

LAINGSBURG MUNICIPALITY SECTION 52 REPORT

QUARTERLY PERFORMANCE

ASSESSMENT REPORT - Q 1

01 July – 30 September 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 July 2015 until 30 September 2015 has been prepared in accordance of the Municipal Finance Management Act and regulations made under the Act.



.....
PA WILLIAMS
MUNICIPAL MANAGER
26 October 2015

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 July - 30 September 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 1ST 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 (first 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 July 2015 to 30 September 2015).

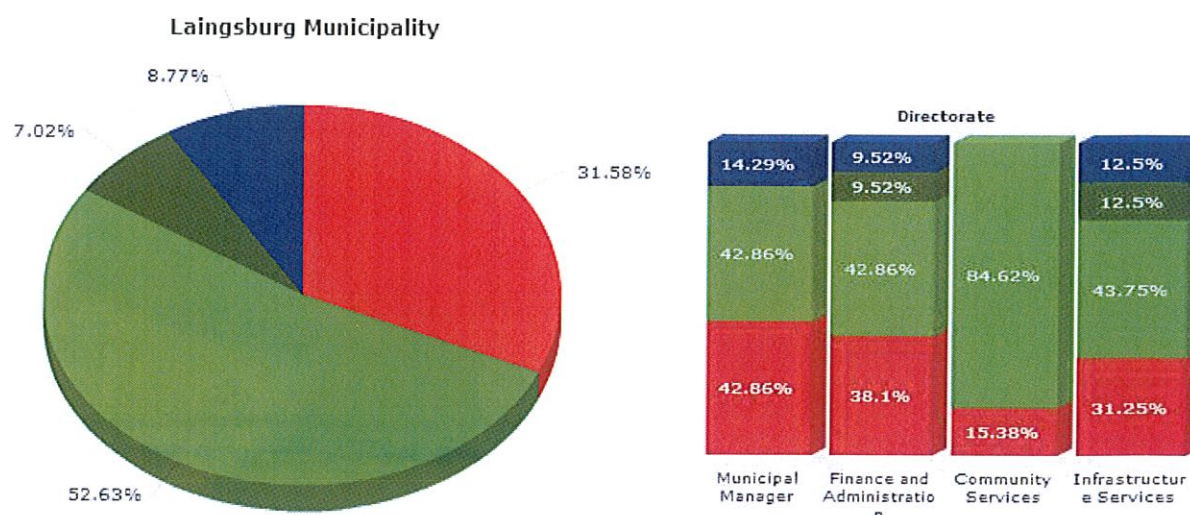


Diagram 6.1: Pie Chart on Performance as per KPI's directorate performance

Diagram 6.2: Bar Chart outlining

| | Laingsburg Municipality | Directorate | | | |
|------------------------|-------------------------|-------------------|----------------------------|--------------------|-------------------------|
| | | Municipal Manager | Finance and Administration | Community Services | Infrastructure Services |
| KPI Not Met | 18 (31.6%) | 3 (42.9%) | 8 (38.1%) | 2 (15.4%) | 5 (31.3%) |
| KPI Almost Met | - | - | - | - | - |
| KPI Met | 30 (52.6%) | 3 (42.9%) | 9 (42.9%) | 11 (84.6%) | 7 (43.8%) |
| KPI Well Met | 4 (7%) | - | 2 (9.5%) | - | 2 (12.5%) |
| KPI Extremely Well Met | 5 (8.8%) | 1 (14.3%) | 2 (9.5%) | - | 2 (12.5%) |
| Total: | 57 | 7 | 21 | 13 | 16 |

Table 6. 3: Directorate Performance in line with KPI's

The above diagrams illustrate that 18 KPI's which counts for 32% of KPI's was not met. The 18 KPI's not met falls in all four (4) directorates within the municipality, 3 KPI's within the office of the municipal manager, 8 KPI's within the Finance and Administration directorate, 2 KPI's within Community safety and 5 KPI's within the Infrastructure Departments. It is not clear what the reason for poor performance is, but the municipal manager within its informal review will 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;

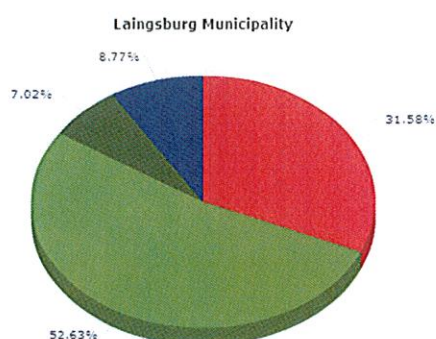


Diagram 6: 4 Pie chart on Strategic Performance Objective

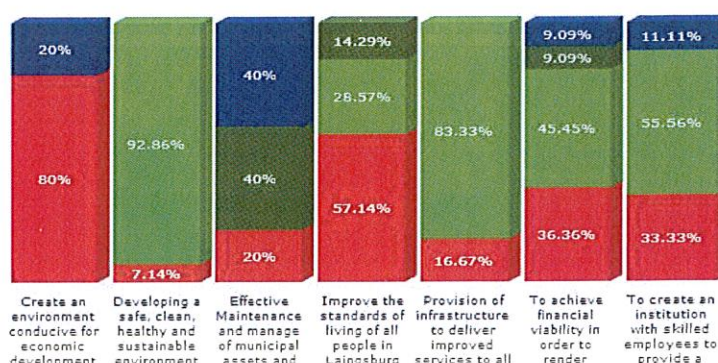


Diagram 6.5: Bar chart Performance per Strategic Objective

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

| | Laingsburg Municipality | Pre-determined Objectives | | | | | | |
|------------------------|-------------------------|--|---|--|---|--|--|---|
| | | Create an environment conducive for economic development | Developing a safe, clean, healthy and sustainable environment for communities | Effective Maintenance and manage of municipal assets and natural resources | Improve the standards of living of all people in Laingsburg | Provision of infrastructure to deliver improved services to all residents and business | To achieve financial viability in order to render affordable services to residents | To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values |
| KPI Not Met | 18 (31.6%) | 4 (80%) | 1 (7.1%) | 1 (20%) | 4 (57.1%) | 1 (16.7%) | 4 (36.4%) | 3 (33.3%) |
| KPI Almost Met | - | - | - | - | - | - | - | - |
| KPI Met | 30 (52.6%) | - | 13 (92.9%) | - | 2 (28.6%) | 5 (83.3%) | 5 (45.5%) | 5 (55.6%) |
| KPI Well Met | 4 (7%) | - | - | 2 (40%) | 1 (14.3%) | - | 1 (9.1%) | - |
| KPI Extremely Well Met | 5 (8.8%) | 1 (20%) | - | 2 (40%) | - | - | 1 (9.1%) | 1 (11.1%) |
| Total: | 57 | 5 | 14 | 5 | 7 | 6 | 11 | 9 |

Table 6.6. Strategic Performance in line with Strategic Objectives

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

32% of KPI's was not met during this quarter. Strategic Objectives that requires intervention is Strategic Objective (SO) 1, 4, 6 and 7. The responsible directorates and officials will be identified during the informal review 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.

The TL consists of 36 KPI's and 23 KPI's in not applicable for this period, whereas 12 KPI's are applicable for monitoring and performance measurement. Performance with regards to the TL SDBIP is very poor with only 50% of targets achieve and 50% not met.

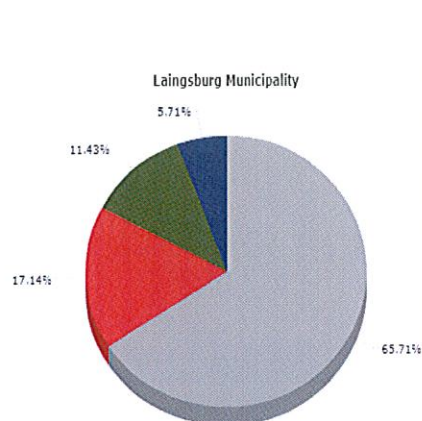


Diagram 6.7 TL KPI Performance

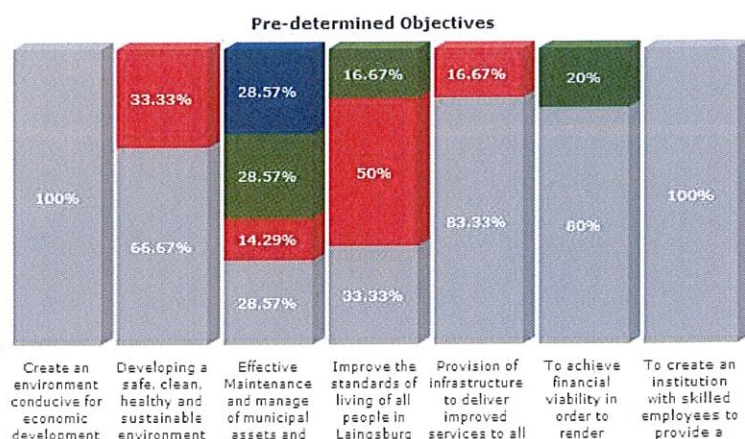


Diagram 6.8 TL Strategic Objective Performance

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

| | Laingsburg Municipality | Pre-determined Objectives | | | | | | |
|------------------------|-------------------------|--|---|--|---|--|--|---|
| | | Create an environment conducive for economic development | Developing a safe, clean, healthy and sustainable environment for communities | Effective Maintenance and manage of municipal assets and natural resources | Improve the standards of living of all people in Laingsburg | Provision of infrastructure to deliver improved services to all residents and business | To achieve financial viability in order to render affordable services to residents | To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values |
| KPI Not Yet Measured | 23 (65.7%) | 4 (100%) | 2 (66.7%) | 2 (28.6%) | 2 (33.3%) | 5 (83.3%) | 4 (80%) | 4 (100%) |
| KPI Not Met | 6 (17.1%) | - | 1 (33.3%) | 1 (14.3%) | 3 (50%) | 1 (16.7%) | - | - |
| KPI Almost Met | - | - | - | - | - | - | - | - |
| KPI Met | - | - | - | - | - | - | - | - |
| KPI Well Met | 4 (11.4%) | - | - | 2 (28.6%) | 1 (16.7%) | - | 1 (20%) | - |
| KPI Extremely Well Met | 2 (5.7%) | - | - | 2 (28.6%) | - | - | - | - |
| Total: | 35 | 4 | 3 | 7 | 6 | 6 | 5 | 4 |

Table 6.9 TL KPI's Performance vs Pre-determined Objective

Even though only 50% of KPI's was achieved it needs to be flagged that it 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.

A more detailed TL and Departmental SDBIP are attached as annexure A and B that supports the above diagrams. It will also be used as basis for the quarterly performance review.

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 98.8% of the projected year-to-date budget for the first quarter. Operating expenditure incurred amounts to 93.39% of year-to-date budget.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the quarter ended September 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 24.6% or R23, 393 million of the Budgeted Revenue to date which is in line with the budgeted amounts. During the financial year operating grants totalling R6, 170 million were received. Revenue from electricity is 4% under the year to date budget. The largest part of the grants received forms part of the equitable share allocation for the financial year.

9.2 Operating Expenditure

For the quarter ending September 2015, the Municipality managed to spend within the budgeted norms. An amount of R R17, 556 million or 22, 6% have been spent to date.

The year to date actual employee costs is 14% 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 and the payment of annual bonuses that will be paid during November 2015.

9.3 Capital Expenditure

The Municipality has incurred R346 000 or 20.8% of the internal funded Capital Budget to date. The MIG spending for the first quarter totals to R1, 993 million to date.

9.4 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 R2, 962 million. The closing balance for this quarter is R17, 721 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.

9.5 Debtors

The Outstanding Debtors of the Municipality amounts to R R8, 627 million for the quarter ending September 2015. The outstanding debt for more than 90 days amounts to 54.7%. The payment rate for 2015/2016 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.

9.6 Creditors

Total outstanding creditors amount to R0.00 for the quarter ending September 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 - Q1 First 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 | 3 265 | 3 265 | 750 | 2 515 | 335% | 3 000 |
| Service charges | 13 318 | 17 826 | 17 826 | 4 237 | 4 237 | 4 457 | (219) | -5% | 17 826 |
| Investment revenue | 1 101 | 827 | 827 | 209 | 209 | 207 | 3 | 1% | 827 |
| Transfers recognised - operational | 19 788 | 16 841 | 16 841 | 6 170 | 6 170 | 4 123 | 2 046 | 50% | 16 841 |
| Other own revenue | 31 675 | 29 483 | 29 483 | 7 518 | 7 518 | 7 371 | 148 | 2% | 29 483 |
| Total Revenue (excluding capital transfers and contributions) | 68 921 | 67 977 | 67 977 | 21 400 | 21 400 | 16 907 | 4 493 | 27% | 67 977 |
| Employee costs | 12 930 | 17 096 | 17 096 | 3 432 | 3 432 | 4 005 | (573) | -14% | 17 096 |
| Remuneration of Councillors | 2 220 | 2 453 | 2 453 | 579 | 579 | 613 | (35) | -6% | 2 453 |
| Depreciation & asset impairment | 9 523 | 12 073 | 12 073 | 2 005 | 2 361 | 2 786 | (425) | -15% | 12 073 |
| Finance charges | - | - | - | - | - | - | - | - | - |
| Materials and bulk purchases | 6 573 | 6 523 | 6 523 | 1 635 | 1 635 | 1 631 | 4 | 0% | 6 523 |
| Transfers and grants | 2 633 | 4 231 | 4 231 | 1 047 | 1 047 | 1 058 | (11) | - | 4 231 |
| Other expenditure | 36 534 | 35 159 | 35 159 | 8 860 | 8 504 | 8 708 | (204) | -2% | 35 159 |
| Total Expenditure | 70 412 | 77 536 | 77 536 | 17 556 | 17 556 | 18 800 | (1 244) | -7% | 77 536 |
| Surplus/(Deficit) | (1 490) | (9 559) | (9 559) | 3 843 | 3 843 | (1 893) | 5 736 | -303% | (9 559) |
| Transfers recognised - capital | 19 173 | 27 082 | 27 082 | 1 993 | 1 993 | 6 770 | (4 778) | -71% | 27 082 |
| Contributions & Contributed assets | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | 959 | 20% | 17 523 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | 959 | 20% | 17 523 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 5 655 | (3 315) | -59% | 28 419 |
| Capital transfers recognised | 27 300 | 26 754 | 26 754 | 1 993 | 1 993 | 26 754 | (24 761) | -93% | 26 754 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 514 | 1 666 | 1 665 | 346 | 346 | 1 665 | (1 319) | -79% | 1 665 |
| Total sources of capital funds | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 28 419 | (26 080) | -92% | 28 419 |
| Financial position | | | | | | | | | |
| Total current assets | 18 711 | 26 606 | 26 606 | | 31 230 | | | | 26 606 |
| Total non current assets | 152 413 | 166 145 | 166 145 | | 166 706 | | | | 166 145 |
| Total current liabilities | 7 003 | 13 768 | 13 768 | | 13 121 | | | | 13 768 |
| Total non current liabilities | 6 872 | 4 051 | 7 400 | | 4 051 | | | | 4 051 |
| Community wealth/Equity | 157 249 | 146 300 | 146 300 | | 180 764 | | | | 174 931 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 25 335 | 22 257 | 22 257 | 5 302 | 5 302 | 19 652 | (14 351) | -73% | 22 257 |
| Net cash from (used) investing | (18 491) | (12 484) | (12 484) | (2 339) | (2 339) | (58) | (2 282) | 3968% | (12 484) |
| Net cash from (used) financing | - | - | - | - | - | - | - | - | - |
| Cash/cash equivalents at the month/year end | 21 602 | 24 532 | 24 532 | - | 17 721 | 34 353 | (16 632) | -48% | 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 | 2 938 | 841 | 131 | 100 | 94 | 100 | 76 | 4 347 | 8 627 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | - | - | - | - | - | - | - | - | - |

Table 10.1: C1 Summary

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q1 First 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 | | | | | | | | | |
| Revenue - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | 38 892 | 47 523 | 47 523 | 11 883 | 11 883 | 14 636 | (2 753) | -19% | 46 964 |
| Executive and council | | 19 336 | 39 219 | 39 219 | 7 102 | 7 102 | 9 805 | (2 703) | -28% | 39 219 |
| Budget and treasury office | | 8 102 | 5 134 | 5 134 | 3 294 | 3 294 | 4 049 | (755) | -19% | 4 574 |
| Corporate services | | 11 454 | 3 171 | 3 171 | 1 487 | 1 487 | 782 | 705 | 90% | 3 171 |
| <i>Community and public safety</i> | | 31 008 | 28 900 | 28 900 | 7 155 | 7 155 | 7 149 | 6 | 0% | 28 900 |
| Community and social services | | 920 | 974 | 974 | 6 | 6 | 167 | (160) | -96% | 974 |
| Sport and recreation | | 3 | 2 | 2 | 0 | 0 | 1 | (1) | -86% | 2 |
| Public safety | | 29 723 | 27 913 | 27 913 | 7 146 | 7 146 | 6 978 | 167 | 2% | 27 913 |
| Housing | | 363 | 11 | 11 | 3 | 3 | 3 | (0) | -1% | 11 |
| Health | | - | 0 | 0 | 0 | - | 0 | (0) | -100% | 0 |
| <i>Economic and environmental services</i> | | 2 737 | 1 129 | 1 129 | 169 | 169 | 282 | (114) | -40% | 1 129 |
| Planning and development | | - | 90 | 90 | - | - | 23 | (23) | -100% | 90 |
| Road transport | | 2 737 | 1 039 | 1 039 | 169 | 169 | 260 | (91) | -35% | 1 039 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 15 456 | 17 507 | 17 507 | 4 186 | 4 186 | 4 377 | (191) | -4% | 17 507 |
| Electricity | | 9 471 | 11 352 | 11 352 | 2 717 | 2 717 | 2 838 | (121) | -4% | 11 352 |
| Water | | 2 361 | 2 078 | 2 078 | 543 | 543 | 520 | 23 | 5% | 2 078 |
| Waste water management | | 1 895 | 2 106 | 2 106 | 526 | 526 | 526 | (1) | 0% | 2 106 |
| Waste management | | 1 730 | 1 971 | 1 971 | 400 | 400 | 493 | (93) | -19% | 1 971 |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Standard | 2 | 88 093 | 95 059 | 95 059 | 23 393 | 23 393 | 26 444 | (3 051) | -12% | 94 500 |
| Expenditure - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | 19 947 | 25 722 | 25 722 | 5 373 | 5 373 | 5 927 | (553) | -9% | 25 722 |
| Executive and council | | 6 891 | 10 920 | 10 920 | 2 528 | 2 528 | 2 521 | 7 | 0% | 10 920 |
| Budget and treasury office | | 7 939 | 7 610 | 7 610 | 1 626 | 1 626 | 1 995 | (369) | -18% | 7 610 |
| Corporate services | | 5 116 | 7 193 | 7 193 | 1 219 | 1 219 | 1 411 | (192) | -14% | 7 193 |
| <i>Community and public safety</i> | | 27 650 | 28 460 | 28 460 | 7 063 | 7 063 | 7 045 | 18 | 0% | 28 460 |
| Community and social services | | 1 851 | 1 904 | 1 904 | 404 | 404 | 476 | (72) | -15% | 1 904 |
| Sport and recreation | | 65 | 451 | 451 | 11 | 11 | 102 | (91) | -89% | 451 |
| Public safety | | 25 523 | 25 828 | 25 828 | 6 605 | 6 605 | 6 398 | 207 | 3% | 25 828 |
| Housing | | 186 | 188 | 188 | 42 | 42 | 47 | (5) | -11% | 188 |
| Health | | 26 | 90 | 90 | 1 | 1 | 23 | (21) | -95% | 90 |
| <i>Economic and environmental services</i> | | 10 742 | 11 199 | 11 199 | 2 252 | 2 252 | 2 792 | (540) | -19% | 11 199 |
| Planning and development | | 660 | 774 | 774 | 144 | 144 | 186 | (42) | -22% | 774 |
| Road transport | | 10 082 | 10 425 | 10 425 | 2 108 | 2 108 | 2 606 | (498) | -19% | 10 425 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 12 067 | 12 143 | 12 143 | 2 867 | 2 867 | 3 033 | (166) | -5% | 12 143 |
| Electricity | | 7 183 | 7 077 | 7 077 | 1 719 | 1 719 | 1 769 | (50) | -3% | 7 077 |
| Water | | 1 775 | 2 172 | 2 172 | 614 | 614 | 543 | 71 | 13% | 2 172 |
| Waste water management | | 1 677 | 1 505 | 1 505 | 325 | 325 | 376 | (51) | -14% | 1 505 |
| Waste management | | 1 432 | 1 390 | 1 390 | 209 | 209 | 345 | (136) | -39% | 1 390 |
| <i>Other</i> | | 5 | 12 | 12 | 2 | 2 | 3 | (1) | -48% | 12 |
| Total Expenditure - Standard | 3 | 70 412 | 77 536 | 77 536 | 17 556 | 17 556 | 18 800 | (1 244) | -7% | 77 536 |
| Surplus/ (Deficit) for the year | | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 7 644 | (1 807) | -24% | 16 964 |

Table 10.2: C2 Financial Performance (Standard Classification)

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First 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 | | 19 336 | 39 219 | 39 219 | 7 102 | 7 102 | 9 805 | (2 703) | -27.6% | 39 219 |
| Vote 2 - MUNICIPAL MANAGER | | - | - | - | - | - | - | - | - | - |
| Vote 3 - CORPORATE SERVICES | | 11 454 | 3 171 | 3 171 | 1 487 | 1 487 | 782 | 705 | 90.2% | 3 171 |
| Vote 4 - BUDGET & TREASURY | | 8 102 | 5 134 | 5 134 | 3 294 | 3 294 | 1 283 | 2 011 | 156.7% | 5 134 |
| Vote 5 - PLANNING AND DEVEOLPMENT | | - | 90 | 90 | - | - | 23 | (23) | -100.0% | 90 |
| Vote 6 - COMMUNITY AND SOCIAL SERV | | 920 | 974 | 974 | 7 | 7 | 167 | (160) | -96.1% | 974 |
| Vote 7 - SPORTS AND RECREATION | | 3 | 2 | 2 | 0 | 0 | 1 | (1) | -86.0% | 2 |
| Vote 8 - HOUSING | | 363 | 11 | 11 | 3 | 3 | 3 | (0) | -0.9% | 11 |
| Vote 9 - PUBLIC SAFETY | | 29 723 | 27 913 | 27 913 | 7 146 | 7 146 | 6 978 | 167 | 2.4% | 27 913 |
| Vote 10 - ROAD TRANSPORT | | 2 737 | 1 039 | 1 039 | 169 | 169 | 260 | (91) | -35.1% | 1 039 |
| Vote 11 - WASTE MANAGEMENT | | 1 506 | 1 971 | 1 971 | 400 | 400 | 493 | (93) | -18.8% | 1 971 |
| Vote 12 - WASTE WATER MANAGEMENT | | 1 895 | 2 106 | 2 106 | 526 | 526 | 526 | (1) | -0.1% | 2 106 |
| Vote 13 - WATER | | 2 361 | 2 078 | 2 078 | 543 | 543 | 520 | 23 | 4.5% | 2 078 |
| Vote 14 - ELECTRICITY | | 9 471 | 11 352 | 11 352 | 2 717 | 2 717 | 2 838 | (121) | -4.3% | 11 352 |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 87 870 | 95 059 | 95 059 | 23 393 | 23 393 | 23 678 | (285) | -1.2% | 95 059 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - MAYORAL & COUNCIL | | 4 204 | 7 231 | 7 231 | 1 847 | 1 847 | 1 599 | 248 | 15.5% | 7 231 |
| Vote 2 - MUNICIPAL MANAGER | | 2 687 | 3 689 | 3 689 | 681 | 681 | 922 | (241) | -26.1% | 3 689 |
| Vote 3 - CORPORATE SERVICES | | 5 116 | 7 193 | 7 193 | 1 219 | 1 219 | 1 411 | (192) | -13.6% | 7 193 |
| Vote 4 - BUDGET & TREASURY | | 7 940 | 7 610 | 7 610 | 1 626 | 1 626 | 1 995 | (369) | -18.5% | 7 610 |
| Vote 5 - PLANNING AND DEVEOLPMENT | | 660 | 774 | 774 | 144 | 144 | 186 | (42) | -22.4% | 774 |
| Vote 6 - COMMUNITY AND SOCIAL SERV | | 1 193 | 1 306 | 1 306 | 246 | 246 | 326 | (80) | -24.6% | 1 306 |
| Vote 7 - SPORTS AND RECREATION | | 754 | 1 151 | 1 151 | 171 | 171 | 277 | (106) | -38.3% | 1 151 |
| Vote 8 - HOUSING | | 186 | 188 | 188 | 42 | 42 | 47 | (5) | -10.6% | 188 |
| Vote 9 - PUBLIC SAFETY | | 25 523 | 25 828 | 25 828 | 6 605 | 6 605 | 6 398 | 207 | 3.2% | 25 828 |
| Vote 10 - ROAD TRANSPORT | | 10 082 | 10 425 | 10 425 | 2 108 | 2 108 | 2 606 | (498) | -19.1% | 10 425 |
| Vote 11 - WASTE MANAGEMENT | | 1 208 | 1 390 | 1 390 | 209 | 209 | 345 | (136) | -39.4% | 1 390 |
| Vote 12 - WASTE WATER MANAGEMENT | | 1 677 | 1 505 | 1 505 | 325 | 325 | 376 | (51) | -13.6% | 1 505 |
| Vote 13 - WATER | | 1 775 | 2 172 | 2 172 | 614 | 614 | 543 | 71 | 13.1% | 2 172 |
| Vote 14 - ELECTRICITY | | 7 183 | 7 077 | 7 077 | 1 719 | 1 719 | 1 769 | (50) | -2.8% | 7 077 |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 70 188 | 77 536 | 77 536 | 17 556 | 17 556 | 18 800 | (1 244) | -6.6% | 77 536 |
| Surplus/ (Deficit) for the year | 2 | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | 959 | 19.7% | 17 523 |

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

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First 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 | 3 207 | 3 207 | 719 | 2 488 | 346% | 2 875 |
| Property rates - penalties & collection charges | | | 246 | 126 | 126 | 58 | 58 | 31 | 27 | 85% | 126 |
| Service charges - electricity revenue | | | 9 312 | 11 352 | 11 352 | 2 717 | 2 717 | 2 838 | (121) | -4% | 11 352 |
| Service charges - water revenue | | | 875 | 2 078 | 2 078 | 543 | 543 | 520 | 23 | 5% | 2 078 |
| Service charges - sanitation revenue | | | 1 314 | 2 106 | 2 106 | 526 | 526 | 526 | (1) | 0% | 2 106 |
| Service charges - refuse revenue | | | 1 730 | 1 971 | 1 971 | 400 | 400 | 493 | (93) | -19% | 1 971 |
| Service charges - other | | | 87 | 319 | 319 | 51 | 51 | 80 | (29) | -36% | 319 |
| Rental of facilities and equipment | | | 1 275 | 887 | 887 | 235 | 235 | 222 | 14 | 6% | 887 |
| Interest earned - external investments | | | 856 | 652 | 652 | 153 | 153 | 163 | (10) | -6% | 652 |
| Interest earned - outstanding debtors | | | 245 | 175 | 175 | 57 | 57 | 44 | 13 | 30% | 175 |
| Dividends received | | | - | - | - | - | - | - | - | - | - |
| Fines | | | 28 433 | 27 530 | 27 530 | 6 883 | 6 883 | 6 883 | 0 | 0% | 27 530 |
| Licences and permits | | | 1 115 | 252 | 252 | 253 | 253 | 63 | 190 | 301% | 252 |
| Agency services | | | 84 | 105 | 105 | 28 | 28 | 26 | 2 | 6% | 105 |
| Transfers recognised - operational | | | 19 788 | 16 841 | 16 841 | 6 170 | 6 170 | 4 123 | 2 046 | 50% | 16 841 |
| Other revenue | | | 769 | 709 | 709 | 120 | 120 | 177 | (57) | -32% | 709 |
| Gains on disposal of PPE | | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | | 68 921 | 67 977 | 67 977 | 21 400 | 21 400 | 16 907 | 4 493 | 27% | 67 977 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | | | 12 930 | 17 096 | 17 096 | 3 432 | 3 432 | 4 005 | (573) | -14% | 17 096 |
| Remuneration of councillors | | | 2 220 | 2 453 | 2 453 | 579 | 579 | 613 | (35) | -6% | 2 453 |
| Debt impairment | | | 19 976 | 21 682 | 21 682 | 5 368 | 5 368 | 5 420 | (53) | -1% | 21 682 |
| Depreciation & asset impairment | | | 9 523 | 12 073 | 12 073 | 2 005 | 2 361 | 2 786 | (425) | -15% | 12 073 |
| Finance charges | | | - | - | - | - | - | - | - | - | - |
| Bulk purchases | | | 6 573 | 6 523 | 6 523 | 1 635 | 1 635 | 1 631 | 4 | 0% | 6 523 |
| Other materials | | | - | - | - | - | - | - | - | - | - |
| Contracted services | | | 3 210 | 2 976 | 2 976 | 579 | 579 | 744 | (165) | -22% | 2 976 |
| Transfers and grants | | | 2 633 | 4 231 | 4 231 | 1 047 | 1 047 | 1 058 | (11) | -1% | 4 231 |
| Other expenditure | | | 13 347 | 10 502 | 10 502 | 2 912 | 2 557 | 2 543 | 13 | 1% | 10 502 |
| Loss on disposal of PPE | | | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | | 70 412 | 77 536 | 77 536 | 17 556 | 17 556 | 18 800 | (1 244) | -7% | 77 536 |
| Surplus/(Deficit) | | | | | | | | | | | |
| Transfers recognised - capital | | | (1 490) | (9 559) | (9 559) | 3 843 | 3 843 | (1 893) | 5 736 | (0) | (9 559) |
| Contributions recognised - capital | | | 19 173 | 27 082 | 27 082 | 1 993 | 1 993 | 6 770 | (4 778) | (0) | 27 082 |
| Contributed assets | | | | | | | | | - | | |
| Surplus/(Deficit) after capital transfers & contributions | | | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | | | 17 523 |
| Taxation | | | | | | | | | - | | |
| Surplus/(Deficit) after taxation | | | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | | | 17 523 |
| Attributable to minorities | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | | | 17 523 |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | |
| Surplus/ (Deficit) for the year | | | 17 682 | 17 523 | 17 523 | 5 836 | 5 836 | 4 878 | | | 17 523 |

Table 10.4: C4 Financial Performance (Revenue and Expenditure)

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

WC051 Laingsburg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q1 First 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 | | | | | | | | | |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - MAYORAL & COUNCIL | | 6 | - | - | - | - | - | - | - | - |
| Vote 2 - MUNICIPAL MANAGER | | 6 | - | - | - | - | - | - | - | - |
| Vote 3 - CORPORATE SERVICES | | 159 | 16 | 16 | 3 | 3 | 6 | (3) | -52% | 16 |
| Vote 4 - BUDGET & TREASURY | | 284 | 20 | 20 | - | - | - | - | - | 20 |
| Vote 5 - PLANNING AND DEVELOPMENT | | - | - | - | - | - | - | - | - | - |
| Vote 6 - COMMUNITY AND SOCIAL SERV | | 99 | 1 646 | 1 646 | - | - | - | - | - | 1 646 |
| Vote 7 - SPORTS AND RECREATION | | 2 950 | 572 | 572 | - | - | - | - | - | 572 |
| Vote 8 - HOUSING | | 8 067 | 14 520 | 14 520 | - | - | 4 840 | (4 840) | -100% | 14 520 |
| Vote 9 - PUBLIC SAFETY | | 10 | - | - | 332 | 332 | - | 332 | #DIV/0! | - |
| Vote 10 - ROAD TRANSPORT | | 8 936 | 3 659 | 3 659 | 1 695 | 1 695 | 539 | 1 156 | 215% | 3 659 |
| Vote 11 - WASTE MANAGEMENT | | - | - | - | - | - | - | - | - | - |
| Vote 12 - WASTE WATER MANAGEMENT | | 2 535 | 1 788 | 1 788 | 199 | 199 | 72 | 128 | 178% | 1 788 |
| Vote 13 - WATER | | 2 725 | 198 | 198 | 110 | 110 | 198 | (88) | -44% | 198 |
| Vote 14 - ELECTRICITY | | 2 037 | 6 000 | 6 000 | - | - | - | - | - | 6 000 |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Capital single-year expenditure | 4 | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 5 655 | (3 315) | -59% | 28 419 |
| Total Capital Expenditure | | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 5 655 | (3 315) | -59% | 28 419 |
| Capital Expenditure - Standard Classification | | | | | | | | | | |
| Governance and administration | | 455 | 36 | 36 | 3 | 3 | 6 | (3) | -52% | 36 |
| Executive and council | | 12 | - | - | - | - | - | - | - | - |
| Budget and treasury office | | 284 | 20 | 20 | - | - | - | - | - | 20 |
| Corporate services | | 159 | 16 | 16 | 3 | 3 | 6 | (3) | -52% | 16 |
| Community and public safety | | 11 126 | 16 738 | 16 738 | 332 | 332 | 4 840 | (4 508) | -93% | 16 738 |
| Community and social services | | 35 | 1 566 | 1 566 | - | - | - | - | - | 1 566 |
| Sport and recreation | | 2 950 | 572 | 572 | - | - | - | - | - | 572 |
| Public safety | | 10 | - | - | 332 | 332 | - | 332 | #DIV/0! | - |
| Housing | | 8 067 | 14 520 | 14 520 | - | - | 4 840 | (4 840) | -100% | 14 520 |
| Health | | 64 | 80 | 80 | - | - | - | - | - | 80 |
| Economic and environmental services | | 8 936 | 3 659 | 3 659 | 1 695 | 1 695 | 3 659 | (1 964) | -54% | 3 659 |
| Planning and development | | - | - | - | - | - | - | - | - | - |
| Road transport | | 8 936 | 3 659 | 3 659 | 1 695 | 1 695 | 3 659 | (1 964) | -54% | 3 659 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 7 297 | 7 986 | 7 986 | 309 | 309 | 7 986 | (7 677) | -96% | 7 986 |
| Electricity | | 2 037 | 6 000 | 6 000 | - | - | 6 000 | (6 000) | -100% | 6 000 |
| Water | | 2 725 | 198 | 198 | 110 | 110 | 198 | (88) | -44% | 198 |
| Waste water management | | 2 535 | 1 788 | 1 788 | 199 | 199 | 1 788 | (1 589) | -89% | 1 788 |
| Waste management | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard Classification | 3 | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 16 491 | (14 152) | -86% | 28 419 |
| Funded by: | | | | | | | | | | |
| National Government | | 27 300 | 26 754 | 26 754 | 1 993 | 1 993 | 26 754 | (24 761) | -93% | 26 754 |
| Provincial Government | | - | - | - | - | - | - | - | - | - |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Other transfers and grants | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 27 300 | 26 754 | 26 754 | 1 993 | 1 993 | 26 754 | (24 761) | -93% | 26 754 |
| Public contributions & donations | 5 | - | - | - | - | - | - | - | - | - |
| Borrowing | 6 | - | - | - | - | - | - | - | - | - |
| Internally generated funds | | 514 | 1 666 | 1 665 | 346 | 346 | 1 665 | (1 319) | -79% | 1 665 |
| Total Capital Funding | | 27 814 | 28 419 | 28 419 | 2 339 | 2 339 | 28 419 | (26 080) | -92% | 28 419 |

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

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - Q1 First 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 | 17 721 | 14 758 |
| Call investment deposits | | — | — | — | — | — |
| Consumer debtors | | 4 336 | 6 127 | 6 127 | 2 850 | 6 127 |
| Other debtors | | 360 | 408 | 408 | 5 347 | 408 |
| Current portion of long-term receivables | | — | — | — | — | — |
| Inventory | | 5 698 | 5 313 | 5 313 | 5 313 | 5 313 |
| Total current assets | | 18 711 | 26 606 | 26 606 | 31 230 | 26 606 |
| Non current assets | | | | | | |
| Long-term receivables | | 9 | 9 | 9 | 9 | 9 |
| Investments | | — | — | — | — | — |
| Investment property | | 4 440 | 4 511 | 4 511 | 4 501 | 4 511 |
| Investments in Associate | | — | — | — | — | — |
| Property, plant and equipment | | 147 576 | 161 067 | 161 067 | 161 661 | 161 067 |
| Agricultural | | — | — | — | — | — |
| Biological assets | | — | — | — | — | — |
| Intangible assets | | 343 | 547 | 547 | 523 | 547 |
| Other non-current assets | | 43 | 11 | 11 | 12 | 11 |
| Total non current assets | | 152 413 | 166 145 | 166 145 | 166 706 | 166 145 |
| TOTAL ASSETS | | 171 124 | 192 751 | 192 751 | 197 936 | 192 751 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | — | — | — | — | — |
| Borrowing | | — | — | — | — | — |
| Consumer deposits | | 396 | 406 | 406 | 387 | 406 |
| Trade and other payables | | 6 322 | 7 594 | 7 594 | 6 965 | 7 594 |
| Provisions | | 286 | 5 768 | 5 768 | 5 768 | 5 768 |
| Total current liabilities | | 7 003 | 13 768 | 13 768 | 13 121 | 13 768 |
| Non current liabilities | | | | | | |
| Borrowing | | — | — | — | — | — |
| Provisions | | 6 872 | 4 051 | 7 400 | 4 051 | 4 051 |
| Total non current liabilities | | 6 872 | 4 051 | 7 400 | 4 051 | 4 051 |
| TOTAL LIABILITIES | | 13 875 | 17 820 | 21 168 | 17 173 | 17 820 |
| NET ASSETS | 2 | 157 249 | 174 931 | 171 583 | 180 764 | 174 931 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated Surplus/(Deficit) | | 120 313 | 146 300 | 146 300 | 143 834 | 138 001 |
| Reserves | | 36 937 | — | — | 36 930 | 36 930 |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 157 249 | 146 300 | 146 300 | 180 764 | 174 931 |

Table 10.6: C6 Financial Position

QUARTERLY PERFORMANCE ASSESMENT REPORT Q 1

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - Q1 First 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 | 8 614 | 8 614 | 5 811 | 2 803 | 48% | 21 696 |
| Government - operating | | 20 188 | 16 751 | 16 751 | 8 430 | 8 430 | 8 118 | 311 | 4% | 16 751 |
| Government - capital | | 12 055 | 27 082 | 27 082 | 10 969 | 10 969 | 16 527 | (5 558) | -34% | 27 082 |
| Interest | | 1 491 | 827 | 827 | 209 | 209 | 207 | 3 | 1% | 827 |
| Dividends | | | | | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (42 536) | (43 562) | (43 562) | (22 483) | (22 483) | (10 728) | (11 755) | 110% | (43 562) |
| Finance charges | | - | - | - | - | - | - | - | | - |
| Transfers and Grants | | (3 153) | (537) | (537) | (438) | (438) | (283) | (155) | 55% | (537) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 25 335 | 22 257 | 22 257 | 5 302 | 5 302 | 19 652 | 9 469 | 48% | 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) | (2 339) | (2 339) | (58) | (2 282) | 3968% | (12 484) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (18 491) | (12 484) | (12 484) | (2 339) | (2 339) | (58) | 2 282 | -3968% | (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 | 2 962 | 2 962 | 19 595 | | | 9 773 |
| Cash/cash equivalents at beginning: | | 14 758 | 14 758 | 14 758 | | 14 758 | 14 758 | | | 14 758 |
| Cash/cash equivalents at monthly year end: | | 21 602 | 24 532 | 24 532 | | 17 721 | 34 353 | | | 24 532 |

Table 10.7: C7 Cash Flow

11 Supporting Documentation

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First 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 Ex change Transactions - Water | | 1200 | 59 | 46 | 26 | 23 | 23 | 22 | 20 | 652 | 871 | - | |
| Trade and Other Receivables from Ex change Transactions - Electricity | | 1300 | 655 | 21 | 32 | 10 | 11 | 10 | 6 | 251 | 996 | - | |
| Receivables from Non-ex change Transactions - Property Rates | | 1400 | 2 025 | 22 | 14 | 15 | 14 | 9 | 5 | 1 901 | 4 007 | - | |
| Receivables from Ex change Transactions - Waste Water Management | | 1500 | 124 | 37 | 24 | 22 | 21 | 22 | 20 | 681 | 950 | - | |
| Receivables from Ex change Transactions - Waste Management | | 1600 | 69 | 29 | 17 | 16 | 16 | 17 | 13 | 396 | 574 | - | |
| Receivables from Ex change Transactions - Property Rental Debtors | | 1700 | 13 | 14 | 17 | 13 | 9 | 20 | 13 | 250 | 349 | - | |
| Interest on Arrear Debtor Accounts | | 1810 | 11 | 647 | - | - | - | - | - | 185 | 844 | - | |
| Recoverable unauthorised, irregular or fruitless and wasteful Expenditure | | 1820 | - | - | - | - | - | - | - | - | - | - | |
| Other | | 1900 | (19) | 23 | - | 1 | - | 0 | - | 29 | 36 | - | |
| Total By Revenue Source | | 2000 | 2 938 | 841 | 131 | 100 | 94 | 100 | 76 | 4 347 | 8 627 | - | |
| 2015/16 - totals only | | | 1 191 575 | 136 117 | 135 362 | 101 861 | 143 658 | 802 699 | 359 906 | 3 143 366 | 6 015 | 0 | |
| Debtors Age Analysis By Customer Category | | | | | | | | | | | | | |
| Organs of State | | 2200 | 379 | 19 | 30 | 10 | 6 | 14 | 7 | 1 161 | 1 626 | - | |
| Commercial | | 2300 | 557 | 38 | 10 | 2 | 5 | 2 | 0 | 41 | 656 | - | |
| Households | | 2400 | 1 906 | 783 | 90 | 85 | 81 | 83 | 66 | 3 105 | 6 200 | - | |
| Other | | 2500 | 96 | 1 | 1 | 2 | 1 | 1 | 2 | 40 | 146 | - | |
| Total By Customer Category | | 2600 | 2 938 | 841 | 131 | 100 | 94 | 100 | 76 | 4 347 | 8 627 | - | |

Table 11.1 Debtors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

| Water Ealingburg - Supporting Table 004 monthly Budget Statement - aged creditors - Q1 first quarter | | | | | | | | | | |
|--|---------|---------------------|--------------|--------------|---------------|----------------|----------------|-------------------|-------------|-------|
| Description | NT Code | Budget Year 2016/17 | | | | | | | | |
| | | 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 |
| 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 11.2 Creditors Analysis

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q1 First Quarter

| WC031 Laingsburg - Supporting Table 502 Monthly Budget Statement - performance indicators - Q1 First 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% | 5.2% | 5.2% | 3.9% | 4.3% |
| 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% | 193.2% | 193.2% | 238.0% | 193.2% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | 118.8% | 107.2% | 107.2% | 135.1% | 107.2% |
| <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% | 9.6% | 9.6% | 38.3% | 9.6% |
| 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 | | 18.8% | 25.2% | 25.2% | 16.0% | 25.2% |
| Repairs & Maintenance | R&M/Total Revenue - capital revenue | | 1.9% | 3.1% | 3.1% | 0.0% | 2.9% |
| Interest & Depreciation | I&D/Total Revenue - capital revenue | | 13.8% | 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) | | 15.9% | 11.1% | 11.1% | 90.1% | 11.1% |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue received for services | | 32.6% | 34.4% | 34.4% | 5.6% | 36.1% |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational expenditure | | 3.8% | 8.1% | 8.1% | 2.1% | 8.1% |

Table 11.3: Performance Indicators

11.1 Supply Chain Management

The SCM Unit were unable to provide the Performance Unit with a Service Provider Performance Report, due to a lack of internal controls and a system.

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. Departments indicated that they are busy at the moment and could not provide the evidence for the reported evidence, therefore the municipal manager should use the quarterly review to provide the evidence as well as measures to prevent it from re-occurring.

13 Down Cascading of Performance Management

We proudly report that this year performance management are scaled down to professional and join management level. Excluding the Municipal Manager and managers that reports to the municipal manager 10 staff members as signed performance management agreements and plans.

All staff who has a performance agreement or plan will be informally evaluated by the municipal manager 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 1st 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.

COMPLAINE PERFORMANCE REPORT

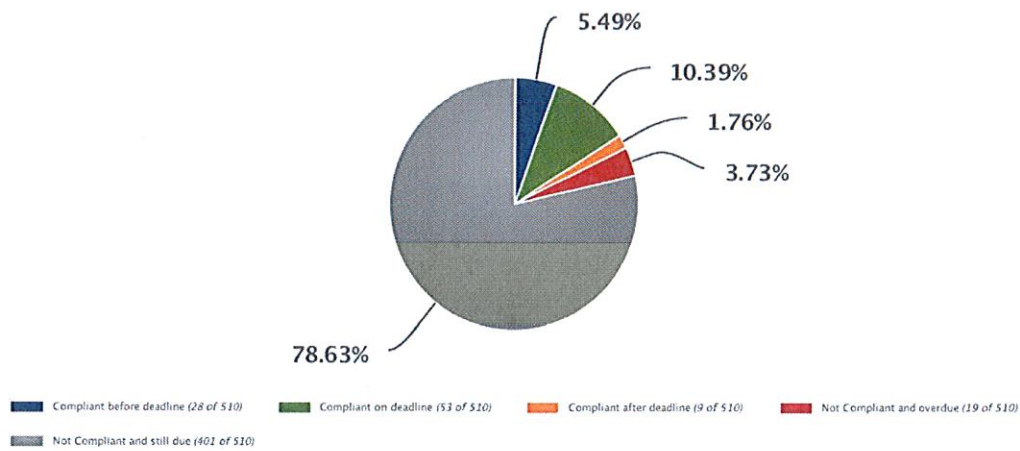
The Compliance System is an internet based system and it is informed by Statutes that is applicable to local government including sub-statutes like Regulations which are implementation Guidelines. The system generate an automatic reminder to uses at

least two weeks prior the prescribed action date, which give the user ample time to complete the task to ensure compliance and good governance.

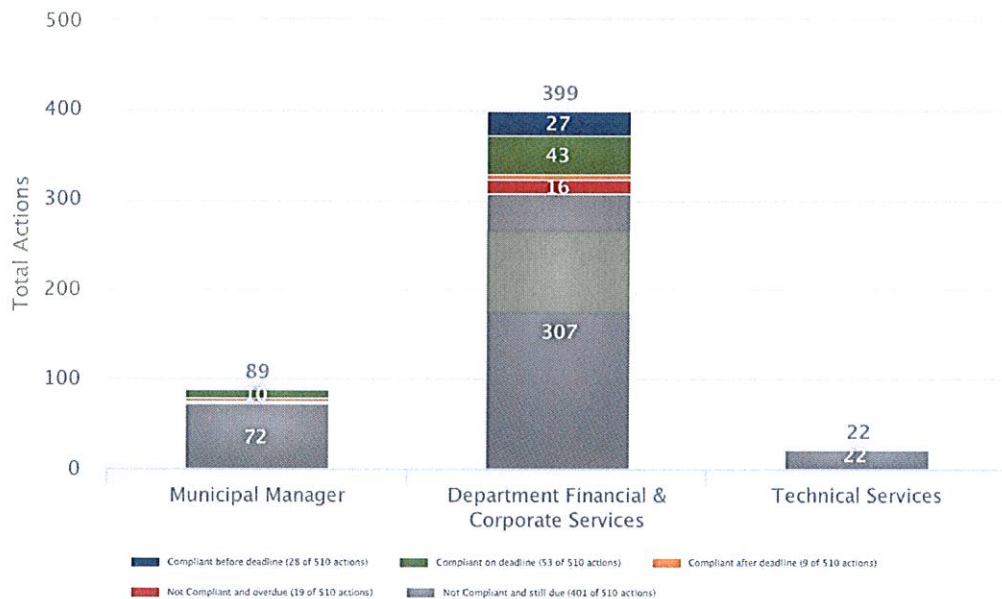
The system make provision for the upload of a POE but the evidence can also be kept in hardcopy format on file. The system also assist users to implement actions which are linked to the SDBIP and PMS timeously.

The following graphs illustrate the overall performance of the LLM measured in terms of the reporting of the compliance system for the period under review.

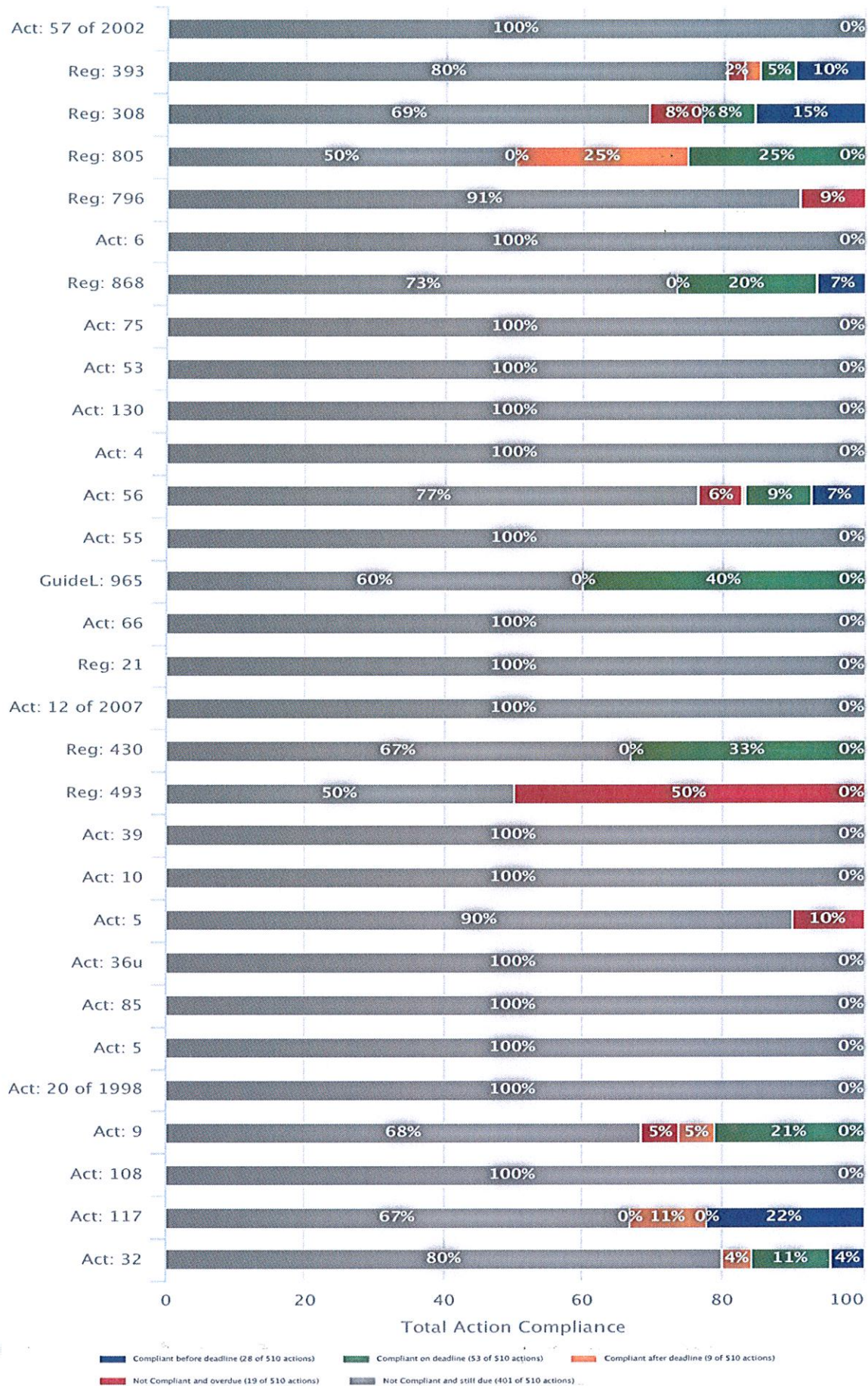
Overall Compliance Status



Compliance Status per Department



Compliance Status per Legislation



The above graph illustrate that the municipality's overall compliance performance was not so poor with only 3 statutes and sub-statutes (Municipal Regulations on Minimum Competency Levels, National Land Transport Act and Municipal Planning and Performance Management Regulations) was not adhered to, but although it does not reflect so bad in the graphs, it is clear that the municipality does not comply with legislation.

The municipal manager in his performance review must address the non-compliance with the legislation; it might be that the official responsible for the action did comply but did not update the system. An Action Report is attach that identify the officials who did not perform the action or did not update the Compliance System.

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 quarterly review and the outcome of the Performance Review will be recorded and included in the half year performance evaluation to report back on the implementation of corrective measures. Therefore the department's report reflected poor performance.

Internal Controls and a system that will evaluate external service providers must be developed to ensure reporting and evaluation of service providers.

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. Ten (10) officials that was not part of the previous year down scaling process were include in this year and more specifically this quarter. The municipality is cooperation with SALGA and Cogta held a Workshop with all staff that has Performance Agreements and Plans with the municipality. The PMS unit also held a training session with staff specifically on the online web based PMS on how to use the system.

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 (September 2015 to December 2015) and even further in the 3rd quarter of the year. The remaining staff will be include from the 1st of July 2016.

I thank you

GD Harding
Performance Management