

1.1.1 Mid-term Performance Report 2011/12

1.1.1.1 SUMMARY OF COUNCIL GENERAL: 2011/2012

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN - FOR OTHER PERFORMANCE INDICATORS FOR 2011/2012 FINANCIAL YEAR

VOTE DESCRIPTION		Council General	Manager responsible for VOTE	Dlamini, Thami Bafana Welkom		Included under DEPARTMENT			Council General
KEY PERFORMANCE AREA	Aligned with KEY FOCUS AREA or IDP OBJECTIVE	PROGRAMME	KEY PERFORMANCE INDICATOR (Unit of measurement)	KEY PERFORMANCE TARGET (Number of units)					Reason for deviation
				2009/10 Baseline	Planned Q1 Target	Actual Q1 Target	Planned Q2 Target	Actual Q2 Target	
Municipal Institutional Transformation & Organisational Development	To ensure integrated long term Planning	IGR	% Community satisfaction	Determine Data	Reporting only	None	Reporting only to determine baseline data	60 %	
			% of IGR resolutions/decision implemented	Not available	60%	100 %	60%	100 %	
			% functional ward committee		100%	63 %	100%	89%	
		Ward committees	# of established ward committee	19	19	12	0	17	Ward 4 & 10 to be re-established
		CDW Programme	% participation of CDW's in community structure	100%	100%	63 %	100%	63 %	Cogta advertised vacant posts
			# of monitoring reports generated	4	4	4	4	4	Reports to Cogta
			# of CDW's deployed to specific ward committees	19	25	12	25	12	
			% of newly elected councillors inducted	100%	100%	100 %	100%	95%	2 resigned
			# of meetings co-ordinated for Councillors		Reporting only	3	Reporting only to determine baseline data	3	
		Transversal Issues	# of functional transversal fora meeting	16	16	2	4	1	
		Communication	# of municipal newsletter editions posted to the district newsletter	4	4	1	1	1	

			% increase in public participation programmes	25%	5%	N/A	Not applicable this quarter	N/A	Strategy developed
			% of outdated items removed from the municipal website and intranet	100%	100%	80 %	100%	80 %	
		HIV /AIDS Programme	# of HIV/Aids awareness campaign conducted	6	2	1	0	0	
			# of Local Aids Council meetings held	4	4	0	1	0	
		Project Management	% of projects started on time	100%	100%		20%	N/A	
			% of projects within budget	100%	100%		Not applicable	N/A	
			% of projects within specifications	100%	100%		Not applicable	N/A	
			% projects completed on time	100%	100%		Not applicable	N/A	
		SMME Development	% unemployment	57%	57%		Not applicable this quarter	57 %	
			# of SMMEs supported	Reporting only to determine baseline data	Reporting only	N/A	Reporting only to determine baseline data	10	
			# LED forum meetings		4	1	1	1	
			# of jobs created through municipal LED initiatives including capital projects	Reporting only to determine data	Reporting only	122	Reporting only to determine baseline data	122	
			# of local SMME`s and youth empowered in various sectors	100	100	50	25	50	
			# of SMME`s graduating to the next value chain	4	Reporting only	0	Reporting only to determine baseline data	0	
			# of SMME`s assisted in sourcing funds / # of SMME`s able to access funds	80%	50%	Can't measure	Not applicable this quarter	Can't measure	
			# of LED strategy	Not	3	0	3	0	

			initiatives implemented	available					
			# of people employed within EPWP projects	Not available	Reporting only	110	Reporting only to determine baseline data	110	
		Expenditure	% variance on departmental budget	5%	5%	3 %	5%	3 %	
		IDP processes and management	# of sector plans reviewed into vision	Reporting only to determine data	Reporting only	N/A	Reporting only to determine baseline data	1	
			% of compliance to IDP / Budget / PMS process plan	100%	100%	90 %	100%	90 %	
			# of community consultative meetings (IDP/Budget) held	15	38	3	9	18	Ward 4 could not sit
			# of IGR Forums	6	6	0	1	1	
			% Compliance to IDP legislative requirements	100%	100%	95 %	Not applicable this quarter	95 %	
		Town planning services	% of households living in proclaimed townships/ areas		To be established	none	To be established	none	
			% of buildings found to be compliant as % of total building inspected	100%	100%	100%	100%	100%	
			% of buildings built consistent with approved plans	100%	100%	100%	100%	100%	
			# of stands reviewed for approval as % of application of stands consolidation	100%	100%	100%	100%	100%	
		Town planning services	# of stands reviews for approval as % of application for subdivision of stand	100%	100%	100%	100%	100%	
			# of buildings inspected as % of total buildings due for inspections	100%	100%	100%	100%	100%	
			# of Sites acquired for housing developments	Reporting only to determine baseline data	Reporting only	439	Reporting only to determine baseline data	439	
			# Stands identified for	Reporting	Reporting	700	Reporting	700	

			housing developments	ng only to determine baseline data	only		only to determine baseline data		
			% of acquired land proclaimed for townships establishment purposes	70%	70%	0 %	Not applicable this quarter	0 %	
		Land Use Management	# of zoning contraventions issued		Reporting only	2	Reporting only to determine baseline data	2	
			% of zoning contraventions issued enforced	100%	100%	100%	100%	100%	
		Corporate Governance	% of external auditor report findings addressed	100%	100%	100%	100%	100%	
			% legislatively required reports submitted within timeframe		100%	100%	100%	100%	
		Corporate Governance	% of Council resolutions implemented		100%	90 %	100%	90 %	
		Audit	Unqualified audit opinion	100%	100%	0 %	Not applicable this quarter	100 %	
			# of Audit committee submitted to council	1	4	0	1	1	
			# of Audit committee members appointed	4	4	3	4	3	
			% completed performance audit reports	100%	100%	0 %	100%	0 %	New staff
			% compliance to implementation of audit plan	100%	100%	100 %	100%	100 %	
		OHS	% of departmental specific risks identified and reduced	30%	10%	50 %	10%	50 %	
		Administration	% council resolutions implemented	80%	80%	90 %	80%	90 %	
			% of documents attended to within DMS due dates	100%	100%	100 %	100%	100 %	
			% of Track- it completed within system specific dates	100%	100%	100 %	100%	100 %	
		IGR	Customer satisfaction survey	R2000	2011/09/01		2012/03/09	R0	Done in-house, busy

									with analysis of data
		CDW Program mee	Public Participation plan		1		Develop calendar and implementation plan for public participation programme and submit to council for approval	1	Plan developed & but not submitted to Council
		Transver sal Issues	Awareness campaign / summit		0	0	Children`s rights/ Mandela day. Women`s day	0	No funds
		Event management	Event Concept documents		0	0	Develop and submit concept documents for all events to be arranged within the municipality	0	Part of the communication strategy review
		Communication	Review communication Strategy		0	0	Review and draft communication strategy	yes	In progress
		HIV /Aids Programme	Develop LAC Strategy		N/A	N/A	Not applicable this quarter	N/A	In progress
		SMME Development	SMME's awareness initiative		0		Identification of procurement opportunities within the institution that will	Yes	
			SMME research		0		Arrange and facilitate	1	

							a meeting with all SMME's		
			SMME development and intervention plan		0		Gather and compile information	0	
		SMME Development	SMME capacity development		0		Arrange and coordinate Supply chain specific training and workshops for SMME's	0	
			Investment promotion prospectus		0		Solicit and source funding and sponsors for LED summit	0	
			Development of sector based plan		Yes		Obtain information and directives from Provinces and other sector departments	Yes	
		IDP process and management	Integrated IDP?PMS/Budget process plan		Done		Develop and finalise the IDP / PMS/Budget process plan	Done	
		Town Planning services	GIS data clean up		None		Recruitment of people to conduct data cleaning through the ICT service provider Training	None	No funds

							capacitating of identified individuals		
		Land use Management	Develop LUMS			Specifications	Service provider appointed Establishment of data of committee to draft	Tender adjudicated waiting counter-funding approval from Cogta	Tender adjudicated waiting counter-funding approval from Cogta
		Expenditure	Procurement of capital equipment			None	Procurements of capital equipment as included in budget	None	Budget ring-fenced
		Corporate governance	Fraud prevention awareness campaign			N/A	Not applicable this quarter	N/A	No personnel at the Internal Audit Unit
		Municipal Institutional Transformation & Organisational Development	HR	% reduction in overtime expenditure	0%	5%	10%	5%	In the office of MM
		Project Management	% of projects started on time	100%	100%	0	20%	0	Funds ring-fenced to repair lift
	% of project within budget		100%	100%	0	Not applicable	0		
	% of project within specification		100%	100%	0	Not applicable	0		
	% of project completed on time		100%	100%	0	Not applicable	0		
		Revenue	% Payment rate	80%	90%	83%	80%	79%	
			Debt coverage ratio	247.6	372.7	181.56	Reporting only to determine baseline data	184.13	
			Cost coverage ratio	36.9	24.5	N/A	Reporting only to determine baseline data	To be determined	

			Outstanding service debtors to revenue ratio	0%	0%	N/A	Reporting only to determine baseline data	N/A	
			R-value outstanding debts written off	R 0	Reporting only to determine baseline data	N/A	Not applicable this quarter	R 2,079,324,22	
		Revenue	% Decrease of outstanding debtors to revenue (Billing)	2%	2%	N/A	Reporting only to determine baseline data	N/A	Consultant not appointed
			R-value total outstanding service debtors	Reporting only to determine baseline data	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	N/A	
			% debt collected on handed over accounts	Reporting only to determine baseline data	Reporting only to determine baseline data	0	Reporting only to determine baseline data	0	
		Revenue	% water losses in kl	20%	Get info & target from	11 %	Reporting only to determine baseline data	5 %	
			% electricity losses in kWh	36%	20% Confirm target with Engineering	46 %	Reporting only to determine baseline data	48 %	Electricity bridging a cause for concern
		Expenditure	% creditors paid within 30 days on date receive of invoice (Exclude payment in dispute)	99%	100%	96 %	100%	82,78 %	Invoices in dispute
			% of liabilities paid with due dates	100%	100%	100 %	100%	100%	
			% payment of salaries and third parties made on due date	100%	100%	100 %	100%	100 %	

			% compliance to cash management system (bank reconciliations, daily cash balances, investments)	100%	100%	97 %	100%	100 %	
			R-value All available cash at a particular time	Reporting only to determine baseline data	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	R - 2,775,768.00	
			R-value investments (short term)	Reporting only to determine baseline data	Reporting only to determine baseline data	R10 million	Reporting only to determine baseline data	R 12 million	
		Expenditure	% variance on departmental budget	5%	5%	N/A	5%	-13.45 %	Under expenditure to cash flow problems
		Supply Chain Management	% of tender allocated within 90 days after date of closure of tender	100%	100%	N/A	100%	90 %	
			% of quotations approved within 30 days after date of closure	100%	100%	N/A	100%	100 %	
			% of quotation awardee to previously disadvantaged individuals	Not Available	80%	N/A	80%	80 %	
			% tenders awardee to local businesses	Not Available	80%	N/A	80%	80 %	
			% quotations awarded to local businesses		80%	N/A	80%	80 %	
			% of orders on items procured below R20 000 issued within two working days (days of request)	85%	90%	N/A	90%	90 %	
			R-value orders issued	Not Available	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	Baseline to be determined	
			# of orders issued	Not Available	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	Baseline to be determined	

		Supply Chain	% of surpluses of stock items	20%	15%	N/A	15%	N/A	Stock take done at the end of financial year
		Management	% of shortage of stock items	20%	15%	N/A	15%	N/A	
		Budget Office	% of legislated financial reports submitted to all stakeholders within 10 working days from the end of the month	100%	100%	99%	100%	99 %	Delays to submit documents within 10 day is caused by the delay in finalising month-end
			% GRAP compliance of Annual Financial Statements	95%	100%		Not applicable this quarter	N/A	
			% Revenue against budget	Reporting only to determine baseline data	Reporting only to determine baseline data	41.67 %	Reporting only to determine baseline data	65.28 %	
			Expenditure against budget	Reporting only to determine baseline data	Reporting only to determine baseline data	41.67 %	Reporting only to determine baseline data	37.69%	
		Financial systems	% uptime of financial systems	100%	100%	100%	100%	100%	
			% of daily & monthly reports generated and circulated and made available on the electronic media	100%	100%	100%	100%	100%	
		Asset Management	% assets accounted for	95%	95%	100%	95%	100%	
			% of insurance claims received and submitted within 30 days	100%	100%	100%	100%	100%	
			R- value unclaimed losses	Reporting only	Reporting only	0	Reporting only	0	
			# of claims declined	Reporting only	Reporting only	0	Reporting only	0	
		OHS	% of departmental specific risks identified and reduced	30%	10%	40 %	10%	40 %	
		Administration	% Council resolutions implemented	80%	80%	100%	80%	100%	

			% of documents attended to within DMS due dates	100%	100%	100%	100%	100%	
			% of Track-it tasks completed within system specific dates	100%	100%	100%	100%	100%	
		Legal Services	% departmental policies reviewed	Not available	50%	1	Reporting only to determine baseline data	1	
		Revenue	Departmental electricity and water metering		2011/07/01-2012/06/30		Determine areas of non metering	Install meters and capture meters on system	
			Revenue enhancement strategy		2011/07/01-2012/06/30		Finalised appointment of selected Service Provider	Monitor development of the strategy	
		Expenditure	Procurement of departmental capital equipment	R50 000	2011/07/01-2011/09/30		Procurement of capital equipment as included in budget	R 0	Funds ring-fenced to repair a lift
			Procurement of municipal equipment	R450 000	2011/07/01-2011/09/30		Procurement of capital equipment as require and per identified needs	R 275 000	
			Procurements of vehicles	R2000 000	2011/07/01-2011/09/30		Finalise loan facility for procurement of vehicles	R0	Study commissioned between buying and leasing
		Expenditure	% variance on departmental budget	5%	5%	-10.96 %	5%	-13.65%	Cash challenges
		Asset Management	% assets accounted for	90%	95%	100 %		100 %	
		Housing	% of households with access to formal housing	64%	Reporting only – competency of Dept of Human Settlements	N/A	Reporting only – competency of Dept of Human	N/A	

					t		Settleme nt		
			% houses provided to communities complying to	0	727	200	Not applicabl e this quarter	279	
			% of households on housing beneficiary waiting list allocated formal sites	N/A	465	N/A	Reporting only – competen cy of Dept of Human Settleme nt	N/A	
		Public safety / Housing	% of illegal land invasions removed within 48 hours	100%	100%	25 %	100%	25 %	No staff , only 1
			% of households with access to basic or higher level of solid waste removal	85%	90%	85 %	90%	85 %	
			% households serviced over 25 day period per month	90%	90%	90 %	90%	90 %	
		Refuse & waste	R- value sourced for obtaining permits for landfill sites	R750 000	R750 000	R 0	Not applicabl e this quarter	R 0	1 request submitted to environment dept.
			Number of Waste landfill site audit reports	1	1	N/A	Not applicabl e this quarter	N/A	No staff at audit section
			#Of sport and recreation facilities upgraded	2	1	N/A	Not applicabl e this quarter	N/A	
		Sport & recreation	#Of athletes participating in municipal events	645	700	N/A	Not applicabl e this quarter	0	No funds
			#Of sport and recreation facilities facilities maintained	19	19	19	19	19	
			# Of athletes supported that participate at provincial and national level	Not availab le	Reporting only to determine baseline data	51	Reporting only to determine baseline data	54	

			# of sport and recreation events presented (municipal employees)	7	7	1	2	1	
			# of sport and recreation events presented (community)	3	3	0	Not applicable this quarter	0	No funds
		Library service	% increase in the number of library users	N/A	4%	79,7 %	Reporting only to determine baseline data	79,7 %	
			% of library users within Msukaligwa	3000	Reporting only to determine baseline data	1627	Reporting only to determine baseline data	1627	
			% of book related fines recovered (R-value recovered from fines /R-value fines issued)	50%	60%	50 %	60%	50 %	
			# of library specific programmes and events organised	7	7	2	2	17	
		Parks & cemeteries	% compliance to parks maintenance plan	100%	100%	75 %	100%	75 %	Old machines & shortage of staff
			# of community complaints regarding maintenance of parks and sidewalks	4	0	0	0	1	
			# of complaints regarding cemetery services	4	0	0	0	0	
			# of new cemeteries established	2	2	0	Not applicable this quarter	1	
		Project Management	% of projects started on time	100%	100%	0	20%	0	Funds ring-fenced
		Project Management	% of projects within budget			0		0	
		Project Management	% projects within specification	100%	100%	0	Not applicable	0	
		Project Management	% projects completed on time	100%	100%	0	Not applicable	0	
		OHS	% of departmental specific risks identified and reduced	70%	30%	30 %	60%	30 %	

			% Council resolutions implemented		80%	85 %	80%	85 %	
		Administration	% of documents attended to within DMS due dates	0%	100%	100 %	100%	100 %	
			% of Track-it tasks completed within system specific dates	100%	100%	85 %	100%	85 %	
		Legal services	% departmental policies reviewed	Reporting only	Reporting only	N/A	Reporting only	N/A	
		Expenditure	Procurement of capital equipment	R120 000	2011/07/01 - 2011/09/30	N/A	Procurement of capital equipment as included in budget	N/A	Ring-fenced
		Housing	Maintaining & update housing waiting list database		2011/07/01 - 2012/06/30	Daily	Maintenance of waiting list	daily	
			Housing five year plan	N/A	2012/01/01 - 2012/03/31	N/A	Maintenance of waiting list		
		Public Safety Housing	Appointment of additional squatter control officers		2012/01/01 - 2012/06/30	0	Not applicable	0	
		Sport & Recreation	Review of donation policy and sporting by-laws		2012/01/01 - 2012/06/30	0	Not applicable this quarter	0	
		Library Services	Establishment of new libraries	R9000 000	2011/07/01 - 2012/06/30	0	Appointment consultant. Draft and submit building plans to MIG	0	
		Parks & Cemeteries	Fencing of cemeteries	R100 000	2011/07/01 - 2012/06/30	Tender	Tendering stage	Tender	
			Establishment of new cemeteries	R500 000	2011/07/01 - 2012/06/30	0	Conduct and monitor outcome of EIA	0	
		Expenditure	% variance on departmental budget	5%	5%		5%		
		Facility Manage	% budgeted revenue generated from Council	Reporting only	Reporting only	N/A	Reporting only	N/A	

		ment	properties and						
		Project Management	% of projects started on time	100%	100%	0	20%		Budget ring-fenced
			% of projects within budget	100%	100%	0	Not applicable		
			% projects within specifications	100%	100%	0	Not applicable		
			% projects completed on time	100%	100%	0	Not applicable		
		OHS	% of departmental specific risks identified and reduced	30%	10%	30 %	10%	30 %	
			% reduction in man days lost due to accidents	10%	10%	0	10%	0	
			% compliance to OHS Act	100%	100%	100 %	100%	100 %	
			# of employee HIV/Aids awareness campaigns	2	4	0	1	2	
			% of employees voluntarily tested for HIV/AIDS	15%	30%	N/A	Not applicable this quarter	0	
		Administration	% Council resolutions implemented	80%	80%	100 %	80%	100 %	
			# of Council meetings held and recorded	10	10	3	3	3	
			% documents attended to within DMS due dates	100%	100%	100 %	100%	100 %	
			% of quality and comprehensive Council agendas circulated 7 days prior to the meeting	100%	100%	100 %	100 %	100 %	
			% of quality and accurate Council, Mayco and portfolio committee minutes circulated within 7 days after the meeting	100%	100%	100 %	100%	100 %	
			% of quality Mayco & Portfolio committee agendas circulated 24 hours prior to the meeting	100%	100%	100 %	100%	100 %	
			% compliance to National Archive and Records Act	70%	100%	100 %	Not applicable	100 %	
			% of Track –it tasks completed within specific dates	100%	100%	100 %	100%	100 %	
		PMS	% achievement of Section 56 managers individual scorecards		100%	N/A	Not applicable this	100 %	

							quarter		
			% of Sec 56 Managers with signed Performance Agreements	100%	100%	100 %	100%	100 %	
		Legal service	% of service level agreements concluded within 14 days	100%	100%	100 %	100%	100 %	
			% if by-laws reviewed	Not available	20%	0	Not applicable	0	
			% departmental policies revised	Not applicable	50%	N/A	Reporting only to determine baseline data	25 %	
			Average number of days taken to provide legal opinions		3	3	3	3	
			Information and Communication Technologies	% of uptime and availability of IT network	99%	99%	100 %	99%	100 %
			% of uptime and availability of municipal ICT system	100%	100%		100%		
		Organisational Development	% of people from employment equity groups in the three highest levels of management	6	5	N/A	Not applicable this quarter	5	
			% compliance to employment equity plan		75%	60 %	40%	60 %	
			% compliance to Skills Development and Levies Act	100%	100%	100 %	100%	100 %	
			% training budget spent on training and development	100%	100%	9.25 %	25%	9.25 %	
		Organisational Development	% skills levy received in rebate from SETA for FY?	45%	50%	N/A	Not applicable	25 %	
		HR	% employee satisfaction rating	To be determined	To be determined	N/A	Reporting only to determine baseline data	N/A	
			% grievance attended to within 15 days	50%	50%	35 %	50%	35 %	
			% of critical and budgeted vacancies filled within 90 days after advertisement	100%	100%	100 %	100%	100 %	
			% of employees inducted within 1 month after	40%	80%	100 %	80%	100 %	

			appointment						
			% reduction in overtime expenditure	0%	10%	55,9 %	10%	55,9 %	
		IR	# of person days lost due to industrial action	0	0	0	0	0	
			R-value cost associated with employee industrial action	R 0	R 0	R 0	R 0	R 0	
		Facility Management	Verification of the Municipal properties		2011/07/01-2012/06/30	0	Housing and town planning to conduct property verification	0	
		Expenditure	Procurement of capital equipment	R 50 000	2011/07/01-2011/09/30	0	Procurement of capital equipment as included in budget	0	
		Expenditure	Procurement of capital equipment for ICT purposes	R 991 250	2011/07/01-2012/06/30	Specifications	Procurement of hardware and software as need arises and as per ICT provisioning plan	Tender awarded	In process
		PMS	Automated PM system		2011/07/01-2012/06/30	No	Appointment of Service Provider for the development and management of the Automated PM system Monitor and evaluate performance targets	no	No funds
			Cascading of PMS to level 5		2011/07/01-2012/06/30	cascaded	Development of a Employee	cascaded	

					0		PM policy that will address the PM system to all levels		
			Cascading of PMS to level 10		2011/07/01-2012/06/30	To be cascade in the new financial year	Appointment of Service Provider for the development and management of the methodology and approach for cascading the PMS to level 10	To be cascade in the new financial year	
			Change Management		2011/07/01-2012/06/30	Cogta to be approached	Development of change management plan	Cogta to be approached	
		OHS	Emergency awareness and drills		2011/07/01-2012/06/30	none	Conduct emergency awareness workshops with all staff members	none	
		Organisational Development	Workplace skills plan		2011/07/01-2012/06/30	1	Implementation of the WSP 2011/12	1	
			Capacity building on grievance procedure		2011/07/01-2012/06/30	0	Awareness on grievance procedures	1	
		HR	Employee satisfaction survey		2011/07/01-2012/06/30	Questionnaire crafted	Develop and finalise the employee satisfaction questionnaire	Interviewed conducted	

			Conduct skills audit		2011/07/01-21-012/06/30	1 but in completed	Review current information on record and identify gaps. Amend Skills audit tool developed by	1 but in completed	
			Organisational re-engineering		2011/07/01-2012/06/30	none	Development of re-engineering implementation plan. Discuss and obtain consensus and agreement from unions	none	
		Sanitation services	% of households with access to basic or higher level of sanitation	95.2%	97.4%	n/a	95.2%	Planning stage	
			% of waste water plants compliant to required effluence standard	70%	80%	n/a	70%	In process	
			% network blockages attended to within 48 hours after being reported	90%	95%	n/a	95%	Awaiting appointment of contractors	
			# of VIP toilets provided	700	885	n/a	0		
			3 of households with access to basic sanitation	38185	39070	n/a	38185	75% completed under construction	
		Water Services	% of households with access to basic or higher level of water	95%	96%	n/a	95%	Completed	
			# of households with access to basic water	38297	38297	n/a	37898	Awaiting appointment of contractors: GSDM	

			% water quality samples failing the E-coli test	0%	0%		0%		
			Kl of water purified	Reporting only	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	N/A	No meters
			% of water faults reported that were resolved within 36 hours	90%	95%	85 %	95%	85 %	Shortage of staff
		Electricity services	% of households with access to basic or higher level of electricity	85%	88%	n/a	Not applicable this quarter	Review will start third quarter due to cash flow challenge	
		Electricity services	# of households with access to electricity provisioning	26405	27959	n/a	26405	Planting of poles and stringing of bundle conductor Expenditure R 134 654.78	
			# of households that were provided with a legal electricity connection, for the first time	318	992	n/a	Not applicable	Planting of poles and stringing of bundle conductor Expenditure R 39 823.48	
			# of pre-paid meters installed	Reporting only	Reporting only	n/a	Reporting only	Planting of poles and stringing of bundle conductor Expenditure R 24 353.16	
			# of new electricity connections (except RDP houses)	Reporting only	Reporting only	n/a	Reporting only	Planting of poles and stringing of bundle conductor Expenditure R 29 796.36	

			# of households that were provided with a legal electricity connection by Eskom	Reporting only	Reporting only	n/a	Reporting only	Planting of poles and stringing of bundle conductor Expenditure R 27 217.45	
			# of high mast lights erected	10	0	n/a	Not applicable	Planting of poles and stringing of bundle conductor Expenditure R 28 363.72	
			% of electricity meter kiosk maintained	25%	25%	n/a	Not applicable	Under construction, digging of foundations	
			% compliance of sub-station maintenance plan	40%	40%	n/a	40%	40 %	
			% of electricity cut-offs executed within 2 days	100%	100%	n/a	100%	Daily Maintenance : 56% Expenditure	
			# of re-connections done as per request from finance	Reporting only	Reporting only	n/a	Reporting only	Daily Maintenance : 56% Expenditure	
		Building maintenance	Amount spent on building maintenance as % of asset value	0.50%	0.52%		0.13%	In process ± 70% of work completed	
			% of complaints responded to within 5 days	100%	100%	n/a	100%	Awaiting appointment of contractors	
			% of complaints resolved within system timeframe	100%	100%	n/a	100%	Awaiting appointment of	

								contractors	
		Roads & storm water	% of municipal roads that meets minimum required standards	90%	90%	n/a	90%	Awaiting appointment of contractors	
			Km of roads upgraded from gravel to tar or paved surface with storm water measure	3.2	4.1	n/a	Not applicable	Awaiting appointment of contractors	
			Amount spent on roads maintenance as % of total roads asset value		2.50%	n/a	Not applicable	Awaiting appointment of contractors	
			Km of tar roads re-surfaced	7	20	n/a	Not applicable	Awaiting appointment of contractors	
			Km of roads attended to	Reporting only	Reporting only	n/a	Reporting only	Awaiting appointment of contractors	
			# of stormwater systems attended to	Reporting only	Reporting only	n/a	Reporting only	Awaiting appointment of contractors	
			m2 of potholes fixed	Reporting only	Reporting only	n/a	Reporting only	Awaiting appointment of contractors	
			Km of roads graded	Reporting only	Reporting only	n/a	Reporting only	Awaiting appointment of contractors	
			Expenditure	Procurement of capital equipment	R120 000	2010/10/01-2010/12/15	n/a	Procurement of capital equipment as included in budget and per requirements	Repair of lift
		Revenue	Appointment of service providers to assist Council with termination of services and audit of pre-paid zero sales and tampering		2011/07/01-2012/06/30	n/a	Council to approve recommendations from Engineering to appoint service provider	Contractor appointed	
		Sanitation	Water and Sanitation	R500	2011/07/0	n/a	Scope of		

		n survives	master plan	000	1-2012/05/31		work and Terms of Reference developed and advertised		
			Installation of VIP toilets	R2 000 000	2011/09/30-2012/04/30	n/a	Planning, design and appointment of consultants		
			Refurbishment and upgrading of Davel Purification plant	R2 000 000	2011/07/01-2011/12/30	n/a	Construction phase 60% completed (as per expenditure)		
			Upgrading of Khayelihle sewer network	R3 000 000	2011/07/01-2012/06/30	n/a	Monitoring project implementation by GSDM by attending site meetings and submit progress reports to Council		
		Sanitation survives	Sanitation infrastructure maintenance	R263 000	2011/07/01-2012/06/30	n/a	Attend to emergency sewer blockages and replacement of broken pipes as required		
			Purification plant maintenance		2011/07/01-2012/06/30	n/a	Attend to emergency maintenance of mechanical infrastructure of purification plants		

		Water services	Boreholes	R2 000 000	2011/07/01-2012/03/30	n/a	Conduct geotechnical survey to identify sites of boreholes Development of tender specifications, advertisement and appointment of		
			Upgrading of water purification plant (Douglas dam)	R4 500 000	2011/07/01-2012/06/30	n/a	Construction phase 20% complete (as per expenditure)		
		Water services	Construction of water reticulation at New Ermelo	R2 748 370	2011/07/01-2011/09/30	n/a	Construction phase 100% completed and network fully operational		
		Water services	Water reticulation Khayelihle	R3 000 000	2010/07/01-2011/06/30	n/a	Planning, design and appointment of consultant	Contractor appointed	
		Electricity services	Electricity		2012/01/01-2012/05/31	n/a	Not applicable	Contractor appointed	
		Electrification	Wesselton Ext Portion 55 of the farm Spitskop	R3 431 000	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
			Ermelo X 34	R1 009 100	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
			Subdivision of ERF 7718 Thusiville	R620 000	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	

			On subdivision of erf 6840 Thusiville	R759 500	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
		Electrification	Portion 183 of Nootgedacht 268 (Thuthukani & 3504)	R693 500	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
			Portion 183 of Nootgedacht 268	R722 700	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
		Electricity services	Upgrading of electricity network	R11 000 000	2011/07/01-2012/06/30	n/a	Procurement of consultant	Contractor appointed	
			Installing of high mast in Msukaligwa	R2 400 000	2011/07/01-2012/09/30	n/a	Monitor and coordinate finalisation and commissioning of the high mast installations	Contractor appointed	
			Maintenance of electricity infrastructure	R4 699 500	2011/07/01-2012/06/30	n/a	Attend to emergency maintenance and planned maintenance of electrical infrastructure		
		Building maintenance	Maintenance Master plan		2010/07/01-2011/12/15	n/a	Conduct physical survey and analysis of all municipal buildings		
		Building maintenance	Building maintenance	R1 500 000	2011/07/01-2012/06/30		Attended planned and emergency building, asset and infrastructure maintenance		

							nce		
		Public Facilities	Concrete palisade fence at municipal properties	R2 335 000	2011/07/01-2012/03/30		Tender process		
		Road & stormwater	Road & stormwater master plan		2011/07/01-2012/03/30		Scope of works and Terms of reference developed and advertised	Tender stage	
			Construction of Ext 33 Amsterdam road	R3 500 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction of road Phosa village (Breyten)	R2 600 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction of road President Fouche street (Phase 2)	R2 000 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction and repair of roads at Isidingo Road	R3 500 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction and repair of roads at Sibiya Street	R1 600 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
		Road & stormwater	Construction and repair of roads at Mokoena Street	R1 200 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	

							t		
			Construction and repair of roads at Lothair	R4 000 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction of road (Davel/KwaDela)	R3 000 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
			Construction of road (Cassim Park Phase 2)	R1 200 000	2011/07/01-2012/03/30		Planning, design and appointment of consultant	Adjudication stage	
		Safety & Security	% reduction in crimes within the CBD area		12%	Can't measure	Reporting only to determine baseline data	Can't measure	
		Safety & Security	% reduction of theft in controlled areas		100%	70 %	Reporting only to determine baseline data	70 %	
		Safety & Security	R-value lost as a result of theft		0	N/A	Reporting only to determine baseline data	N/A	
		Expenditure	% variance on departmental budget	5%	5%		5%		
		Traffic services	% decrease in fatal accidents within the Msukaligwa town areas (Note: Quarterly target compared to corresponding quarterly target compared to corresponding quarter of previous financial year)		5%	0	5%	0	
			% compliance to road marking schedule	100%	100%	68 %	100%	68 %	No paint
			% of roads signs replaced / repaired within three weeks	100%	100%	68 %	100%	68 %	
			% recovery rate on fines issued	30%	30%	5 %	30%	5 %	AARTO process

									hinders recovery
		Traffic services	# roadblocks held	12	12	1	3	1	
			# of school education projects	12	12	1	3	1	
			# of road safety awareness campaigns	Reporting only	Reporting only to determine baseline data	0	Reporting only to determine baseline data	0	
			# of road safety audits conducted	Reporting only	Reporting only to determine baseline data	0	Reporting only to determine baseline data	0	
		Disaster management	# disaster awareness campaigns conducted	12	12	0	3	1	
			% of incidents attended to satisfactorily	100%	100%	100 %	100%	100 %	
			# of risk advisory forum meeting		4	0	1	1	
			# of calls handed per month (per category)	Reporting only to determine baseline data	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	1161	
			% complaints communicated back to complainant	Not available	100%	0	100%	0	No funds to implement SMS system
		Licensing services	% of customer complaints resolved	60%	80%	80 %	60%	80 %	
			# of drivers licences issued	6233	1558	N/A	1558	283	
			# of applications for new drivers licences	3279	3360	N/A	840	183	
			# of learners licences issued	1920	480	N/A	480	553	
			# of applications for learners licences	4032	1008	N/A	1008	278	
			# of vehicles tested	0	216	N/A	54	102	
		Fire & Rescue	# of incidents responded to within predetermined time frame	85%	85%	N/A	85%	80 %	
			# of fire safety inspections conducted	300	300	N/A	75	36 %	
			# awareness programmes conducted	24	24	N/A	6	4	
			# of fire incidents attended to	360	360	N/A	90	25	
			# of lives lost as a result of fire incidents	Reporting only	Reporting only to	N/A	Reporting only to	0	

					determine baseline data		determine baseline data		
			R-value property lost as a result of fires	Reporting only	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	R 41 000	
		Fire & Rescue	R-value of damages prevented	Reporting only	Reporting only to determine baseline data	N/A	Reporting only to determine baseline data	R 1,065,000	
		Projection Management	% of projects started on time	100%	100%	0	20%	0	Budget ring-fenced
			% of projects within budget	100%	100%	0	Not applicable	0	
			% of projects within specifications	100%	100%	0	Not applicable	0	
			% of projects completed on time	100%	100%	0	Not applicable	0	
		OHS	% of departmental specific risks identified and reduced	30%	10%	30 %	10%	30 %	
		Administration	% Council resolutions implemented	80%	80%	100 %	80%	100 %	
			% of documents attended to within DMS due dates	100%	100%	100 %	100%	100 %	
			% of Track-it tasks completed within systems specific dates	100%	100%	100 %	100%	100 %	
		Expenditure	Procurement of capital equipment	R110 000	2010/10/01-2010/12/12	N/A	Procurement of capital equipment as included in budget	R 0	Budget ring-fenced
		Traffic services	Upgrade of 3 traffic light intersections (or Tambo and Hendrina road, Fourie and Kerk, Voortrekker and Havenga	R 600 000	2011/07/01-2012/06/30	R 0	Conclude planning phase and construction to commence during August	R 200,000	Repair of OR TAMBO
			Naming of streets	R 100 000	2011/07/01-2012/03/31	N/A	Identify and finalise street to	R0	No funds

							be named and marked		
		Disaster management	Equipping of Boardroom	R35 000	2011/07/01-2011/12/15		Obtain quotations and submit to Supply Chain for procurement processes	R 0	No funds
		Customer care centre	SMS complaints response		2011/07/01-2012/06/30		Integrated of SMS response system to Customer complaint systems	R 0	No funds
		Licensing services	Fencing of driving license test yard (Breyten)	R250 000	2011/07/01-2012/03/30		Tender process	N/A	To be done through MIG allocation
		Fire rescue	Procurement of vehicles	R400 000	2011/07/01-2011/12/15		Drafting specifications and submit to Supply Chain	R 0	Conducting study on leasing
			Procurement of PPV fans	R150 000	2011/07/01-2011/12/15		Drafting specifications and submit to Supply Chain	R 0	No funds

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

INTRODUCTION

1. The mid-year budget assessment is prepared in terms of Section 71 and Section 72 of the Municipal Finance Management Act 56 of 2003.
2. The statement is prepared for various stakeholders as prescribed by Section 72(b) of the Municipal Finance Management Act 56 of 2003.

The stakeholders include:
 - (i) The Mayor of the Municipality
 - (ii) The National Treasury
 - (iii) The relevant Provincial Treasury
3. The mid-year budget performance statement includes financial and non financial information as IDP /budget adopted by Council on 27 May 2011.
4. The mid-year budget and performance assessment report is for the period ending 31 December 2011.
5. The report include schedule A (CFO's remarks) explain the financial information contained in Annexure B; and Schedule B (financial information).
7. The schedules include information relating revenue performance per source, expenditure per vote and per category, capital expenditure, remuneration of staff members and councilors as per Section 66 of the MFMA, cash flow performance and projecting, investments and expenditure per line item which is for internal use.
8. The mid-year budget and performance statement must provide a picture on how the targets set out in IDP/Budget and SDBIP have been met including providing reasons on how variances have been addressed

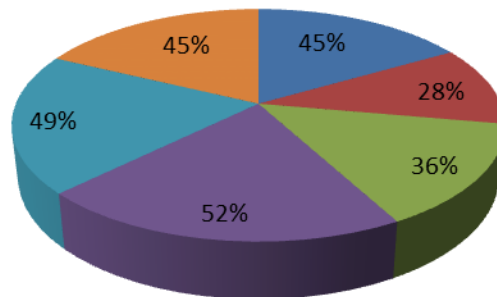
CHIEF FINANCIAL OFFICER'S REMARKS

BUDGET SUMMARY 2011/2011 AS AT 31 DECEMBER 2011

DESCRIPTION	BUDGET 11/12	ADJUSTED BUDGET	ACTUAL 11/12	PERCENTAGE
Total Expenditure against budget	398 290 291	0	167 297 225	42%
Capital Expenditure against budget	54 868 430	15 979 571	15 415 845	28%
Operating Exp. Against budget	398 290 291	0	141 510 343	36%
Operating Income against budget	369 988 467	0	193 452 003	52%
Repairs and maintenance against budget	19 579 958	0	9 627 741	49%
Employee cost	129 186 022	0	58 531 388	45%

TOTAL INCOME AND EXPENDITURE BUDGET

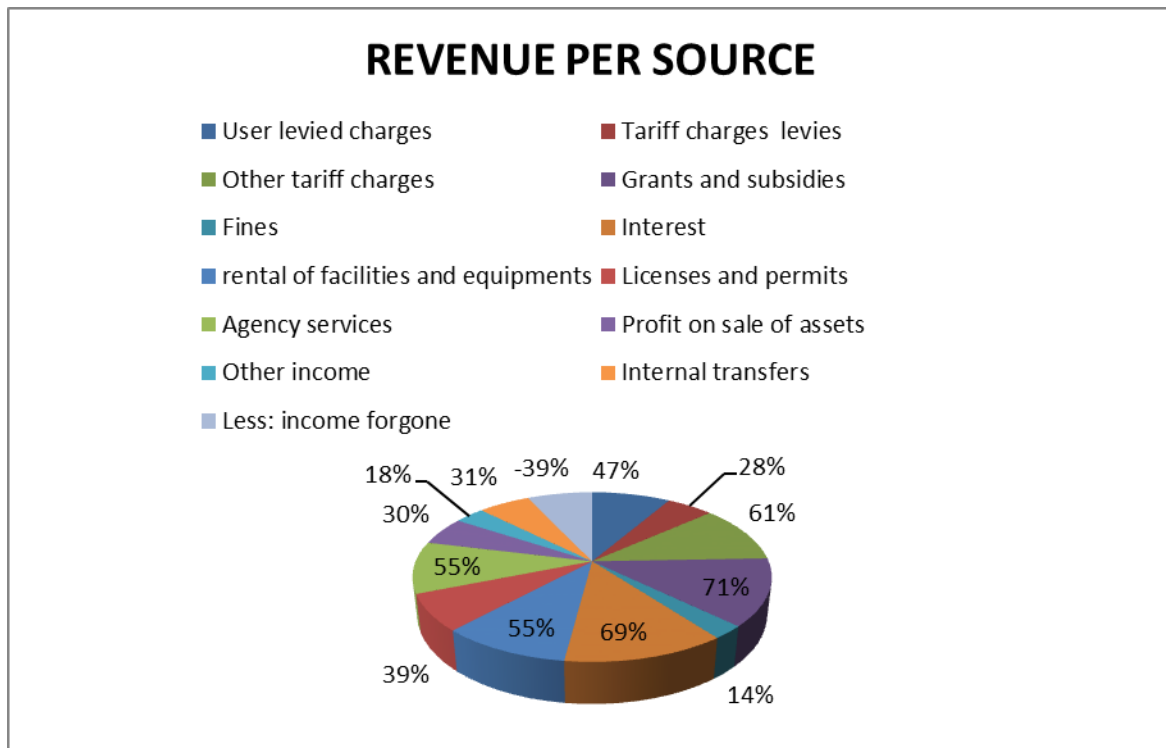
- Total Operating Expenditure against budget
- Capital Expenditure against budget
- Operating Exp. Against budget
- Operating Income against budget
- Repairs and maintenance against budget
- Employee cost



1. REVENUE COLLECTION ANALYSIS

The total budget for the year is R369, 988, 467.00 whilst total revenue collected is R193, 452, 003.00 which 52% of budgeted revenue resulting 2% increase in collected revenue. The most attributes to the 52% revenue collection are the grants and subsidies contributing 71%, interest contributing 69%, other tariff charges contributing 61%, agency fees and rental of facilities and equipments both contributing 55% each and user levies contributing 47%. Licenses and permits other tariffs, including fines did do well by contributing less than 50%. The revenue collection is broken down as follows:

DESCRIPTION	ORIGINAL BUDGET	REVENUE COLLECTED	PERCENTAGE
User levied charges	R227, 744, 025.00	R107, 647, 411.00	47%
Tariff charges levies	R 723, 575.00	R209, 995.00	28%
Other tariff charges	R2, 828, 387.00	R1, 719, 412.00	61%
Grants and subsidies	R95,682,000.00	R68,039,623.00	71%
Fines	R1,662,780.00	R229,305.00	14%
Interest	R7,600,000.00	R5,221,896.00	69%
rental of facilities and equipments	R1,459,910.00	R812, 884.00	55%
Licenses and permits	R2,097,373.00	R807,250.00	39%
Agency services	R2,600,000.00	R1,427,015	55%
Profit on sale of assets	R2,000,000.00	R597,547.00	30%
Other income	R2,103,280.00	R382,508.00	18%
Internal transfers	R25,738,285	R7,908,023	31%
Less: income forgone	(R3,941,400.00)	(R1,541,867.000)	(39)
TOTAL INCOME	R369,988,467.00	R193,452,003.00	52%



1.1. USER LEVIES CHARGES

The 47% revenue collection on user levies is attributed by assessment rates contributing 55%, sewerage fees private 52%, refuse removal and selling of electricity private both contributed 50% each. The municipality did not do well on selling of pre- paid electricity private (39%) and selling of water(33%) contributing less than 50% .

1.2. TARIFF CHARGES OTHER

The other tariff charges contribute 61% to total revenue collected. This is attributed by building plans and sewerage plans contributing 404%, subdivision of stands contributing 112%, transgression fees contributing 101%, plans and copies 98%, tender documents 84%, membership holders 78% and fire brigade services 74% all indicating that the was under- budgeting under these line items.

The following items have collected under 50% are the following: connection fees 18%, Photostat copies 48%, replacing of circuit breakers 22%, selling of refuse containers 15%, supply of information and sundries 44% and vacuum tank services 42%

1.3. GOVERNMENT GRANTS AND SUBSIDIES

Government grants are contributing 71% to the total revenue collection. The municipality has received 100% on the Municipal System Improvement Grant and the Municipal finance Management Grant. 70% has been received from the equitable share.

1.4. FINES

Fines contributed only 13% to total revenue collected. This requires review of the budget since it indicates unrealistic budgeting.

1.5. INTEREST

Interest has contributed 69% to the total revenue collected. The vote did well especially on arrear interest. The municipality should continue instituting stringent measure collect owed monies

1.6. RENTAL FACILITIES AND EQUIPMENTS

This type of revenue contributed 55% to total revenue collected. Even though revenue collection is satisfactory and adjustment budget is recommended on certain line items since budgeting was unrealistic like rental on house 19 units Ermelo which shows a 413% collection and rental on Land and buildings which contributed 153%

1.7. LICENSES AND PERMITS

Revenue on this line items contributed only 39% to total revenue collected which is only collected from motor licenses. There was no revenue collected from trade license application.

1.8. AGENCY FEES

There is satisfactory collection of revenue from motor license commission which is at 55%.

1.9. PROFIT ON SALE OF ASSETS

Profit on sale of assets contributed 30% of revenue collected, of which the main contributor is sale of erven.

1.10. OTHER INCOME

Other income contributed only 18% to total revenue. There is too much under collection in this regard, this is caused the fact that it is depended on external factors i.e depends on service required.

1.11. INCOME FOREGONE

Income forgone is standing at 39%, which is for incentives for assessment rates.

1.12. INTERNAL TRANSFERS

Internal transfers are standing at 31%. This might an indication that the municipality is saving in terms of consumption of the trading services the municipality is providing.

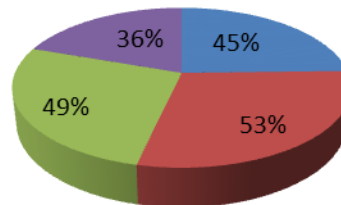
2. EXPENDITURE MANAGEMENT ANALYSIS

Total expenditure against the budget is 42%. This indicate an under spending of 8%. The attributes to this under-spending is due to vacant posts not filled and stringent measures put in place for cash flow management.

DESCRIPTION	ORIGINAL BUDGET	EXPENDITURE	PERCENTAGE
Personnel costs including councillors' remuneration	129,186,022.00	58,531,388.00	45%
General expenditure	173,567,510.00	91,229,873.00	53%
Repairs and maintenance	19,579,958.00	9,627,941.00	49%
Inter- departmental charges	34,184.655.00	12,130.401.00	36%
Total budget excluding non-cash items	356,563,145.00	171,519,603.00	48%
NON- CASH ITEMS			
Depreciation	25,481,716.00		
Contributions to provisions	20,080,770.00		
Contributions from provisions	4,620,000.00		
Less: amounts charged out	-8,455,340.00	-4,222,377.00	-50%
Total budget	398,290,291	167,297,225.00	42%

OPERATING EXPENDITURE

- Personnel costs including councillors' remuneration
- General expenditure
- Repairs and maintenance
- Inter- departmental charges



2.1. PERSONNEL COSTS

Spending on personnel cost is 45%. There is an under spending of 5% and this is due to unfilled posts. Employee cost against total expenditure budget is 32%. Vacant posts must be filled in order to reach the objectives of targets set in IDP

2.2. GENERAL EXPENDITURE

Spending on general expenditure is 53% which is satisfactory even though there are some line items that overspending and others under spending. An adjustment budget is recommended.

2.3. REPAIRS AND MAINTENANCE

Spending on repairs and maintenance expenditure is 49% which is satisfactory even though there are some line items that overspending and others under spending. An adjustment budget is recommended.

2.4. INTER-DEPARTMENTAL CHARGES

Spending on inter- departmental expenditure is 35% which is satisfactory even though the expenditure is expected to be 50%. This is an indication that the municipality is saving on its internal expenses. An adjustment budget is recommended.

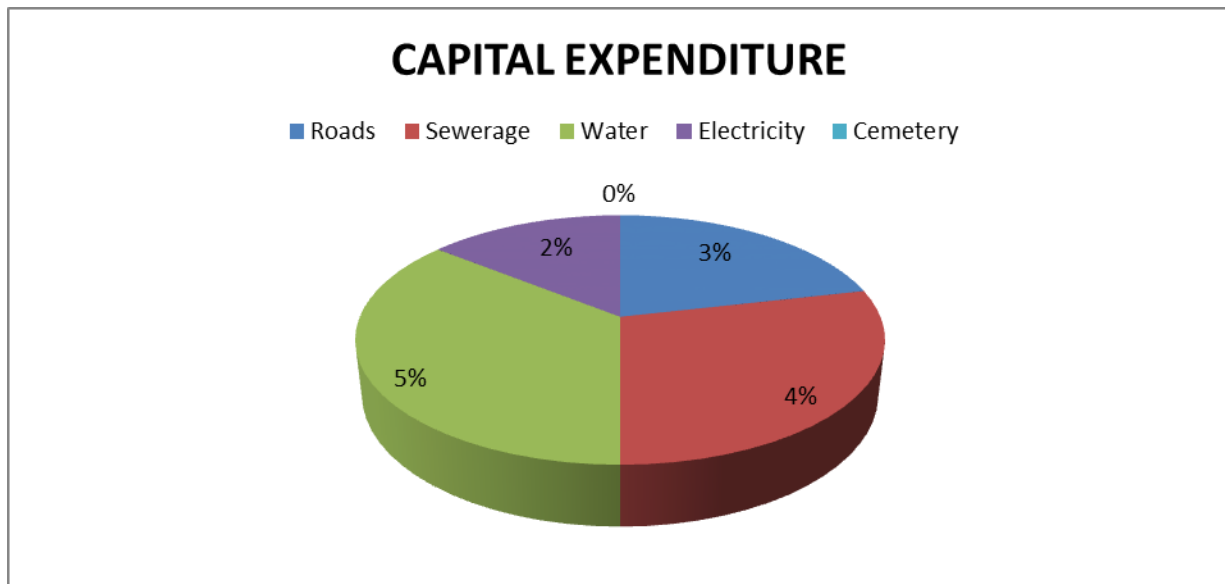
2.5. CAPITAL EXPENDITURE

The spending on capital budget is 28%. This is an unsatisfactory performance in terms of service delivery. The issue of cash flow is affecting the spending tremendously as will be indicated below. Measure should be put place to improve the spending since most of this expenditure is funded by grants.

DESCRIPTION	BUDGET	ROLL OVER ADJUSTMENT	ACTUAL EXPENDITURE	PERCENTAGE
Capital Expenditure against budget	60 257 550	15 979 571	15 415 845	28%

BREAK DOWN

DESCRIPTION	BUDGET	ACTUAL EXPENDITURE	PERCENTAGE
Roads	20 902 026	2 743 580	3%
Sewerage	8 890 571	4 822 411	4%
Water	14 198 115	5 224 543	5%
Electricity	10 308 659	2 225 376	2%
Cemetery	172 000	150 858	0%
TOTAL CAPITAL EXCLUDING ADM ASSETS	54 471 371	15 166 769	28%

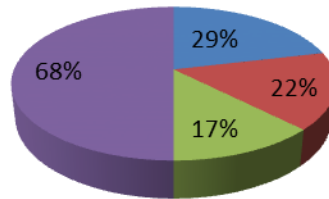


2.6. GRANTS AND SUBSIDIES

DESCRIPTION	BUDGET	ACTUAL EXPENDITURE	PERCENTAGE EXPENDITURE	ACTUAL RECEIPTS	PERCENTAGE RECEIPTS
Municipal infrastructure grant including roll over	46 562 712	13 484 072	29%	23 308	70%
Integrated Energy Grant	7 236 300	1 650 175	22%	6665	92%
Municipal Finance Management Grant	1 250 000	217 726	17%	1 250 000	100%
Municipal Systems Improvement grant	790 000	541 031	68%	790 000	100%
Gert Sibande District	15 400 000	000	0%	000	0%
Eskom	2 045 000	000	0%	000	0%
TOTAL	73 284 012				

EXPENDITURE PER GARANT

- Municipal infrastructure grant including roll over
- Integrated Energy Grant
- Municipal Finance Management Grant
- Municipal Systems Improvement grant



2.6.1. MUNICIPAL INFRASTRUCTURE GRANT

Spending on Municipal Infrastructure Grant is 29% on total budget. The grant includes the roll -over of R15 497 130.00. The municipality has received 70% of the grant budget.

2.6.2. INTEGRATED ENERGY GRANT

Spending on Integrated Energy Grant is 22% on total budget. The municipality has received 92% of the grant budget.

2.6.3. MUNICIPAL FINANCE MANAGEMENT GRANT

Spending on Municipal Finance Management Grant is 17% on total budget. The municipality has received 100% of the grant budget.

2.6.4. MUNICIPAL SYSTEMS IMPROVEMENT GRANT

Spending on Municipal Systems Improvement Grant is 68% on total budget. The municipality has received 100% of the grant budget.

2.6.5. GERT SIBANDE DISTRICT

Neither receipt nor expenditure incurred on the grant since transfer will be done on completion of project (asset) by the donor

2.6.6. ESKOM

Neither receipt nor expenditure incurred on the grant since transfer will be done on completion of project (asset) by the donor

2.7. DEBTORS ANALYSIS

Days	0-30	%	31-60	%	61-90	%	Over 90	%	TOTAL
Total Debtors 30 Dec 2011	13 713 779,10	7%	7 689 507,53	4%	5 193 154,84	2%	181 335 980,61	87%	207 932 422,08

Consumer debtors have increased by 7% since beginning of financial year and 87% of them are more than 90days old. The payment rate is standing at 97%. Corrective measures like the implementation of the write –off and indent policy should be under taken; data cleansing; incentive schemes in terms of the Debt Management and credit Control policy be prioritized; disconnections of services for non-payment be implemented as a matter of urgency.

2.8. CREDITORS ANALYSIS

Days	0-30	%	31-60	%	61-90	%	Over 90	%	TOTAL
Creditors	1 331 048,00	34%	403 422,00	10%	259 607,00	7%	1 961 914,00	50%	3 955 991,00

The municipality is not servicing its creditors properly since about 50% of creditors are over 90 day owed.

2.9. BANK AND INVESTMENT BALANCE AS AT 31 DECEMBER 2011

	STANDARD	CALL ACCOUNT	MARKET LINK	INVESTMENTS	CASHBOOK	VECHILE LOANS		OTHER LOANS	
						INTEREST	REDEMPTION	INTEREST	REDEMPTION
JULY	6 475 255.21	2 000 000	16 000 000	15 000 000	2 175 315.22	54 068.96	180 084.92		
AUGUST	1 038 968.06	0.00	3 000 000	15 000 000	-6 859 886.91	57 002.02	188 449.72		
SEPTEMBER	-38 795.39	0.00	3 000 000	10 000 000	-18 111 208.75	54 958.52	184 844.29		
OCTOBER	-3 753 882.31	0.00	0.00	10 000 000	-26 181 631.31	51 897.35	187 905.46		
NOVEMBER	29 181 004.85	0.00	0.00	0.00	2 461 792.63	51 646.65	191 761.31		
DECEMBER	-2 775 768.25	4 000 000	8 000 000	0.00	-14 038 372.32	61 291.91	182 002.05	4 024.57	8 254.99
TOTAL						330 865.41	1 115 047.75	4 024.57	8 254.99

The municipality has a bank overdraft balance of –R 2,775,768.25 and a cash book balance of – R 14 038 372.32 totaling to –R16, 814,140.57 whilst it has investments amounting to R12, 000,000. The difference is –R4, 814,140.57 whilst creditors outstanding amounts to -R3, 955,991.00, then when added together amounts to –R8, 770,131.57. This analysis is an indication that the municipality is unable to meet its obligations and has serious cash flow problems.

Corrective measures:

1. Implementation of debtors control as indicated above
2. Development of cost recovery plan
3. Development of revenue enhancement strategy
4. Implementation of strict supply chain management

