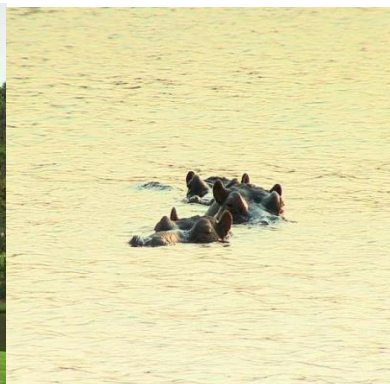


# **BA-PHALABORWA LOCAL MUNICIPALITY**



## **2018-2019 FIRST QUARTER PERFORMANCE REPORT**



***The Home of Marula and Wildlife Tourism***

## 1. Introduction

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The development, implementation and monitoring of a Service Delivery and Budget Implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA). In terms of Circular 13 of National Treasury, “the SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA.”

As the budget gives effect to the strategic priorities of the municipality it is important to supplement the budget and the IDP with a management and implementation plan. The SDBIP serves as the commitment by the Municipality, which includes the administration, council and community, whereby the intended objectives and projected achievements are expressed in order to ensure that desired outcomes over the long term are achieved and these are implemented by the administration over the next twelve months.

The SDBIP provides the basis for measuring performance in service delivery against quarterly targets and implementing the budget based on monthly projections. Circular 13 further suggests that “the SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community.”

## 2. Legislation

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The Municipal Finance Management Act (MFMA) defines a Service Delivery and Budget Implementation Plan (SDBIP) as: a detailed plan approved by the mayor of a municipality in terms of section 53 (1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate-

- (a) Projections for each month of-
  - (i) Revenue to be collected, by source; and
  - (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter

Section 53 of the MFMA stipulates that the Mayor should approve the SDBIP within 28 days after the approval of the budget. The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after their approval.

The following National Treasury prescriptions, in terms of MFMA Circular 13, are applicable to the Ba-Phalaborwa Local Municipality:

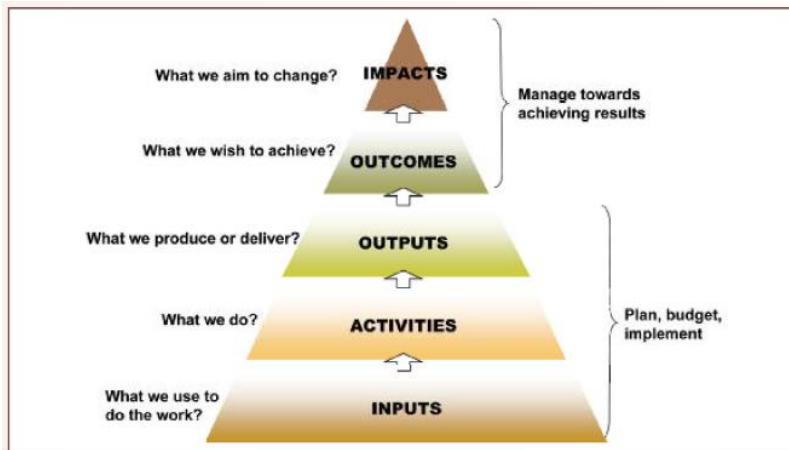
1. Monthly projections of revenue to be collected by source
2. Monthly projections of expenditure (operating and capital) and revenue for each vote<sup>1</sup> \*
3. Quarterly projections of service delivery targets and performance indicators for each vote
4. Ward information for expenditure and service delivery
5. Detailed capital works plan broken down by ward over three years

### 3. Methodology And Content

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The development of the SDBIP was influenced by the Priorities, Strategic Objectives, Programme Objectives and Strategies contained in the IDP ensuring progress towards the achievement thereof. The SDBIP of the Ba-Phalaborwa Local Municipality (BLM) is aligned to the Key Performance Areas (KPAs) as prescribed by the Performance Management Guide for Municipalities of 2001, with the addition of Spatial Rationale as another KPA to be focused upon.

The methodology followed by BLM in the development of the SDBIP is in line with the Logic Model methodology proposed by National Treasury as contained in the Framework for Managing Programme Performance Information.



#### 4. Strategic Intent

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**Vision:**

***“Provision of quality services for community well-being and tourism development***

**Mission:**

***“To provide quality infrastructure and affordable services, promote sustainable economic growth, financial viability, sound administration and accountable governance”***

**Values**

- Efficiency and effectiveness;
- Accountability;
- Innovation and creativity;
- Professionalism and hospitality;
- Transparency and fairness;
- Continuous learning and
- Conversation conscious

**Strategic objectives:**

- Promotion of local economy
- Provision of sustainable integrated infrastructure land services
- Sustain the environment
- Improve financial viability
- Good corporate governance and public participation and
- Attract, develop and retain best human capital

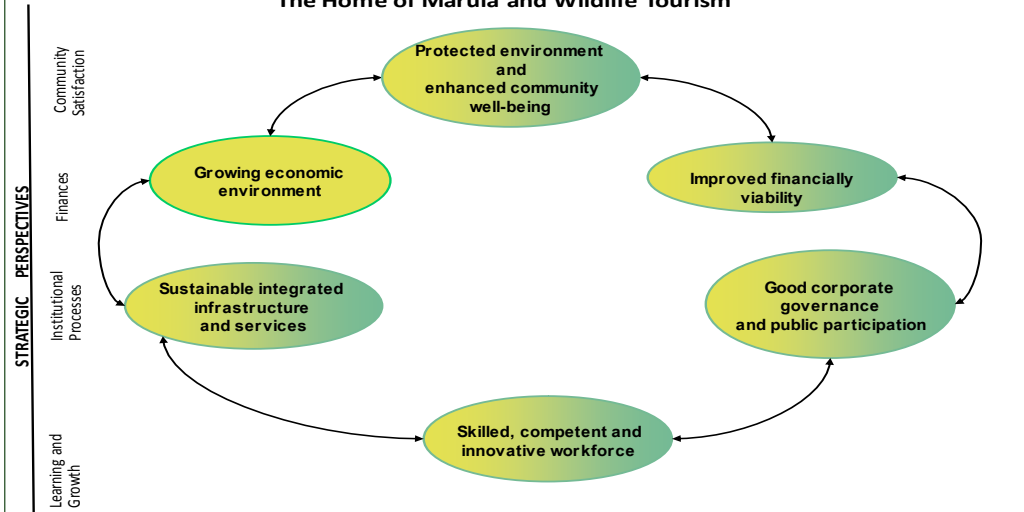
**Slogan:**

***“The home of Marula and wildlife tourism”***

***The strategic objectives are spread across the four perspectives as indicated through the strategic map below:***

## “Provision of quality services for community well-being and tourism development”

### The Home of Marula and Wildlife Tourism



# **ACCOUNTING OFFICER S ASSESSMENT OF PERFORMANCE**

## **1. BACKGROUND OF THE REPORT**

Section 72 of the Local Government: Municipal Finance Management Act, 56 of 2003, requires that the accounting officer of a municipality must by the end of each year assess the performance of the municipality and submit a report on each assessment to the mayor of the municipality; the National Treasury; and the relevant provincial treasury.

In terms of Section 72 (2) of the Act, this report is accompanied by a statement compiled in terms of the provisions of Section 71(1).

## **2. MUNICIPAL FIRST QUARTER PERFORMANCE AS PER THE ASSESSMENT**

The municipality used the top layer SDBIP as approved for implementation during the 2018/19 financial year. The SDBIP is used as a performance monitoring tool for the implementation of the IDP and Budget. The performance target reflected in the SDBIP is as per the IDP objectives. The Administration component is responsible for implementation of the SDBIP and the Political component is responsible for providing oversight. This is done through regular reporting to Council.

Key Performance Area	First Quarter Target	Target Achieved	Target not Achieved	Target not Performed	% Achievement
Spatial Rationale	1	0	0	1	0%
Basic Services Delivery	9	8	1	0	89%
Municipal Financial Viability	9	7	2	0	78%
Local Economic Development	6	3	3	0	50%
Municipal Transformation and Institutional Development	6	5	1	0	83.33%
Good Governance and Public Participation	26	24	1	1	92.30%
<b>Total</b>	<b>57</b>	<b>47</b>	<b>8</b>	<b>2</b>	<b>82.45%</b>



### **3. PERFORMANCE ANALYSIS**

**First Quarter –57/47 Target Achieved**

### Monthly projections of revenue for each source

Sources of Revenue	2018/19 Monthly Projections					Evidence Required
	R'000					
	First Quarter target	First Quarter Actual Performance	First Quarter Performance Variance	Challenges	Corrective measures/ Interventions	
Property Rates	33 157	30 748	(2 409)	Variance not material	None	Finance report
Service charges – electricity	32 675	24 175	(8 500)	Low collection on electricity due to illegal connection	Continue to investigate and audit electricity meters	Finance report
Service Charges – Refuse	4 770	3 927	(843)	Culture of non-payment of services	Debt collectors to assist with revenue collection	Finance report
Rental of Facilities and Equipment	132	303	171	None	To adjust during adjustment budget	Finance report
Interest on external Investments	273	670	397	None	To adjust during adjustment budget	Finance report
Interest Earned – Outstanding Debtors	18 834	5 421	(13 413)	Culture of non-payment of services	Pool of debt collectors have been appointed	Finance report
Dividends received						Finance report
Fines	119	124	5	None	To adjust during adjustment budget	Finance report
Licenses and Permits	3 119	2 529	(590)	Reduction by Magistrate and Culture of non-payment of traffic fines.	Conduct road blocks	Finance report
Agency services	711	632	(79)	None	None	Finance report
Transfers recognised - operational	34 318	755	(33 563)	None	None	Finance report
Transfers recognised - capital	7 466	5 359	(2 107)	Low expenditure on MIG invoice received	Spend as per the plan	Finance report
Other Revenue	475	1 357	882	None	To adjust during adjustment budget	Finance report
<b>Total Revenue by Source</b>	<b>136 048</b>	<b>72 073</b>	<b>3 813</b>			

**Monthly Projections of Revenue and Expenditure by Vote: (Operating) First Quarter**

<b>Expenditure and Revenue by Vote</b>	<b>2018-19 First Quarter Target Opex</b>	<b>2018-19 First Quarter Actual Performance</b>	<b>2018-19 First Quarter Actual Performance variance</b>	<b>Remarks/Challenges</b>	<b>Corrective measures</b>	<b>Evidence Required</b>
Executive and council	13 674	12 140	(1 534)	None	None	Finance report
Budget and Treasury	22 918	9 353	(13 565)	None	None	Finance report
Corporate Services	12 188	9 255	(2 933)	None	None	Finance report
Community and Social Services	11 573	8 749	(2 824)	None	None	Finance report
Public Safety	3 071	2 316	(755)	None	None	Finance report
Economic and Environmental Services	3 730	2 619	(1 111)	None	None	Finance report
Road Transport	22 832	10 166	(12 666)	None	None	Finance report
Electricity	32 297	20 317	(11 980)	None	None	Finance report
Waste Management	2 093	1 044	(1 049)	None	None	Finance report
<b>Total by Vote</b>	<b>124 374</b>	<b>75 959</b>	<b>48 415</b>			

**Monthly Projections of Revenue and Expenditure by Vote: (Capital) First Quarter**

<b>Expenditure and Revenue by Vote</b>	<b>2018-19 First Quarter Target Capex</b>	<b>2018-19 First Quarter Actual Performance</b>	<b>2018-19 First Quarter Actual Performance variance</b>	<b>Remarks/Challenges</b>	<b>Corrective measures</b>	<b>Evidence Required</b>
Executive and council						Finance report
Budget and treasury office						Finance report
Corporate services	838	140	698	Capital projects not yet implemented	Fast track the implementation before year end	Finance report
Road transport	7 891	5 005	2 886	Low expenditure on MIG	Spend as per the plan	Finance report
Electricity	1 125	0	0	Internally funded projects not yet implemented	Spend as per the plan	Finance report
<b>Total by Vote</b>	<b>9 854</b>	<b>5 145</b>				

**Monthly Projections of Revenue and Expenditure by Vote: (Revenue) First Quarter**

<b>Revenue by Vote</b>	<b>2018-19 First Quarter Target Revenue</b>	<b>2018-19 First Quarter Actual Performance</b>	<b>2018-19 First Quarter Actual Performance variance</b>	<b>Remarks/Challenges</b>	<b>Corrective measures</b>	<b>Evidence Required</b>
Budget and Treasury	81 594	55 957	(25 637)	Culture of non-payment of services	Pool of debt collectors have been appointed	Finance Report
Corporate Services	171	590	(419)	None	To adjust during adjustment budget	Finance Report
Community and Social Services	3 965	3 270	(695)	Reduction by Magistrate and Culture of non-payment of traffic fines.	Conduct road blocks	Finance Report
Public Safety	75	125	50	None	To adjust during adjustment budget	Finance Report
Planning and development	17	66	49	None	To adjust during adjustment budget	Finance Report
Road Transport	8 332	5 876	(2 456)	Low expenditure on MIG invoice received to recognise revenue	Spend as per the plan	Finance Report
Electricity	35 621	24 175	(11 446)	Low collection on electricity due to illegal connection	Continue to investigate and audit electricity meters	Finance Report
Waste Management	6 275	4 821	(3 043)	Culture of non-payment of services	Debt collectors to assist with revenue collection	Finance Report
<b>Total by Vote</b>	<b>136 048</b>	<b>94 880</b>	<b>(41 168)</b>			

**Detailed Institutional Performance Results for 2018/19 First Quarter per Key Performance Areas**

<b><i>Under-Performance</i></b>	<b>0 - 50%</b>
<b><i>Partially achieved</i></b>	<b>50 – 74%</b>
<b><i>Good Performance</i></b>	<b>75 – 100%</b>
<b><i>Over achieved</i></b>	<b>Over 100%</b>
<b><i>Non-Performance</i></b>	

**Note:**

- 1. **Over achievement Standards does not apply to compliance targets**
- 2. **Over achievement standards applies to service delivery targets and core business of the municipality**

# **KPA 1: Spatial Rationale**

KPA 1: Spatial Rationale														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance				
<b>1.1 Spatial Rationale</b>														
1.1.2	Governance and Administration	Sustain the environment	Turnaround time of land use & development applications submitted to Mopani Planning Tribunal by 30/06/2019	Senior Manager Planning & Development	Within 60 days of received	Within 60 days of received	Opex	Within 60 days of received	0	0	The applications that received need to follow all the processes before submitted to Tribunal	None	None	Submission Register





# KPA 2: BASIC SERVICE DELIVERY

KPA 2: SERVICE DELIVERY														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	
<b>2.1 Electricity</b>														
2.1.1	Technical infrastructure	Provision of sustainable integrated infrastructure and service	% on reduction of electricity losses each quarter by 30/06/2019	Senior Manager Technical Services	4,27%	15%	OPEX	3.75%	?		Awaiting info from BTO	None	None	BPM billing to consumers and Eskom bill
2.1.2	Technical infrastructure	Provision of sustainable integrated	Expenditure on electricity capital funding	Senior Manager Technical	R55 123 53.05	5,693,855	5,693,855	R1.5m	0	R1.5m	High masts: Awaiting	None	None	Payment Certificates and

**KPA 2: SERVICE DELIVERY**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections					Evidence Required	
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges		Interventions
		infrastructure and service	spent per quarter by 30/06/2019	Services							outcome of legal report on project Main Substation: awaiting the SLA to be completed and signed DOE grants: awaiting the roll-over completion			Expenditure Reports
2.1.3	Technical infrastructure	Provision of sustainable integrated infrastructure and service	Number of HH with access to electricity by 30/06/2019	Senior Manager Technical Services	42316	42316	OPEX	42316	42316	0	Awaiting final figures from Eskom	None	None	BPM billing to consumers. and Eskom bill
<b>2.2 Roads &amp; Storm Water</b>														
2.2.2	Technical infrastructure	Provision of sustainable integrated infrastructure and service	Expenditure on roads capital funding spent per quarter by 30/06/2019	Senior Manager Technical Services	R17195858	R16.6 m	R16.6m	R4m	R4 893 395.21	-R 893 395.21				Payment Certificates and Expenditure Reports
<b>2.3 Parks and Cemetery</b>														
2.3.1	Protect Environment and Community Well being	Sustain the Environment	Number of reports on maintenance of parks by 30/06/19	Senior Manager Community Services	New Indicator	11	OPEX	3	3	0	None	None	None	Monthly reports to council, Council resolution and pictures of

KPA 2: SERVICE DELIVERY														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	
														maintenance parks
2.3.2	Protect Environment and Community Well being	Sustain the Environment	Number of reports on maintenance of cemetery 30/06/19	Senior Manager Community Services	New Indicator	11	OPEX	3	3	0	None	None	None	Monthly reports to council, Council resolution and pictures of maintenance of cemetery
<b>2.4 Public Transport and Safety</b>														
2.4.1	Protect Community Road Safety and Well being	Provision of community Road Safety	Number of Roadblocks Conducted by 30/06/19	Senior Manager Community Services	New Indicator	11	OPEX	3	6	+3	More road blocks was conducted	None	None	Monthly reports to council and Council resolution
<b>2.5 Waste Management</b>														
2.5.1	Protect Environment and Community Well being	Sustain the Environment	Number of quarterly reports submitted for rehabilitation and closure of Phalaborwa landfill site by 30/06/2019	Senior Manager Community Services	New Indicator	4	OPEX	1	1	0	None	None	None	Quarterly report to council and council resolution
2.5.2	Technical infrastructure	Provision of sustainable integrated infrastructure and services	Number of Households with access to basic waste removal services by 30/06/2019	Senior Manager Community Services	22941	Reporting indicator	OPEX	22941	22941	0	To extended collection to rural areas	Lack of resources	None	Billing report and collection report in rural areas

**KPA 3:**

**MUNICIPAL FINANCIAL VIABILITY AND  
MANAGEMENT**

**KPA 3: Municipal Financial Viability and Management**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								Evidence Required			Remarks	Challenges	Interventions	Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance				
<b>3.1 Financial Management</b>														
3.1.1	Good governance and administration	Good corporate governance and public participation	Number of approved budget planning schedule by 31/08/2018 (Legislated date)	Chief Financial Officer	1	1	OPEX	1	1	0	Approved on the 14th Aug 2018	None	None	approved budget planning schedule and Council resolution
3.1.5	Governance and administration	Good corporate governance and public participation	Number of Supply Chain structures / Committees members appointed by 07/07/2018	Municipal Manager	3	3	OPEX	3 (Specification, Evaluation and Adjudication)	3 (Specifications, Evaluation, Adjustment)	0	Appointed on the 3rd July	None	None	Appointment letters of bid committees members
3.1.6	Governance and administration	Improve financial viability	Number of quarterly movable asset verifications conducted by	Chief Financial Officer	4	4	OPEX	1	1	0	31 August 2018	None	None	Quarterly assets verifications reports

**KPA 3: Municipal Financial Viability and Management**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								Evidence Required			Remarks	Challenges	Interventions	Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance				
			30/06/19											
3.1.7	Governance and administration	Improve financial viability	Number of S71 reports submitted within 10 days at the end of each month to National and Provincial Treasury	Chief Financial Officer	12	12	OPEX	3	3	0	Dated proof of submission	None	None	Monthly financial oversight reports. Proof of submission within 10 days.
3.1.8	Governance and administration	Improve financial viability	% of improvement in revenue collection monthly (improvement from 65 to 90% by 30/06/2019 budget year	Chief Financial Officer	64%	80%	OPEX	20%	79.39%	(59.39%)	None	None	None	Quarterly reports on revenue collection
3.1.9	Governance and administration	Improve financial viability	% of Current Debt collected by 30/06/19	Chief Financial Officer	78%	80%	Opex	20%	6.43%	-13.57%	Culture of non-payment of services	Culture of non-payment of services	Pool of debt collectors to assist	Quarterly reports on current debt collection
3.1.11	Good governance and administration	Improve financial viability	Expenditure spent quarterly on MIG by 30/06/2019	Chief Financial Officer	R29,690m	R38m	CPEX	R15m	R5 860	(R9 140)	Actuals as per the MIG invoices received	None	None	Finance reports, MIG monitoring report/payment certificates
3.1.12	Good governance and administration	Improve financial viability	% of quarterly Municipal Capital Budget spent by 30/06/2019	Chief Financial Officer	67%	100%	Opex	25%	13%	12%	Internally funded projects not yet implemented	None	None	Finance reports

**KPA 3: Municipal Financial Viability and Management**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								Evidence Required						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence Required
3.1.13	Good governance and administration	Improve financial viability	% OF quarterly Municipal Personnel Budget spent by 30/06/2019	Chief Financial Officer	88%	100%	Opex	25%	21%	(4%)	Variance not material	None	None	Expenditure report



# **KPA 4:**

# **LOCAL ECONOMIC DEVELOPMENT**

KPA 4: Local Economic Development														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	
<b>4.1 Job creation</b>														
4.1.1	Economic	Promotion of local economy	Number of jobs created quarterly through capital Projects by 30/06/2019 (Temporary jobs)	Senior Manager Technical Services	63	110	R2.m	20	Tambo phase 2= 34 Benfarm phase 2 =22 Tshelang gape =27 Selwane =08 Total =91	-71	None	None	None	ID Numbers of people appointed and Payroll Reports
4.1.2	Economic	Promotion of local economy	Number of full time equivalent jobs created quarterly through EPWP	Senior Manager Technical Services	89	57	R1.m	10	0	0	None	The delay was due to recruitment and procurement of Uniform	None	ID Numbers of people appointed and Payroll Reports
4.1.3	Economic	Promotion of local economy	Number of quarterly LED Forums meetings held by 30/06/2019	Senior Managing Planning and Development	New	4	OPEX	1	0	-1	Meeting scheduled was postpone to the 4 <sup>th</sup> October 2018	None	None	Invitations, Attendance register and minutes
<b>4.2 Enterprise Support</b>														
4.2.1	Economic	Promotion of local economy	Number of SMMEs supported quarterly through the municipal SCM (procurement) by 30/06/2019	Chief Financial Officer	85	100	OPEX & CAPITAL	25	59	(+34)	None	None	None	System generated Expenditure report
4.2.2	Economic	Promotion of local economy	Number of municipal Tourist Statistics/Data Analysis quarterly Report undertaken by the municipality	Senior Managing Planning and Development	New	4	OPEX	1	0	-1	Awaiting data from tourism establishments	Information from stakeholders submitted late due to internal	None	Quarterly report, Tourism and Hospitality occupancy

KPA 4: Local Economic Development														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	
			by 30/06/2019									process		reports.
4.3 Tourism Development														
4.3.1	Economic	Promotion of local economy	Number of quarterly municipal tourist destination promotion and marketing initiatives undertaken by the municipality by 30/06/2019	Senior Managing Planning and Development	3	3	R500	1	1	0	September tourism Activities held (Orchid show, Spring Day, Heritage & Abor day celebrations 4.3 Tourism Development	None	None	Visitors attendance Registers, Stakeholders engagement report.

# **KPA 5:**

# **Municipal Transformation and Institutional Development**

**KPA 5: Municipal Transformation and Institutional Development**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance				
<b>5.1 Organisational Design &amp; Human Resource</b>														
5.1.2	Good governance and administration	Good corporate governance and public participation	Number of HR Policies Reviewed per quarter by 30/06/2019	Senior Manager Corporate Services	8	8	OPEX	2	0	2	The approval of policies were frustrated by the labour component who despite all meeting convened to approve the policies, they were not cooperative. However, the following policies are finally at an approval stage:-  Employee transfer policy  Acting on higher position policy	None	None	Council Resolutions on Reviewed policies and copies of Reviewed Policies.
5.1.4	Good governance and	Attract, develop and retain	Number of S56 Senior Managers	Municipal Manager	1	2	OPEX	2	2	0	The positions of Snr	None	None	Appointment letters; appointment

KPA 5: Municipal Transformation and Institutional Development

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections					Evidence Required	
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges		Interventions
	administration	best human capital	position filled by 30/06/2019								Corporate Services and Snr Manager Technical Services were filled in July and August 2018 respectively			Appointment register, details of new employees and copies of adverts.
5.1.5	Good governance and administration	Attract, develop and retain best human capital	Number of prioritised vacant positions to be filled per quarter by 30/06/2019	Senior Manager Corporate Services	20	20	OPEX	5	4	1	Snr Manager: Corporate Services  Snr Manager: Technical services  Manager: Civil Engineering  PMU technician	The recruitment process is slow due to financial constraints	None	Appointment letters; appointment register, details of new employees and copies of adverts
<b>5.3 Skills Development</b>														
5.3.2	Good governance and administration	Attract, develop and retain best human capital	Amount of Municipal budget allocated and spent on work skills development per quarter 30/06/2019 (1% legislation)	Senior Manager Corporate Services	R2478028.52	R2,9m	R2,9m	R700	326 711,05	R328 3878,95		The procurement process by the Supply chain Management is slow	None	Expenditure reports; implementation reports

**KPA 5: Municipal Transformation and Institutional Development**

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance				
<b>5.4 Performance Management System</b>														
5.4.1	Good governance and administration	Good corporate governance and public participation	Number of S54&56 signing of Annual Performance Agreements by 30/07/2018 (One month after the start of each financial year	Municipal Manager	6	6	OPEX	6	6	0	All section 56 managers signed the performance agreements	None	None	Copies of signed Performance Agreements with dates complying the legislated time line& submission letters to COGHSTA.
<b>5.5 OHS</b>														
5.5.1	Good governance and administration	Good corporate governance and public participation	Number of schedule Institutional OHS quarterly meetings by 30/06/2019	Acing Senior Manager Corporate Services	4	4	OPEX	1	1	0	None	None	None	Quarterly Reports, minutes and attendance registers

**KPA 6:**

**GOOD GOVERNANCE & PUBLIC  
PARTICIPATION**



KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
<b>6.1 Council and Executive Management</b>														
6.1.1	Good governance and administration	Good corporate governance and public participation	Number of scheduled quarterly Council meetings held by 30/06/2019	Senior Manager Corporate Services	15	7	OPEX	2	3	+1	1 Special & 2 Ordinary Council meetings held.  19/7/2018 (S) 31/7/2018 (O) 30/8/2018 (O)	None	None	Minutes of council meetings, attendance registers
6.1.2	Good governance and administration	Good corporate governance and public participation	Number of scheduled monthly Exco meetings by 30/06/2019	Senior Manager Corporate Services	15	11	OPEX	3	4	+1	1 Special & 3 Ordinary Exco meetings held.  19/7/2018 (S) 30/7/2018 (O) 29/8/2018	None	None	Minutes of EXCO meetings, attendance registers

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
												(O) 27/9/2018 (O)		
6.1.3	Good governance and administration	Good corporate governance and public participation	Number of scheduled quarterly MPAC meetings held as per legislation by 30/06/2019	Municipal Manager	7	4	OPEX	1	2	+1	Virtuous performance	None	None	Council Approved MPAC schedule of meetings/Attendance registers
6.1.4	Good governance and administration	Good corporate governance and public participation	% of MPAC quarterly Resolutions implemented by 30/06/2019	Municipal Manager	18%	53%	Opex	100%	67,8%	-32,2%		None	None	Resolution register
6.1.5	Good governance and administration	Good corporate governance and public participation	Number of scheduled monthly senior management meetings held by 30/06/2019	Municipal Manager	17	11	OPEX	3	5	+2	Virtuous performance	None	None	Minutes of EXCO meetings, attendance registers
6.1.6	Good governance and administration	Good corporate governance and public participation	Number of scheduled monthly Portfolio Committee meetings held by 30/06/2019	Municipal Manager	53	55	OPEX	15	16	+1	Virtuous performance	None	None	Minutes of Portfolios meetings, attendance registers
<b>6.2 Public Participation and Ward Committees</b>														

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
6.2.1	Good governance and administration	Good corporate governance and public participation	Number of IDP REP Forum meetings held by 30/06/2019	Municipal Manager	5	3	OPEX	1	1	0	One IDP Rep Forum meeting was held in July 2018	None	None	Attendance registers, agendas, invitations
6.2.2	Good governance and administration	Good corporate governance and public participation	Number of IDP Steering Committee meetings held by 30/06/2019	Municipal Manager	5	4	OPEX	1	1	0	One IDP Steering Committee meeting was held in July 2018	None	None	Attendance registers, agendas, invitations
6.2.3	Good governance and administration	Good corporate governance and public participation	Number of consolidated monthly reports of Ward Committee meetings scheduled and convened by 30/06/2019 (Functionality of ward committees)	Municipal Manager	8	11	OPEX	3	3	0	Consistent with the target	None	None	Consolidated monthly report ( Minutes of ward committee meetings and attendance register)  Only attendance register attached no consolidated report
6.2.4	Good governance and administration	Good corporate governance and public participation	Number of quarterly Mayoral Izimbizos and public participation	Municipal Manager	4	4	OPEX	1	1	0	Consistent with the target	None	None	Attendance registers, Imbizo reports

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
6.2.5	Good governance and administration	Good corporate governance and public participation	% of complains resolved quarterly	Municipal Manager	96.9%	100%	Opex	100%	98%	-2%	Engagement be done with MDM and other spheres of government	None	None	Complains register, batho pele report
<b>6.3 Corporate Governance</b>														
6.3.1	Good governance and administration	Good corporate governance and public participation	Number of Audit Committee quarterly meetings held by 30/06/2019	Municipal Manager	7	7	OPEX	2	3	+1	Virtuous performance	None	None	Copies of approved minutes, attendance registers
6.3.3	Good governance and administration	Good corporate governance and public participation	Number of Audit Steering Committee quarterly meetings held by 30/06/2019	Municipal Manager	12	12	OPEX	3	1	-2		None	None	Approved minutes and attendance registers. (Exco and Management )
6.3.5	Good governance and administration	Good corporate governance and public participation	% Implementation of IA Plan per quarter by 30/06/2019	Chief Executive Audit	100%	100%	OPEX	20%	27%	+5		None	None	Audit Committee Report to Council.
6.3.6	Good governance and administration	Good corporate governance and public participation	% Implementation of Internal Audit Action Plan by 30/06/2019	Municipal Manager	38%	100%	OPEX	50%	63%	+13%		None	None	Internal Audit Follow-up Report

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
6.3.7	Good governance and administration	Good corporate governance and public participation	Number of quarterly Audit Performance Committees resolutions and Reports presented to Council by 30/06/2019	Chief Executive Audit	4	4	R70000	1	0				Audit Committee Reports	
6.3.9	Good governance and administration	Good corporate governance and public participation	Number of 2017/18 AFS and Annual Performance Report submitted to AG by 31/08/2018	Municipal Manager	1	1	OPEX	1	1	0	The report was submitted as per legislation	None	None	Submission letter and copy of final AFS
6.3.12	Good governance and administration	Good corporate governance and public participation	Number of monthly Local Labour Forum meetings held by 30/06/2019	Senior Manager Corporate Services	11	11	OPEX	3	5	+2	Meetings were held as follows:-  25 July 2018  13 August 2018  28 August 2018  1 Ordinary meeting was held on the 19 September 2018	None	None	LLF minutes and attendance register.

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
											1 special meeting was held on the 26 September 2018			
6.4 Risk Management, Fraud & Anti-Corruption														
6.4.3	Good governance and administration	Good corporate governance and public participation	Number of quarterly Institutional Risk Management Committee meetings held by 30/06/2019	Municipal Manager	5	4	OPEX	1	1	0	Consistent with the target	None	None	Minutes of the Risk Committee meeting and attendance register
6.4.4	Good governance and administration	Good corporate governance and public participation	% of fraud and corruption cases reported and investigated within 30 working days by 30/06/2019	Municipal Manager	100%	100%	Opex	100%	100%	0	No case reported	None	None	Investigation reports
6.5 HIV/AIDS														
6.5.1	Good governance and administration	Provision of sustainable integrated infrastructure and services	Number of quarterly outreach programmes conducted by 30/06/2019	Municipal Manager	16	16	Opex	4	10	+6	Virtuous performance	None	None	Outreach programmes reports

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
<b>6.6 Security management</b>														
6.6.1	Governance and Administration	Good corporate governance and public participation	Number of quarterly Security Management reports for Safeguarding of Council Assets by 30/06/2019	Municipal Manager	4	4	Opex	1	1	0	Consistent with the target	None	None	Security Management Reports
<b>6.7 Disaster Management</b>														
6.7.1	Governance and Administration	Good corporate governance and public participation	Number of quarterly disaster awareness campaigns conducted by 30/06/2019	Municipal Manager	4	4	Opex	1	1	0	Consistent with the target	None	None	Agenda, attendance registers
<b>6.9 Integrated Development planning</b>														
6.9.1	Governance and Administration	Good corporate governance and public participation	Number of reviewed IDP/Budget/PMS/MPAC Framework and Process Plan approved by 31/07/2018	Municipal Manager	1	1	OPEX	1	1	0	IDP/Budget/PMS/MPAC Framework and Process Plan was reviewed and approved in July 2018	None	None	Council Approved IDP, Budget, PMS Process Plan
<b>6.10 Communication</b>														
6.10.2	Governance and Administration	Advance good corporate governance	% for submission of information for publishing on the website as	Municipal Manager	100%	100%	Opex	100%	100%					Legislation checklist Evidence not enough

KPA 6: Good Governance and Public Participation														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/18)	Annual Target 30/06/19	Budget	2018/19 Quarterly Projections						
								First Quarter target (1 Jul – 30 Sep18)	First Quarter Actual Performance	First Quarter Actual Performance variance	Remarks	Challenges	Interventions	Evidence required
			according to legislation checklist											
6.10.3	Governance and Administration	Advance good corporate governance	Number of quarterly Local communicators forum held by 30/06/2019	Communication manager	New	4	Opex	1	1	0	Consistent with the target	None	None	Invitations, Minutes and attendance registers



# **CAPITAL PROJECTS PER RESPONSIBLE MANAGER**

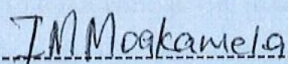
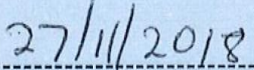
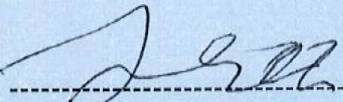
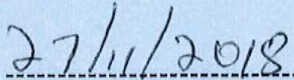
Vote No.	Responsible Manager	Project Name	Total Capital Budget (R'000)	Planned Start Date	Planned Completion Date	Ward No.	1 <sup>st</sup> Quarter target (01 Jul - 30 Sept 2018)	First Quarter Actual performance	First Quarter Actual performance variances	Remarks and Challenges	Evidence required
<b>Electricity</b>											
	Senior Manager Technical	High mast lights	R1.5m	01/07/18	30/06/19		R1.5m	R0	R1.5	High masts: Awaiting outcome of legal report on project	Progress reports and Completion report and Completion Certificate
	Senior Manager Technical	Installation of remote control in substations	R3m	01/07/18	30/06/19		R0	R0	0	Main Substation: awaiting the SLA to be completed and signed	Progress reports and Completion report and Completion Certificate
<b>Sports Facilities</b>											
	Senior Manager Technical	Mashishimale sports complex	R200	01/07/18	30/06/19	8,9 & 10	Construction Site meeting				Progress reports and Completion report and Completion Certificate
<b>Roads and storm water</b>											
	Senior Manager Technical	Installation of storm water culverts at Mashishimale-Lejori (Ward 10), Makhushane (Ward 2) and Lulekani (Ward 15 and Humulani ward 16	R1.5 m	01/07/18	30/06/19	10,2, 15& 16	Specification Advertise evaluation adjudication appointment of contractor Handover of the site	0	0	The tender will go on re-advert	Bid Committees minutes and registers, advertisements. Progress reports and Completion report and Completion Certificate
<b>Traffic and Licencing</b>											

	Senior Manager Community	Procurement of 4 hand handling alcohol testers	R40.000	01/07/18	30/06/19		procurement	Busy with process of specifications		New models available end of November 2018	Requisitions
	Senior Manager Community	Procurement of electronic portable cameras	R12.000	01/07/18	30/06/19		procurement	Procured and delivered			Requisitions
<b>Parks and Cemetery</b>											
	Senior Manager Community	Procurement of tractor	R450	01/07/18	30/06/19		Specifications, Advertisement	Memo for appointment of BEC sent to MM.			Requisitions
<b>Municipal Transformation and Institutional development</b>											
	Senior Manager Corporate	Upgrading of Council Chamber	R1m	01/07/18	30/06/19		Procurement	0	R250 000	Tender on evaluation stage.	Requisitions
<b>Office furniture</b>											
	Senior Manager Corporate	Furniture & Equipment	R 500	01/07/18	30/06/19		Procurement	R6 200-00	R118 800-00	Ordered 18 HB Chairs, 2 Desks, 2 Credenza's, 1 Steel filing cabinet, 1 System cupboard, 1 Plan filing cabinet, 1 Microwave, 3 Podiums, 3 Digital voice recorders, 4 Draughtsman Chairs, 2 Air conditioners.  Received 4 microwaves – 3	Requisitions

										from the previous financial year.	
<b>IT</b>											
	Senior Manager Corporate	Upgrading of ICT Infrastructure (Cabling , Computers , Switches , Servers ,printers wireless and Laptop	R1.850m	01/07/18	30/06/19		Procurement	R134081.61			Requisitions
<b>MIG</b>											
	Senior Manager Technical	Upgrading of Benfarm street	R6 063 838.75	1/07/18	30/06/19	3/17	Construction Site meeting	R 4,823,489.56		The contractor has completed all the works on site and he has been issued with a completion certificate.	Progress reports and Completion report and Completion Certificate
	Senior Manager Technical	Selwane sport complex	R12683 901.26	01/07/18	30/06/19	18	Construction Site meeting	R0.00		The contractor delayed in establishing site. The delay was due to the finalisation of the scope of works by the Engineer and the approval of the safety file.	Progress reports and Completion report and Completion Certificate
		Upgrading of gravel road to tar Tambo upgrading of street phase 2	R5 117 409.99	01/07/18	30/06/19	13	Construction Site meeting	R0.00		The works are completed on site and the contractor has been issued with the completion certificate. The	Progress reports and Completion report and Completion Certificate

										contractor has not yet submitted the payment certificate due to outstanding matter relating to standing time.	
	Senior Manager Technical	Tshelang gape to R71 upgrading	R5500 000.00	01/07/18	30/06/19	1 & 4	Construction Site meeting	R0.00		The contractor is busy on site, his payment certificate was reject by the municipality due to non-compliance.	Progress reports and Completion report and Completion Certificate
	Senior Manager Technical	Refurbishment of Namakgale Stadium	R500 000.00	01/07/18	30/06/19		Specifications, Advertisement	R0.00		Awaiting the finalisation of a pool of consultants.	Bid Committees minutes and registers, advertisements. Progress reports and Completion report and Completion Certificate

# FIRST QUARTER APPROVAL

<b>Approval by the Mayor</b>	<p>This SDBIP is a management and implementation plan (and not a policy proposal) and is therefore not required to be approved by the Council. The approval of the SDBIP is a competency reserved for the Municipal Manager and the Mayor of the Municipality in terms of Section 53 of the MFMA. The Municipal Manager becomes responsible for ensuring that the SDBIP is submitted to the Mayor within 14 days of approval of the adjusted SDBIP and the Budget and approved within 28 days of the approval of the IDP and Budget.</p>
<b>Monitoring implementation of the SDBIP</b>	<p>Progress against the objectives set out in the SDBIP will be monitored and reported on a monthly, quarterly, half-yearly and annual basis.</p>
<b>Signatures</b>	<p style="text-align: center;"><b>2018-19 First Quarter Compiled by:</b></p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="text-align: center;">         -----  <b>M.I Moakamela</b>  <b>Municipal Manager</b> </div> <div style="text-align: center;">         -----  <b>Date</b> </div> </div> <p style="text-align: center; margin-top: 40px;"><b>2018-19 First Quarter Approved By:</b></p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="text-align: center;">         -----  <b>Cllr PJ SHAYI</b>  <b>Mayor</b> </div> <div style="text-align: center;">         -----  <b>Date</b> </div> </div>

# Annexure A

## Methodology

Ba-Phalaborwa Municipality uses the cumulative method on reporting the actual on the Service Delivery Budget Implementation Plan.

## Technical Definitions

### BPM

BPM stands for Ba-Phalaborwa Municipality

### HH

Household

### Urban Areas

The urban areas refers to Phalaborwa, Namakgale, Lulekani and Gravelotte.

### Reduction in water losses

This is calculated as follows:  $\text{Lepelle bill less BPM bill} / \text{Lepelle bill} \times 100$ .

### Reduction in electricity losses

This is calculated as follows:  $\text{Eskom bill less BPM bill} / \text{Eskom bill} \times 100$ .

### 2.1 Kilometres of roads upgrade from gravel to tar/paving

This relates 0.8 Benfarm, Tambo phase 1 0.7 km and Tshelang gape 0.6

### Rehabilitation

Replacement of old road surface (tar) with a new one.

### Site Establishment/ Set-up Construction Site

Arrangement of offices, bringing the machinery and equipment onsite.

### Tourism Initiatives Activities

**September Tourism Month** – Spring Day, Orchid Show, Heritage Day Celebration, 2 Tourism



workshops and Marathon.

**Tourism Indaba** – Procurement of promotional materials

**SPLUMA – Spatial Planning Land Use Management Act 2013**

**SPLUMA Applications**

Number of development (land use) applications received/ applications processed in terms of SPLUMA

**% Debt Coverage**

This is calculated by  $A = B - C/D$

Where - “A” represents debt coverage, “B” represents total operating revenue received, “C” represents operating grants, “D” represents debt service payments (i.e. interest + redemption) due within the financial year

**Outstanding Service Debtors to Revenue**

This is calculated by  $A = B/C$

“A” represents outstanding service debtors to revenue

“B” represents total outstanding service debtors

“C” represents annual revenue actually received for services;

**Cost Coverage Ratio**

This is calculated by  $A = B + C/D$

Where - “A” represents cost coverage

“B” represents all available cash at a particular time, “C” represents investments

“D” represents monthly fixed operating expenditure