 535	1 845	(309)	-16.8%	3 689
Vote 3 - CORPORATE SERVICES			5 116	7 193	7 193	1 424	2 643	4 370	(1 727)	-39.5%	7 193
Vote 4 - BUDGET & TREASURY			7 940	7 610	7 610	1 977	3 603	3 866	(263)	-6.8%	7 610
Vote 5 - PLANNING AND DEVEOLPMENT			660	774	774	191	335	402	(66)	-16.5%	774
Vote 6 - COMMUNITY AND SOCIAL SERV			1 193	1 306	1 306	321	567	653	(86)	-13.1%	1 306
Vote 7 - SPORTS AND RECREATION			754	1 151	1 151	224	394	597	(203)	-33.9%	1 151
Vote 8 - HOUSING			186	188	188	46	88	94	(6)	-6.2%	188
Vote 9 - PUBLIC SAFETY			26 441	25 828	25 828	7 091	13 696	13 032	664	5.1%	25 828
Vote 10 - ROAD TRANSPORT			10 082	10 425	10 425	2 987	5 095	5 213	(117)	-2.2%	10 425
Vote 11 - WASTE MANAGEMENT			1 208	1 390	1 390	324	532	701	(168)	-24.0%	1 390
Vote 12 - WASTE WATER MANAGEMENT			1 677	1 505	1 505	553	878	753	125	16.6%	1 505
Vote 13 - WATER			1 775	2 172	2 172	483	1 097	1 086	11	1.0%	2 172
Vote 14 - ELECTRICITY			7 183	7 077	7 077	2 407	4 126	3 538	588	16.6%	7 077
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	71 717	77 536	77 536	20 302	37 858	39 364	(1 506)	-3.8%	77 536
Surplus/ (Deficit) for the year		2	17 298	17 523	17 523	5 266	11 102	8 339	2 763	33.1%	17 523

Table 10.3: C3 Financial Performance (Revenue and Expenditure by Municipal Vote)

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

W0057 Ealingburg - Table 04 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - Q2 Second Quarter										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		2 794	2 875	2 875	(15)	3 191	1 437	1 754	122%	2 875
Property rates - penalties & collection charges		246	126	126	76	134	63	71	113%	126
Service charges - electricity revenue		9 315	11 352	11 352	2 517	5 234	5 676	(442)	-8%	11 352
Service charges - water revenue		1 312	2 078	2 078	80	622	1 039	(417)	-40%	2 078
Service charges - sanitation revenue		1 485	2 106	2 106	298	824	1 053	(229)	-22%	2 106
Service charges - refuse revenue		1 730	1 971	1 971	431	831	986	(154)	-16%	1 971
Service charges - other		87	319	319	7	59	159	(101)	-63%	319
Rental of facilities and equipment		1 275	887	887	262	497	443	54	12%	887
Interest earned - external investments		856	652	652	389	542	326	216	66%	652
Interest earned - outstanding debtors		245	175	175	61	117	88	30	34%	175
Dividends received		-	-	-	-	-	-	-	-	-
Fines		28 433	27 530	27 530	6 882	13 765	13 765	(0)	0%	27 530
Licences and permits		1 115	252	252	251	503	126	377	299%	252
Agency services		84	105	105	22	49	53	(3)	-6%	105
Transfers recognised - operational		19 788	16 841	16 841	8 116	14 286	8 594	5 691	66%	16 841
Other revenue		769	709	709	85	205	354	(149)	-42%	709
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		69 532	67 977	67 977	19 460	40 860	34 163	6 697	20%	67 977
Expenditure By Type										
Employee related costs		12 930	17 096	17 096	5 324	8 756	8 270	486	6%	17 096
Remuneration of councillors		2 220	2 453	2 453	434	1 013	1 227	(214)	-17%	2 453
Debt impairment		19 976	21 682	21 682	5 368	10 736	10 841	(105)	-1%	21 682
Depreciation & asset impairment		9 523	12 073	12 073	1 963	4 768	6 501	(1 733)	-27%	12 073
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases		6 573	6 523	6 523	2 326	3 961	3 261	700	21%	6 523
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		3 210	2 976	2 976	1 045	1 624	1 488	137	9%	2 976
Transfers and grants		3 244	4 231	4 231	254	1 301	2 116	(815)	-39%	4 231
Other expenditure		14 265	10 502	10 502	3 588	5 700	5 661	39	1%	10 502
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		71 940	77 536	77 536	20 302	37 858	39 364	(1 506)	-4%	77 536
Surplus/(Deficit)		(2 408)	(9 559)	(9 559)	(842)	3 001	(5 202)	8 203	(0)	(9 559)
Transfers recognised - capital		19 707	27 082	27 082	6 108	8 101	13 541	(5 440)	(0)	27 082
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		17 298	17 523	17 523	5 266	11 102	8 339			17 523
Taxation								-		
Surplus/(Deficit) after taxation		17 298	17 523	17 523	5 266	11 102	8 339			17 523
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		17 298	17 523	17 523	5 266	11 102	8 339			17 523
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		17 298	17 523	17 523	5 266	11 102	8 339			17 523

Table10.4: C4 Financial Performance (Revenue and Expenditure)

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q2 Second Quarter

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		455	216	216	15	18	6	12	199%	216
Executive and council		12	-	-	-	-	-	-		-
Budget and treasury office		284	20	20	15	15	-	15	#DIV/0!	20
Corporate services		159	196	196	0	3	6	(3)	-50%	196
<i>Community and public safety</i>		11 660	17 503	17 503	4 706	5 038	5 065	(26)	-1%	17 503
Community and social services		35	1 646	1 646	7	7	20	(13)	-64%	1 646
Sport and recreation		2 950	581	581	-	-	10	(10)	-100%	581
Public safety		10	675	675	22	354	195	159	81%	675
Housing		8 601	14 520	14 520	4 677	4 677	4 840	(163)	-3%	14 520
Health		64	80	80	-	-	-	-		80
<i>Economic and environmental services</i>		8 936	2 575	2 575	90	1 785	314	1 471	468%	2 575
Planning and development		-	-	-	-	-	-	-		-
Road transport		8 936	2 575	2 575	90	1 785	314	1 471	468%	2 575
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		7 297	8 126	8 126	1 346	1 656	270	1 386	514%	8 126
Electricity		2 037	6 000	6 000	1 279	1 279	-	1 279	#DIV/0!	6 000
Water		2 725	258	258	67	177	198	(21)	-11%	258
Waste water management		2 535	1 868	1 868	-	199	72	128	178%	1 868
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Capital Expenditure - Standard Classification	3	28 348	28 419	28 419	6 157	8 497	5 655	2 842	50%	28 419
Funded by:										
National Government		27 834	26 754	26 754	6 115	8 108	5 419	2 689	50%	26 754
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		27 834	26 754	26 754	6 115	8 108	5 419	2 689	50%	26 754
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		514	1 666	1 665	42	389	236	153	65%	1 665
Total Capital Funding		28 348	28 419	28 419	6 157	8 497	5 655	2 842	50%	28 419

Table 10.5: C5 Capital Expenditure (Municipal Vote, Standard Classification and Funding)

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		8 317	14 758	14 758	30 166	14 758
Call investment deposits		–	–	–	–	–
Consumer debtors		4 336	6 127	6 127	(3 062)	6 127
Other debtors		360	(201)	(201)	2 972	(201)
Current portion of long-term receivables		–	–	–	–	–
Inventory		5 698	5 313	5 313	5 313	5 313
Total current assets		18 711	25 997	25 997	35 389	25 997
Non current assets						
Long-term receivables		9	9	9	7	9
Investments		–	–	–	–	–
Investment property		4 440	4 511	4 511	4 471	4 511
Investments in Associate		–	–	–	–	–
Property, plant and equipment		147 576	161 601	161 601	166 611	161 601
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		343	547	547	452	547
Other non-current assets		43	11	11	11	11
Total non current assets		152 413	166 679	166 679	171 552	166 679
TOTAL ASSETS		171 124	192 677	192 677	206 940	192 677
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		396	406	406	393	406
Trade and other payables		6 322	7 903	7 903	11 187	7 903
Provisions		286	5 768	5 768	5 754	5 768
Total current liabilities		7 003	14 077	14 077	17 334	14 077
Non current liabilities						
Borrowing		–	–	–	–	–
Provisions		6 872	4 051	4 051	3 961	4 051
Total non current liabilities		6 872	4 051	4 051	3 961	4 051
TOTAL LIABILITIES		13 875	18 129	18 129	21 294	18 129
NET ASSETS	2	157 249	174 548	174 548	185 646	174 548
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		120 313	137 618	137 618	148 716	137 618
Reserves		36 937	36 930	36 930	36 930	36 930
TOTAL COMMUNITY WEALTH/EQUITY	2	157 249	174 548	174 548	185 646	174 548

Table 10.6: C6 Financial Position

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		37 289	21 696	21 696	19 457	28 071	11 106	16 965	153%	21 696
Government - operating		20 188	16 751	16 751	7 791	16 220	12 405	3 815	31%	16 751
Government - capital		12 055	27 082	27 082	-	10 969	18 020	(7 051)	-39%	27 082
Interest		1 491	827	827	275	484	414	71	17%	827
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(42 536)	(43 562)	(43 562)	(9 385)	(31 868)	(23 125)	(8 742)	38%	(43 562)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		(3 153)	(537)	(537)	465	27	(370)	397	-107%	(537)
NET CASH FROM/(USED) OPERATING ACTIVITIES		25 335	22 257	22 257	18 602	23 904	18 450	22 146	120%	22 257
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(18 491)	(12 484)	(12 484)	(6 157)	(8 497)	(899)	(7 598)	845%	(12 484)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18 491)	(12 484)	(12 484)	(6 157)	(8 497)	(899)	7 598	-845%	(12 484)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		6 844	9 773	9 773	12 445	15 407	17 551			9 773
Cash/cash equivalents at beginning:		14 758	14 758	14 758		14 758	14 758			14 758
Cash/cash equivalents at month/year end:		21 602	24 532	24 532		30 166	32 309			24 532

Table 10.7: C7 Cash Flow

11 Supporting Documentation

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - Q2 Second Quarter

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Property rates	1 754	Property rates levied in July for FY not on a monthly basis	None
	Property rates - penalties & collection charges	71	Interest are now levied on all outstanding rates 30+	None
	Transfers recognised - operational	5 691	More grants were received during quarter	None
2	Expenditure By Type			
	Employee related costs	486	Bonusses are now accrued on a monthly basis, but were paid in cash at the end of November	
	Depreciation & asset impairment	(1 733)	Depreciation for new acquisitions during fin year will only be accounted for during end of fy	
	Remuneration of councillors	(214)	Increase in Councillors salaries normally during March	
	Other expenditure	39	Few items under this vote exceeds ytd budget for instance	None but will monitor
3	Capital Expenditure			
	Road transport	1 471	Construction work on the project accelerated and will be finished	none - MIG grant
	Housing	(163)	project is in process - payment was made during November	
4	Financial Position			
5	Cash Flow			
	Ratepayers and other	16 965	Inflow of debtors paying rates higher and rise in traffic fines	None
	Transfers and Grants	397	Indigent subsidies transferred to qualifying accounts	None
	Suppliers and employees	(8 742)	Some expenditure items are before the ytd budget but will stabilize during the fin year	
	Government - capital	(7 051)	Not all capitals grants budgeted for were received till this month - housing still to be claimed	
6	Measureable performance			
7	Municipal Entities			

Table 11.1 Material Variances

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q2 Second Quarter

Water and Sewerage Supporting Ratio 02 monthly budget statement - performance indicators - 22 second quarter							
Description of financial indicator	Basis of calculation	Ref	2015/16	Budget Year 2016/17			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	15.6%	15.6%	0.0%	3.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		4.0%	4.5%	4.5%	6.0%	4.5%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	267.2%	184.7%	184.7%	204.2%	184.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		118.8%	104.8%	104.8%	174.0%	104.8%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		6.8%	8.7%	8.7%	-0.2%	8.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		90.0%	90.0%	90.0%	92.0%	90.0%
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	9.1%	9.0%	9.0%	10.2%	9.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	29.8%	25.0%	25.0%	32.7%	25.0%
Employee costs	Employee costs/Total Revenue - capital revenue		18.6%	25.2%	25.2%	21.4%	25.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.5%	3.5%	3.5%	2.8%	3.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		13.7%	17.8%	17.8%	0.0%	3.6%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		16.0%	11.1%	11.1%	-76.3%	11.1%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		31.1%	34.4%	34.4%	-7.7%	20.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		3.8%	8.2%	8.2%	2.7%	8.2%

Table 11.2 Performance Indicators

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description		NT Code	Budget Year 2016/17									Total	Bad Debts
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands													
Debtors Age Analysis By Revenue Source													
Trade and Other Receivables from Exchange Transactions - Water		1200	114	31	27	28	30	20	19	639	907	-	
Trade and Other Receivables from Exchange Transactions - Electricity		1300	669	17	34	29	16	9	7	249	1 030	-	
Receivables from Non-exchange Transactions - Property Rates		1400	527	20	992	15	18	13	14	1 825	3 422	-	
Receivables from Exchange Transactions - Waste Water Management		1500	99	27	28	29	27	18	18	675	922	-	
Receivables from Exchange Transactions - Waste Management		1600	49	17	19	21	18	11	12	368	515	-	
Receivables from Exchange Transactions - Property Rental Debtors		1700	24	15	16	12	14	14	11	283	389	-	
Interest on Arrear Debtor Accounts		1810	16	683	-	-	-	-	-	220	918	-	
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure		1820	-	-	-	-	-	-	-	-	-	-	
Other		1900	(20)	3	-	0	14	-	1	28	26	-	
Total By Revenue Source		2000	1 478	812	1 115	134	137	85	82	4 286	8 129	-	
2015/16 - totals only			746 016	767 141	150 461	121 529	124 543	128 612	113 508	4 384 306	6 536	0	
Debtors Age Analysis By Customer Category													
Organs of State		2200	96	19	350	34	13	7	6	1 191	1 716	-	
Commercial		2300	526	8	15	4	23	5	2	42	626	-	
Households		2400	748	783	745	95	99	72	71	3 009	5 621	-	
Other		2500	108	2	5	1	1	1	2	44	165	-	
Total By Customer Category		2600	1 478	812	1 115	134	137	85	82	4 286	8 129	-	

Table 11.3 Debtors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

WCCOT Langsbury - Supporting Table 364 Monthly Budget Statement - aged creditors - Q2 Second Quarter										
Description	NT Code	Budget Year 2016/17								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	2600	-	-	-	-	-	-	-	-	-

Table 11.4 Creditors Analysis

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		15 611	15 735	15 735	8 053	13 756	7 868			15 735
Local Government Equitable Share		9 294	12 015	12 015	6 926	12 468	6 008	6 460	107.5%	12 015
Finance Management		1 700	1 700	1 700	-	-	850	(850)	-100.0%	1 700
Municipal Systems Improvement		934	930	930	-	-	465	(465)	-100.0%	930
EPWP Incentive		1 147	1 000	1 000	316	477	500	(23)	-4.6%	1 000
Integrated National Electrification Programme		-	-	-	-	-	-	-		-
GRANT - WORKFORCE		-	90	90	-	-	45	(45)	-100.0%	90
GRANT - INEP ELEC		2 536	-	-	811	811	-	811	#DIV/0!	-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		1 417	1 064	1 064	330	1 323	685	638	93.1%	1 064
Sport and Recreation		907	962	962	321	321	634	(313)	-49.4%	962
CDW		-	72	72	9	72	36	36	100.0%	72
LGSETA		-	-	-	-	-	-	-		-
MAIN ROAD SUBSIDY		10	30	30	-	-	15	(15)	-100.0%	30
MSG		-	-	-	-	930	-	930	#DIV/0!	-
GRANT - SPATIAL DEV INV		-	-	-	-	-	-	-		-
GRANT - SUPPORT		500	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
NEW FINANCIAL SYSTEM		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Dept of Water Affairs		-	-	-	-	-	-	-		-
								-		
Total Operating Transfers and Grants	5	17 028	16 799	16 799	8 382	15 079	8 553	638	7.5%	16 799
Capital Transfers and Grants										
National Government:		8 523	27 082	27 082	5 297	7 290	13 541	(6 251)	-46.2%	27 082
Municipal Infrastructure Grant (MIG)		8 523	27 082	27 082	620	2 613	13 541	(10 928)	-80.7%	27 082
GRANT - FMG CAPITAL		-	-	-	-	-	-	-		-
GRANT - MIG UNSPEND ROLLOVER		-	-	-	-	-	-	-		-
GRANT - MSIG CAPITAL		-	-	-	-	-	-	-		-
SEWER MASTER PLAN		-	-	-	-	-	-	-		-
MASIBAMBANE		-	-	-	-	-	-	-		-
SPATIAL DEV INVESTIGATION		-	-	-	-	-	-	-		-
GRANT - DEPT OF WATER AFFAIRS		-	-	-	-	-	-	-		-
MIG HOUSING		-	-	-	4 677	4 677	-	4 677	#DIV/0!	-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		575	-	-	-	-	-	-		-
Housing		575	-	-	-	-	-	-		-
GRANT - EPWP CAPITAL WORKS		-	-	-	-	-	-	-		-
Road and Transport		-	-	-	-	-	-	-		-
Library		-	-	-	-	-	-	-		-
Taxi Rank		-	-	-	-	-	-	-		-
USIP		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
								-		
Total Capital Transfers and Grants	5	9 098	27 082	27 082	5 297	7 290	13 541	(6 251)	-46.2%	27 082
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	26 126	43 881	43 881	13 680	22 369	22 094	(5 613)	-25.4%	43 881

Table 11.5: Grants and Transfers

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Supporting Table SC8 Monthly Budget Statement - counillor and staff benefits - Q2 Second Quarter

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1 900	2 453	2 453	434	868	1 227	(359)	-29%	2 453
Pension and UIF Contributions		-	-	-	1	1	-	1	#DIV/0!	-
Medical Aid Contributions		-	-	-	17	18	-	18	#DIV/0!	-
Motor Vehicle Allowance		267	-	-	145	289	-	289	#DIV/0!	-
Cellphone Allowance		-	180	180	-	-	90	(90)	-100%	180
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		2 166	2 633	2 633	596	1 176	1 316	(141)	-11%	2 633
% increase	4		21.5%	21.5%						21.5%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 047	2 261	2 261	712	1 258	1 130	128	11%	2 261
Pension and UIF Contributions		123	170	170	39	78	85	(7)	-8%	170
Medical Aid Contributions		90	104	104	26	53	52	1	1%	104
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		232	263	263	71	131	131	(0)	0%	263
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		162	21	21	46	93	11	82	766%	21
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	46	97	97	14	28	48	(21)	-43%	97
Sub Total - Senior Managers of Municipality		2 699	2 916	2 916	908	1 641	1 458	183	13%	2 916
% increase	4		8.1%	8.1%						8.1%
Other Municipal Staff										
Basic Salaries and Wages		6 939	9 529	9 529	3 017	5 285	4 764	521	11%	9 529
Pension and UIF Contributions		883	1 366	1 366	364	655	683	(28)	-4%	1 366
Medical Aid Contributions		227	617	617	95	190	309	(119)	-39%	617
Overtime		372	506	506	102	223	253	(30)	-12%	506
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		299	405	405	101	202	203	(0)	0%	405
Cellphone Allowance		12	-	-	2	4	-	4	#DIV/0!	-
Housing Allowances		21	26	26	16	23	13	10	73%	26
Other benefits and allowances		255	108	108	86	142	54	87	161%	108
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		9 008	12 558	12 558	3 783	6 724	6 279	445	7%	12 558
% increase	4		39.4%	39.4%						39.4%
Total Parent Municipality		13 874	18 107	18 107	5 287	9 541	9 054	487	5%	18 107

Table 11.6: Councillor and Staff Benefits

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 2

WC051 Laingsburg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q2 Second Quarter

Description	Ref	Budget Year 2016/17											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		97	416	741	211	178	94	115	172	172	115	201	75
Property rates - penalties & collection charges		19	19	20	20	28	27	10	10	10	10	10	(60)
Service charges - electricity revenue		618	1 012	743	885	705	745	863	864	864	863	865	1 416
Service charges - water revenue		93	153	145	151	133	181	160	158	162	155	153	273
Service charges - sanitation revenue		93	100	95	119	104	100	168	171	171	168	172	622
Service charges - refuse		94	105	90	120	95	96	151	151	151	151	151	473
Service charges - other		20	16	12	10	8	17	6	6	6	6	6	(44)
Rental of facilities and equipment		59	47	41	39	138	49	74	74	74	74	74	144
Interest earned - external investments		34	-	119	71	60	83	54	54	54	54	54	14
Interest earned - outstanding debtors		18	20	18	20	18	23	15	15	15	15	15	(15)
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-
Fines		770	601	233	-	1	0	58	58	58	58	58	(1 203)
Licences and permits		101	67	84	74	76	110	21	21	21	21	21	(367)
Agency services		-	-	-	-	-	-	9	9	9	9	9	61
Transfer receipts - operating		5 942	63	2 424	4 776	3 007	8	105	4 160	51	3	3	(3 793)
Other revenue		10 091	3 670	(11 869)	3 257	6 530	5 142	22	22	22	22	22	(16 221)
Cash Receipts by Source		18 049	6 290	(7 104)	9 754	11 083	6 674	1 831	5 944	1 840	1 724	1 814	(18 625)
Other Cash Flows by Source													
Transfer receipts - capital		-	-	10 969	-	-	-	-	-	9 062	-	-	7 051
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		3	7	7	1	9	3	-	-	-	-	-	(30)
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		18 052	6 298	3 872	9 754	11 092	6 677	1 831	5 944	10 903	1 724	1 814	(11 604)
Cash Payments by Type													
Employee related costs		1 080	1 088	1 361	2 359	2 472	1 207	1 307	1 307	1 307	1 307	1 307	910
Remuneration of councillors		193	193	193	48	193	193	204	204	204	204	204	419
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		1 573	62	-	675	1 075	576	498	504	481	449	436	195
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1	5	7	75	11	7	-	-	-	-	-	(106)
Contracted services		61	460	51	488	262	268	329	241	243	240	240	92
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		98	164	176	(452)	46	(58)	25	25	25	25	25	437
General expenses		2 359	5 586	8 211	1 234	2 753	(4 511)	1 048	1 048	1 048	1 048	1 048	(6 269)
Cash Payments by Type		5 364	7 558	9 998	4 426	6 813	(2 318)	3 411	3 330	3 308	3 273	3 260	(4 324)
Other Cash Flows/Payments by Type													
Capital assets		0	342	1 997	315	5 526	316	1 396	3 228	1 907	1 393	2 015	(5 952)
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		5 365	7 900	11 996	4 741	12 339	(2 002)	4 807	6 558	5 215	4 666	5 275	(10 276)
NET INCREASE/(DECREASE) IN CASH HELD		12 687	(1 602)	(8 123)	5 013	(1 247)	8 679	(2 976)	(614)	5 688	(2 943)	(3 462)	(1 328)
Cash/cash equivalents at the monthly ear beginning:		14 758	27 446	25 844	17 721	22 734	21 486	30 166	27 189	26 576	32 264	29 321	25 859
Cash/cash equivalents at the monthly ear end:		27 446	25 844	17 721	22 734	21 486	30 166	27 189	26 576	32 264	29 321	25 859	24 532

Table 11.7: Monthly Cash flows

12 Portfolio of Evidence

The SDBIP makes provision for uploading of supporting documents. Departments utilise the option to upload documents, but hardcopies of POE's (Portfolio of Evidences) of each depart is ready for Internal Audit for auditing purposes.

On reviewing of POE's not uploaded on the system it was found that not all departments have a readily available POE file for auditing purpose. Internal Audit will audit the POE's and it will be used to during the Performance Evaluations .

13 Down Cascading of Performance Management

We proudly report that this year performance management are scaled down to professional and join management level. All staff who has a staff a performance agreement or plan will be informally evaluated by the municipal at receipt of this report.

The down cascading will further be rolled out within this year and will be completed by the end of the 2016/2017 financial year.

14 Recommendations

(a) That Council notes the contents of this report and supporting documentations for the 2nd quarter of 2015/2016 financial year.

(b) That the Managers ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and spending of funds, and that revenue collection proceeds in accordance with the budget.

15 Conclusion

The above-mentioned report outline the performance of the municipality with regards to the overall Performance of the municipality, Financial Performance as well as Performance with regards legislative compliance. The overall performance was good, but there is still areas that requires intervention and mitigation measures to prevent it in the following quarters of the year as well as improve the reporting on the system.

The municipal manager will conduct a formal evaluation in February 2016 and the outcome of the Performance Evaluation will be recorded and included in the annual performance evaluation to report back on the implementation of corrective measures.

Portfolio of Evidence

The PMS Unit experience challenges with regards to the collection and prove of performance POE's (Portfolio of Evidence) for all the KPI's that was reported on during this period under review, although some departments did provide the unit with their POE's as well as the POE's that was uploaded on the system. An internal audit will be done and the report will be submitted to the Performance Management Unit, the municipal manager and the Audit Committee that will also be taken into consideration and to be addressed.

Down Cascading of Performance Management

The municipality can report that performance management was further down cascade to the next level within the municipality.

The municipality received Grant funding from Provincial Treasury to down cascading performance management to all levels within the municipality. The municipality will down cascade performance

management to the next level within the next quarter (January 2016 to March 2016) and even further in the 4th quarter of the year.