

LAINGSBURGMUNICIPALITY

SECTION 52 REPORT

QUARTERLY PERFORMANCE

2018/19 ASSESSMENT REPORT- Q 3

01 January 2019 – 31 March 2019

A municipality that works



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QUALITY CERTIFICATE

I, PA Williams the Municipal Manager of Laingsburg Local Municipality, hereby certify that the quarterly report on the implementation of the budget and financial state affairs for the period of 1 January 2019 until 31 March 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.



PA WILLIAMS
MUNICIPAL MANAGER
30 April 2019

SECTION 1 - INTRODUCTION

The purpose of this report is firstly to comply with section 52(d) of the Municipal Finance Management Act (MFMA), by submission of a report to the Council on the implementation of the budget.

The report provides a quarterly overview of the financial performance of the municipality, whilst it also provides a monitoring tool for Council on the non-financial indicators which is part of the service delivery and budget implementation plan.

The reports strategic objective is to ensure good governance, provide a monitor tool for financial viability as well as to provide Council with the necessary information to make informed decisions.

Section 52 (d) of the MFMA requires that:

“the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.”

Section 75 (1) (k) of the MFMA requires that one should place the following documents of the municipality on the website:

“all quarterly reports tabled in the council in terms of section 52 (d).”

Council must therefore take note that this report will be published on the official website of the Municipality.

The report provides a quarterly overview of the municipal financial and non-financial performance to give council a monitoring tool to review performance as part of the Service Delivery and Budget Implementation plan (SDBIP) 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 January – 31 March 2019) of the 2018/2019 financial year.

SECTION 2 – EXECUTIVE MAYOR’S REPORT

Schedule C (In-Year Reports of Municipalities) of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations, relating to the Mayor’s report states that:

“3. Mayor’s report - The mayor’s report accompanying an in-year must provide-

- a) A summary of whether the municipality’s budget is being implemented in accordance with the service delivery and budget implementation plan and any service delivery agreements with municipal entities;”**

Refer to Section 3 – Executive summary for the measurement of financial (Section 3.1) and non-financial (Section 3.2) key performance indicators.

- b) “A summary of any financial problems or risks facing the municipality or any such entity; and”**

I am not aware of any financial problems or risks facing the municipality.

- c) “Any other information considered relevant by the mayor.”**

There is no other information considered to be relevant.

SECTION 3 – RESOLUTIONS

The draft resolution tabled to Council by the Executive Mayor for consideration regarding the Section 52 report is:

- That Council takes cognizance of the Finance Management Report (MFMA Section 52 report) for the quarter ending 31 March 2019 on the implementation of the budget and the financial state of affairs of the municipality.

SECTION 4 – EXECUTIVE SUMMARY

The quarterly report, the so called MFMA Section 52 report, is a monitoring tool for the approved service delivery and budget implementation plan, which can be divided into two parts namely the financial and non-financial key performance indicators.

4.1 Financial problems or risks facing the Municipality

At the end of the third quarter 75% of the budget has to be spent or collected. The Municipality is still facing financial and cash flow problems. As mentioned in the report for the third quarter there was no dramatic change in the situation that was experienced during the financial year 2017/2018. The adjustment budget was tabled in February 2019 increasing various expenditure items. The operating budget is carried by capital grants for drought relief projects. Payment for debtors for the third quarter was low and an increase in outstanding service charges is a reality irrespective of the efforts being made to encourage recovery of

the debt. The year-to-date payment rate is 88.93% and is still lower as the budgeted rate of 95% for service charges. The decrease in the payment ratio has a direct influence on the cash flow of the municipality and a decreased of R1, 500 million on cash from services charges can be expected. Annual rates are levied during July for the financial year and is payable in monthly installments.

4.2 Other relevant information

Year-to-date revenue raised is 89,48% of the projected year-to-date budget for the third quarter. Operating expenditure incurred amounts to 104.65% of year-to-date budget. The depreciation and annual journals will be processed after the finalization of the audit.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the quarter ended March 2019.

4.3 Operating Revenue

The Municipality have generated 67.11% or R72,924 million of the Budgeted Revenue to date which is in line with the budgeted amounts. During the third quarter operating grants totalling R4,081 million were received. The largest share of the grants received forms part of the Equitable share allocation for the financial year.

4.4 Operating Expenditure

For the quarter ending March 2019, the Municipality did not manage to spend within the budgeted norms. An amount of R67,129 million or 78,49% have been spent to date. This amounts to 104,65% of the budgeted quarterly expenditure. As mentioned above the depreciation and annual journals will be processed at the end of the financial year.

4.5 Capital Expenditure

The Municipality has incurred R8, 728 million or 38, 54% of the external funded Capital Budget to date. The MIG spending for the third quarter totals to R3, 364 to date.

4.6 Cash Flow

The Municipality started off with a cash flow balance of R10,078 million at the beginning of the year and increased it with R5,959 million. The closing balance for this quarter is R16,037 million. The increase in cash flow is due to the receipt of the operational grants and unspent capital grants. The Municipal cash flow is mainly from Operating Activities as no Borrowing or Investments are budgeted for the 2018/2019 financial year.

4.7 Debtors

The Outstanding Debtors of the Municipality amounts to R8,627 million for the quarter ending March 2019. The outstanding debt for more than 90 days amounts to 63,67% at the end of the third quarter for 2018. That means that the debtors book over 90 days has decreased with 10.9% over the past financial year. We must keep in mind that the average consumer account increase for the 2018/2019 financial year was less than 6%. The likelihood of recovering amounts over 90 days is getting worse. The payment rate for 2017/2018 financial year was 84.47%. This includes the transfers to indigent accounts. The current payment rate is 88,93%. The total cash trapped in outstanding debtors older than 90 Days amounts to R5,493 million.

4.8 Creditors

Total outstanding creditors amount to R0 for the quarter ending March 2019. 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.

SECTION 5 - FINANCIAL KEY PERFORMANCE INDICATORS

The financial performance indicators as prescribed by National Treasury is provided in Table SC 2.

Table SC2 – Financial Performance indicators

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q3 Third Quarter

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			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%	11.6%	11.8%	0.0%	3.1%
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		8.0%	8.3%	8.3%	12.9%	8.3%
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	106.4%	72.4%	72.4%	89.9%	72.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		42.8%	47.9%	47.9%	61.7%	47.9%
<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		9.9%	4.6%	4.7%	11.0%	4.7%
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))						
<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					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		27.4%	29.9%	28.0%	26.0%	28.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		2.3%	12.9%	13.3%	0.0%	3.5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		9.7%	9.1%		0.0%	9.1%

The other financial performance indicators are discussed below:

Table 5.1 provides a high level summary of the municipality's performance on the capital and operational revenue and expenditure measured against the budget as at 31 March 2019.

5.1 Key Financial Indicators

Description	Operating Revenue			Operating Expenditure		Capital Expenditure
	R'000			R'000		R'000
Year-to-date budget CY	510	60	735	68	598	8 727 997
Actuals as at Current Quarter	164	62	382	64	327	3 363 923
Variance between YTD Budget and YTD Actuals	654	-1	646	4	270	5 364 074
Variance %			-2.71		6.23	100.00

Table 5. 2 Actual Budget Spending

Description	Operating Revenue			Operating Expenditure		Capital Expenditure
	R'000			R'000		R'000
Annual Budget	680	80	980	91	464	22 646 598
Actuals as at Current Quarter	164	62	382	64	327	3 363 923
Actual as % of total Budget	77.03			70.33		14.85

Table 5.3 provide the key financial indicators, comparing the 2017/18 financial performance of the municipality to the 2018/19 year to date figures as at 31 March 2019.

Table 5.3

RATION DESCRIPTION	CY	PY
<u>Revenue Management</u>		
Level of reliance on Government grants	25.50	23.42
Actual income vs Budgeted Income	102.71	91.08
<u>Expenditure Management</u>		
Personnel Costs to total Expenditure	25.24	27.03
Actual expenditure vs Budgeted Expenditure	93.77	84.05
Interest Paid as a percentage of total expenditure	-	-
Repairs and maintenance / PPE (carry amount)		

	0.45	0.69
Repairs and maintenance / total expenditure	1.16	1.59
<u>Asset Management</u>		
Actual versus Budgeted Capital Expenditure	84.19	48.47
Stockholding period(Days)		
<u>Debt Management</u>		
Creditors payment period (Days)	30	30
Arrear debtors collection period (Days)	96	124
<u>Liquidity</u>		
Current ratio	89.91	71.01
Acid Test ratio	85.20	65.63
Turnover of accounts receivable	2.26	5.90
Cash to interest	0	0
Debt to cash	-	-
CASH TO income	1.02	0.66
Total Liabilities / Total Assets	16.46	13.53

5.2 Borrowing, funding and reserves policy

The borrowing, funding and reserves policy makes the measurement of the following ratios compulsory:

- a) Interest paid to total expenditure

5.2.1 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the interest paid to total expenditure may not exceed 5%.

5.2.2 Interpretation of Results

Interest paid to total expenditure is well within the norm of 5% Interest payments are currently made bi-annually.

- b) Total long term debt to total operating revenue

5.2.3 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the total long term debt to total operating revenue (excluding conditional grants and transfers) must not exceed 45%. Table 5.4 provide the year to date measurement against the results of 2017/18.

Table 5.4 Long Term Revenue

5.2.4 Interpretation of Results

This percentage of long-term debt to operating revenue is well within the approved policy of Council of 45%.

- c) Cash generation from operating activities

5.2.5 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the cash generation from operating activities must at least cover the annual loan repayments 1 time. Table 5.5 provides the year to date measurement against the results of 2017/18.

Table 5.5 Loan Repayments Vs Cash

Description	CY	PY
Coverage of Annual Loan Repayments by cash generated from operating	0	0
Cash generated from operating activities	6 612 714	12 533 755
Annual Loan Repayments	0	0

5.2.6 Interpretation of Results

Laingsburg Municipality does not have a high reliance on loans. Thus the ratio will always be favorable. The coverage of cash generated from operating activities to the annual loan repayment is well above the norm of 1 time.

- d) Percentage of annual loan repayment to total operating expenditure

5.2.7 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the percentage of total annual loan repayment (Capital and Interest) to total operating expenditure must not be more than 10%. Table 5.6 provides the year to date measurement against the results of 2017/18.

Table 5.6 Loan Repayments

Description	CY	PY
Percentage of annual loan repayments to total operating expenditure	0	0
Annual loan repayments (interest & Capital)	0	0
Total Operating Expenditure	64 327 731	72 300 953.90

5.2.8 Interpretation of Results

Laingsburg Municipality does not have a high reliance on loans and thus the amounts relating to repayment of loans are low. Thus the ratio will always be favorable. The percentage of annual loan repayment to total operating expenditure is well within the norm of 10%.

5.3 Liquidity policy

The liquidity policy makes the measurement of the following ratios compulsory:

- a) Cash/Cost Coverage Ratio

5.3.1 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) must be calculated as ((Cash and Cash Equivalents – Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortization, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) and that a coverage of 1-3 times is acceptable.

Table 5.7 provide the measurement based on the last month of the quarter measured against the last month of 2018/19.

Table 5.7 Cash and Cash Equivalents

DESCRIPTION	CY	PY
Cash/Cost Coverage Ratio (Times)		
Cash and Cash equivalents	18 037 429	13 654 410
Monthly Fixed Operational Expenditure	3 147 180.00	3 028 341.67
Cash and Cash Equivalents:		
Petty Cash and bank Balances	16 591 504	8 631 927
Less:		
Unspent Conditional Grants	22 247 352	13 205 336
Overdraft	0	0
Plus:		
Short-term investments	1 445 425	1 445 425
Monthly Fixed Operational Expenditure		
Total average monthly expenditure for the year	7 590 617	6 025 079
Less:		
Depreciation & Amortisation	878 647	32 365
Provision for bad debt	2 158 990	2 179 230
Impairment and loss on Disposal of Assets	0	0
Fair Value Adjustments	0	0

5.3.2 Interpretation of Results

The cash/cost coverage ratio is less than the norm of 1-3 times as per liquidity policy and improved from 2017/18 to 2018/19 mainly because of the increase in “Short-term investments”.

b) Current ratio

5.3.3 Purpose/ Use of the Ratio and Norm

The purpose of this ratio is to measure the Municipality’s ability to meets its short-term commitments.

The higher the current Ratio, the more capable the Municipality will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely

liquidity problems i.e. insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

The approved policy by Council determines that the current ratio must be between 1.5:1 and 2:1. Table 5.8 provides the calculated current year ratio.

Table 5.8 Current Assets and Liabilities

Description	CY	PY
Current Ratio	89.91	71.01
Current Assets	26 279 333	18 199 310
Current Liabilities	29 227 312	25 628 810

5.3.4 Interpretation of Results

The municipality operates above the norm set by Council. The ratio improved since the end of the previous year.

The liquidity policy goes a step further and prescribes the calculation formula to determine a minimum liquidity requirement, it differs from the normal generally recognised calculation method as used above. Table 5.9 provides the measurement method as prescribed in the policy, it measures the year to date results against the results of 2017/18.

Table 5.9 Liquidity Requirement Calculation

Liquidity Requirement Calculation	CY R	PY R
All earmarked and/or conditional grants received but not yet utilised	0	0
Value of the provisions held in cash for the clearing of alien vegetation and the rehabilitation of landfill sites to the extent that these funds are required within the following 5 years	0	0
Value of legally entrenched short term rights and benefits of employees related to Medical benefits & Retirement benefits	3 509 000	3 509 000.0
Unspent Loan Funds	0	0
Funds held for agency services not yet performed	0	0
Reserve funds reflected in Statement of Financial Position that are assumed to be held in cash	1 260 637	1 260 637
Capital redemption and interest payments on external loans not reflected as part of normal operational expenditure	0	0
1 months operational expenditure excluding non-cash items	3 147 180	3 028 342
Consumer Deposits	466 156	505 849
Other Deposits and Other Advance Payments:		
- Retentions	0	0
- Payments Received in Advance	0	0
- Other Deposits	0	0
Non-current Deposit: Pavilion	0	0
Commitments resulting from contracts concluded as part of Capex Programme, not reflected in operational budget	6 162 844	8 794 844

Table 5.10 Actual Liquidity

Actual available liquidity held [reference paragraph 4.2.]	CY R	PY R
Bank Balance at e.g.:		
- ABSA, FNB, Standard Bank, Nedbank, Investec, Money Market		
Bank balance sub total	16 589 954	8 630 377
95% of all other term investments with Banks	1 373 154	1 373 154
90% of Market value of all Bonds on the JSE that are held	0	0
Consumer debtors (current – 60 days)	2 910 590	685 168
Other reserves held in cash not reflected in bank balances mentioned above for e.g.:	0	0
- Unspent conditional grants	0	0
- Payments received for agency functions not yet performed	0	0
- The cash value of reserves held	0	0
- Cash deposits held as part of loan covenants or ceded	0	0
- Undrawn bank overdraft facility or committed liquidity lines available	0	0
TOTAL LIQUIDITY AVAILABLE	20 873 698	10 688 698
LIQUIDITY SURPLUS (SHORT FALL)		
SURPLUS THAT COULD BE APPROPRIATED TO CAPITAL REPLACEMENT RESERVE		

5.3.5 Interpretation of Results

It is clear from above that the Municipality does meet the minimum level set by the approved policy. The liquidity surplus improved measured against the result of the last financial year.

5.4 Other ratios of importance

The following ratios are important within this quarterly report.

a) Debtors collection period in days

5.4.1 Purpose/ Use of the Ratio and Norm

This ratio reflects the collection period. The debtor days refers to the average number of days required for the Municipality to receive payment from its consumers for bills/invoices issued to them for services.

The ratio is also a good indication of the effectiveness of credit control procedures within the Municipality. If the ratio is above the norm, it indicates that the Municipality is exposed to significant cash flow risk.

This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition, this indicates that a significant amount of potential

cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

Table 5.11 Debt Collection

Description	CY	PY
Debtors collection period (days)		
Consumer debtors*365	96	124
Rates revenue + Services revenue + Debtors income		

5.4.2 Interpretation of Results

The municipality does not operate within the norm. The ration has weakened measured against the result of the last financial year. The reason for the increase in the collection period is due to raising of annual rates in the first quarter of the financial year for the financial period as a whole.

b) Level of reliance on government grants

5.4.3 Purpose/ Use of the Ratio and Norm

The Ratio measures the extent to which the municipality's Expenditure is funded through government grants and subsidies.

No norm is proposed at this time by National Treasury. It must be mentioned that National Treasury does promote a healthy balance of funding sources.

Table 5.12 Grant Reliance

Description	CY	PY
Level of reliance on government grants	25.50	23.42
Government Grants and subsidies	16 490 223.54	17 823 000.00
Total Revenue	62 382 164.14	69 313 755.78

5.4.4 Interpretation of Results

The results indicates that the municipality is dependent on grant funding to run its normal operations.

b) Implementation of the Capital program

5.4.5 Purpose/ Use of the Ratio and Norm

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation.

The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget. Any variance above 5% indicates discrepancies in planning and budgeting which should be investigated and corrective measures implemented. Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects.

Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programs and/or projects. Overspending may also indicate inaccurate budgeting or poor financial management control.

The norm range between 0% and 5% variance

Table 5.13 Actual Budget Spending

Description				CY	PY
Actual	versus	Budgeted	Capital	8 727 997	7 812 843
Expenditure					
Actual Capital Expenditure – Budgeted Capital Expenditure				38.54	48.47
Budgeted Capital Expenditure				22 646 598	16 117 505

5.4.6 Interpretation of Results

The Municipality is functioning within the norm and is on track as per the YTD Budget allocation.

c) Implementation: Operational Revenue

5.4.7 Purpose/ Use of the Ratio and Norm

This ratio measures the extent of actual operating revenue (Excl. Capital Grant Revenue) received in relation to budgeted operating revenue during the financial year, under review.

A ratio outside the norm indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

The norm range between 0% and 5% variance.

5.4.8 Interpretation of Results

With the conversion from old vote numbers used in the old chart of accounts to the new mSCOA short codes and especially the new mSCOA item segment it was difficult to budget monthly projections for the 2017/18 budget with no available history on this new chart of accounts. The budget was therefore only divided equally amongst the 12 months on the financial system. The municipality will only have a more reliable budget per month with the next budget period. It can be mentioned that the actual income collection is in line with previous year actual and projected collection rates.

d) Implementation: Operational Expenditure

4.5.9 Purpose/ Use of the Ratio and Norm

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an

approved budget. Any variance outside the norm either indicate a challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible cash flow difficulties or capacity challenges to undertake budgeted/ planned service delivery, and/ or does not prepare accurate and credible budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programs and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

The norm range between 0% and 5% variance.

Table 5.15 Budget Expenditure

Description				CY	PY
Actual	versus	Budgeted	Capital	8 727 997	7 812 843
Expenditure					
Actual Capital Expenditure – Budgeted Capital Expenditure				38.54	48.47
Budgeted Capital Expenditure				22 646 598	16 117 505

4.5.10 Interpretation of Results

The Municipality is functioning outside the norm. With the conversion from old vote numbers used in the old chart of accounts to the new mSCOA short codes and especially the new mSCOA item segment it was difficult to budget monthly projections for the 2017/18 budget with no available history on this new chart of accounts. The budget was therefore only divided equally amongst the 12 months on the financial system. The municipality will only have a more reliable budget per month with the next budget period.

SECTION 6 - NON - FINANCIAL PERFORMANCE REPORT

6.1 Background

6.1.1 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.

6.1.2 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.

6.1.3 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.

6.1.4 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.

6.1.5 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:

- o) 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.

6.1.6 The IDP and the Budget

The Draft IDP 2017/2022 Review Year 2 and the Draft Budget was approved by Council the 12th of April 2019. 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.

6.1.7 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

6.1.8 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 12th of June 2018. 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.

6.1.9 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 18th 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.

6.2 Actual Performance for the 3rd 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 1st quarter of the financial year 2018/2019 is provided for in section 6 of this report.

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

6.2.1 Overall Performance of the Municipality

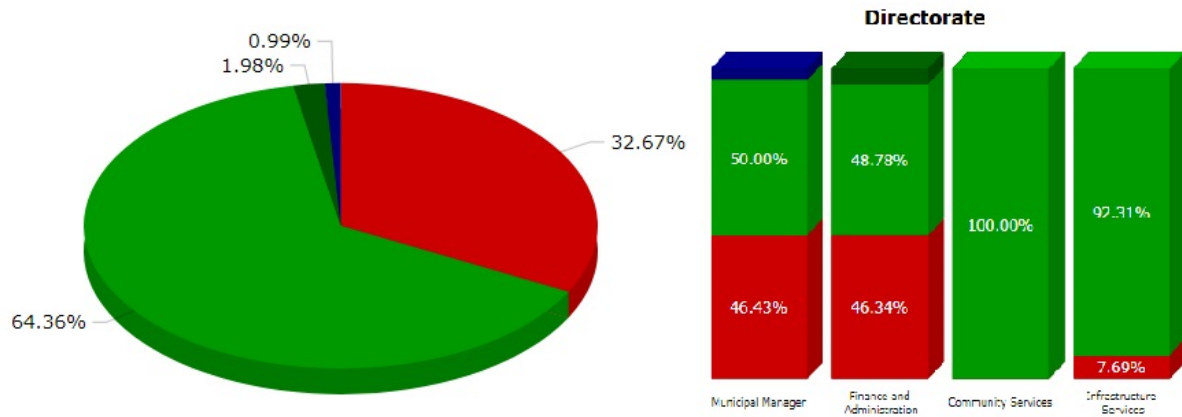
The following graphs illustrate the overall performance of the LLM measured in terms of the Top Layer (strategic) SDBIP 2018/2019(3rd quarter).

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

Departmental SDBIP Municipality

Report drawn on 10 May 2019 at 15:04
for the months of January 2019 to March 2019.

Laingsburg Municipality



	Municipal Manager	Finance and Administration	Community Services	Infrastructure Services
■ KPI Not Met	<u>13 (46.43%)</u>	<u>19 (46.34%)</u>	-	<u>1 (7.69%)</u>
■ KPI Almost Met	-	-	-	-
■ KPI Met	<u>14 (50.00%)</u>	<u>20 (48.78%)</u>	<u>19 (100.00%)</u>	<u>12 (92.31%)</u>
■ KPI Well Met	-	<u>2 (4.88%)</u>	-	-
■ KPI Extremely Well Met	<u>1 (3.57%)</u>	-	-	-
Total:	28 (27.72%)	41 (40.59%)	19 (18.81%)	13 (12.87%)

The following graphs and tables give an overview on Top Level performance per Pre-Determined Objective(PDO's) for the term under review (01 January 2019 to 31 March 2019).

The following table shows the top level key performance indicators (KPIs), what the target was for each KPI and what the actual performance was for the quarter.

Table 6.1 Top layer SDBIP 2018/19 Financial Year

Laingsburg Municipality

Toplayer SDBIP

R ef	Directo rate	Provincia l Strategic Outcome	I D P R ef	Munici pal KPA	KPI	Unit of Measur ement	Provi ncial Strat egic Outc ome	KPI Owner	KPI Calcul ation Type	March 2019		
										Target	Actual	R
TL 1	Finance and Administ ration	Embed good governance and integrated service delivery thr ough partnership s and spatial alignment		Instituti onal Develop ment	Limit the vacancy rate to less that 10% of budgeted posts by 30 June 2019 ((Number of posts filled/Total number of budgeted posts)x100)	% vacancy rate of budgeted posts by 30 June 2019		Senior Manage r: Finance and Corpora te Services	Reverse Last Value	0%	0%	N/ A
TL 2	Municipa l Manager	Embed good governance and integrated service delivery thr ough partnership s and spatial alignment		Instituti onal Develop ment	The number of people from employment target equity groups employed (to be appointed) by 30 June 2019 in the three highest levels of manageme nt in compliance with the equity plan	Number of people employe d (to be appointe d) by 30 June 2019		Municip al Manage r	Accumu lative	0	0	N/ A
TL 3	Finance and	Embed good		Instituti onal	The percentage	% of the Municipal		Senior Manage	Last Value	0%	0%	N/ A

	Administ ration	governance and integrated service delivery thr ough partnership s and spatial alignment		Develop ment	of the Municipality 's personnel budget actually spent on implementi ng its workplace skills plan by 30 June 2019 [(Actual amount spent on training/tot al operational budget)x10 0]	ity's personne l budget on impleme nting its workplac e skills plan by 30 June 2019		r: Finance and Corpora te Services				
TL 4	Communi ty Services	Enable a resilient, sustainable , quality and inclusive living environme nt		Instituti onal Develop ment	Participate in the Provincial Traffic Department s' Public Safety initiatives during the 2018/19 financial year	Number of initiatives participat ed in		Manage r: Communi ty Services	Accumu lative	0	0	N/ A
TL 5	Finance and Administ ration	Enable a resilient, sustainable , quality and inclusive living environme nt		Financial Develop ment	Achieve a debtor payment percentage of 65% by 30 June 2019 {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off)/Billed Revenue x 100}	% debtor payment achieved		Senior Manage r: Finance and Corpora te Services	Last Value	65%	0%	R
TL 6	Finance and Administ ration	Embed good governance and		Financial Develop ment	Number of formal residential properties	Number of residenti al		Senior Manage r: Finance	Last Value	855	0	R

		integrated service delivery through partnerships and spatial alignment			connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2019	properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2019		and Corporate Services				
TL 7	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		Infrastructure Development	Number of formal residential properties that receive piped water (credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2019	Number of residential properties which are billed for water		Senior Manager: Finance and Corporate Services	Last Value	1,339	0	R
TL 8	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Infrastructure Development	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as	Number of residential properties which are billed for sewerage		Senior Manager: Finance and Corporate Services	Last Value	1,300	0	R

					at 30 June 2019							
TL 9	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Infrastructure Development	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2019	Number of residential properties which are billed for refuse removal		Senior Manager: Finance and Corporate Services	Last Value	1,348	0	R
TL 10	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Infrastructure Development	Provide free 50kWh electricity to indigent households as at 30 June 2019	Number of households receiving free basic electricity		Senior Manager: Finance and Corporate Services	Last Value	900	0	R
TL 11	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Social Development	Provide free 6kl water to indigent households as at 30 June 2019	Number of households receiving free basic water		Senior Manager: Finance and Corporate Services	Last Value	800	0	R
TL 12	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Social Development	Provide free basic sanitation to indigent households as at 30 June 2019	Number of households receiving free basic sanitation services		Senior Manager: Finance and Corporate Services	Last Value	780	0	R
TL 13	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Social Development	Provide free basic refuse removal to indigent households as at 30 June 2019	Number of households receiving free basic refuse removal services		Senior Manager: Finance and Corporate Services	Last Value	800	0	R
TL 14	Finance and Administration	Enable a resilient, sustainable		Social Development	Financial viability measured	Debt coverage ratio as		Senior Manager:	Reverse Last Value	0%	0%	N/A

	ration	, quality and inclusive living environment			in terms of the municipality's ability to meet it's service debt obligations at 30 June [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant)x 100]	at 30 June		Finance and Corporate Services				
TL 15	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Financial Development	Financial viability measured in % in terms of the total amount of outstanding service debtors in comparison with total revenue received for services at 30 June 2019 [(Total outstanding service debtors/annual revenue received for services)x 100]	% outstanding service debtors at 30 June		Senior Manager: Finance and Corporate Services	Last Value	0	0	N/A
TL 16	Finance and Administration	Embed good governance and integrated service		Financial Development	Financial viability measured in terms of the available	Cost coverage ratio as at 30 June		Senior Manager: Finance and Corporate	Last Value	0	0	N/A

		delivery through partnerships and spatial alignment			cash to cover fixed operating expenditure at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))			te Services				
TL 17	Municipal Manager	Enable a resilient, sustainable, quality and inclusive living environment		Social Development	Create job opportunities through EPWP and LED projects by 30 June 2019	Number of job opportunities created by 30 June 2019		Municipal Manager	Accumulative	0	0	N/A
TL 18	Municipal Manager	Embed good governance and integrated service delivery through partnerships and spatial alignment		Institutional Development	Develop a Risk Based Audit Plan and submit to the audit committee for consideration by 30 June 2019	RBAP submitted to the audit committee by 30 June 2019		Municipal Manager	Carry Over	0	0	N/A
TL 19	Finance and Administration	Embed good governance and integrated service		Institutional Development	Spend 80% of the budget allocated on the INEP Programme	% of project budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A

		delivery through partnerships and spatial alignment			by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]							
TL 20	Infrastructure Services	Embed good governance and integrated service delivery through partnerships and spatial alignment		Infrastructure Development	Spend 70% of the electricity maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A
TL 21	Infrastructure Services	Embed good governance and integrated service delivery through partnerships and spatial alignment		Infrastructure Development	Spend 70% of the water maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A
TL 22	Infrastructure Services	Embed good governance and integrated		Infrastructure Development	Spend 70% of the sewerage maintenance budget by	% of the maintenance budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A

		service delivery through partnerships and spatial alignment			30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}							
TL 23	Infrastructure Services	Embed good governance and integrated service delivery through partnerships and spatial alignment		Infrastructure Development	Spend 70% of the refuse removal maintenance budget by 30 June 2019 {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the maintenance budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A
TL 24	Infrastructure Services	Embed good governance and integrated service delivery through partnerships and spatial alignment		Infrastructure Development	Limit the % electricity unaccounted for to less than 10% by 30 June [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased] × 100]	% electricity unaccounted for by 30 June		Manager: Infrastructure Services	Reverse Last Value	0%	0%	N/A
TL 25	Infrastructure Services	Enable a resilient, sustainable, quality and inclusive living		Infrastructure Development	Limit unaccounted for water to less than 50% by 30 June 2019 {(Number	% of water unaccounted		Manager: Infrastructure Services	Reverse Last Value	0%	0%	N/A

		environme nt			of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100}							
TL 26	Infrastru cture Services	Enable a resilient, sustainable , quality and inclusive living environme nt		Environ mental & Spatial Develop ment	87% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/N umber of water samples tested)x100 }	% of water samples complian t		Manage r: Infrastr ucture Services	Last Value	0%	0%	N/ A
TL 27	Infrastru cture Services	Enable a resilient, sustainable , quality and inclusive living environme nt		Environ mental & Spatial Develop ment	91% of effluent samples comply with permit values in terms of SANS 242 by 30 June 2019 {(Number of effluent samples that comply with permit values/Num ber of effluent samples tested)x100 }	% of effluent samples complian t		Manage r: Infrastr ucture Services	Last Value	0%	0%	N/ A
TL 28	Municipa l Manager	Enable a resilient, sustainable , quality		Infrastru cture Develop ment	The percentage of the municipal	% of capital budget spent on		Municip al Manage r	Last Value	0%	0%	N/ A

		and inclusive living environment			capital budget actually spent on capital projects by 30 June 2019 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	capital projects						
TL 29	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		Institutional Development	Spend 80% of the budget allocated on the Main Water Pipeline in Soutkloof by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A
TL 30	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		Institutional Development	Spend 80% of the budget allocated on the 2ML Reservoir by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100}	% of project budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A

					0} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]							
TL 31	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		Institutional Development	Spend 80% of the budget allocated on the Electricity and Equipment for Boreholes by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total amount budgeted for capital projects)X100]	% of project budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A
TL 32	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		Institutional Development	Spend 80% of the budget allocated on the Water Treatment Project by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital projects /Total	% of project budget spent		Manager: Infrastructure Services	Last Value	0%	0%	N/A

					amount budgeted for capital projects)X1 00]							
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Summary of Results

KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	23
KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	9
KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	0
KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	0
Total KPIs		32

Report generated on 10 May 2019 at 15:49

SECTION 7 – IN-YEAR BUDGET STATEMENT TABLES

The tables included in section 4 of this report are from the C Schedule Monthly Budget Statements legislated as part of the Municipal Budget and Reporting Regulations (MBRR) and reflects the figures of last month of the quarter. All material variances, in other words variances of more than 10%, regarding the financial performance as per table C4; Capital expenditure table as per C5; Financial Position as per table C6 and/or Cash flow as per table C7 are listed with reasons and remedial/corrective measures in table SC1 following table C7.

Table C1: Monthly Budget Statement Summary

WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter

Description	2017/18	Budget Year 2018/19							
	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	3 788	4 373	4 047	85	4 013	3 035	979	32%	4 047
Service charges	15 767	18 727	16 511	4 258	12 747	12 383	364	3%	16 511
Investment revenue	447	845	1 022	243	867	766	101	13%	1 022
Transfers and subsidies	17 800	19 893	20 650	4 081	16 490	15 488	1 003	6%	20 650
Other own revenue	36 060	37 983	38 751	9 567	28 265	29 064	(799)	-3%	38 751
Total Revenue (excluding capital transfers and contributions)	73 862	81 821	80 981	18 233	62 382	60 736	1 647	3%	80 981
Employee costs	20 268	24 468	22 662	5 161	16 236	16 996	(760)	-4%	22 662
Remuneration of Councillors	2 512	2 803	2 803	675	2 043	2 103	(60)	-3%	2 803
Depreciation & asset impairment	1 705	10 544	10 805	1 585	5 943	8 104	(2 160)	-27%	10 805
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	7 911	8 109	7 500	1 770	5 456	5 625	(169)	-3%	7 500
Transfers and subsidies	891	2 235	2 235	466	367	1 676	(1 309)	-78%	2 235
Other expenditure	40 709	42 929	45 459	11 982	34 282	34 095	188	1%	45 459
Total Expenditure	73 996	91 087	91 464	21 640	64 328	68 598	(4 270)	-6%	91 464
Surplus/(Deficit)	(134)	(9 267)	(10 483)	(3 407)	(1 946)	(7 863)	5 917	-75%	(10 483)
Transfers and subsidies - capital (monetary alloc	7 545	10 367	22 647	1 628	7 740	16 985	(9 245)	-54%	22 647
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	7 411	1 100	12 163	(1 779)	5 794	9 122	(3 328)	-36%	12 163
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	7 411	1 100	12 163	(1 779)	5 794	9 122	(3 328)	-36%	12 163
Capital expenditure & funds sources									
Capital expenditure	20 526	10 367	22 647	3 364	8 728	-	8 728	#DIV/0!	22 647
Capital transfers recognised	18 939	10 367	20 647	3 364	8 728	-	8 728	#DIV/0!	20 647
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	571	-	2 000	-	-	-	-	-	2 000
Total sources of capital funds	19 510	10 367	22 647	3 364	8 728	-	8 728	#DIV/0!	22 647
Financial position									
Total current assets	14 599	15 229	15 229		26 279				15 229
Total non current assets	163 379	172 504	172 504		175 287				172 504
Total current liabilities	13 718	21 033	21 033		29 227				21 033
Total non current liabilities	8 795	3 953	3 953		3 953				3 953
Community wealth/Equity	155 467	162 748	162 748		168 387				162 748
Cash flows									
Net cash from (used) operating	12 534	6 711	6 711	5 054	6 613	(2 209)	(8 822)	399%	6 711
Net cash from (used) investing	(7 413)	(10 367)	(10 367)	(3 364)	(728)	(10 367)	(9 639)	93%	(10 367)
Net cash from (used) financing	58	33	33	14	75	25	(50)	-202%	33
Cash/cash equivalents at the month/year end	11 054	6 455	6 455	-	16 037	(2 473)	(18 511)	748%	6 455
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 Income Source	1 448	1 463	224	146	176	904	3 683	583	8 627
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table C2: Financial Performance (Standard Classification)

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		25 416	29 067	39 151	6 077	24 915	29 363	(4 449)	-15%	39 151
Executive and council		7 738	1 561	1 561	291	(988)	1 171	(2 159)	-184%	1 561
Finance and administration		17 679	27 506	37 590	5 786	25 903	28 192	(2 290)	-8%	37 590
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		34 512	37 015	37 961	9 076	27 835	28 471	(636)	-2%	37 961
Community and social services		1 083	1 268	1 273	1	851	955	(104)	-11%	1 273
Sport and recreation		2	2	2	1	3	2	1	53%	2
Public safety		33 424	35 733	36 673	9 069	26 967	27 504	(537)	-2%	36 673
Housing		11	12	12	3	12	9	3	36%	12
Health		(8)	0	0	2	1	0	1	380%	0
<i>Economic and environmental services</i>		1 089	1 067	1 061	331	587	796	(209)	-26%	1 061
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 089	1 067	1 061	331	587	796	(209)	-26%	1 061
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		20 390	25 038	25 455	4 378	16 786	19 091	(2 305)	-12%	25 455
Energy sources		12 303	16 833	15 327	2 438	10 842	11 495	(653)	-6%	15 327
Water management		2 652	3 216	1 768	727	2 222	1 326	896	68%	1 768
Waste water management		3 219	2 613	6 023	673	2 055	4 517	(2 462)	-55%	6 023
Waste management		2 215	2 375	2 337	541	1 666	1 752	(86)	-5%	2 337
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	81 407	92 187	103 627	19 862	70 122	77 720	(7 598)	-10%	103 627
Expenditure - Functional										
<i>Governance and administration</i>		21 205	29 886	30 185	6 880	20 017	22 639	(2 621)	-12%	30 185
Executive and council		6 201	9 017	9 288	2 345	6 505	6 966	(461)	-7%	9 288
Finance and administration		15 004	20 869	20 897	4 535	13 512	15 673	(2 160)	-14%	20 897
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		33 770	33 508	34 056	8 538	25 421	25 445	(24)	0%	34 056
Community and social services		1 322	2 169	2 523	529	1 564	1 892	(328)	-17%	2 523
Sport and recreation		37	28	28	10	31	21	10	48%	28
Public safety		32 397	31 114	31 308	7 968	23 705	23 481	224	1%	31 308
Housing		3	193	193	30	117	48	69	143%	193
Health		10	4	4	2	4	3	0	16%	4
<i>Economic and environmental services</i>		2 497	3 445	2 288	466	1 203	1 716	(513)	-30%	2 288
Planning and development		937	1 319	963	84	219	722	(504)	-70%	963
Road transport		1 560	2 127	1 325	383	984	994	(10)	-1%	1 325
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		16 513	24 241	24 927	5 754	17 681	18 696	(1 015)	-5%	24 927
Energy sources		6 921	8 760	8 151	1 967	5 935	6 113	(178)	-3%	8 151
Water management		2 081	3 028	3 600	868	2 393	2 700	(307)	-11%	3 600
Waste water management		6 420	10 872	11 612	2 653	8 351	8 709	(358)	-4%	11 612
Waste management		1 091	1 581	1 564	266	1 001	1 173	(172)	-15%	1 564
<i>Other</i>		13	8	8	2	6	6	-	-	8
Total Expenditure - Functional	3	73 998	91 087	91 464	21 640	64 328	68 501	(4 174)	-6%	91 464
Surplus/ (Deficit) for the year		7 409	1 100	12 163	(1 778)	5 794	9 219	(3 425)	-37%	12 163

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

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q3 Third Quarter

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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		7 738	1 561	1 561	291	(988)	1 171	(2 159)	-184.4%	1 561
Vote 2 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—
Vote 3 - CORPORATE SERVICES		2 200	2 771	2 901	665	2 049	2 176	(127)	-5.9%	2 901
Vote 4 - BUDGET & TREASURY		15 478	24 735	34 689	5 121	23 854	26 017	(2 162)	-8.3%	34 689
Vote 5 - PLANNING AND DEVELOPMENT		—	—	—	—	—	—	—	—	—
Vote 6 - COMMUNITY AND SOCIAL SERV		1 075	1 268	1 274	2	853	955	(103)	-10.8%	1 274
Vote 7 - SPORTS AND RECREATION		2	2	2	1	3	2	1	53.1%	2
Vote 8 - HOUSING		11	12	12	3	12	9	3	35.5%	12
Vote 9 - PUBLIC SAFETY		33 424	35 733	36 673	9 069	26 967	27 504	(537)	-2.0%	36 673
Vote 10 - ROAD TRANSPORT		1 735	1 085	1 079	331	587	809	(223)	-27.5%	1 079
Vote 11 - WASTE MANAGEMENT		2 215	2 375	2 337	541	1 666	1 752	(86)	-4.9%	2 337
Vote 12 - WASTE WATER MANAGEMENT		2 574	2 595	6 005	673	2 055	4 503	(2 448)	-54.4%	6 005
Vote 13 - WATER		2 652	3 216	1 768	727	2 222	1 326	896	67.5%	1 768
Vote 14 - ELECTRICITY		12 303	16 833	15 327	2 438	10 842	11 495	(653)	-5.7%	15 327
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Revenue by Vote	2	81 407	92 187	103 627	19 861	70 122	77 720	(7 598)	-9.8%	103 627
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		3 678	5 254	5 560	1 557	3 895	4 170	(275)	-6.6%	5 560
Vote 2 - MUNICIPAL MANAGER		2 523	3 763	3 728	789	2 610	2 796	(186)	-6.6%	3 728
Vote 3 - CORPORATE SERVICES		6 488	6 872	7 087	1 594	5 956	5 315	641	12.1%	7 087
Vote 4 - BUDGET & TREASURY		8 516	13 997	13 810	2 941	7 556	10 358	(2 801)	-27.0%	13 810
Vote 5 - PLANNING AND DEVELOPMENT		937	1 319	963	84	219	722	(504)	-69.7%	963
Vote 6 - COMMUNITY AND SOCIAL SERV		897	1 334	1 688	435	1 204	1 266	(62)	-4.9%	1 688
Vote 7 - SPORTS AND RECREATION		485	874	874	108	400	656	(256)	-39.0%	874
Vote 8 - HOUSING		6	193	193	30	117	145	(28)	-19.1%	193
Vote 9 - PUBLIC SAFETY		32 397	31 114	31 308	7 968	23 705	23 481	224	1.0%	31 308
Vote 10 - ROAD TRANSPORT		5 142	10 609	10 548	2 581	7 923	7 911	12	0.2%	10 548
Vote 11 - WASTE MANAGEMENT		1 091	1 581	1 564	266	1 001	1 173	(172)	-14.7%	1 564
Vote 12 - WASTE WATER MANAGEMENT		2 838	2 390	2 390	455	1 412	1 792	(380)	-21.2%	2 390
Vote 13 - WATER		2 081	3 028	3 600	868	2 393	2 700	(307)	-11.4%	3 600
Vote 14 - ELECTRICITY		6 921	8 760	8 151	1 967	5 935	6 113	(178)	-2.9%	8 151
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Expenditure by Vote	2	74 000	91 087	91 464	21 640	64 328	68 598	(4 270)	-6.2%	91 464
Surplus/ (Deficit) for the year	2	7 407	1 100	12 163	(1 779)	5 794	9 122	(3 328)	-36.5%	12 163

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		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		3 788	4 373	4 047	85	4 013	3 035	979	32%	4 047
Service charges - electricity revenue		11 098	14 398	12 127	2 907	8 706	9 095	(390)	-4%	12 127
Service charges - water revenue		658	302	302	300	858	227	631	279%	302
Service charges - sanitation revenue		2 574	2 595	2 689	673	2 055	2 017	39	2%	2 689
Service charges - refuse revenue		1 370	1 323	1 285	371	1 098	963	135	14%	1 285
Service charges - other		67	109	108	7	30	81	(51)	-63%	108
Rental of facilities and equipment		1 978	1 461	1 325	311	943	994	(50)	-5%	1 325
Interest earned - external investments		447	845	1 022	243	867	766	101	13%	1 022
Interest earned - outstanding debtors		233	276	240	104	209	180	29	16%	240
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		31 809	34 488	35 487	8 636	25 911	26 615	(704)	-3%	35 487
Licences and permits		1 343	1 250	1 189	332	956	892	64	7%	1 189
Agency services		144	125	125	42	107	94	13	14%	125
Transfers and subsidies		17 800	19 893	20 650	4 081	16 490	15 488	1 003	6%	20 650
Other revenue		553	384	385	141	139	289	(150)	-52%	385
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		73 862	81 821	80 981	18 233	62 382	60 736	1 647	3%	80 981
Expenditure By Type										
Employee related costs		20 268	24 468	22 662	5 161	16 236	16 996	(760)	-4%	22 662
Remuneration of councillors		2 512	2 803	2 803	675	2 043	2 103	(60)	-3%	2 803
Debt impairment		26 151	25 908	25 908	6 310	18 931	19 431	(500)	-3%	25 908
Depreciation & asset impairment		1 705	10 544	10 805	1 585	5 943	8 104	(2 160)	-27%	10 805
Finance charges		—	—	—	—	—	—	—	—	—
Bulk purchases		7 911	8 109	7 500	1 770	5 456	5 625	(169)	-3%	7 500
Other materials		—	—	—	—	—	—	—	—	—
Contracted services		2 732	2 077	2 085	637	1 739	1 564	175	11%	2 085
Transfers and subsidies		891	2 235	2 235	466	367	1 676	(1 309)	-78%	2 235
Other expenditure		11 827	14 944	17 467	5 035	13 613	13 100	513	4%	17 467
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Expenditure		73 996	91 087	91 464	21 640	64 328	68 598	(4 270)	-6%	91 464
Surplus/(Deficit)		(134)	(9 267)	(10 483)	(3 407)	(1 946)	(7 863)	5 917	(0)	(10 483)
Transfers and subsidies - capital (municipality and province) (National / Provincial and District)		7 545	10 367	22 647	1 628	7 740	16 985	(9 245)	(0)	22 647
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		7 411	1 100	12 163	(1 779)	5 794	9 122			12 163
Taxation		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		7 411	1 100	12 163	(1 779)	5 794	9 122			12 163
Attributable to minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		7 411	1 100	12 163	(1 779)	5 794	9 122			12 163
Share of surplus/ (deficit) of associate		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		7 411	1 100	12 163	(1 779)	5 794	9 122			12 163

The Municipality has generated 76.24% or R62, 382 million of the Budgeted Revenue to date which is lower than the budgeted amounts. During the financial year operating grants totaling R16, 490 million were received. The largest part of the grants received forms part of the Equitable Share Allocation for the financial year.

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

WC051 Laingsburg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q3 Third Quarter

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		136	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		-	-	-	-	-	-	-		-
Internal audit		136	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 577	-	-	-	-	-	-		-
Community and social services		1 253	-	-	-	-	-	-		-
Sport and recreation		318	-	-	-	-	-	-		-
Public safety		6	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		976	-	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		976	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		17 837	10 367	22 647	3 364	8 728	-	8 728	#DIV/0!	22 647
Energy sources		9 354	2 000	2 000	-	-	-	-		2 000
Water management		7 680	8 367	18 647	3 364	8 728	-	8 728	#DIV/0!	18 647
Waste water management		804	-	2 000	-	-	-	-		2 000
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	20 526	10 367	22 647	3 364	8 728	-	8 728	#DIV/0!	22 647
Funded by:										
National Government		15 344	10 367	20 647	3 364	8 728	-	8 728	#DIV/0!	20 647
Provincial Government		3 595	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		18 939	10 367	20 647	3 364	8 728	-	8 728	#DIV/0!	20 647
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		571	-	2 000	-	-	-	-		2 000
Total Capital Funding		19 510	10 367	22 647	3 364	8 728	-	8 728	#DIV/0!	22 647

The Municipality has incurred R8, 728 000 or 84.2% of the external funded Capital Budget to date. The MIG spending for the second quarter totals to R8, 728 000 to date.

Table C6: Financial Position

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		5 875	10 078	10 078	18 037	10 078
Call investment deposits		—	—	—	—	—
Consumer debtors		3 499	(3 332)	(3 332)	(20 658)	(3 332)
Other debtors		3 846	7 105	7 105	27 522	7 105
Current portion of long-term receivables		1	—	—	—	—
Inventory		1 378	1 378	1 378	1 378	1 378
Total current assets		14 599	15 229	15 229	26 279	15 229
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		4 273	4 273	4 273	4 273	4 273
Investments in Associate		—	—	—	—	—
Property, plant and equipment		158 542	167 698	167 698	170 483	167 698
Agricultural		—	—	—	—	—
Biological		—	—	—	—	—
Intangible		522	522	522	522	522
Other non-current assets		43	12	12	10	12
Total non current assets		163 379	172 504	172 504	175 287	172 504
TOTAL ASSETS		177 979	187 733	187 733	201 567	187 733
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		485	506	506	546	506
Trade and other payables		12 487	13 576	13 576	21 737	13 576
Provisions		745	6 951	6 951	6 945	6 951
Total current liabilities		13 718	21 033	21 033	29 227	21 033
Non current liabilities						
Borrowing		—	—	—	—	—
Provisions		8 795	3 953	3 953	3 953	3 953
Total non current liabilities		8 795	3 953	3 953	3 953	3 953
TOTAL LIABILITIES		22 512	24 986	24 986	33 180	24 986
NET ASSETS	2	155 467	162 748	162 748	168 387	162 748
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		155 467	126 228	126 228	131 867	126 228
Reserves		—	36 520	36 520	36 520	36 520
TOTAL COMMUNITY WEALTH/EQUITY	2	155 467	162 748	162 748	168 387	162 748

Explanatory notes to Table C6 – Financial Position

Current Assets

It must be noted that the classification requirements (As per the tables in Section 4) as prescribe by National Treasury in terms of the MBRR, does not fully comply with GRAP. The current assets amounted to R 26 279 as at 31 March 2019 (R 23 087 as at 31 December 2018), the classification below complies with the GRAP disclosure format.

Non-Current Assets

The classification requirements are almost aligned to the GRAP requirements. The depreciation and amortization run on all applicable capital assets still needs to be performed.

Current Liabilities

Current Liabilities are those liabilities of the municipality due and payable in the short-term (less than 12 months). There is no known reason as to why the municipality will not be able to meet its obligations. Current Liabilities amounted to R 29,227 mil as at 31 March 2019 (R 24, 293 million as at 31 December 2018).

Non-Current Liabilities

The non-current provisions are created in order to enable the municipality to be in a position to fulfill its known legal obligations when they become due and payable. Non -current provisions (R 3 953 000), National Treasury's budget formats do not provide for a line item where non-current deposits can be accounted for and thus was included in non-current provisions.

Community wealth/Equity

The reserves amount is represented by the Capital Replacement Reserve as at 31 March 2019 amounted to R 36 520 (R 36 520 as at 31 December 2018).

The Capital Replacement Reserve is a cash-backed reserve established to enable the municipality to finance future capital expenditure. Cash contributions, depending on the availability thereof, are made annually to the reserve. The municipality is not able to finance its annual infrastructure capital program by means of this reserve.

Table C7: Cash Flow

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		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										
Property rates		3 057	3 785	3 785	606	2 958	2 839	119	4%	3 785
Service charges		14 494	16 362	16 362	4 022	11 656	12 272	(616)	-5%	16 362
Other revenue		31 891	9 776	9 776	11 635	28 443	7 310	21 133	289%	9 776
Government - operating		11 695	20 222	20 222	3 753	15 542	15 198	344	2%	20 222
Government - capital		3 993	10 367	10 367	-	-	935	(935)	-100%	10 367
Interest		589	1 324	1 324	242	760	985	(225)	-23%	1 324
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(56 094)	(55 117)	(55 117)	(15 652)	(54 993)	(41 743)	13 250	-32%	(55 117)
Finance charges		-	(7)	(7)	-	-	(5)	(5)	100%	(7)
Transfers and Grants		2 908	-	-	447	2 247	-	(2 247)	#DIV/0!	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		12 534	6 711	6 711	5 054	6 613	(2 209)	(8 822)	399%	6 711
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		400	-	-	-	8 000	-	8 000	#DIV/0!	-
Payments										
Capital assets		(7 813)	(10 367)	(10 367)	(3 364)	(8 728)	(10 367)	(1 639)	16%	(10 367)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 413)	(10 367)	(10 367)	(3 364)	(728)	(10 367)	(9 639)	93%	(10 367)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		58	33	33	14	75	25	50	202%	33
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		58	33	33	14	75	25	(50)	-202%	33
NET INCREASE/ (DECREASE) IN CASH HELD		5 179	(3 622)	(3 622)	1 704	5 960	(12 551)			(3 622)
Cash/cash equivalents at beginning:		5 875	10 078	10 078		10 078	10 078			10 078
Cash/cash equivalents at month/year end:		11 054	6 455	6 455		16 037	(2 473)			6 455

The Municipality started off with a cash flow balance of R10 078 million at the beginning of the year and increased it with R 5 960 million. The closing balance for this quarter is R14, 334 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 2018/2019 financial year.

Table SC1 Material variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - Q3 Third Quarter

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	0	Rates are levied in July for the FY and paid in 12 installments by rates payers	
		0		
		0		
		0		
2	Expenditure By Type			
	Depreciation & asset impairment	-	Not all depreciation journals are processed	
		0		
		-		
		0		
3	Capital Expenditure			
		-		
		-		
		-		
		-		
4	Financial Position			
	No comment for September	-		
		0		
		-		
		0		
		-		
5	Cash Flow			
	No comment for September	-		
		0		
		-		
		0		
		-		
6	Measureable performance			
7	Municipal Entities			

SECTION 8 – DEBTOR ANALYSIS

Table SC3 provides an age analysis of consumer debtors as at 31 March 2019.

Table SC3 Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter

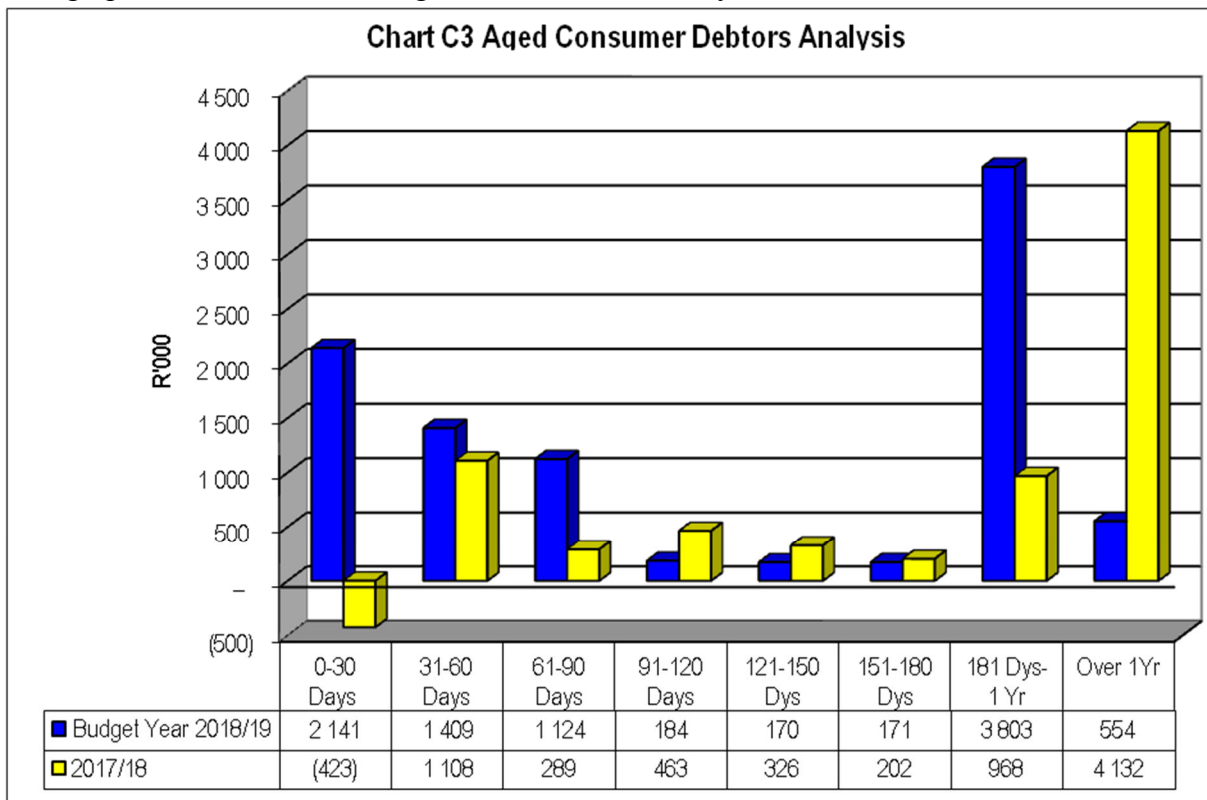
Description		Budget Year 2018/19												Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days				
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	100	38	39	24	25	23	376	161	786	609				
Trade and Other Receivables from Exchange Transactions - Electricity	1300	763	117	75	40	57	67	538	33	1 691	735				
Receivables from Non-exchange Transactions - Property Rates	1400	246	28	18	16	16	698	1 555	49	2 625	2 333				
Receivables from Exchange Transactions - Waste Water Management	1500	136	44	35	22	28	32	483	162	942	727				
Receivables from Exchange Transactions - Waste Management	1600	136	29	32	17	22	20	185	121	561	364				
Receivables from Exchange Transactions - Property Rental Debtors	1700	51	46	23	19	28	17	493	57	733	614				
Interest on Arrear Debtor Accounts	1810	-	1 161	-	-	-	-	-	-	1 161	-				
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-				
Other	1900	15	0	1	9	0	46	54	1	127	110				
Total By Income Source	2000	1 448	1 463	224	146	176	904	3 683	583	8 627	5 493	-	-		
2017/18 - totals only		422794	1107962	288965	463281	326242	201562	967628	4131704	7 065	6 090				
Debtors Age Analysis By Customer Group															
Organs of State	2200	57	321	52	14	52	382	1 063	(0)	1 941	1 511				
Commercial	2300	696	453	53	29	42	390	924	76	2 663	1 462				
Households	2400	695	690	118	103	82	132	1 696	508	4 023	2 520				
Other	2500	-	-	-	-	-	-	-	-	-	-				
Total By Customer Group	2600	1 448	1 463	224	146	176	904	3 683	583	8 627	5 493	-	-		

Table C6 (Statement of Financial Position) as at 31 March 2019 shows the total outstanding debtors is R 8, 627 mil.

The Outstanding Debtors of the Municipality amounts to R10, 356 million for the quarter ending March 2019. The outstanding debt for more than 90 days amounts to 64% at the end of the third quarter for 2018/2019.

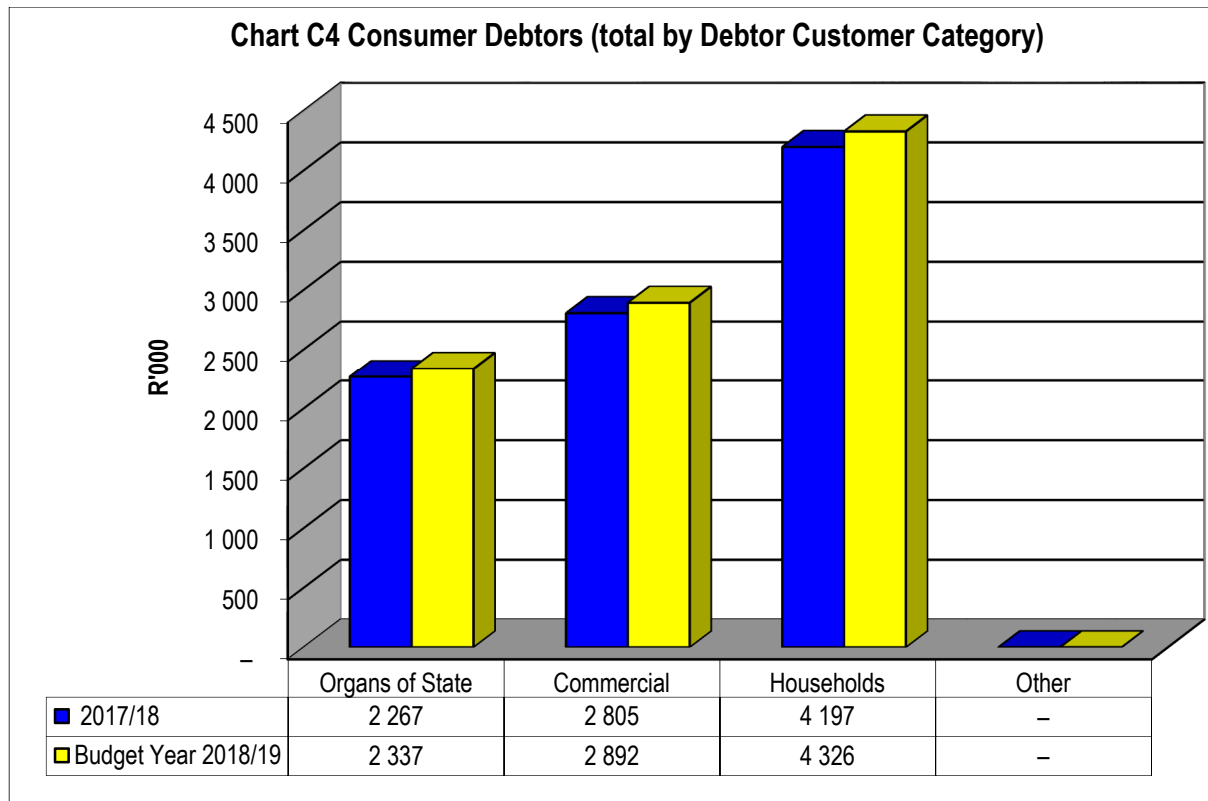
The above tables explain the movement of the debtors in arrear as at 31 March 2019 as per the days outstanding.

The graph below illustrate the aged consumer debt analysis at 31 March 2019 date.



The graph indicates that the outstanding debt are increasing on a monthly basis but it is slightly higher than 2017/18 financial year, indicating the municipality must put measures in place to prevent it from escalating as the municipality is experiencing cash flow problems.

The graph below illustrates the consumer category debtor arrears. The category is the households followed by the organs of state.



The above tables explain that the debtor arrears have increased from July 2017 up to the end of December 2018. Household arrears are the highest but all other categories show an increase in outstanding debtors.

SECTION 9 – CREDITOR ANALYSIS (TRADE AND OTHER PAYABLES)

Table SC4 provide an age analysis of the creditors (Trade payables) as at 31 March 2019.

Table SC4 Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

Description R thousands	NT Code	Budget Year 2018/19									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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	1000	-	-	-	-	-	-	-	-	-	-

SECTION 10 – INVESTMENT PORTFOLIO

Table SC5 provides the investment portfolio in the prescribed format of National Treasury. It includes all investments except call deposits. It does not reconcile with the values as per Table C6, the reason being that values in table SC5 is measured at market value. The Municipality normally invests money with interest at maturity. This interest, with the exception of those on a call deposits, is only recognised on date of maturity or the accrued interest as on 30 June of each year. Even with this recognition of accrued interest, the accrual is classified in terms of GRAP as other receivables and not as part of the investments or call deposits.

In order to be classified as an Investment in terms of GRAP the investment must be made for a period longer than 12 months, otherwise it is classified as cash and cash equivalents. Laingsburg Municipality does have monetary investments at present. For the purpose of this section, investments held for a period until maturity are also viewed as investments.

Table SC5 Investment Portfolio

WC051 Laingsburg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q3 Third Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
<u>Municipality</u>									
Laingsburg		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
Municipality sub-total					-		-	-	-
<u>Entities</u>									
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		-	-	-

SECTION 11 - COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Table SC 8 provides the councilor and staff benefits per employee related cost type.

Table SC 8 Councilor and staff benefits

WC051 Laingsburg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter

Summary of Employee and Councillor remuneration	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1 900	1 461	1 461	452	1 348	1 095	252	23%	1 461
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	1	1	-	-	1	(1)	-100%	1
Motor Vehicle Allowance		267	255	255	73	218	191	27	14%	255
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		2 166	1 717	1 717	524	1 566	1 288	278	22%	1 717
% increase	4		-20.8%	-20.8%						-20.8%
Senior Managers of the Municipality										
Basic Salaries and Wages		2 047	915	915	498	1 835	686	1 149	167%	915
Pension and UIF Contributions		123	141	141	36	109	106	3	3%	141
Medical Aid Contributions		90	77	77	25	71	58	14	24%	77
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		232	235	235	51	152	177	(24)	-14%	235
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	6	6	3	8	4	4	86%	6
Other benefits and allowances		162	226	226	98	312	170	142	84%	226
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		46	48	48	23	68	36	32	88%	48
Sub Total - Senior Managers of Municipality		2 699	1 649	1 649	733	2 556	1 237	1 319	107%	1 649
% increase	4		-38.9%	-38.9%						-38.9%
Other Municipal Staff										
Basic Salaries and Wages		6 939	9 034	9 034	3 111	10 367	6 776	3 591	53%	9 034
Pension and UIF Contributions		883	1 201	1 201	486	1 436	901	535	59%	1 201
Medical Aid Contributions		227	314	314	127	375	236	140	59%	314
Overtime		372	280	280	333	643	210	433	206%	280
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		299	546	546	199	543	409	134	33%	546
Cellphone Allowance		12	20	20	18	62	15	47	323%	20
Housing Allowances		21	80	80	32	92	60	32	54%	80
Other benefits and allowances		255	282	282	104	295	211	83	39%	282
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	5	5	-	-	4	(4)	-100%	-
Sub Total - Other Municipal Staff		9 008	11 761	11 761	4 410	13 813	8 821	4 992	57%	11 756
% increase	4		30.6%	30.6%						30.5%
Total Parent Municipality		13 874	15 126	15 126	5 668	17 934	11 345	6 589	58%	15 122
TOTAL SALARY, ALLOWANCES & BENEFITS		13 874	15 126	15 126	5 668	17 934	11 345	6 589	58%	15 122
% increase	4		9.0%	9.0%						9.0%
TOTAL MANAGERS AND STAFF		11 707	13 410	13 410	5 143	16 368	10 057	6 311	63%	13 405

SECTION 12 - RECEIPT AND EXPENDITURE ON GRANT PROGRAMMES

The measurement of actual versus planned receipting of transfers and grants are provided in Table SC 6.

SC6 Transfers and Grant Receipts

WC051 Laingsburg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		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:		16 418	17 800	18 527	4 078	15 578	13 350	3 750	28.1%	18 527
Local Government Equitable Share		13 576	15 000	15 632	3 750	15 000	11 250	3 750	33.3%	15 632
Finance Management		1 811	1 800	1 800	-	-	1 350			1 800
Municipal Systems Improvement		-	-	95	-	-	-			95
EPWP Incentive		1 031	1 000	1 000	328	578	750			1 000
Integrated National Electrification Programme		-	-	-	-	-	-			-
GRANT - WORKFORCE	3	-	-	-	-	-	-			-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		1 351	2 093	2 093	-	840	1 570	(660)	-42.0%	2 093
Sport and Recreation		1 063	1 260	1 260	-	840	945	(105)	-11.1%	1 260
CDW		93	93	93	-	-	70			93
GRANT - WCFMSG		154	690	690	-	-	518	(518)	-100.0%	690
MAIN ROAD SUBSIDY	4	42	50	50	-	-	38	(38)	-100.0%	50
GRANT - WCFMSG: REV MANAGEMENT		-	-	-	-	-	-	-		-
GRANT - LOCAL GRADUATE INTERNSHIP		-	-	-	-	-	-	-		-
GRANT - SUPPORT		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	48	-	48	#DIV/0!	-
GRANT - MSCOA SKDM		-	-	-	-	48	-	48	#DIV/0!	-
		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
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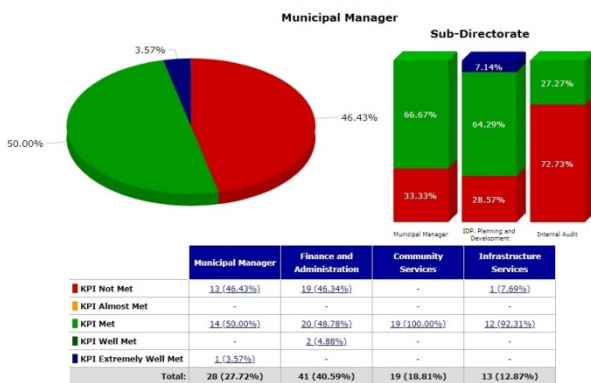
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	7 545	10 367	22 647	1 628	7 740	7 775	(35)	-0.5%	22 647
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	25 315	30 260	43 267	5 706	24 206	22 695	3 103	13.7%	43 267

SECTION 13 – MATERIAL VARIANCES TO THE SDBIP

The following graphs provides the Top Level key performance indicators of the municipality per directorate and whether these KPI's were met for the quarter ending March 2019.

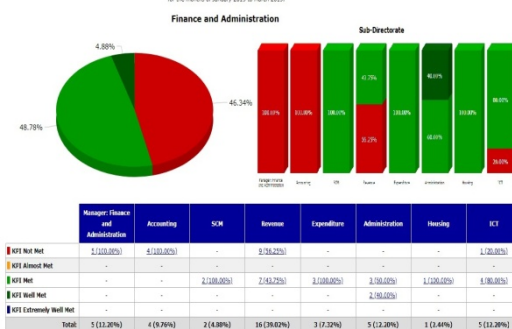
Departmental SDBIP Municipality

Report drawn on 10 May 2019 at 15:14
for the months of January 2019 to March 2019.



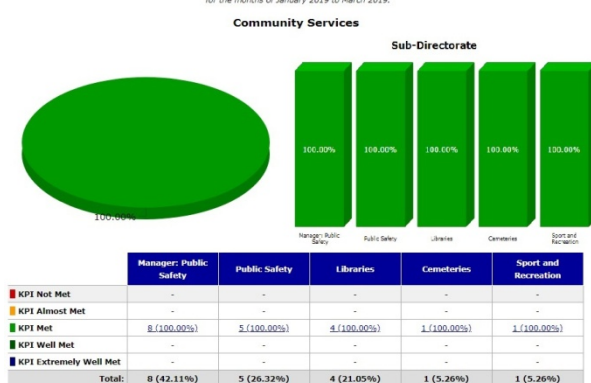
Departmental SDBIP Municipality

Report drawn on 10 May 2019 at 15:29
for the months of January 2019 to March 2019



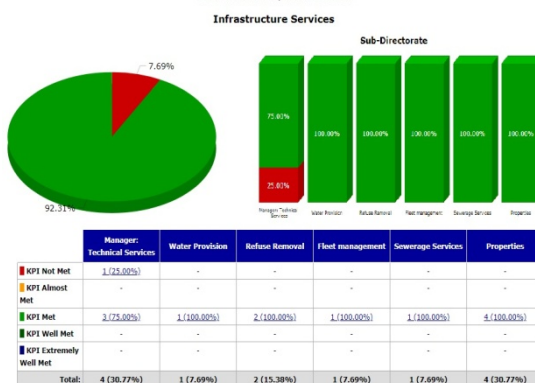
Departmental SDBIP Municipality

Report drawn on 10 May 2019 at 15:26
for the months of January 2019 to March 2019.



Departmental SDBIP Municipality

Report drawn on 10 May 2019 at 15:32
for the months of January 2019 to March 2019



Material variances have occurred. For explanations and corrective measures of all immaterial variances to the financial and non-financial indicators please refer to Sections 6.

SECTION 14 – CAPITAL PROGRAMME PERFORMANCE

The measurement of actual versus planned capital expenditure are provided Table SC 12. The year to date values and percentage variances are also indicated.

Table SC12 – Capital expenditure trend

WC051 Laingsburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q3 Third Quarter

Month	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	18 372	10 367	10 367	–		10 367	–		
August	18 372	10 367	10 367	3 358	#VALUE!	20 733	#VALUE!	#VALUE!	#VALUE!
September	18 372	10 367	10 367	–		31 100	–		
October	18 372	10 367	10 367	741	#VALUE!	41 466	#VALUE!	#VALUE!	#VALUE!
November	18 372	10 367	10 367	954	#VALUE!	51 833	#VALUE!	#VALUE!	#VALUE!
December	18 372	10 367	10 367	311	#VALUE!	62 200	#VALUE!	#VALUE!	#VALUE!
January	18 372	10 367	10 367	2 350	#VALUE!	72 566	#VALUE!	#VALUE!	#VALUE!
February	18 372	10 367	22 647	328	#VALUE!	95 213	#VALUE!	#VALUE!	#VALUE!
March	18 372	10 367	22 647	686	#VALUE!	117 859	#VALUE!	#VALUE!	#VALUE!
April	–	–	–	–		117 859	–		
May	–	–	–	–		117 859	–		
June	–	–	–	–		117 859	–		
Total Capital expenditure	165 345	93 299	117 859	8 728					

SECTION 15 – OTHER SUPPORTING DOCUMENTATION

Other National Treasury prescribed supporting documentation not used elsewhere in this document is listed below.

Table SC9 – Cash flow per month by source of revenue and type of expenditure

QUARTERLY PERFORMANCE ASSESSMENT REPORT Q 3 of 2018/2019

WC051 Laingsburg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q3 Third Quarter

Description		Ref	Budget Year 2018/19												2018/19 Medium Term Revenue & Expenditure Framework		
			July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands		1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																	
Property rates			201	861	372	547	235	136	135	179	292	315	315	197	3 785	4 164	4 497
Service charges - electricity revenue			793	872	694	1 096	795	908	866	920	894	1 056	1 056	2 719	12 670	13 937	15 052
Service charges - water revenue			108	136	106	134	129	144	195	139	172	119	119	(75)	1 425	1 567	1 693
Service charges - sanitation revenue			98	147	122	202	206	142	147	162	129	94	94	(418)	1 126	1 239	1 338
Service charges - refuse			102	124	108	132	126	113	127	114	123	95	95	(119)	1 141	1 255	1 356
Service charges - other			44	13	6	8	12	12	8	14	10	-	-	(128)	-	-	-
Rental of facilities and equipment			57	62	49	59	76	65	46	56	60	108	108	581	1 328	1 461	1 578
Interest earned - external investments			49	80	99	73	62	50	54	(45)	129	70	70	153	845	929	1 003
Interest earned - outstanding debtors			16	22	24	9	1	32	34	35	35	39	39	192	479	527	569
Dividends received			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits			2	0	0	10	13	8	1	13	0	575	575	5 703	6 899	7 589	8 196
Licences and permits			117	124	103	96	113	71	80	115	137	104	104	84	1 247	1 372	1 482
Agency services			-	-	-	-	-	-	-	-	-	10	10	104	125	138	149
Transfer receipts - operating			6 718	2 050	-	16	6	3 000	-	3	3 750	1 689	1 689	1 303	20 222	22 245	24 024
Other revenue			2 730	4 790	(3 447)	794	1 304	1 138	1 118	5 994	4 014	15	15	(18 288)	176	193	209
Cash Receipts by Source			11 034	9 280	(1 764)	3 178	3 078	5 819	2 811	7 700	9 747	4 289	4 289	(7 992)	51 469	56 616	61 145
Other Cash Flows by Source																	
Transfer receipts - capital			6 368	2 108	-	-	-	-	-	-	-	104	104	1 683	10 367	11 403	12 316
Contributions & Contributed assets			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits			5	6	3	4	37	6	5	5	4	3	3	(47)	33	36	39
Receipt of non-current debtors			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments			-	-	6 000	-	2 000	-	-	-	-	-	-	(8 000)	-	-	-
Total Cash Receipts by Source			17 407	11 394	4 239	3 182	5 115	5 825	2 815	7 705	9 751	4 396	4 396	(14 357)	61 869	68 055	73 500
Cash Payments by Type																	
Employee related costs			281	1 566	3 523	462	1 666	4 340	656	2 317	2	2 067	2 067	5 337	24 283	26 712	28 849
Remuneration of councillors			-	218	449	-	224	476	-	449	-	261	261	797	3 136	3 450	3 726
Interest paid			-	-	-	-	-	-	-	-	-	1	1	(1)	-	-	-
Bulk purchases - Electricity			-	868	938	761	543	577	567	626	578	659	659	1 134	7 908	8 699	9 395
Bulk purchases - Water & Sewer			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials			1	118	38	45	140	208	32	60	50	80	80	106	958	1 054	1 138
Contracted services			2	-	501	168	195	190	171	222	202	525	525	3 595	6 295	6 924	7 478
Grants and subsidies paid - other municipalities			-	-	-	-	-	-	-	-	-	29	29	269	328	361	390
Grants and subsidies paid - other			12	27	20	(1 230)	(298)	(330)	(254)	(219)	26	-	-	2 247	-	-	-
General expenses			2 999	7 631	927	5 091	2 970	1 225	4 060	1 409	4 252	1 017	1 017	(20 390)	12 210	13 430	14 505
Cash Payments by Type			3 295	10 427	6 395	5 298	5 440	6 686	5 232	4 865	5 108	4 639	4 639	(6 906)	55 117	60 629	65 479
Other Cash Flows/Payments by Type																	
Capital assets			-	3 358	-	741	954	311	2 350	328	686	-	-	1 639	10 367	11 403	12 316
Repayment of borrowing			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments			-	-	-	-	-	-	-	-	-	7	7	(15)	-	-	-
Total Cash Payments by Type			3 295	13 786	6 395	6 039	6 394	6 997	7 582	5 192	5 794	4 646	4 646	(5 282)	65 484	72 032	77 795
NET INCREASE/(DECREASE) IN CASH HELD																	
Cash/cash equivalents at the month/year beginning:			14 112	(2 392)	(2 156)	(2 857)	(1 279)	(1 172)	(4 766)	2 512	3 957	(250)	(250)	(9 075)	(3 615)	(3 977)	(4 295)
Cash/cash equivalents at the month/year end:			10 078	24 190	21 798	19 642	16 785	15 506	14 334	9 568	12 080	16 037	15 787	15 537	10 078	6 463	2 486
			24 190	21 798	19 642	16 785	15 506	14 334	9 568	12 080	16 037	15 787	15 537	6 463	6 463	2 486	(1 809)

Table SC13 a – Capital expenditure on new assets by asset class

WC051 Laingsburg - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q3 Third Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		12 640	10 367	22 647	3 364	8 728	-	(8 728)	#DIV/0!	-
Roads Infrastructure		474	-	-	-	-	-	-	-	-
Roads		474	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		(522)	-	-	-	-	-	-	-	-
Drainage Collection		(522)	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		7 183	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		7 183	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		5 491	10 367	22 647	3 364	8 728	-	(8 728)	#DIV/0!	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		4 334	10 367	22 647	3 364	8 728	-	(8 728)	#DIV/0!	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		1 156	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		14	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		14	-	-	-	-	-	-	-	-
Community Assets		1 512	-	-	-	-	-	-	-	-
Community Facilities		1 194	-	-	-	-	-	-	-	-
Libraries		29	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		1 165	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		318	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		318	-	-	-	-	-	-	-	-
Other assets		69	-	-	-	-	-	-	-	-
Operational Buildings		69	-	-	-	-	-	-	-	-
Municipal Offices		69	-	-	-	-	-	-	-	-
Furniture and Office Equipment		5 986	-	-	-	-	-	-	-	-
Furniture and Office Equipment		5 986	-	-	-	-	-	-	-	-
Machinery and Equipment		318	-	-	-	-	-	-	-	-
Machinery and Equipment		318	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	20 526	10 367	22 647	3 364	8 728	-	(8 728)	#DIV/0!	-

Table SC13 c – Expenditure on Repairs and Maintenance by asset class

WC051 Laingsburg - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Q3 Third

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		401	718	718	102	200	538	338	62.8%	718
Roads Infrastructure		0	12	12	-	-	9	9	100.0%	12
Roads		0	12	12	-	-	9	9	100.0%	12
Road Structures		-	-	-	-	-	-	-		-
Road Furniture		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection		-	-	-	-	-	-	-		-
Storm water Conveyance		-	-	-	-	-	-	-		-
Attenuation		-	-	-	-	-	-	-		-
Electrical Infrastructure		235	317	317	99	191	238	47	19.8%	317
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors								-		
MV Substations		181	253	253	85	148	189	42	22.0%	253
MV Switching Stations								-		
MV Networks								-		
LV Networks		54	65	65	14	43	48	5	11.0%	65
Capital Spares								-		
Water Supply Infrastructure		112	68	68	3	9	51	42	82.0%	68
Dams and Weirs		-	-	-	-	-	-	-		-
Boreholes								-		
Reservoirs								-		
Pump Stations								-		
Water Treatment Works								-		
Bulk Mains								-		
Distribution		112	68	68	3	9	51	42	82.0%	68
Distribution Points								-		
PRV Stations								-		
Capital Spares								-		
Sanitation Infrastructure		54	320	320	-	-	240	240	100.0%	320
Pump Station								-		
Reticulation		53	297	297	-	-	223	223	100.0%	297
Waste Water Treatment Works		1	23	23	-	-	17	17	100.0%	23
Outfall Sewers								-		
Toilet Facilities								-		
Capital Spares		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Landfill Sites			-	-	-	-	-	-		-
Waste Transfer Stations		-	-	-	-	-	-	-		-
Community Assets		1	3	3	-	-	2	2	100.0%	3
Community Facilities		1	3	3	-	-	2	2	100.0%	3
Halls		1	3	3	-	-	2	2	100.0%	3
Investment properties		0	91	91	-	-	68	68	100.0%	91
Revenue Generating		-	-	-	-	-	-	-		-
Improved Property			-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Non-revenue Generating		0	91	91	-	-	68	68	100.0%	91
Improved Property		-	-	-	-	-	-	-		-
Unimproved Property		0	91	91	-	-	68	68	100.0%	91
Other assets		(22)	24	24	-	3	18	15	81.2%	24
Operational Buildings		(21)	6	6	-	3	5	1	25.9%	6
Municipal Offices		(21)	6	6	-	3	5	1	25.9%	6
Housing		(1)	18	18	-	-	14	14	100.0%	18
Staff Housing								-		
Social Housing		(1)	18	18	-	-	14	14	100.0%	18

Furniture and Office Equipment		362	318	282	73	207	211	4	1.9%	282
Furniture and Office Equipment		362	318	282	73	207	211	4	1.9%	282
Machinery and Equipment		143	115	115	43	73	86	13	15.2%	115
Machinery and Equipment		143	115	115	43	73	86	13	15.2%	115
Transport Assets		477	509	524	60	263	393	130	33.0%	524
Transport Assets		477	509	524	60	263	393	130	33.0%	524
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	1 361	1 777	1 756	278	747	1 317	570	43.3%	1 756

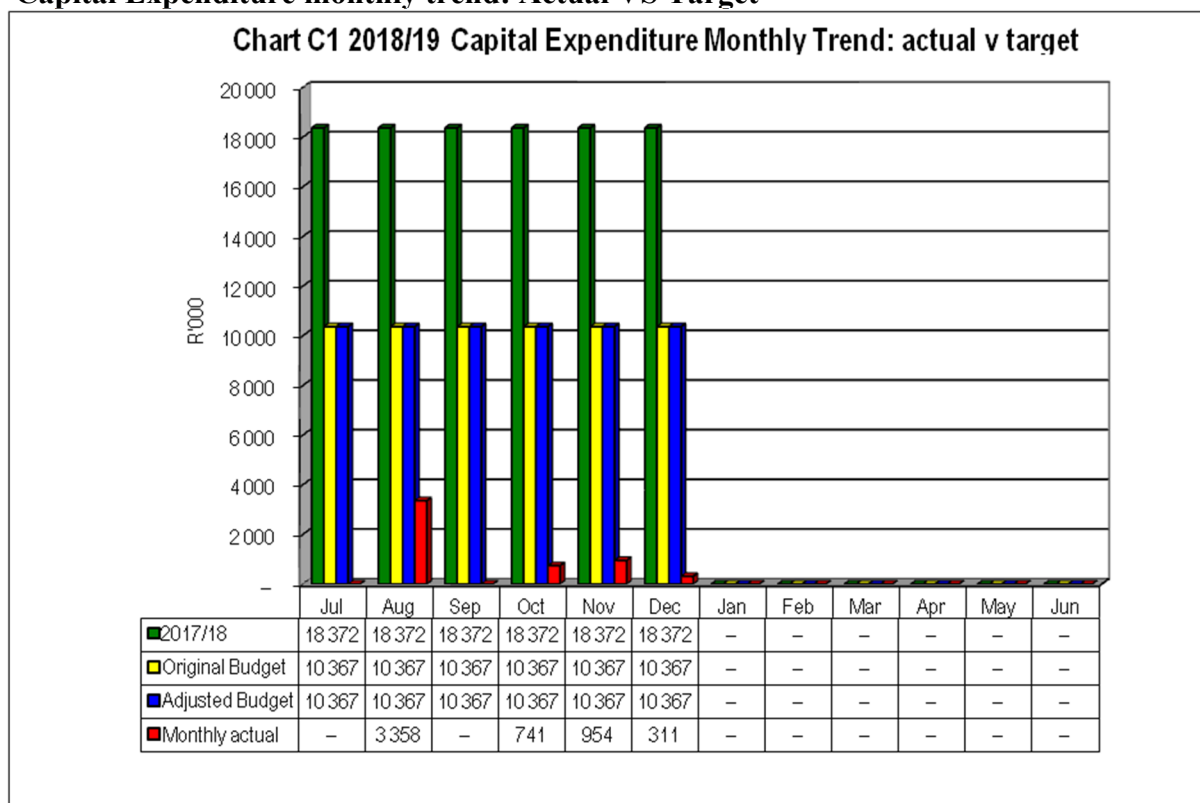
Table SC13 d – Depreciation charges by asset class

WC051 Laingsburg - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Q3 Third Quarter

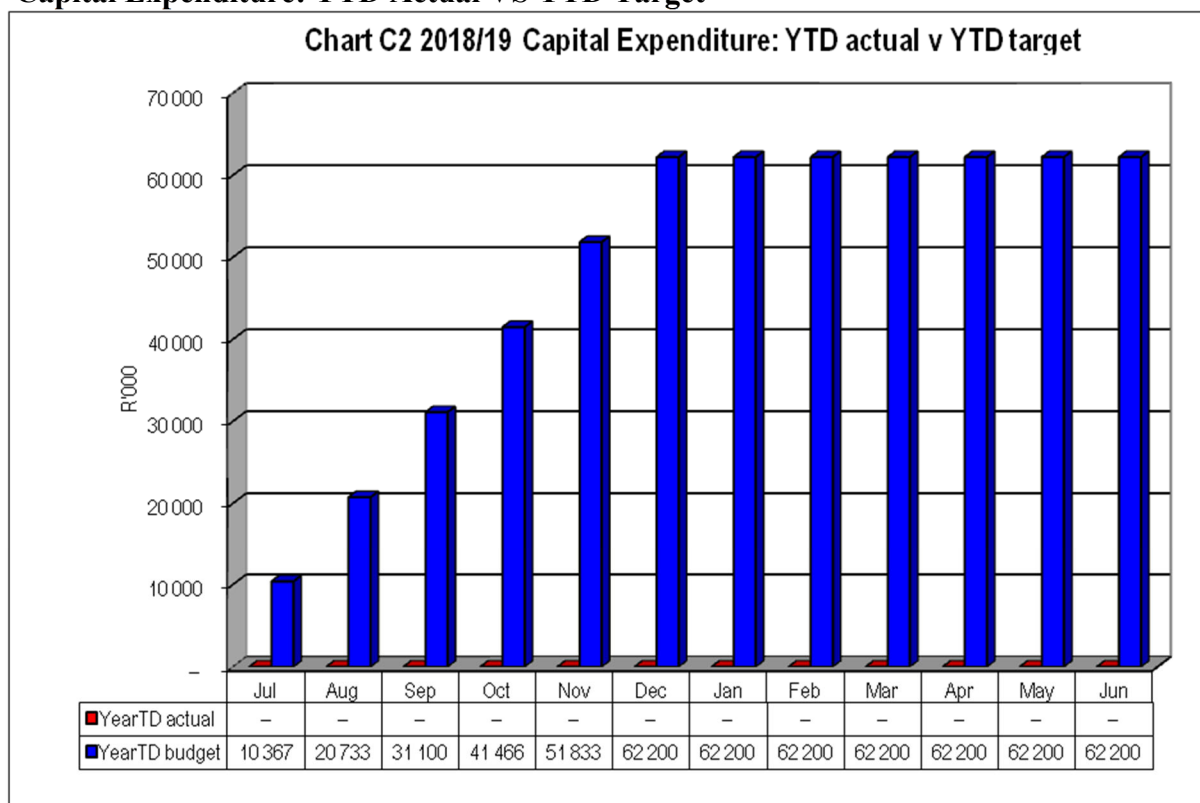
Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		6	4 089	4 089	682	2 726	3 067	341	11.1%	4 089
Roads Infrastructure		6	4 089	4 089	682	2 726	3 067	341	11.1%	4 089
Roads		6	4 089	4 089	682	2 726	3 067	341	11.1%	4 089
Community Assets		20	718	1 001	279	717	750	33	4.4%	1 001
Community Facilities		20	718	1 001	279	717	750	33	4.4%	1 001
Halls		15	-	-	-	-	-	-		-
Libraries		2	33	33	6	22	25	3	11.1%	33
Cemeteries/Crematoria		(0)	318	600	212	450	450	(0)	0.0%	600
Public Open Space		4	368	368	61	245	276	31	11.1%	368
Other assets		-	171	171	28	114	128	14	11.1%	171
Housing		-	171	171	28	114	128	14	11.1%	171
Staff Housing		-	-	-	-	-	-	-		-
Social Housing		-	171	171	28	114	128	14	11.1%	171
Computer Equipment		0	301	301	50	201	226	25	11.1%	301
Computer Equipment		0	301	301	50	201	226	25	11.1%	301
Furniture and Office Equipment		362	1 201	1 201	200	801	901	100	11.1%	1 201
Furniture and Office Equipment		362	1 201	1 201	200	801	901	100	11.1%	1 201
Total Depreciation	1	388	6 481	6 763	1 239	4 559	5 072	513	10.1%	6 763

Schedule C – National Treasury Formats graphs

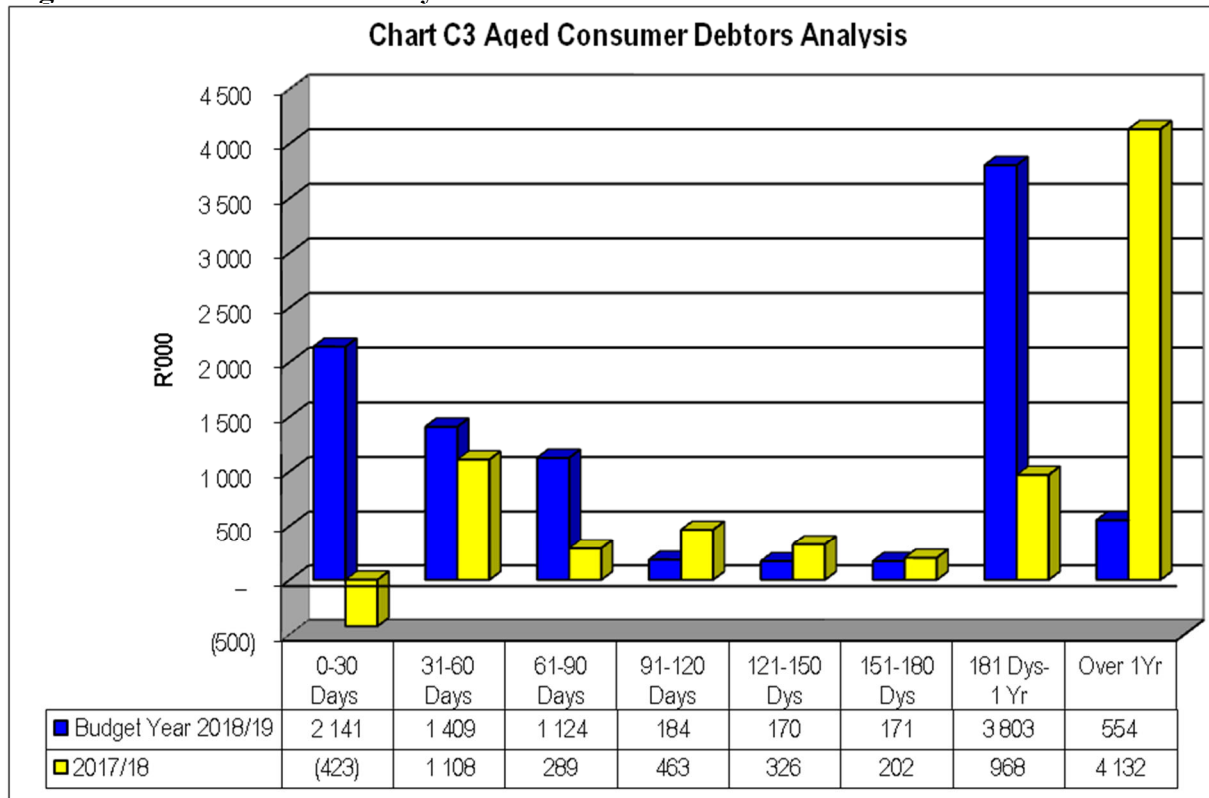
Capital Expenditure monthly trend: Actual VS Target



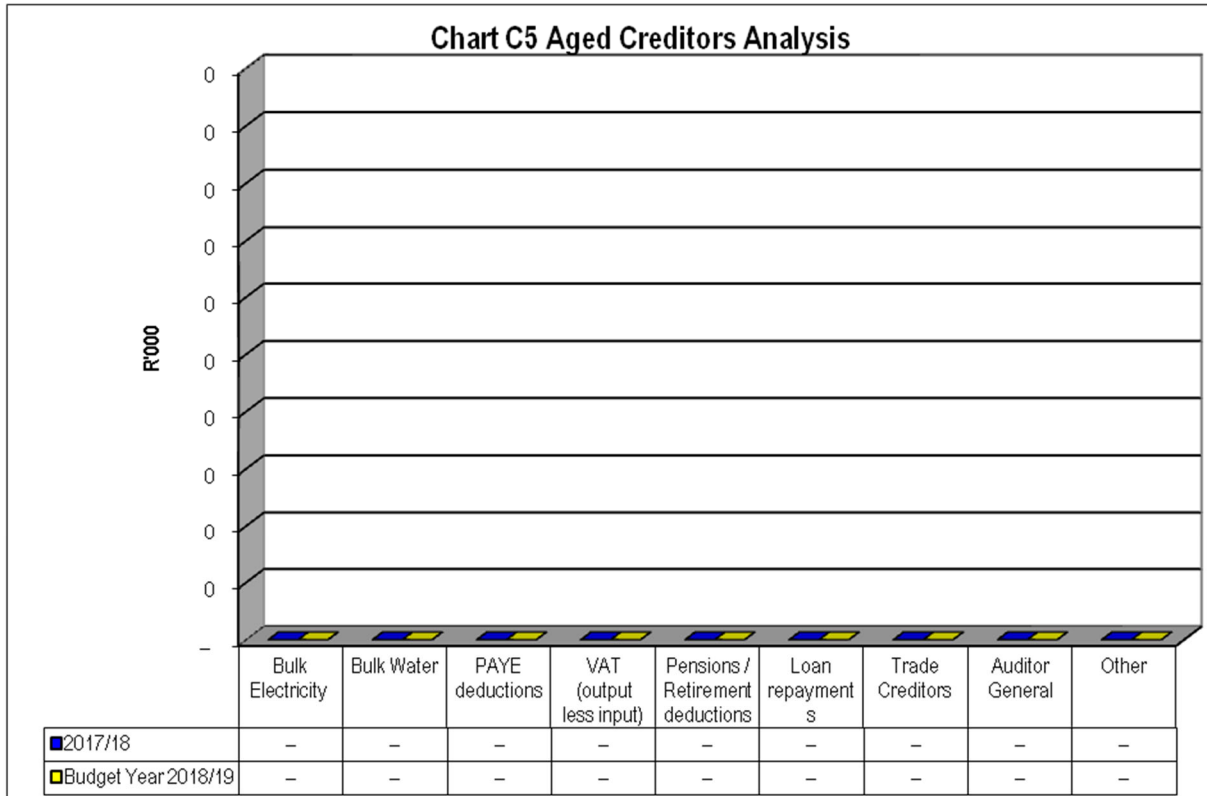
Capital Expenditure: YTD Actual VS YTD Target



Aged Consumer Debtors analysis



Aged Creditors analysis



SECTION 16 - WARD COMMITTEES

The municipal public participation policy and ward committee policy is in place. All four (4) ward committees are established and in fully functional. Monthly ward committee meetings take place and ward committee members are working within their wards as per their assigned portfolios.

There are currently a few vacancies in ward committees within the municipality.

SECTION 17 – RECOMMENDATIONS

- (a) That Council notes the contents of this report and supporting documentations for the third quarter of 2018/2019 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.

SECTION 18 - 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 Non- financial Performance with regards legislative compliance. The overall performance was good, but

there are still areas that requires intervention and mitigation measures to prevent it in the following quarters of the year as well as improve the reporting onthe system.

The municipal manager will conduct a quarterly review and the outcome of the Performance Review will be recorded to rectify non-performance to ensure that that all targets can be achieved before year-end.