

LAINGSBURGMUNICIPALITY

SECTION 52 REPORT

QUARTERLY PERFORMANCE

2018/19 ASSESSMENT REPORT- Q 4

01 April 2019 – 30 June 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 April 2019 until 30 June 2019 has been prepared in accordance of the Municipal Finance Management Act and regulations made under the Act.



.....
PA WILLIAMS
MUNICIPAL MANAGER
19 July 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 fourth quarter (01 April – 30 June 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 30 June 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 Fourth quarter 100% of the budget has to be spent or collected. The Municipality is still facing financial and cash flow problems. As mentioned in the reports for the previous three quarters there were 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 Fourth quarter was good and a decrease in outstanding debt occurred due to large amounts of outstanding state

property rates accounts settled. The year-to-date payment rate is 99.31% and is slightly higher than the budgeted rate of 95% for service charges. Annual rates are levied during July for the financial year and is payable in monthly installments. A total of 113% of the property rates were collected but service charges were lower at 94.48% for water, 90.79 for refuse, 86.09% for sewerage and only 80.19% for other debtors. It is therefore a clear fact that consumers in the Eskom supply area do not pay for their services. Very drastic and effective action will have to be taken to encourage the group of consumers to pay for the services they receive.

4.2 Other relevant information

Year-to-date revenue raised is 83, 62% of the projected year-to-date budget for the Fourth quarter. Operating expenditure incurred amounts to 106.97% of year-to-date budget. The depreciation and annual journals will be processed after the finalization of the audit.

4.3 Operating Revenue

The Municipality have generated 83.62% or R90, 860 million of the Budgeted Revenue to date which is in line with the budgeted amounts. During the Fourth quarter operating grants totaling R3, 240 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 June 2019, the Municipality did not manage to spend within the budgeted norms. An amount of R91, 651 million have been spent to date. 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 R13, 337 million or 50, 06% of the external funded Capital Budget to date. The MIG spending for the Fourth quarter totals to R2, 306.

4.6 Cash Flow

The Municipality started off with a cash flow balance of R10, 078 million at the beginning of the year and decreased it with R3, 615 million. The closing balance for this quarter is R6, 555 million. 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 R6, 845 million for the quarter ending June 2019. The outstanding debt for more than 365 days amounts to 60, 18% at the end of the Fourth quarter for 2018. The likelihood of recovering amounts over 90 days is getting worse. The payment rate for 2017/2018 financial year was 89%. This includes the transfers to indigent accounts. The current payment rate is 99, 31%. The total cash trapped in outstanding debtors older than 90 Days amounts to R4, 579 million.

4.8 Creditors

Total outstanding creditors amount to R0 for the quarter ending June 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 are provided in Table SC 2.

Table SC2 – Financial Performance indicators

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q4 Fourth 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%	8.4%	8.4%	12.8%	8.4%
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%	83.6%	83.6%	88.7%	83.6%
Liquidity Ratio	Monetary Assets/Current Liabilities		42.8%	40.6%	40.6%	46.9%	40.6%
<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		9.8%	12.1%	12.3%	17.1%	12.3%
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		28.4%	29.9%	28.0%	28.1%	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		11.8%	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 30 June 2019.

5.1 Key Financial Indicators

Description	Operating Revenue R'000	Operating Expenditure R'000	Capital Expenditure R'000
Year-to-date budget CY	67 483 900	76 220 067	11 337 467
Actuals as at Current Quarter	76 122 119	87 892 561	2 306 819
Variance between YTD Budget and YTD Actuals	-8 638 219	-11 672 494	9 030 648
Variance %	-12.80	-15.31	100.00

Table 5. 2 Actual Budget Spending

Description	Operating Revenue R'000	Operating Expenditure R'000	Capital Expenditure R'000
Annual Budget	80 980 680	91 464 080	22 646 598
Actuals as at Current Quarter	76 122 119	87 892 561	2 306 819
Actual as % of total Budget	94.00	96.10	10.19

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 30 June 2019.

RATION DESCRIPTION	CY	PY
Revenue Management		
Level of reliance on Government grants	25.50	23.42
Actual income vs Budgeted Income	112.80	91.08
Expenditure Management		
Personnel Costs to total Expenditure	24.35	27.03
Actual expenditure vs Budgeted Expenditure	115.31	84.05
Interest Paid as a percentage of total expenditure	-	-
Repairs and maintenance / PPE (carry amount)	0.77	0.69
Repairs and maintenance / total expenditure	1.46	1.59
Asset Management		
Actual versus Budgeted Capital Expenditure	109.37	48.47
Stockholding period(Days)		
Debt Management		
Creditors payment period (Days)	30	30
Arrear debtors collection period (Days)	48	124
Liquidity		
Current ratio	88.71	71.01
Acid Test ratio	86.11	65.63
Turnover of accounts receivable	3.18	5.90
Cash to interest	0	0
Debt to cash	-1.07	-4.10
CASH TO income	0.71	0.66
Total Liabilities / Total Assets	17.59	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

DESCRIPTION	CY	PY
Total long term debt to total operating revenue (excluding conditional grants and transfers)	0	0
Total Long-term Debt		
Total Operating Revue (Excluding conditional grants and transfers)	59 616 554	51 490 756

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	-2 752 272
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	87 892 561	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 $((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment}) / \text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortization, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}$ 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 Cost Equivalents

DESCRIPTION	CY	PY
Cash/Cost Coverage Ratio (Times)		
Cash and Cash equivalents	15 590 173	13 654 410
Monthly Fixed Operational Expenditure	3 147 180.00	3 028 341.67
Cash and Cash Equivalents:		
Petty Cash and bank Balances	4 935 808	8 631 927
Less:		
Unspent Conditional Grants	16 163 056	11 307 540
Overdraft	0	0
Plus:		
Short-term investments	1 537 501	1 537 501
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	88.71	71.01
Current Assets	29 469 667	18 199 310
Current Liabilities	33 219 275	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	3 408 537	3 408 537.0
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	444 947	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	4 934 258	8 630 377
95% of all other term investments with Banks	1 460 626	1 460 626
90% of Market value of all Bonds on the JSE that are held	0	0
Consumer debtors (current – 60 days)	2 084 787	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	8 479 670	10 776 171
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	48	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 are 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	16 505 565.45	17 823 000.00
Total Revenue	76 122 119.12	69 313 755.78

5.4.4 Interpretation of Results

The results indicate 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	11 337 467	7 812 843
Expenditure					
Actual Capital Expenditure – Budgeted Capital Expenditure				50.06	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 2018/19 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	11 337 467	7 812 843
Expenditure					
Actual Capital Expenditure – Budgeted Capital Expenditure				50.06	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 2018/19 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:

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

6.1.6 The IDP and the Budget

The Final IDP 2017/2022 Review Year 2 and the Draft Budget was approved by Council the 29th May 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 11th of June 2019. 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 is 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 requires corrective actions to be captured for targets not achieved.

6.2 Actual Performance for the 4th 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

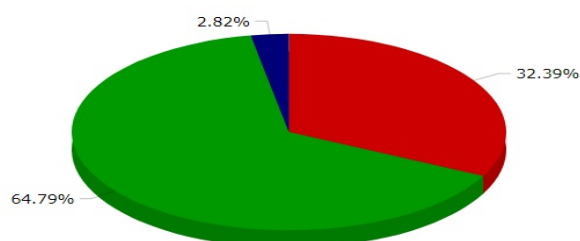
The following graphs illustrate the overall performance of the LLM measured in terms of the Top Layer (strategic) SDBIP 2018/2019(4th quarter).

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

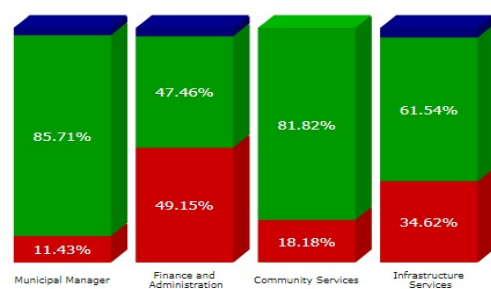
Departmental SDBIP

Report drawn on 19 July 2019 at 14:54
for the months of April 2019 to June 2019.

Laingsburg Municipality



Directorate



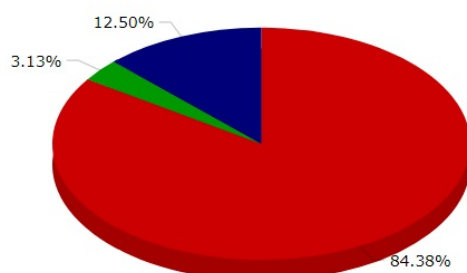
	Municipal Manager	Finance and Administration	Community Services	Infrastructure Services
KPI Not Met	4 (11.43%)	29 (49.15%)	4 (18.18%)	9 (34.62%)
KPI Almost Met	-	-	-	-
KPI Met	30 (85.71%)	28 (47.46%)	18 (81.82%)	16 (61.54%)
KPI Well Met	-	-	-	-
KPI Extremely Well Met	1 (2.86%)	2 (3.39%)	-	1 (3.85%)
Total:	35 (24.65%)	59 (41.55%)	22 (15.49%)	26 (18.31%)

The following graphs and tables give an overview on Top Level performance per Pre-Determined Objective (PDO's) for the term under review (01 April 2019 to 30 June 2019).

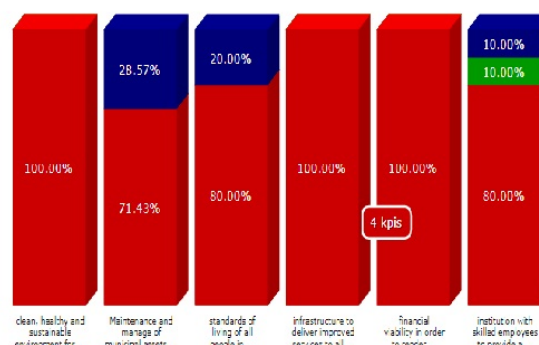
Top Layer SDBIP

Report drawn on 19 July 2019 at 15:33
for the months of March 2019 to June 2019.

Laingsburg Municipality



Pre-determined Objectives



	Developing a safe, clean, healthy and sustainable environment for communities	Effective Maintenance and manage of municipal assets and natural resources	Improve the standards of living of all people in Laingsburg	Provision of infrastructure to deliver improved services to all residents and business	To achieve financial viability in order to render affordable services to residents	To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values
KPI Not Met	2 (100.00%)	5 (71.43%)	4 (80.00%)	4 (100.00%)	4 (100.00%)	8 (80.00%)
KPI Almost Met	-	-	-	-	-	-
KPI Met	-	-	-	-	-	1 (10.00%)
KPI Well Met	-	-	-	-	-	-
KPI Extremely Well Met	-	2 (28.57%)	1 (20.00%)	-	-	1 (10.00%)
Total:	2 (6.25%)	7 (21.88%)	5 (15.63%)	4 (12.50%)	4 (12.50%)	10 (31.25%)

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

Top Layer SDBIP

R ef	Directo rate	Provincial Strategic Outcome	I D P R e f	Pre- deter mined Objecti ves	Munici pal KPA	KPI	Unit of Measur ement	KPI Calcula tion Type	Jun-19		
									Target	Actual	R
TL 1	Finance and Adminis tration	Embed good governanc e and integrated service delivery t hrough partnershi ps and spatial alignment		To create an institut ion with skilled employ ees to provid e a profess ional service to its clientel e guided by munici pal values	Instituti onal Develo pment	Limit the vacancy rate to less than 10% of budgeted posts by 30 June 2019 ((Number of posts filled/Total number of budgeted posts)x100)	% vacanc y rate of budget ed posts by 30 June 2019	Revers e Last Value	10 %	0%	B
TL 2	Munici pal Manag er	Embed good governanc e and integrated service delivery t hrough partnershi ps and spatial alignment		To create an institut ion with skilled employ ees to provid e a profess ional service to its clientel e	Instituti onal Develo pment	The number of people from employe ment equity target groups employed (to be appointed) by 30 June 2019 in the three highest levels of managem	Numbe r of people employ ed (to be appoint ed) by 30 June 2019	Accum ulative	8	0	R

				guided by municipal values		ent in compliance with the equity plan					
TL 3	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	Institutional Development	The percentage of the Municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2019 [(Actual amount spent on training/total operational budget)x100]	% of the Municipality's personnel budget on implementing its workplace skills plan by 30 June 2019	Last Value	1%	0%	R
TL 4	Community Services	Enable a resilient, sustainable, quality and inclusive living environment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	Institutional Development	Participate in the Provincial Traffic Departments' Public Safety initiatives during the 2018/19 financial year	Number of initiatives participated in	Accumulative	2	2	G

TL 5	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		To achieve financial viability in order to render affordable services to residents	Financial Development	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	Last Value	65 %	0%	R
TL 6	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To achieve financial viability in order to render affordable services to residents	Financial Development	Number of formal residential properties 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	Number of residential properties which are billed for electricity or have prepaid meters (Excluding Eskom areas) as at 30 June 2019	Last Value	855	0	R
TL 7	Finance and Administration	Embed good governance and integrated service delivery through		Provision of infrastructure to deliver improved	Infrastructure Development	Number of formal residential properties that receive piped water	Number of residential properties which are	Last Value	1,339	0	R

		partnerships and spatial alignment		services to all residents and businesses		(credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2019	billed for water				
TL 8	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Provision of infrastructure to deliver improved services to all residents and businesses	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 at 30 June 2019	Number of residential properties which are billed for sewerage	Last Value	1,300	0	R
TL 9	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Provision of infrastructure to deliver improved services to all residents and businesses	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	Last Value	1,348	0	R

				ss							
TL 10	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Provision of infrastructure to deliver improved services to all residents and businesses	Infrastructure Development	Provide free 50kWh electricity to indigent households as at 30 June 2019	Number of households receiving free basic electricity	Last Value	900	0	R
TL 11	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Improve the standards of living of all people in Laingsburg	Social Development	Provide free 6kl water to indigent households as at 30 June 2019	Number of households receiving free basic water	Last Value	800	0	R
TL 12	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Improve the standards of living of all people in Laingsburg	Social Development	Provide free basic sanitation to indigent households as at 30 June 2019	Number of households receiving free basic sanitation services	Last Value	780	0	R
TL 13	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Improve the standards of living of all people in Laingsburg	Social Development	Provide free basic refuse removal to indigent households as at 30 June 2019	Number of households receiving free basic refuse removal services	Last Value	800	0	R

TL 14	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		Improve the standards of living of all people in Laingsburg	Social Development	Financial viability measured in terms of the municipality's ability to meet its 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]	Debt coverage ratio as at 30 June	Reverse Last Value	61.10 %	0%	B
TL 15	Finance and Administration	Enable a resilient, sustainable, quality and inclusive living environment		To achieve financial viability in order to render affordable services to residents	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	% outstanding service debtors at 30 June	Last Value	63.8	0	R

						g service debtors/annual revenue received for services)x 100]					
TL 16	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To achieve financial viability in order to render affordable services to residents	Financial Development	Financial viability measured in terms of the available 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))	Cost coverage ratio as at 30 June	Last Value	1	0	R

TL 17	Municipal Manager	Enable a resilient, sustainable, quality and inclusive living environment		Improve the standards of living of all people in Laingsburg	Social Development	Create job opportunities through EPWP and LED projects by 30 June 2019	Number of job opportunities created by 30 June 2019	Accumulative	150	0	R
TL 18	Municipal Manager	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	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	Carry Over	1	0	R
TL 19	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal	Institutional Development	Spend 80% of the budget allocated on the INEP Programme by 30 June 2019 {(Actual expenditure divided by the total approved budget)x100} [(Actual expenditure on capital	% of project budget spent	Last Value	80 %	0%	R

				values		projects /Total amount budgeted for capital projects)X 100]					
TL 20	Infrastr ucture Service s	Embed good governanc e and integrated service delivery t hrough partnershi ps and spatial alignment		Effectiv e Mainte nance and manag e of munici pal assets and natural resour ces	Infrastr ucture Develo pment	Spend 70% of the electricity maintenan ce budget by 30 June 2019 {(Actual expenditur e on mainten ance divided by the total approved maintenan ce budget)x1 00}	% of the mainte nance budget spent	Last Value	70 %	0%	R
TL 21	Infrastr ucture Service s	Embed good governanc e and integrated service delivery t hrough partnershi ps and spatial alignment		Effectiv e Mainte nance and manag e of munici pal assets and natural resour ces	Infrastr ucture Develo pment	Spend 70% of the water maintenan ce budget by 30 June 2019 {(Actual expenditur e on mainten ance divided by the total approved maintenan ce budget)x1 00}	% of the mainte nance budget spent	Last Value	70 %	0%	R
TL 22	Infrastr ucture Service s	Embed good governanc e and integrated service delivery t		Effectiv e Mainte nance and manag e of	Infrastr ucture Develo pment	Spend 70% of the sewerage maintenan ce budget by 30 June 2019	% of the mainte nance budget spent	Last Value	70 %	0%	R

		through partnerships and spatial alignment		municipal assets and natural resources		{{(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		Effective Maintenance and management of municipal assets and natural resources	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	Last Value	70 %	0%	R
TL 24	Infrastructure Services	Embed good governance and integrated service delivery through partnerships and spatial alignment		Effective Maintenance and management of municipal assets and natural resources	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]	% electricity unaccounted for by 30 June	Reverse Last Value	10 %	0%	B

						Purchased) × 100]					
TL 25	Infrastr ucture Service s	Enable a resilient, sustainabl e, quality and inclusive living environm ent		Effectiv e Mainte nance and manag e of munici pal assets and natural resour ces	Infrastr ucture Develo pment	Limit unaccount ed for water to less than 50% by 30 June 2019 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified × 100}	% of water unacco unted	Revers e Last Value	50 %	0%	B
TL 26	Infrastr ucture Service s	Enable a resilient, sustainabl e, quality and inclusive living environm ent		Develo ping a safe, clean, healthy and sustain able enviro nment for comm unities	Environ mental & Spatial Develo pment	87% of water samples comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/ Number of water samples tested)x10 0}	% of water sample s compli ant	Last Value	87 %	0%	R

TL 27	Infrastructure Services	Enable a resilient, sustainable, quality and inclusive living environment		Developing a safe, clean, healthy and sustainable environment for communities	Environmental & Spatial Development	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/Number of effluent samples tested)x100}	% of effluent samples compliant	Last Value	91 %	0%	R
TL 28	Municipal Manager	Enable a resilient, sustainable, quality and inclusive living environment		Effective Maintenance and management of municipal assets and natural resources	Infrastructure Development	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2019 [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x 100]	% of capital budget spent on capital projects	Last Value	80 %	0%	R

TL 29	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	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)X 100]	% of project budget spent	Last Value	80 %	0%	R
TL 30	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	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} [(Actual expenditure on capital projects /Total	% of project budget spent	Last Value	80 %	0%	R

						amount budgeted for capital projects)X 100]					
TL 31	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	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)X 100]	% of project budget spent	Last Value	80 %	0%	R
TL 32	Finance and Administration	Embed good governance and integrated service delivery through partnerships and spatial alignment		To create an institution with skilled employees to provide a professional service	Institutional Development	Spend 80% of the budget allocated on the Water Treatment Project by 30 June 2019 {(Actual expenditure divided by the	% of project budget spent	Last Value	80 %	0%	R

				to its clientel e guided by munici pal values		total approved budget)x1 00} [(Actual expenditur e on capital projects /Total amount budgeted for capital projects)X 100]					
--	--	--	--	--	--	---	--	--	--	--	--

Summary of Results

	KPI Not Yet Measured	<i>KPIs with no targets or actuals in the selected period.</i>	0
	KPI Not Met	<i>0% <= Actual/Target <= 74.999%</i>	27
	KPI Almost Met	<i>75.000% <= Actual/Target <= 99.999%</i>	0
	KPI Met	<i>Actual meets Target (Actual/Target = 100%)</i>	1
	KPI Well Met	<i>100.001% <= Actual/Target <= 149.999%</i>	0
	KPI Extremely Well Met	<i>150.000% <= Actual/Target</i>	4
	Total KPIs		32

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 - Q4 Fourth 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	3 771	4 373	4 047	(23)	3 990	3 372	618	18%	4 047
Service charges	17 526	18 727	16 511	4 100	16 846	13 759	3 087	22%	16 511
Investment revenue	178	845	1 022	201	1 068	851	217	25%	1 022
Transfers and subsidies	21 531	19 893	20 650	15	16 506	17 208	(703)	-4%	20 650
Other own revenue	31 750	37 983	38 751	9 447	37 712	32 293	5 419	17%	38 751
Total Revenue (excluding capital transfers and contributions)	74 757	81 821	80 981	13 740	76 122	67 484	8 638	13%	80 981
Employee costs	21 197	24 468	22 662	6 798	21 404	18 885	2 519	13%	22 662
Remuneration of Councillors	2 530	2 803	2 803	909	2 725	2 336	389	17%	2 803
Depreciation & asset impairment	8 786	10 544	10 805	2 378	8 321	9 004	(683)	-8%	10 805
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	7 317	8 109	7 500	1 992	7 449	6 250	1 199	19%	7 500
Transfers and subsidies	829	2 235	2 235	15	382	1 862	(1 481)	-80%	2 235
Other expenditure	35 853	42 929	45 459	13 330	47 612	37 883	9 729	26%	45 459
Total Expenditure	76 511	91 087	91 464	25 422	87 893	76 220	11 672	15%	91 464
Surplus/(Deficit)	(1 754)	(9 267)	(10 483)	(11 682)	(11 770)	(8 736)	(3 034)	35%	(10 483)
Transfers and subsidies - capital (monetary alloc	7 459	10 367	22 647	3 240	10 980	18 872	(7 892)	-42%	22 647
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	5 704	1 100	12 163	(8 442)	(791)	10 136	(10 927)	-108%	12 163
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	5 704	1 100	12 163	(8 442)	(791)	10 136	(10 927)	-108%	12 163
Capital expenditure & funds sources									
Capital expenditure	16 479	10 367	22 647	2 307	11 337	-	11 337	#DIV/0!	22 647
Capital transfers recognised	16 135	10 367	20 647	2 306	11 337	-	11 337	#DIV/0!	20 647
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	94	-	2 000	1	1	-	1	#DIV/0!	2 000
Total sources of capital funds	16 229	10 367	22 647	2 307	11 337	-	11 337	#DIV/0!	22 647
Financial position									
Total current assets	14 599	20 970	20 970		29 470				20 970
Total non current assets	163 379	181 161	181 161		184 373				181 161
Total current liabilities	13 718	25 072	25 072		33 219				25 072
Total non current liabilities	8 795	4 389	4 389		4 389				4 389
Community wealth/Equity	155 467	172 670	172 670		176 234				172 670
Cash flows									
Net cash from (used) operating	12 534	6 711	6 711	(9 365)	(2 752)	6 711	9 463	141%	6 711
Net cash from (used) investing	(7 413)	(10 367)	(10 367)	(2 307)	(3 035)	(10 367)	(7 332)	71%	(10 367)
Net cash from (used) financing	58	33	33	16	91	33	(58)	-175%	33
Cash/cash equivalents at the month/year end	11 054	6 548	6 548	-	4 474	6 548	2 074	32%	6 548
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	1 215	870	181	127	206	127	3 233	887	6 845
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table C2: Financial Performance (Standard Classification)

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth 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>		25 802	29 067	39 151	2 936	27 851	32 626	(4 775)	-15%	39 151
Executive and council		7 682	1 561	1 561	(947)	(1 935)	1 301	(3 236)	-249%	1 561
Finance and administration		18 120	27 506	37 590	3 883	29 785	31 325	(1 540)	-5%	37 590
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		33 176	37 015	37 961	9 010	36 845	31 634	5 211	16%	37 961
Community and social services		3 829	1 268	1 273	3	854	1 061	(207)	-20%	1 273
Sport and recreation		2	2	2	1	4	2	2	115%	2
Public safety		29 342	35 733	36 673	9 002	35 970	30 560	5 409	18%	36 673
Housing		11	12	12	3	16	10	5	53%	12
Health	(8)	-	0	0	0	2	0	1	434%	0
<i>Economic and environmental services</i>		1 089	1 067	1 061	4	591	884	(294)	-33%	1 061
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 089	1 067	1 061	4	591	884	(294)	-33%	1 061
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		22 149	25 038	25 455	5 030	21 816	21 212	604	3%	25 455
Energy sources		13 661	16 833	15 327	3 064	13 907	12 772	1 134	9%	15 327
Water management		2 658	3 216	1 768	702	2 924	1 474	1 450	98%	1 768
Waste water management		3 432	2 613	6 023	691	2 747	5 019	(2 272)	-45%	6 023
Waste management		2 398	2 375	2 337	573	2 239	1 947	292	15%	2 337
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	82 216	92 187	103 627	16 980	87 102	86 356	746	1%	103 627
Expenditure - Functional										
<i>Governance and administration</i>		23 810	29 886	30 185	8 868	27 845	25 154	2 691	11%	30 185
Executive and council		5 900	9 017	9 288	2 480	8 491	7 740	751	10%	9 288
Finance and administration		17 910	20 869	20 897	6 388	19 354	17 414	1 940	11%	20 897
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		27 528	33 508	34 056	9 104	34 264	28 267	5 997	21%	34 056
Community and social services		1 360	2 169	2 523	952	2 445	2 102	342	16%	2 523
Sport and recreation		34	28	28	(20)	10	23	(13)	-55%	28
Public safety		26 116	31 114	31 308	8 128	31 644	26 090	5 555	21%	31 308
Housing		3	193	193	44	161	48	113	233%	193
Health		14	4	4	-	4	3	0	4%	4
<i>Economic and environmental services</i>		2 518	3 445	2 288	583	1 712	1 907	(194)	-10%	2 288
Planning and development		945	1 319	963	123	314	802	(489)	-61%	963
Road transport		1 573	2 127	1 325	460	1 399	1 104	294	27%	1 325
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		22 640	24 241	24 927	6 865	24 063	20 773	3 290	16%	24 927
Energy sources		7 856	8 760	8 151	2 190	8 125	6 793	1 333	20%	8 151
Water management		2 886	3 028	3 600	869	3 154	3 000	154	5%	3 600
Waste water management		10 363	10 872	11 612	3 259	11 277	9 677	1 600	17%	11 612
Waste management		1 535	1 581	1 564	547	1 507	1 303	204	16%	1 564
<i>Other</i>		13	8	8	2	8	7	1	20%	8
Total Expenditure - Functional	3	76 509	91 087	91 464	25 422	87 893	76 107	11 785	15%	91 464
Surplus/ (Deficit) for the year		5 707	1 100	12 163	(8 442)	(791)	10 249	(11 040)	-108%	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) - Q4 Fourth 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		7 682	1 561	1 561	(947)	(1 935)	1 301	(3 236)	-248.7%	1 561
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		1 929	2 771	2 901	635	2 684	2 418	266	11.0%	2 901
Vote 4 - BUDGET & TREASURY		16 191	24 735	34 689	3 247	27 102	28 907	(1 806)	-6.2%	34 689
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		3 821	1 268	1 274	3	856	1 061	(206)	-19.4%	1 274
Vote 7 - SPORTS AND RECREATION		2	2	2	1	4	2	2	114.7%	2
Vote 8 - HOUSING		11	12	12	3	16	10	5	52.8%	12
Vote 9 - PUBLIC SAFETY		29 342	35 733	36 673	9 002	35 970	30 560	5 409	17.7%	36 673
Vote 10 - ROAD TRANSPORT		1 735	1 085	1 079	4	591	899	(309)	-34.3%	1 079
Vote 11 - WASTE MANAGEMENT		2 398	2 375	2 337	573	2 239	1 947	292	15.0%	2 337
Vote 12 - WASTE WATER MANAGEMENT		2 786	2 595	6 005	691	2 747	5 004	(2 257)	-45.1%	6 005
Vote 13 - WATER		2 658	3 216	1 768	702	2 924	1 474	1 450	98.4%	1 768
Vote 14 - ELECTRICITY		13 661	16 833	15 327	3 064	13 907	12 772	1 134	8.9%	15 327
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	82 216	92 187	103 627	16 980	87 102	86 356	746	0.9%	103 627
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		4 029	5 254	5 560	1 404	5 019	4 634	385	8.3%	5 560
Vote 2 - MUNICIPAL MANAGER		1 870	3 763	3 728	1 076	3 472	3 106	365	11.8%	3 728
Vote 3 - CORPORATE SERVICES		7 295	6 872	7 087	3 187	8 998	5 906	3 093	52.4%	7 087
Vote 4 - BUDGET & TREASURY		10 615	13 997	13 810	3 200	10 356	11 508	(1 153)	-10.0%	13 810
Vote 5 - PLANNING AND DEVELOPMENT		945	1 319	963	123	314	802	(489)	-60.9%	963
Vote 6 - COMMUNITY AND SOCIAL SERV		932	1 334	1 688	816	1 958	1 407	551	39.2%	1 688
Vote 7 - SPORTS AND RECREATION		489	874	874	118	508	729	(220)	-30.2%	874
Vote 8 - HOUSING		6	193	193	44	161	161	0	0.0%	193
Vote 9 - PUBLIC SAFETY		26 116	31 114	31 308	8 128	31 644	26 090	5 555	21.3%	31 308
Vote 10 - ROAD TRANSPORT		7 730	10 609	10 548	3 233	10 848	8 790	2 059	23.4%	10 548
Vote 11 - WASTE MANAGEMENT		1 535	1 581	1 564	547	1 507	1 303	204	15.6%	1 564
Vote 12 - WASTE WATER MANAGEMENT		4 206	2 390	2 390	487	1 827	1 991	(164)	-8.2%	2 390
Vote 13 - WATER		2 886	3 028	3 600	869	3 154	3 000	154	5.1%	3 600
Vote 14 - ELECTRICITY		7 856	8 760	8 151	2 190	8 125	6 793	1 333	19.6%	8 151
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	76 511	91 087	91 464	25 422	87 893	76 220	11 672	15.3%	91 464
Surplus/ (Deficit) for the year	2	5 704	1 100	12 163	(8 442)	(791)	10 136	(10 927)	-107.8%	12 163

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q4 Fourth 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		3 771	4 373	4 047	(23)	3 990	3 372	618	18%	4 047
Service charges - electricity revenue		12 456	14 398	12 127	2 763	11 469	10 106	1 363	13%	12 127
Service charges - water revenue		663	302	302	240	1 098	252	846	336%	302
Service charges - sanitation revenue		2 786	2 595	2 689	691	2 747	2 241	506	23%	2 689
Service charges - refuse revenue		1 554	1 323	1 285	384	1 482	1 070	412	38%	1 285
Service charges - other		67	109	108	21	51	90	(40)	-44%	108
Rental of facilities and equipment		1 978	1 461	1 325	320	1 263	1 104	159	14%	1 325
Interest earned - external investments		178	845	1 022	201	1 068	851	217	25%	1 022
Interest earned - outstanding debtors		230	276	240	74	283	200	83	41%	240
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		27 727	34 488	35 487	8 623	34 534	29 572	4 962	17%	35 487
Licences and permits		1 343	1 250	1 189	380	1 336	991	345	35%	1 189
Agency services		145	125	125	38	145	104	40	39%	125
Transfers and subsidies		21 531	19 893	20 650	15	16 506	17 208	(703)	-4%	20 650
Other revenue		326	384	385	12	151	321	(170)	-53%	385
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		74 757	81 821	80 981	13 740	76 122	67 484	8 638	13%	80 981
Expenditure By Type										
Employee related costs		21 197	24 468	22 662	6 798	21 404	18 885	2 519	13%	22 662
Remuneration of councillors		2 530	2 803	2 803	909	2 725	2 336	389	17%	2 803
Debt impairment		20 483	25 908	25 908	6 310	25 241	21 590	3 651	17%	25 908
Depreciation & asset impairment		8 786	10 544	10 805	2 378	8 321	9 004	(683)	-8%	10 805
Finance charges		—	—	—	—	—	—	—	—	—
Bulk purchases		7 317	8 109	7 500	1 992	7 449	6 250	1 199	19%	7 500
Other materials		—	—	—	—	—	—	—	—	—
Contracted services		3 000	2 077	2 085	653	2 392	1 737	654	38%	2 085
Transfers and subsidies		829	2 235	2 235	15	382	1 862	(1 481)	-80%	2 235
Other expenditure		12 370	14 944	17 467	6 367	19 979	14 556	5 424	37%	17 467
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Expenditure		76 511	91 087	91 464	25 422	87 893	76 220	11 672	15%	91 464
Surplus/(Deficit)		(1 754)	(9 267)	(10 483)	(11 682)	(11 770)	(8 736)	(3 034)	0	(10 483)
Transfers and subsidies - capital (monetary disbursements)										
(National / Provincial and District)		7 459	10 367	22 647	3 240	10 980	18 872	(7 892)	(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		5 704	1 100	12 163	(8 442)	(791)	10 136			12 163
Taxation		—	—	—	—	—	—	—		—
Surplus/(Deficit) after taxation		5 704	1 100	12 163	(8 442)	(791)	10 136			12 163
Attributable to minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		5 704	1 100	12 163	(8 442)	(791)	10 136			12 163
Share of surplus/ (deficit) of associate		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		5 704	1 100	12 163	(8 442)	(791)	10 136			12 163

The Municipality has generated 83.33% or R67, 484 million of the Budgeted Revenue to date. During the financial year operating grants totaling R17, 208 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) - Q4 Fourth 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>		(3)	-	-	1	1	-	1	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		-	-	-	1	1	-	1	#DIV/0!	-
Internal audit		(3)	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 391	-	-	1	1	-	1	#DIV/0!	-
Community and social services		1 067	-	-	1	1	-	1	#DIV/0!	-
Sport and recreation		318	-	-	-	-	-	-		-
Public safety		6	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		1 019	-	-	106	106	-	106	#DIV/0!	-
Planning and development		-	-	-	-	-	-	-		-
Road transport		1 019	-	-	106	106	-	106	#DIV/0!	-
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		14 071	10 367	22 647	2 199	11 230	-	11 230	#DIV/0!	22 647
Energy sources		7 192	2 000	2 000	(99)	(99)	-	(99)	#DIV/0!	2 000
Water management		6 255	8 367	18 647	2 298	11 329	-	11 329	#DIV/0!	18 647
Waste water management		623	-	2 000	-	-	-	-		2 000
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	16 479	10 367	22 647	2 307	11 337	-	11 337	#DIV/0!	22 647
Funded by:										
National Government		14 610	10 367	20 647	2 306	11 337	-	11 337	#DIV/0!	20 647
Provincial Government		1 525	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		16 135	10 367	20 647	2 306	11 337	-	11 337	#DIV/0!	20 647
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		94	-	2 000	1	1	-	1	#DIV/0!	2 000
Total Capital Funding		16 229	10 367	22 647	2 307	11 337	-	11 337	#DIV/0!	22 647

The Municipality has incurred R11, 337 000 or 54.9% of the external funded Capital Budget to date. The MIG spending for the 4th quarter totals to R 11,337 00 to date.

Table C6: Financial Position
WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - Q4 Fourth Quarter

Description	Ref	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		5 875	10 170	10 170	15 590	10 170
Call investment deposits		–	–	–	–	–
Consumer debtors		3 499	5 134	5 134	(14 602)	5 134
Other debtors		3 846	4 803	4 803	27 618	4 803
Current portion of long-term receivables		1	–	–	–	–
Inventory		1 378	864	864	864	864
Total current assets		14 599	20 970	20 970	29 470	20 970
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		4 273	25 050	25 050	25 050	25 050
Investments in Associate		–	–	–	–	–
Property, plant and equipment		158 542	155 658	155 658	158 871	155 658
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		522	442	442	442	442
Other non-current assets		43	12	12	10	12
Total non current assets		163 379	181 161	181 161	184 373	181 161
TOTAL ASSETS		177 979	202 131	202 131	213 842	202 131
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		485	506	506	550	506
Trade and other payables		12 487	14 517	14 517	22 626	14 517
Provisions		745	10 049	10 049	10 043	10 049
Total current liabilities		13 718	25 072	25 072	33 219	25 072
Non current liabilities						
Borrowing		–	–	–	–	–
Provisions		8 795	4 389	4 389	4 389	4 389
Total non current liabilities		8 795	4 389	4 389	4 389	4 389
TOTAL LIABILITIES		22 512	29 461	29 461	37 608	29 461
NET ASSETS	2	155 467	172 670	172 670	176 234	172 670
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		155 467	136 225	136 225	139 789	136 225
Reserves		–	36 445	36 445	36 445	36 445
TOTAL COMMUNITY WEALTH/EQUITY	2	155 467	172 670	172 670	176 234	172 670

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 29 470 as at 30 June 2019 (R 26 279 as at 31 March 2019), 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 33,219 mil as at 30 June 2019 (R 29, 227 million as at 31 March 2019).

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 4 389 000), 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 30 June 2019 amounted to R 36 445 (R 36 520 as at 31 March 2019).

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 - Q4 Fourth 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	1 279	4 237	3 785	452	12%	3 785
Service charges		14 494	16 362	16 362	4 416	16 072	16 362	(290)	-2%	16 362
Other revenue		31 891	9 776	9 776	3 314	31 757	9 776	21 981	225%	9 776
Government - operating		11 695	20 222	20 222	-	15 542	20 222	(4 680)	-23%	20 222
Government - capital		3 993	10 367	10 367	-	-	10 367	(10 367)	-100%	10 367
Interest		589	1 324	1 324	151	911	1 324	(413)	-31%	1 324
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(56 094)	(55 117)	(55 117)	(19 816)	(74 809)	(55 117)	19 691	-36%	(55 117)
Finance charges		-	(7)	(7)	-	-	(7)	(7)	100%	(7)
Transfers and Grants		2 908	-	-	1 290	3 537	-	(3 537)	#DIV/0!	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		12 534	6 711	6 711	(9 365)	(2 752)	6 711	9 463	141%	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)	(2 307)	(11 035)	(10 367)	668	-6%	(10 367)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 413)	(10 367)	(10 367)	(2 307)	(3 035)	(10 367)	(7 332)	71%	(10 367)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		58	33	33	16	91	33	58	175%	33
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		58	33	33	16	91	33	(58)	-175%	33
NET INCREASE/ (DECREASE) IN CASH HELD		5 179	(3 622)	(3 622)	(11 656)	(5 696)	(3 622)			(3 622)
Cash/cash equivalents at beginning:		5 875	10 170	10 170		10 170	10 170			10 170
Cash/cash equivalents at month/year end:		11 054	6 548	6 548		4 474	6 548			6 548

The Municipality started off with a cash flow balance of R10 170 million at the beginning of the year and increased it with (R 5 696 million). The closing balance for this quarter is R 4, 474 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 - Q4 Fourth 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	
	Service charges - electricity revenue	-	Sale of elec far lower as budgeted	
	Service charges - water revenue	-	Sale of water higher than budgeted for	
	Transfers and subsidies	-	Not all grants as on budget forecast received	
2	Expenditure By Type			
	Depreciation & asset impairment	-	Not all depreciation journals are processed	
	0	-	0	
	0	-	0	
	0	-	0	
3	Capital Expenditure			
	0	-	0	
	0	-	0	
	0	-	0	
	0	-	0	
4	Financial Position			
	No comment for September	-		0
	0	-		0
	0	-		0
	0	-		0
5	Cash Flow			
	No comment for September	-		0
	0	-		0
	0	-		0
	0	-		0
6	Measureable performance			
7	Municipal Entities			

SECTION 8 – DEBTOR ANALYSIS

Table SC3 provides an age analysis of consumer debtors as at 30 June 2019.

Table SC3 Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q4 Fourth Quarter

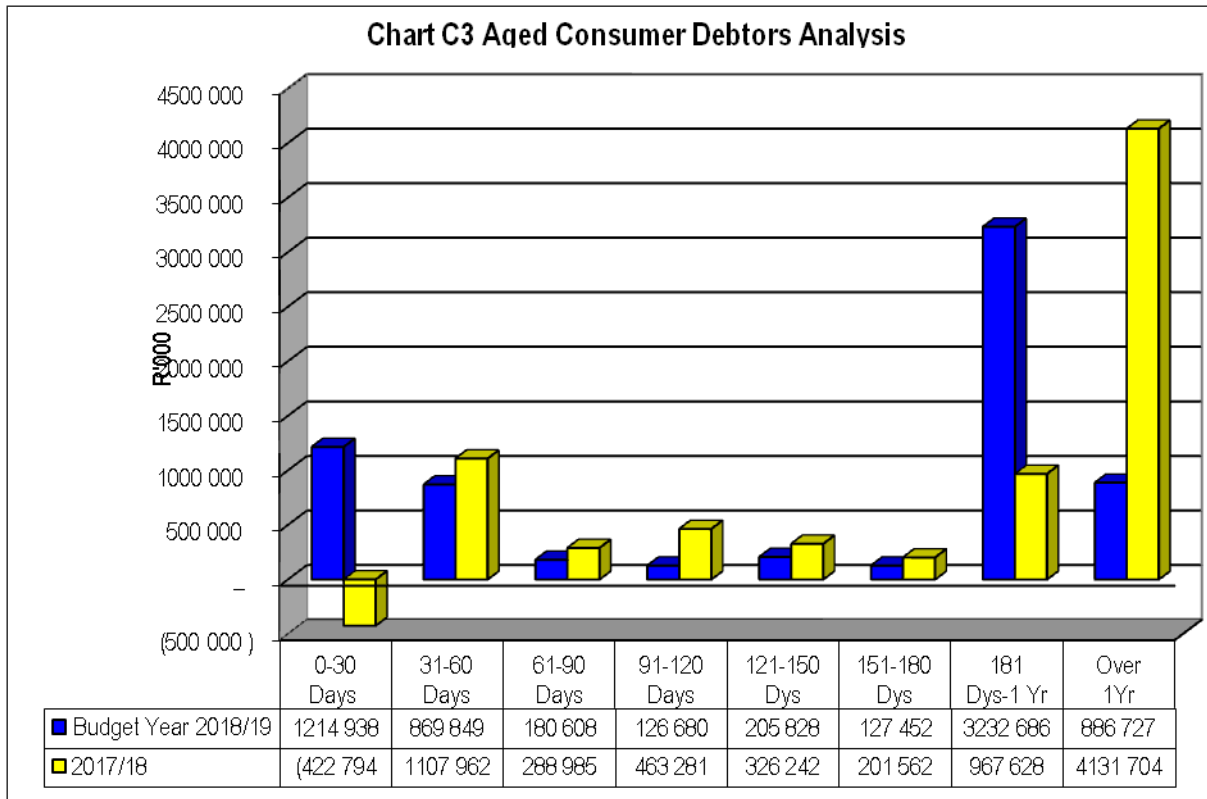
Description	NT Code	Budget Year 2018/19										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	152	(8)	31	26	32	26	353	221	835	659			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	790	(94)	48	29	67	28	343	119	1 330	586			
Receivables from Non-exchange Transactions - Property Rates	1400	(64)	15	19	12	16	11	1 323	84	1 416	1 446			
Receivables from Exchange Transactions - Waste Water Management	1500	156	(7)	38	24	38	24	423	249	945	758			
Receivables from Exchange Transactions - Waste Management	1600	146	(6)	22	18	22	18	159	152	531	369			
Receivables from Exchange Transactions - Property Rental Debtors	1700	20	14	18	15	30	18	531	60	708	656			
Interest on Arrear Debtor Accounts	1810	-	952	-	-	-	-	-	-	952	-			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-			
Other	1900	14	3	4	3	0	0	100	2	128	106			
Total By Income Source	2000	1 215	870	181	127	206	127	3 233	887	6 845	4 579	-	-	
2017/18 - totals only		-422794	1107962	288985	463281	326242	201562	967628	4131704	7 065	6 090			
Debtors Age Analysis By Customer Group														
Organs of State	2200	12	97	35	13	11	13	365	(0)	544	400			
Commercial	2300	625	255	19	18	78	21	1 192	155	2 363	1 464			
Households	2400	578	519	127	96	117	94	1 676	732	3 938	2 715			
Other	2500	-	-	-	-	-	-	-	-	-	-			
Total By Customer Group	2600	1 215	870	181	127	206	127	3 233	887	6 845	4 579	-	-	

Table C6 (Statement of Financial Position) as at 30 June 2019 shows the total outstanding debtors is R 6, 845 mil.

The Outstanding Debtors of the Municipality amounts to R6, 845 million for the quarter ending June 2019. The outstanding debt for more than 365 days amounts to 60, 18% at the end of the Fourth quarter for 2018. The likelihood of recovering amounts over 90 days is getting worse. The payment rate for 2017/2018 financial year was 89%. This includes the transfers to indigent accounts. The current payment rate is 99, 31%. The total cash trapped in outstanding debtors older than 90 Days amounts to R4, 579 million.

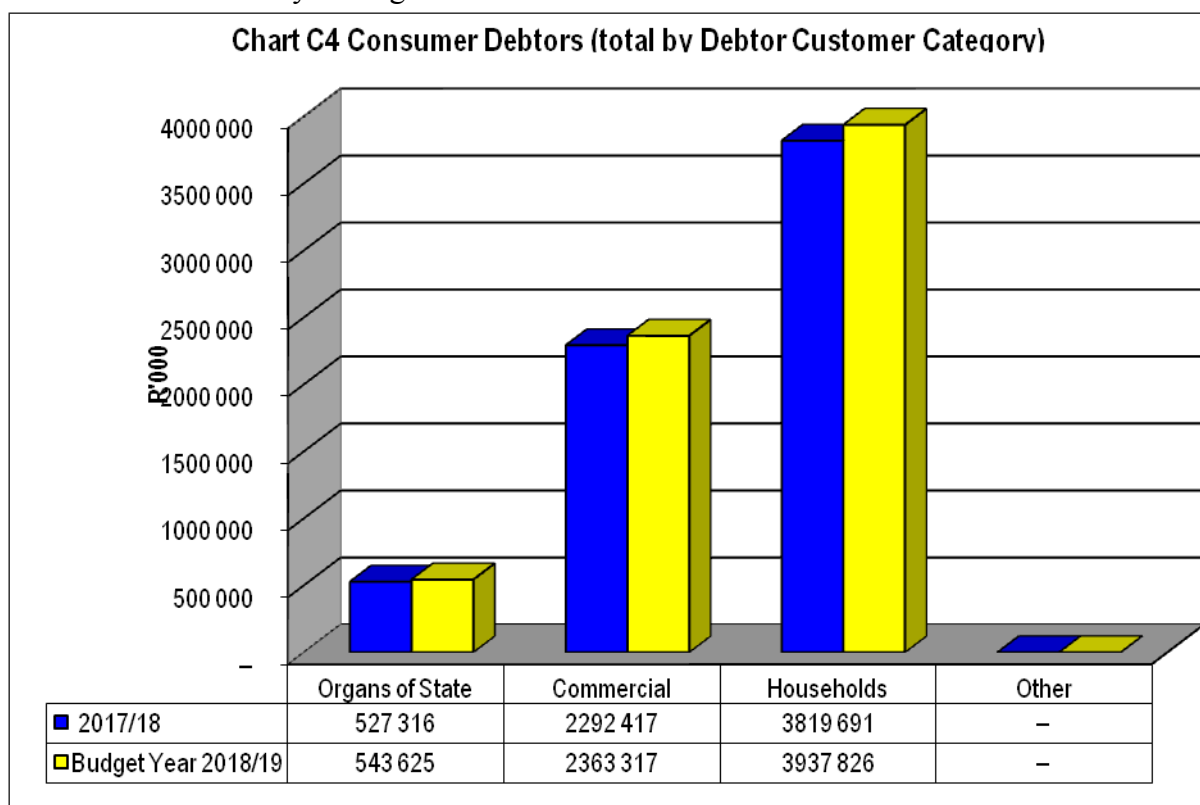
The above tables explain the movement of the debtors in arrear as at 30 June 2019 as per the days outstanding.

The graph below illustrates the aged consumer debt analysis at 30 June 2019 date.



The graph indicates that the outstanding debt are decreasing on a monthly basis and it is lower 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 January 2019 up to the end of June 2019. 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 - Q4 Fourth Quarter

Budget Year 2018/19										
Description	NT Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	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 - Q4 Fourth 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							
Municipality									
Laingsburg		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
		-	-	-	-	0.0%	-	-	-
Municipality sub-total					-		-	-	-
Entities									
		-	-	-	-	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 - Q4 Fourth 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	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1 900	1 461	1 461	309	1 813	1 461	352	24%	1 461
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	1	1	-	-	1	(1)	-100%	1
Motor Vehicle Allowance		267	255	255	40	277	255	22	9%	255
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors	4	2 166	1 717	1 717	349	2 090	1 717	373	22%	1 717
% increase			-20.8%	-20.8%						-20.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 047	915	915	291	2 329	915	1 414	155%	915
Pension and UIF Contributions		123	141	141	24	146	141	4	3%	141
Medical Aid Contributions		90	77	77	17	99	77	23	30%	77
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		232	235	235	68	255	235	20	8%	235
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	6	6	2	11	6	5	82%	6
Other benefits and allowances		162	226	226	58	400	226	174	77%	226
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	46	48	48	12	85	48	37	77%	48
Sub Total - Senior Managers of Municipality	4	2 699	1 649	1 649	471	3 325	1 649	1 676	102%	1 649
% increase			-38.9%	-38.9%						-38.9%
Other Municipal Staff										
Basic Salaries and Wages		6 939	9 034	9 034	1 741	13 560	9 034	4 526	50%	9 034
Pension and UIF Contributions		883	1 201	1 201	265	1 924	1 201	723	60%	1 201
Medical Aid Contributions		227	314	314	75	503	314	189	60%	314
Overtime		372	280	280	105	851	280	571	204%	280
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		299	546	546	133	742	546	197	36%	546
Cellphone Allowance		12	20	20	15	82	20	63	321%	20
Housing Allowances		21	80	80	14	124	80	44	55%	80
Other benefits and allowances		255	282	282	51	403	282	122	43%	282
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	5	5	-	-	5	(5)	-100%	-
Sub Total - Other Municipal Staff	4	9 008	11 761	11 761	2 398	18 190	11 761	6 429	55%	11 756
% increase			30.6%	30.6%						30.5%
Total Parent Municipality		13 874	15 126	15 126	3 218	23 604	15 126	8 478	56%	15 122
TOTAL SALARY, ALLOWANCES & BENEFITS		13 874	15 126	15 126	3 218	23 604	15 126	8 478	56%	15 122
% increase	4		9.0%	9.0%						9.0%
TOTAL MANAGERS AND STAFF		11 707	13 410	13 410	2 870	21 515	13 410	8 105	60%	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.

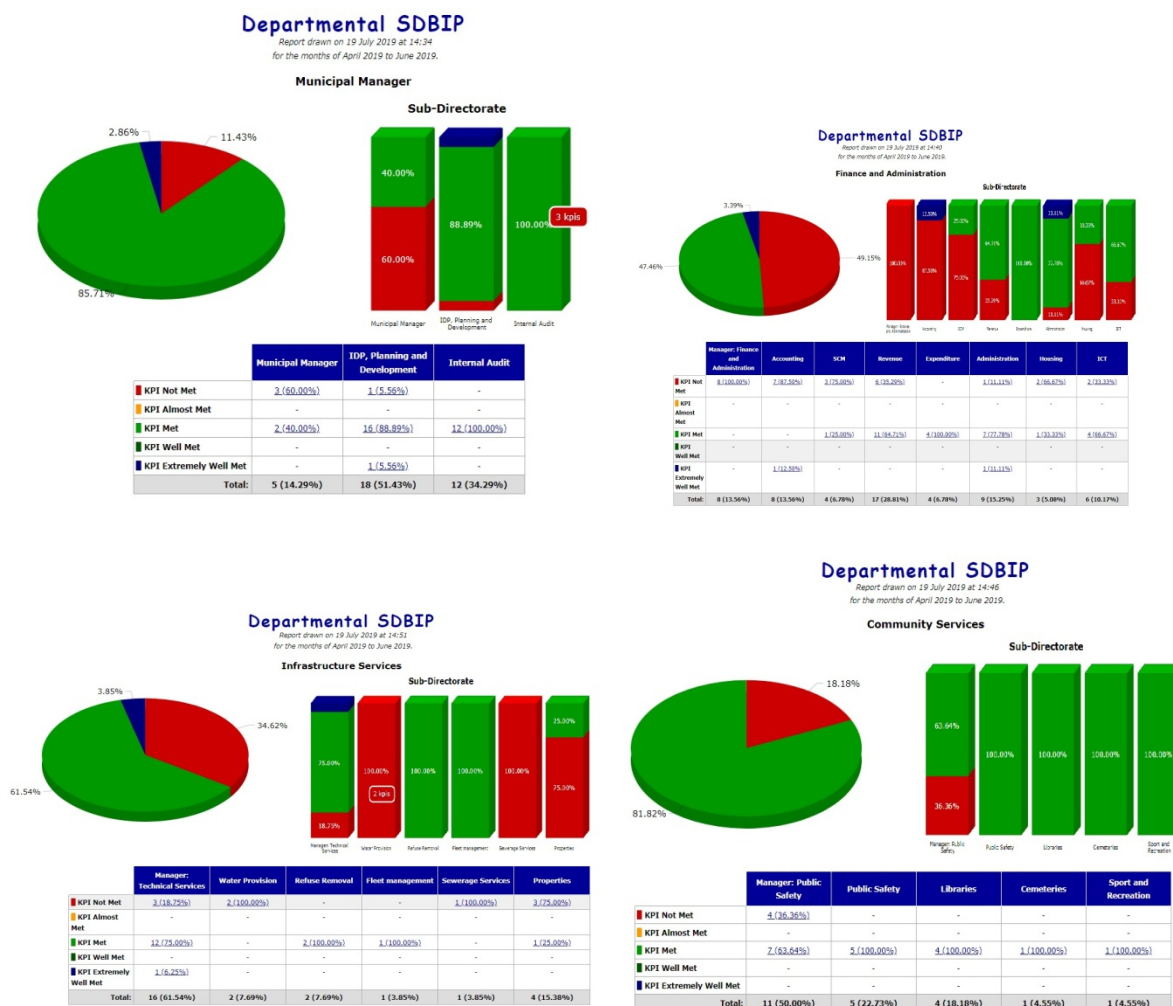
SC6 Transfers and Grant Receipts

WC051 Laingsburg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q4 Fourth 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:		16 407	17 800	18 527	-	15 578	(5)	15 005	#####	18 527
Local Government Equitable Share		13 576	15 000	15 632	-	15 000	(5)	15 005	#####	15 632
Finance Management		1 800	1 800	1 800	-	-	-	-	-	1 800
Municipal Systems Improvement		-	-	95	-	-	-	-	-	95
EPWP Incentive		1 031	1 000	1 000	-	578	-	-	-	1 000
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
GRANT - WORKFORCE	3	-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		5 094	2 093	2 093	-	840	34 654	(33 814)	-97.6%	2 093
Sport and Recreation		3 809	1 260	1 260	-	840	0	840	#####	1 260
CDW		93	93	93	-	-	-	-	-	93
GRANT - WCFMSG		1 140	690	690	-	-	-	-	-	690
MAIN ROAD SUBSIDY	4	42	50	50	-	-	34 654	(34 654)	-100.0%	50
GRANT - WCFMSG: REV MANAGEMENT		-	-	-	-	-	-	-	-	-
GRANT - LOCAL GRADUATE INTERNSHIP		11	-	-	-	-	-	-	-	-
GRANT - SUPPORT		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	48	-	48	#DIV/0!	-
GRANT - MSCOA SKDM		-	-	-	-	48	-	48	#DIV/0!	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	21 501	19 893	20 620	-	16 466	34 649	(18 761)	-54.1%	20 620
Capital Transfers and Grants										
National Government:		7 459	10 367	22 647	3 240	10 980	(1 052)	12 031	-1144.1%	22 647
Municipal Infrastructure Grant (MIG)		5 459	8 367	18 647	4 186	11 662	-	11 662	#DIV/0!	18 647
GRANT - EEDSM		-	-	-	-	-	-	-	-	-
GRANT - MIG UNSPEND ROLLOVER		-	-	2 000	-	-	-	-	-	2 000
GRANT - MASIBAMBANE		-	-	-	-	-	-	-	-	-
SEWER MASTER PLAN		-	-	-	-	-	-	-	-	-
FLOOD DAMAGES		-	-	-	-	-	-	-	-	-
SPATIAL DEV INVESTIGATION		-	-	-	-	-	-	-	-	-
GRANT - DEPT OF WATER AFFAIRS		-	-	-	-	-	-	-	-	-
GRANT - INEP ELEC		2 000	2 000	2 000	(947)	(683)	(1 052)	369	-35.1%	2 000
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	7 459	10 367	22 647	3 240	10 980	(1 052)	12 031	-1144.1%	22 647
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	28 960	30 260	43 267	3 240	27 445	33 597	(6 730)	-20.0%	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.



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 - Q4 Fourth 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	16 229	10 367	22 647	918	#VALUE!	140 506	#VALUE!	#VALUE!	#VALUE!
May	16 229	10 367	22 647	3 268	#VALUE!	163 153	#VALUE!	#VALUE!	#VALUE!
June	16 229	10 367	22 647	(1 880)		185 799	–		
Total Capital expenditure	214 031	124 399	185 799	11 035					

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 4 of 2018/2019

WC051 Laingsburg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q4 Fourth Quarter

Description	Ref	Budget Year 2018/19												2018/19 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	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	2018/19	+1 2019/20	+2 2020/21
Cash Receipts By Source																
Property rates		201	861	372	547	235	136	135	179	292	331	40	457	3 785	4 164	4 497
Service charges - electricity revenue		793	872	694	1 096	795	908	866	920	894	863	958	3 009	12 670	13 937	15 052
Service charges - water revenue		108	136	106	134	129	144	195	139	172	188	143	(169)	1 425	1 567	1 693
Service charges - sanitation revenue		98	147	122	202	206	142	147	162	129	330	160	(719)	1 126	1 239	1 338
Service charges - refuse		102	124	108	132	126	113	127	114	123	128	145	(202)	1 141	1 255	1 356
Service charges - other		44	13	6	8	12	12	8	14	10	12	11	(151)	-	-	-
Rental of facilities and equipment		57	62	49	59	76	65	46	56	60	67	116	614	1 328	1 461	1 578
Interest earned - external investments		49	80	99	73	62	50	54	(45)	129	56	-	238	845	929	1 003
Interest earned - outstanding debtors		16	22	24	9	1	32	34	35	35	27	-	243	479	527	569
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	0	0	10	13	8	1	13	0	-	-	6 853	6 899	7 589	8 196
Licences and permits		117	124	103	96	113	71	80	115	137	117	-	174	1 247	1 372	1 482
Agency services		-	-	-	-	-	-	-	-	-	-	-	125	125	138	149
Transfer receipts - operating		6 718	2 050	-	16	6	3 000	-	3	3 750	-	-	4 680	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	583	1 532	(20 373)	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	2 702	3 105	(5 220)	51 469	56 616	61 145
Other Cash Flows by Source																
Transfer receipts - capital		6 368	2 108	-	-	-	-	-	-	-	-	-	1 891	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	8	-	(50)	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	2 710	3 105	(11 380)	61 869	68 055	73 500
Cash Payments by Type																
Employee related costs		281	1 566	3 523	462	1 666	4 340	666	2 317	2	2 741	2	6 727	24 283	26 712	28 849
Remuneration of councillors		-	218	449	-	224	476	-	449	-	433	-	887	3 136	3 450	3 726
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		-	868	938	761	543	577	567	626	578	546	554	1 353	7 908	8 699	9 395
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1	118	38	45	140	208	32	60	50	440	(239)	64	956	1 054	1 138
Contracted services		2	-	501	168	195	190	171	222	202	222	158	4 264	6 296	6 924	7 478
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	328	328	361	390
Grants and subsidies paid - other		12	27	20	(1 230)	(298)	(330)	(254)	(219)	26	(617)	16	2 848	-	-	-
General expenses		2 999	7 631	927	5 091	2 970	1 225	4 060	1 409	4 252	566	5 143	(24 063)	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	4 331	5 632	(7 592)	55 117	60 629	65 479
Other Cash Flows/Payments by Type																
Capital assets		-	3 358	-	741	954	311	2 350	328	686	918	1 456	(735)	10 367	11 403	12 316
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		3 295	13 786	6 395	6 039	6 394	6 997	7 582	5 192	5 794	5 250	7 088	(8 328)	65 484	72 032	77 795
NET INCREASE/(DECREASE) IN CASH HELD		14 112	(2 392)	(2 156)	(2 857)	(1 279)	(1 172)	(4 766)	2 512	3 957	(2 539)	(3 983)	(3 052)	(3 615)	(3 977)	(4 285)
Cash/cash equivalents at the monthly year beginning:		10 170	24 282	21 890	19 734	16 877	15 598	14 426	9 660	12 172	16 130	13 590	9 607	10 170	6 555	2 578
Cash/cash equivalents at the monthly year end:		24 282	21 890	19 734	16 877	15 598	14 426	9 660	12 172	16 130	13 590	9 607	6 555	6 555	2 578	(1 717)

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 - Q4 Fourth 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		11 495	10 367	22 647	1 967	10 998	-	(10 998)	#DIV/0!	-
Roads Infrastructure		20	-	-	106	106	-	(106)	#DIV/0!	-
Roads		20	-	-	106	106	-	(106)	#DIV/0!	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		71	-	-	-	-	-	-	-	-
Drainage Collection		71	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5 299	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		5 299	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		6 106	10 367	22 647	1 862	10 892	-	(10 892)	#DIV/0!	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		5 923	10 367	22 647	1 862	10 590	-	(10 590)	#DIV/0!	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		183	-	-	-	303	-	(303)	#DIV/0!	-
Distribution Points		-	-	-	-	-	-	-	-	-
Community Assets		1 385	-	-	1	1	-	(1)	#DIV/0!	-
Community Facilities		1 067	-	-	1	1	-	(1)	#DIV/0!	-
Libraries		3	-	-	1	1	-	(1)	#DIV/0!	-
Cemeteries/Crematoria		1 064	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		318	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		318	-	-	-	-	-	-	-	-
Furniture and Office Equipment		3 511	-	-	-	-	-	-	-	-
Furniture and Office Equipment		3 511	-	-	-	-	-	-	-	-
Machinery and Equipment		87	-	-	-	-	-	-	-	-
Machinery and Equipment		87	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	16 479	10 367	22 647	1 968	10 999	-	(10 999)	#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 - Q4 Fourth

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		475	718	718	106	306	718	412	57.3%	718
Roads Infrastructure		0	12	12	–	–	12	12	100.0%	12
Roads		0	12	12	–	–	12	12	100.0%	12
Electrical Infrastructure		235	317	317	104	295	317	22	7.1%	317
MV Substations		181	253	253	94	241	253	11	4.4%	253
MV Switching Stations								–		
MV Networks								–		
LV Networks		54	65	65	10	53	65	11	17.4%	65
Capital Spares								–		
Water Supply Infrastructure		111	68	68	2	11	68	58	84.1%	68
Distribution		111	68	68	2	11	68	58	84.1%	68
Sanitation Infrastructure		129	320	320	1	1	320	319	99.8%	320
Pump Station								–		
Reticulation		128	297	297	1	1	297	296	99.8%	297
Waste Water Treatment Works		1	23	23	–	–	23	23	100.0%	23
Community Assets		1	3	3	0	0	3	2	89.5%	3
Community Facilities		1	3	3	0	0	3	2	89.5%	3
Halls		1	3	3	0	0	3	2	89.5%	3
Investment properties		0	91	91	2	2	91	89	97.9%	91
Non-revenue Generating		0	91	91	2	2	91	89	97.9%	91
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		0	91	91	2	2	91	89	97.9%	91
Other assets		(22)	24	24	39	43	24	(19)	-77.1%	24
Operational Buildings		(21)	6	6	39	43	6	(37)	-598.2%	6
Municipal Offices		(21)	6	6	39	43	6	(37)	-598.2%	6
Housing		(1)	18	18	–	–	18	18	100.0%	18
Staff Housing								–		
Social Housing		(1)	18	18	–	–	18	18	100.0%	18
Furniture and Office Equipment		94	318	282	108	315	282	(34)	-12.0%	282
Furniture and Office Equipment		94	318	282	108	315	282	(34)	-12.0%	282
Machinery and Equipment		149	115	115	45	118	115	(3)	-2.3%	115
Machinery and Equipment		149	115	115	45	118	115	(3)	-2.3%	115
Transport Assets		451	509	524	235	499	524	26	4.9%	524
Transport Assets		451	509	524	235	499	524	26	4.9%	524
Total Repairs and Maintenance Expenditure	1	1 149	1 777	1 756	536	1 282	1 756	474	27.0%	1 756

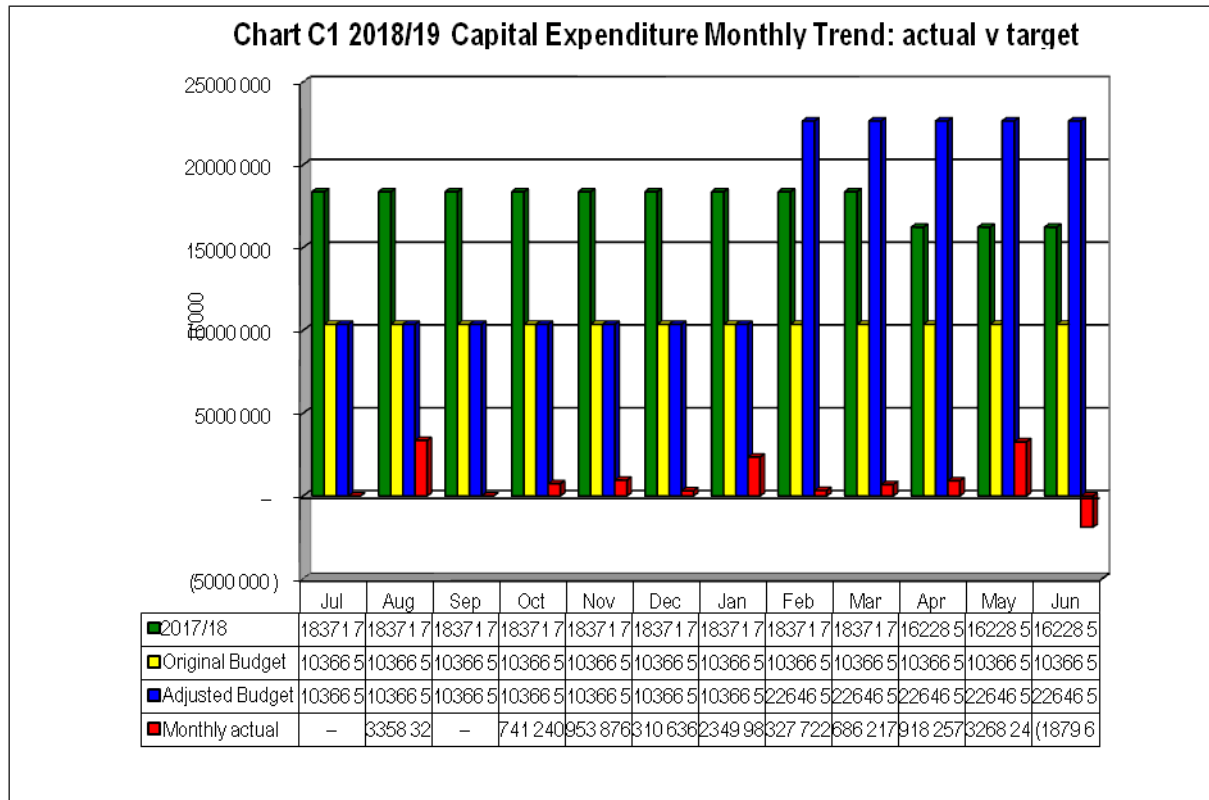
Table SC13 d – Depreciation charges by asset class

WC051 Laingsburg - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Q4 Fourth Quarter

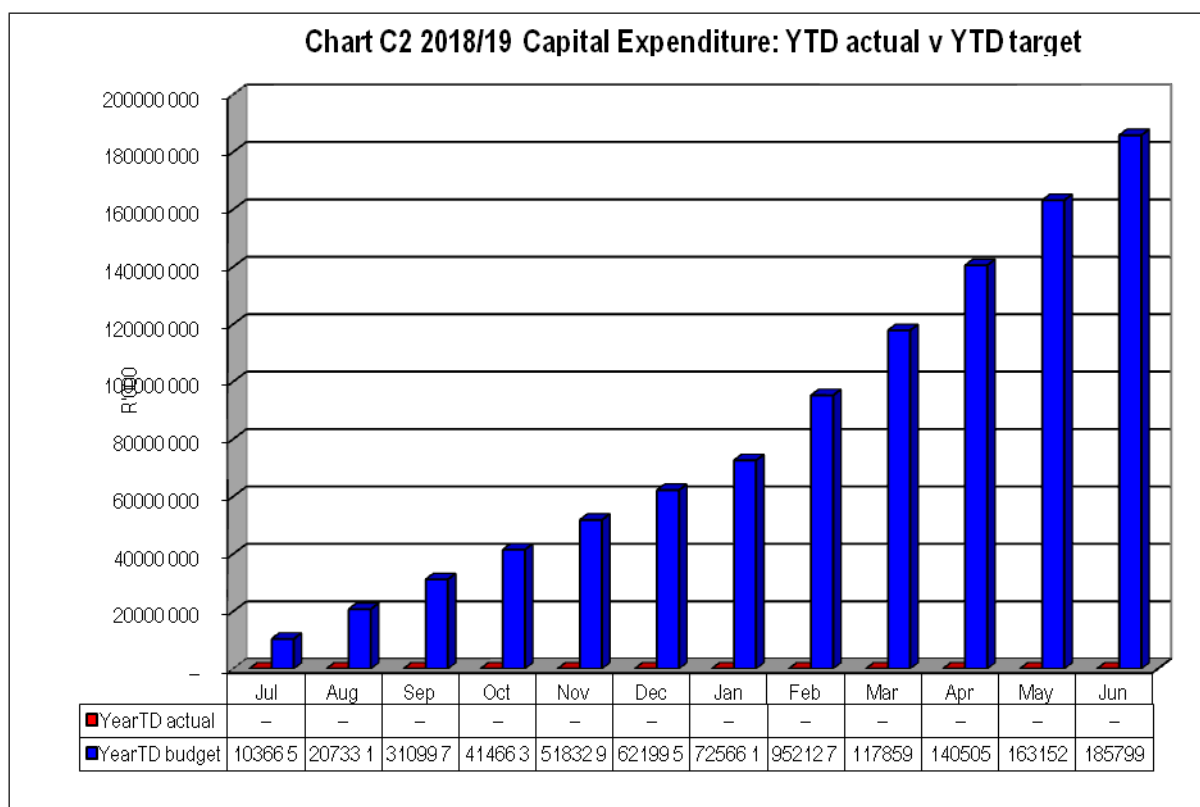
Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		2 531	4 089	4 089	1 022	3 749	4 089	341	8.3%	4 089
Roads Infrastructure		2 531	4 089	4 089	1 022	3 749	4 089	341	8.3%	4 089
Roads		2 531	4 089	4 089	1 022	3 749	4 089	341	8.3%	4 089
<u>Community Assets</u>		20	718	1 001	418	1 135	1 001	(135)	-13.4%	1 001
Community Facilities		20	718	1 001	418	1 135	1 001	(135)	-13.4%	1 001
Halls		15	–	–	–	–	–	–		–
Libraries		2	33	33	8	30	33	3	8.3%	33
Cemeteries/Crematoria		(0)	318	600	318	768	600	(168)	-28.0%	600
Public Open Space		4	368	368	92	337	368	31	8.3%	368
<u>Other assets</u>		–	171	171	43	157	171	14	8.3%	171
Housing		–	171	171	43	157	171	14	8.3%	171
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	171	171	43	157	171	14	8.3%	171
<u>Computer Equipment</u>		1 731	301	301	75	276	301	25	8.3%	301
Computer Equipment		1 731	301	301	75	276	301	25	8.3%	301
<u>Furniture and Office Equipment</u>		397	1 201	1 201	300	1 101	1 201	100	8.3%	1 201
Furniture and Office Equipment		397	1 201	1 201	300	1 101	1 201	100	8.3%	1 201
Total Depreciation	1	4 679	6 481	6 763	1 859	6 417	6 763	346	5.1%	6 763

Schedule C – National Treasury Formats graphs

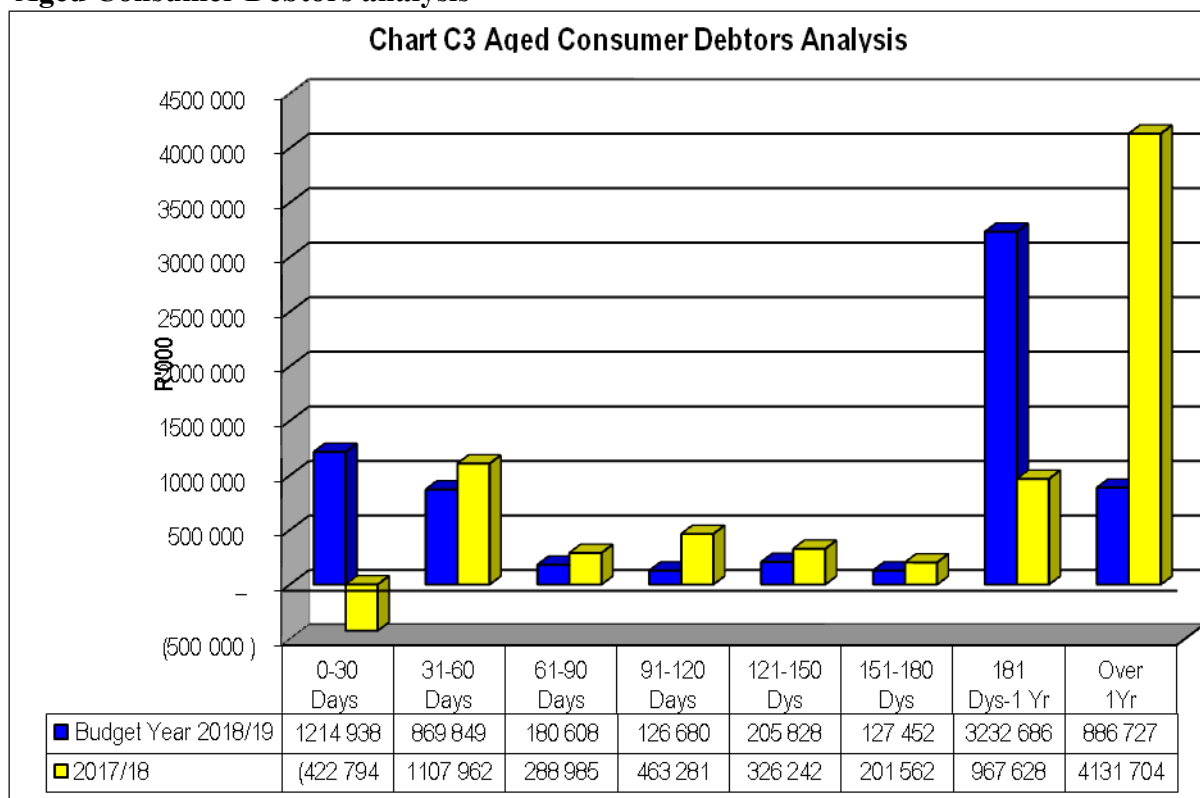
Capital Expenditure monthly trend: Actual VS Target



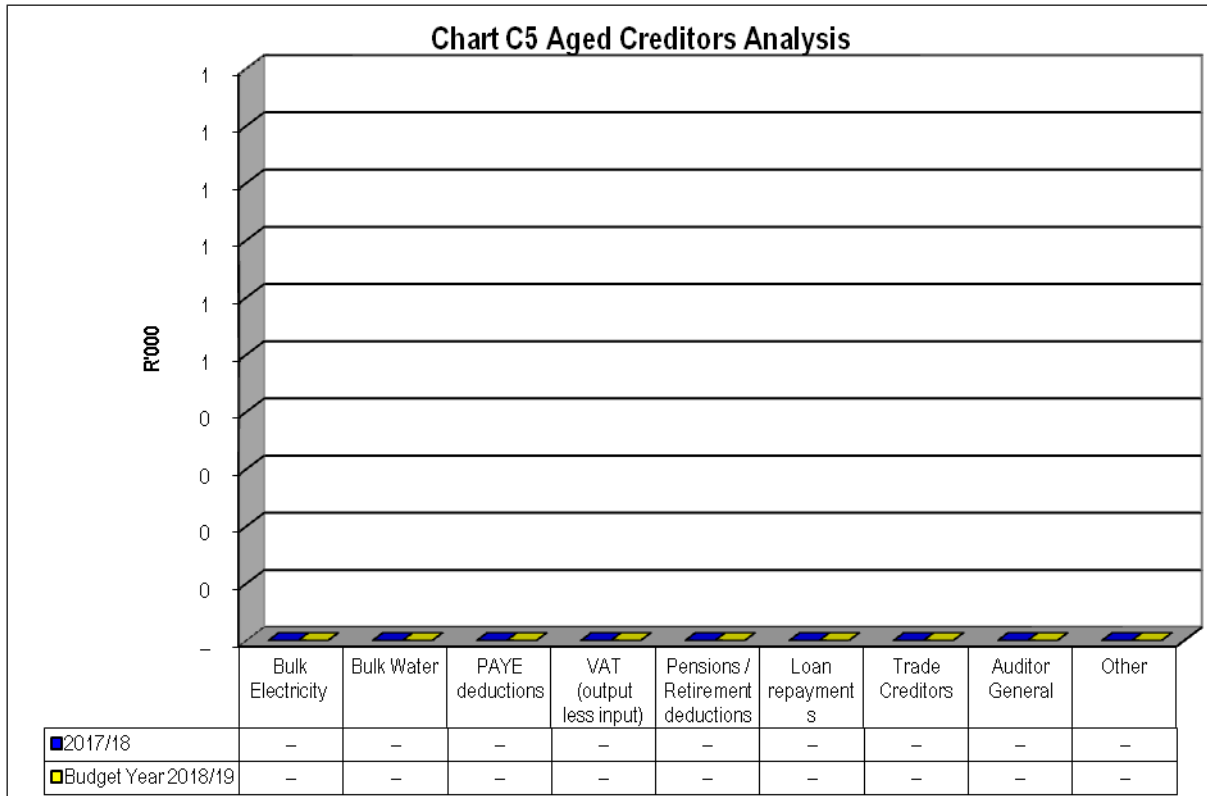
Capital Expenditure: YTD Actual VS YTD Target



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 Fourth 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 require intervention and mitigation measures to prevent it in the following quarters of the year as well as improve the reporting on the system.

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