



UTHUNGULU



ANNUAL BUDGET OF

uThungulu District Municipality

2016/17 TO 2018/19

FINAL MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

MAY 2016

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Table of Contents

PART 1 – ANNUAL BUDGET	2
1.1 MAYOR’S REPORT	2
1.2 COUNCIL RESOLUTIONS	2
1.3 EXECUTIVE SUMMARY	3
1.4 OPERATING REVENUE FRAMEWORK	9
1.5 OPERATING EXPENDITURE FRAMEWORK	14
1.6 CAPITAL EXPENDITURE	27
1.7 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	34
1.8 ANNUAL BUDGET TABLES - MUNICIPALITY	129
PART 2 – SUPPORTING DOCUMENTATION	146
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	1466
2.2 SCHEDULE OF KEY DEADLINES	146
2.3 PROCESS FOR INTEGRATION OF THE IDP AND BUDGET	147
2.4 PROCESS TO RECORD AND INTEGRATE INPUT FROM THE COMMUNITY	147
2.5 PROCESS AND MEDIA USED TO PROVIDE INFORMATION ON BUDGET AND IDP	149
2.6 ALIGNMENT OF BUDGET WITH IDP	150
2.7 IDP FOCUS AREAS	150
2.8 IDP STRATEGIC OBJECTIVES	152
2.9 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS	155
2.10 OVERVIEW OF THE BUDGET RELATED POLICIES	161
2.11 LEGISLATION COMPLIANCE STATUS	161
2.12 ANNUAL BUDGET TABLES – UTHUNGULU FRESH PRODUCE MARKET	163
2.13 ANNUAL BUDGET TABLES – CONSOLIDATED BUDGET	168
2.14 MUNICIPAL MANAGER’S QUALITY CERTIFICATE	178

List of Tables

Table 1 Consolidated Overview of the 2016/2017 MTREF	5
Table 2 Overview of the 2016/17 DORA grants	6
Table 3 Summary of revenue classified by main revenue source	10
Table 4 Summary of Operating Expenditure by Standard Classification Item	14
Table 5 Detailed Listing of Operational IDP Projects	19
Table 6 Detailed Listing of Capital Projects	28
Table 7 MBRR Table A1 – Budget Summary	129
Table 8 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)	131
Table 9 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)	133
Table 10 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)	134
Table 11 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source	137
Table 12 MBRR Table A6 - Budgeted Financial Position	139
Table 13 MBRR Table A7 - Budgeted Cash Flow Statement	141
Table 14 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation	142
Table 15 MBRR Table A9 - Asset Management	143
Table 16 MBRR Table A10 - Basic Service Delivery Measurement	145

List of Figures

Figure 1 Total Budget for the 2016/17 MTREF.....	8
Figure 2 Revenue per Classification for the 2016/17 financial year.....	9
Figure 3 Revenue per Source for the 2016/17 financial year	13
Figure 4 Main Operational Expenditure Categories for the 2016/17 financial year.....	16
Figure 5 Operational Expenditure by Vote for the 2016/17 financial year	18
Figure 6 Capital Budget by Funding Source for the 2016/17 financial year.....	33

Abbreviations and Acronyms

AMR	Automated Meter Reading		Programme
ASGISA	Accelerated and Shared Growth Initiative	MIG	Municipal Infrastructure Grant
BPC	Budget Planning Committee	MM	Municipal Manager
CBD	Central Business District	MMC	Member of Mayoral Committee
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
CPI	Consumer Price Index	MSA	Municipal Systems Act
CRRF	Capital Replacement Reserve Fund	MTEF	Medium-term Expenditure Framework
DBSA	Development Bank of South Africa	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	MWIG	Municipal Water Infrastructure Grant
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GFS	Government Financial Statistics	PMS	Performance Management System
GRAP	General Recognised Accounting Practice	PPE	Property Plant and Equipment
HR	Human Resources	PPP	Public Private Partnership
HSRC	Human Science Research Council	PTIS	Public Transport Infrastructure System
IDP	Integrated Development Strategy	RBIG	Regional Bulk Infrastructure Grant
IT	Information Technology	RG	Restructuring Grant
k	kilolitre	RSC	Regional Services Council
km	kilometre	SALGA	South African Local Government Association
KPA	Key Performance Area	SAPS	South African Police Service
KPI	Key Performance Indicator	SDBIP	Service Delivery Budget Implementation Plan
kWh	kilowatt litre	SMME	Small Micro and Medium Enterprises
LED	Local Economic Development		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		

Part 1 – Annual Budget

1.1 Mayor's Report

The Mayors report will be included once the Honourable Mayor has presented her 2016/2017 final budget Speech before Council on Wednesday, 25 May 2016.

1.2 Council Resolutions

On 25 May 2016 the Council of UThungulu District Municipality met in the Council Chambers of UThungulu House to consider the final consolidated annual budget of the municipality for the financial year 2016/17. The Council approved and adopted the following resolutions:

1.2.1 The Council of UThungulu District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1.2.1.1 The final consolidated annual budget of the municipality and its entity for the financial year 2016/17 and the multi-year and single-year capital appropriations as set out in the following tables:

1.2.1.1 (a) Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2 on page 39;

1.2.1.1 (b) Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3 on page 41;

1.2.1.1 (c) Consolidated Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 on page 42; and

1.2.1.1 (d) Consolidated Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5 on page 45.

1.2.1.2 The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:

1.2.1.2 (a) Consolidated Budgeted Financial Position as contained in Table A6 on page 47;

1.2.1.2 (b) Consolidated Budgeted Cash Flows as contained in Table A7 on page 49;

1.2.1.2 (c) Consolidated Cash backed reserves and accumulated surplus reconciliation as contained in Table A8 on page 50;

1.2.1.2 (d) Consolidated Asset management as contained in Table A9 on page 51; and

1.2.1.2 (e) Basic service delivery measurement as contained in Table A10 on Page 53.

1.2.2 The Council of UThungulu District Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016:

1.2.2.1 the tariffs for the supply of water, sanitation, solid waste, cemetery and other miscellaneous fees – as set out on page 11 of the Annexure.

1.3 Executive Summary – uThungulu District Municipality

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's core business and service delivery priorities were again reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core items. This has resulted in estimated expenditure of nearly R280 million for the 2016/17 financial year being reduced. Key areas where savings were realized was on staff costs due to reprioritisation of vacancies and limiting of overtime budget, as well as a reduction in the budget for the following expenditure types being printing and stationery, subsistence and travel, accommodation and catering. Furthermore, it be noted that that budget for overtime has been aligned to the Council's overtime policy where only employees earning below the threshold as determined by the Minister of labour as well as employees deemed to be performing essential and emergency work are catered for.

The Municipality has over the years embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people led government. Added to this is the rollout of smart prepaid meters in some of our local municipalities where uThungulu is a water services provider.

Various National Treasury's MFMA Circulars were used to guide the compilation of the 2016/17 MTREF, with special emphasis on Circulars 78 and 79.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The ongoing difficulties in the national and global economy;
- The depreciation of the exchange rate and its effect on the economic growth and the job opportunities;
- Aging and poorly maintained water and waste water infrastructure;
- The devastating effect of the drought that has persisted in the province and the uThungulu district in particular which have necessitated the provision of water through water tankers which is a very expensive way of providing water;
- The backlogs, unavailability of water sources and severe drought that has affected the District in recent months and.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of watertreatment and reticulation which is placing upward pressure on service tariffs to residents. It be noted that uThungulu's internally

funded capital in terms of the draft budget accounts for 6% of the total capital budget, most of the capital budget is grant funded mainly through MIG, RBIG and WSIG which is for backlog eradication and bulk pipeline infrastructure layout. Furthermore, it must be noted that the depreciation is now being partially cashbacked which will assist in increasing own Capital spend going forward.

- The district is predominantly rural and households are sparsely located thereby making billing and credit control an expensive exercise.
- The cost to operate and maintain newly rolled out projects when collection does not break even when compared to associated costs like chemicals and electricity and in some instances tariffs of water boards and other neighbouring WSA's.

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs; the uThungulu District municipality has not attained that yet, but we intend to put together a strategy to move towards cost reflective tariffs with minimal impact on the consumer.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- An in-depth analysis was done for the following items and allocations to these items had to be supported by a motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - New positions, except those that are of critical importance;
 - Overtime limited to 2% of remuneration only for employees qualifying for such;
 - Furniture and office equipment;
 - Catering;
 - Conferences;
 - Ad-hoc travelling; and
 - Delegations.

In view of the aforementioned, the following table is an overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

Table 1 Overview of the 2015/16 MTREF

2016/2017 Multi Year Budget Summary - Final							
	2016/2017 Draft Budget	2016/2017 Final Budget	Change Amount	Change %	2017/2018 Budget	2018/2019 Budget	Total for MTREF
Revenue by Source							
- Grants & subsidies	472 299 000	472 299 000	-	0.00%	472 887 000	448 385 000	1 393 571 000
- Equitable Share	203 714 000	203 714 000	-	0.00%	216 688 000	236 026 000	656 428 000
- Levy Replacement Grant	229 691 000	229 691 000	-	0.00%	247 769 000	270 435 000	747 895 000
Total Government Grant & Subsidies	905 704 000	905 704 000	-	0.00%	937 344 000	954 846 000	2 797 894 000
Public Contributions							
- Richards Bay Minerals	6 000 000	6 000 000	-	0.00%	-	-	6 000 000
Total Public Contributions	6 000 000	6 000 000	-	0.00%	-	-	6 000 000
- Sundry Income	11 714 159	11 714 159	-	0.00%	874 231	923 684	13 512 074
- Interest Income	37 489 376	37 489 376	-	0.00%	38 143 623	40 432 240	116 065 239
Total Other Income	49 203 536	49 203 536	-	0.00%	39 017 853	41 355 924	129 577 313
Trading Services	75 833 679	75 833 679	-	0.00%	88 518 395	97 370 234	261 722 307
Borrowings - New Loan - Landfill Site	-	-	-	0.00%	45 000 000	-	45 000 000
2015/16 Reserves	-	3 250 995	3 250 995	0.00%	-	-	3 250 995
Surplus Brought Forward (2015/2016) - VAT on Grants	38 084 475	38 084 475	-	0.00%	26 480 548	7 772 418	72 337 442
Total Revenue	1 074 825 689	1 078 076 684	3 250 995	0.30%	1 136 360 796	1 101 344 577	3 315 782 057
Expenditure							
Non-trading services	207 950 793	208 481 726	530 933	0.26%	208 394 542	217 889 371	634 765 640
Trading Services	353 971 968	353 441 036	-530 933	-0.15%	376 453 544	399 847 589	1 129 742 169
Operational IDP	107 861 377	107 561 377	-300 000	-0.28%	109 325 296	135 654 711	352 541 384
Capital IDP & Internal Fixed Assets	462 641 500	466 192 495	3 550 995	0.77%	506 445 158	418 117 750	1 390 755 403
Total Expenditure	1 132 425 639	1 135 676 634	3 250 995	0.29%	1 200 618 541	1 171 509 421	3 507 804 596
LESS : DEPRECIATION NOT CASH BACKED	57 599 950	57 599 950	-	0.00%	64 257 745	70 164 844	192 022 538
TOTAL EXPENDITURE EXCL. DEPN	1 074 825 689	1 078 076 685	3 250 995	0.30%	1 136 360 796	1 101 344 577	3 315 782 058
BUDGET SHORTFALL	-	-	-	-	-	-	-

It can be noted from the above table that the total revenue budget for the District for 2016/17 financial year is R1.078b, whereas the total expenditure is expected to be R1.136b. The amount of R58m relates to a depreciation provision which is currently not cash backed, to be noted that the total depreciation for the ensuing financial year is estimated at R64m.

Total operational expenditure, trading and non – trading services including operational IDP projects amounts to R669m for 2016/17 increasing to R694m in 2017/18 and R753m in 2018/19 financial years.

The total capital budget for the 2016/17 financial year is R466m, increasing slightly to R506m and decreasing to R418m in two outer years of the MTREF.

The detailed grant allocations from National Treasury, per the Division of Revenue Bill, 2016 was made available from the 24th February 2016 on National Treasury's website. Furthermore, Provincial allocations have been Gazetted by the honourable KwaZulu Natal MEC for Finance and have been factored accordingly into the draft and final 2016/2017 Medium term budget.

The following table depicts the grant allocations as contained in the 2016 Division of Revenue Bill in comparison to the projections of the 2015 Division of Revenue Act grant allocation;

Table 2 Overview of the 2016/17 grants allocation for the MTREF

TOTAL ALLOCATIONS PER DORB 2016		DORB 2015	DORB 2016			DORB 2016 MEDIUM TERM FORECAST	
Name of Grant	Responsible Dept	Budget 16/17 Forecast	Budget 16/17 Gazetted	Variance	% Change	Budget 17/18	Budget 18/19
Equitable Share	Finance	214 436 000	203 714 000	-10 722 000	-5%	216 688 000	236 026 000
Levy Replacement Grant	Finance	229 691 000	229 691 000	-	0%	247 769 000	270 435 000
Municipal Systems Improvement Grant	Finance	960 000	1 041 000	81 000	8%	1 637 000	-
Water services operating & transfer subsidy	Technical	4 000 000	-	-4 000 000	-100%	-	-
Local Finance Management Grant	Finance	1 250 000	1 250 000	-	0%	1 250 000	1 000 000
Municipal Infrastructure Grant	Technical	182 681 000	165 170 000	-17 511 000	-10%	177 966 000	188 685 000
Municipal Water Infrastructure Grant	Technical	51 069 000	-	-51 069 000	0%	-	-
Water Services Infrastructure Grant	Technical	-	85 369 000	85 369 000	-	115 500 000	73 000 000
Rural Transport Services & Infrastructure	Technical	2 379 000	2 379 000	-	0%	2 532 000	2 673 000
EPWP Incentive Grant	Technical	-	5 466 000	5 466 000	0%	-	-
Regional Bulk Infrastructure Grant	Technical	262 224 000	211 224 000	-51 000 000	-19%	173 602 000	182 527 000
Water Services Operating Subsidy (Grant-in-kind)	Technical	-	-	-	0%	-	-
Rural Households Infrastructure Grant	Technical	4 300 000	-	-4 300 000	-	-	-
Total Gazetted Grants		952 990 000	905 304 000	-47 686 000	-5%	936 944 000	954 346 000

The Equitable Share allocation has seen a decrease of R10, 7m when compared to the 2015/16 projections as Gazette in the 2015 Division of Revenue Act. The most likely cause for Equitable Share decrease is the Ntambanana (KZ283) wards that are moving to the City of uMhlathuze (KZ282), uThungulu will no longer be the Water Services Authority in those wards.

The Levy Replacement Grant remained unchanged from the 2015 projections with an estimated growth of R18m, (8%) and R22m, (9%) over the two outer years of the MTREF respectively. To be noted that National Treasury has still not pronounced itself on the way forward regarding this grant, discussion are still underway and various proposals are being investigated.

The Municipal Systems Improvement Grant has increased slightly by R81, 000, from R960, 000 to R1,041, 000.

The Municipal Infrastructure Grant has been allocated at R183m, a decrease of R18m when compared with the 2015 projections, it is expected that this grant will increase to R178m in the 2017/18 financial year and thereafter to R189m in 2018/19.

An amount of R211m has been allocated for the Regional Bulk Infrastructure Grant (RBIG), this translates to a decrease of R51m when compared to the DORA 2015 projections. The two outer years have been allocated R174m and R183m respectively.

The Water Services Operating Grant (WSOG), Municipal Water Infrastructure Grant (MWIG) and Rural Households Infrastructure Grants (RHIG) have been discontinued. These have been replaced by a single grant namely Water Services Infrastructure Grant (WSIG), which has an allocation of R83m for the 2016/17 financial year. These three grants had a combined allocation of R59m in the 2015 DORA, therefore there is a net increase of R24m as the 2016 DORA allocation is R83m.

Other grants that have been allocated to the district are;

- Finance Management Grant, R1.25m
- Rural Transport Services and Infrastructure grant, R2.37m
- Planning Shared Services Grant (Provincial), R0.4m

The total operating expenditure (excluding operating IDP projects) for the 2016/17 financial year has been appropriated at R562m. It is expected that operational expenditure will grow by an average of 4 per cent in the 2017/18 budget and by 6% in the 2018/19 financial year.

The operational IDP projects budget for 2016/17 have increased by 28% compared to the 2015/16 MTREF projections, in 2017/18 there is a minimal increase of less than 1 percent and then an increase of 24% in the 2018/19 financial year.

The capital budget of R466m for 2016/17 is 5% less when compared to the 2015/16 projections. The reduction is due to various projects being finalised in the previous financial year as well as affordability constraints in the light of current economic circumstances. The capital programme increases to R506m in the 2017/18 financial year and then further decrease to R418m in the 2018/2019 financial year, which translates to a total capital budget of R1.39b over the medium term.

Included in the 2017/18 capital budget is an amount of R45m which is required for the construction of cell 3 of the landfill site. It is anticipated that this funding will be raised through borrowings, although other alternate funding options are currently being investigated, such as Public Private Partnership (PPP). An amount of R3.25m for feasibility and design of cell 3 has been included in the 2016/17 budget and has been funded from the accumulated reserves.

To be noted that a substantial portion of the capital budget will be funded from the MIG and the Regional Bulk Infrastructure Grant over MTREF as well as the newly introduced Water Services Infrastructure Grant (WSIG), which has been gazetted for the 2016/17 financial year. The grant is aimed at accelerating the delivery of clean water to communities that do not have access to basic water services. The grant provides funding for municipalities to plan and implement various projects; including the construction of new infrastructure and the refurbishment and extension of existing water schemes, as well as interventions aimed at mitigating the effect of the drought in affected areas.

Capital grants will contribute 94% of capital expenditure for the 2016/17, 86% for 2017/18, and 98% for the 2018/19 financial year.

The figure below graphically depicts the split of the final budget for 2016/17 between Operational and Capital vs the 2015/16 Adjusted budget and the 2016/17 budget approved as part of the multi year budget in May 2015.

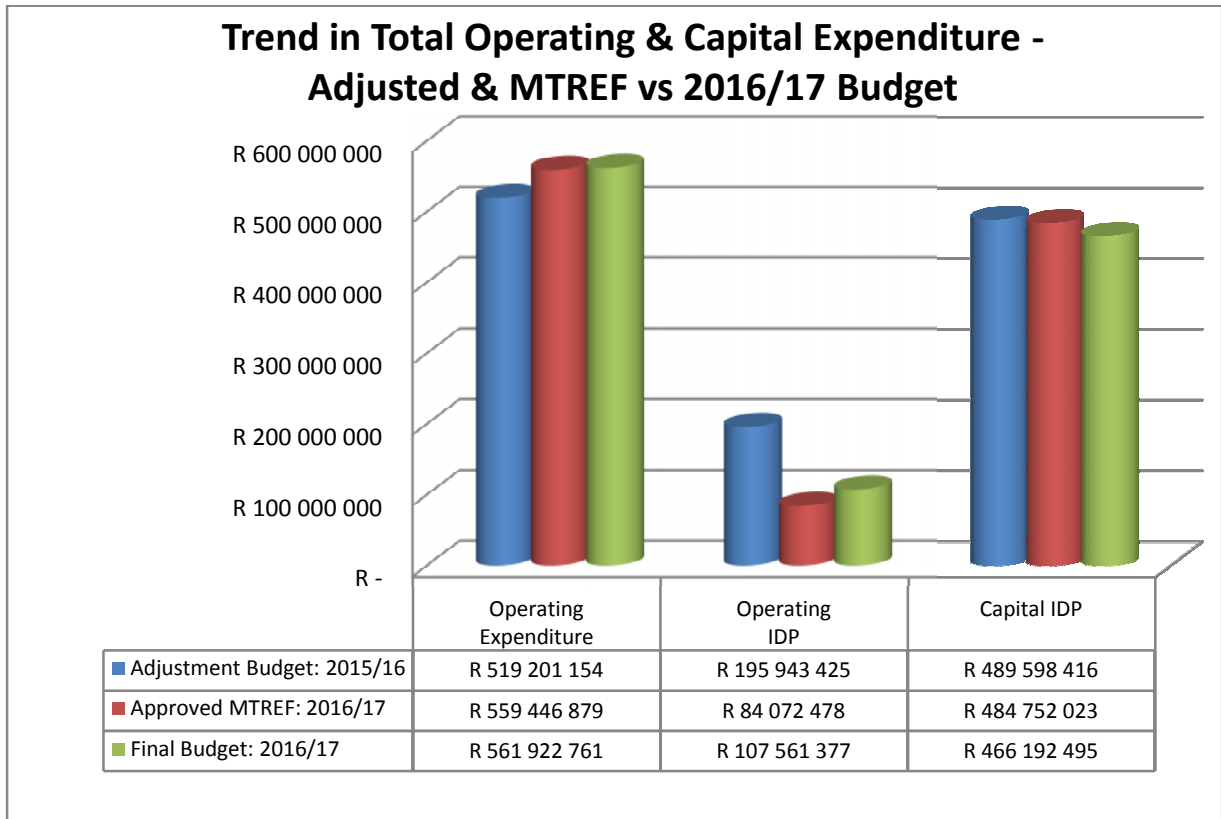


Figure 1 Operating & Capital Budget for the 2016/17 financial year

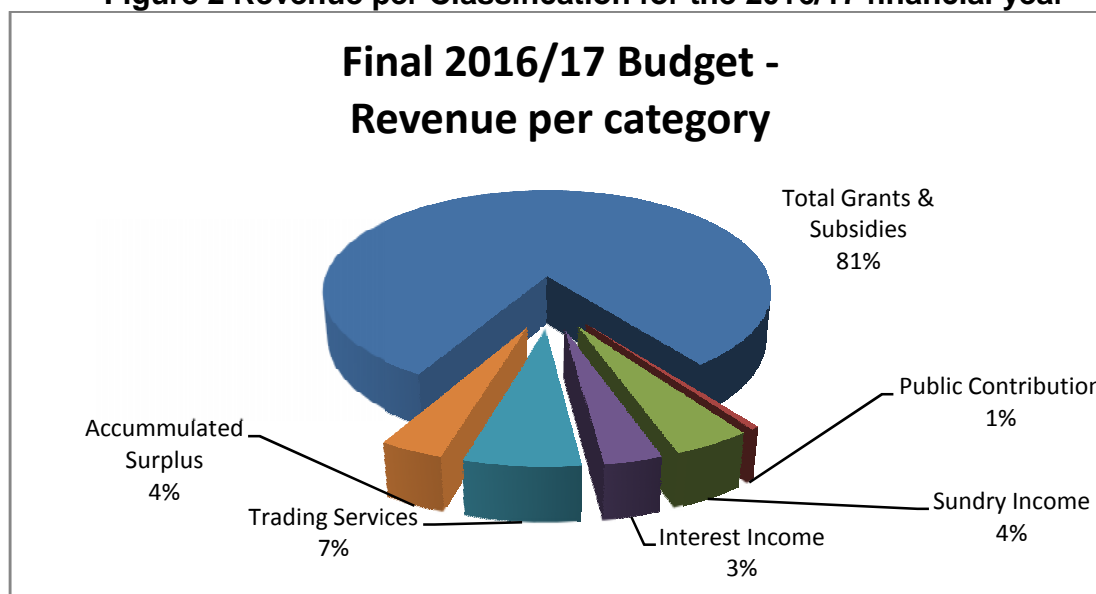
1.4 Operating Revenue Framework

For uThungulu District Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty, coupled with the global economic crisis. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and expected economic development;
- Efficient revenue management, which aims to ensure a 82 per cent annual collection rate for Water, Sanitation and Solid Waste service charges;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- The rollout of prepaid water meters (smart meters) to all indigent consumers and new water projects;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service, while taking into account the affordability levels of the consumers;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and Incentive policies and rendering of free basic services; and
- Tariff policies of the Municipality.

Figure 2 Revenue per Classification for the 2016/17 financial year



The figure above indicates the 2016/17 municipal revenue per service.

The above graph depicts the municipality's reliance on grants and subsidies making up 81% of the revenue source. Trading Services is the second at only 7%, interest income 3%, sundry income 4%, accumulated surpluses 4% and 1% from public contributions.

The following table is a summary of the 2016/17 MTREF (classified by main revenue source):

Table 3 Summary of revenue classified by main revenue source

DC28 uThungulu - Table A4 Budgeted Financial Performance (revenue and expenditure)								
Description	Current Year 2015/16		2016/17 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
Revenue By Source								
Service charges - water revenue	45 709	7%	46 595	7%	56 356	8%	61 991	9%
Service charges - sanitation revenue	5 421	1%	6 178	1%	6 796	1%	7 475	1%
Service charges - refuse revenue	14 327	2%	22 671	4%	24 938	4%	27 432	4%
Service charges - other	291	0%	389	0%	428	0%	471	0%
Rental of facilities and equipment	–	0%	50	0%	50	0%	50	0%
Interest earned - external investments	32 574	5%	37 197	6%	37 834	5%	40 104	6%
Interest earned - outstanding debtors	276	0%	293	0%	310	0%	329	0%
Transfers recognised - operational	477 364	68%	472 693	74%	499 124	71%	540 068	79%
Other Revenue	122 816	18%	53 000	8%	72 305	10%	8 646	1%
Total Revenue (excluding capital transfers and contributions)	698 778	100%	639 065	100%	698 141	100%	686 567	100%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, Gazette 32141, issued 17 April 2009, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from service charges forms a minimal percentage of the internally generated funds of the Municipality, that being the interest on investments and service charges. The Interest on external investments has been increased by 5 percent when compared with the 2015/16 Adjustments Budget, this is due to the higher repo rate as currently approved by the reserve bank. A notable trend is the increase in the total percentage revenue generated from water services charges which increases from R47m in 2016/17 to R62m by 2018/19. The water sales contribution to the total service charges revenue is 61% for 2016/17, and 64% for 2017/18 and the 2018/19 financial years. The above table excludes revenue foregone arising from rebates associated with the tariff policies of the Municipality.

Solid Waste is the second largest revenue source totalling 30 per cent or R23 million rand and is expected to increase to R27 million by 2018/19. Another source of revenue is 'other revenue' which consists of various items such as income received from issuing of tender documents, map production and miscellaneous fees. The

municipality will review the tariffs of these items on an annual basis to ensure we steadily move to a point where these are cost reflective and market related.

Operating grants and transfers totals R473 million in the 2016/17, R499 million in the 2017/18 financial year and further increasing to R540 million in 2018/19. Note that the year-on-year growth for the 2017/18 financial year is 6% and increasing by 8% by 2018/19 financial year.

Tariff-setting is a very important and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality. The proposed tariffs were discussed at length in the Budget Steering Committee meeting and a consensus was reached to increase the tariffs in such a way that it will have a minimal impact on the citizens of the district.

National Treasury, in its MFMA Circulars 78 and 79 issued in December 2015 and March 2016 respectively, continues to encourage municipalities to keep increases in tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment which will in turn result in a huge debtors book.

The percentage increases of both Eskom and bulk water tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, they impact on the municipality's cost of service provision. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions, over and above being cross subsidised by the equitable share. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Sale of Water and Impact of Tariff Increases

The water Tariffs have been increased on average by 10% as a result of increases in the cost of chemicals and maintenance of the ageing infrastructure in some areas, as well as the bulk cost from Eskom and other major suppliers. It must be noted that consideration has been given to National Treasury's objective of tariffs being cost reflective, however Council has considered the plight of poor residents in the tariff

determination process and have thus agreed on an increase which though higher than National Treasury's guideline also attempts to attain cost reflective tariffs over the long term. The free basic water of 6kl is still applicable in the coming financial year only to domestic consumers, however registered indigent consumers shall benefit from 10kl of free water per month.

The roll out of prepaid meters commenced in the 2013/2014 financial year and the impact thereof is expected to materialise from the 2016/2017 financial year, wherein we would envisage the gradual reduction in arrear debts. However cognisance must be drawn to the possibility that consumers who have prepaid systems may start exercising water conservation mechanisms and thus reduce their demand for potable water which may affect the revenue generated. The cost of providing the water function in the 2016/2017 budget year amounts to R368m and revenue generated is a mere R47m therefore R321m is cross subsidised from both the equitable share and the levy replacement grant.

The proposed tariffs for households (residential) and non-residential consumers are detailed on Annexure C of the medium term budget report.

In taking cognisance of the country wide shortage of fresh water supplies the municipality have for the first time in the 2015/2016 financial year, introduced an additional tariff step, aimed at discouraging excessive water consumption through a high tariff. Furthermore it was noted that despite continuous communiqué during period of drought, many residents fail to heed Councils call for water reduction, therefore it was considered prudent to introduce as from 2015/2016 a tariff applicable during drought conditions, which is considerably higher than the normal rates.

1.4.2 Sanitation and Impact of Tariff Increases

As a result of all local municipalities having to comply with the Municipal Property Rates Act, Act 6 of 2004, it is now possible to calculate the sanitation tariffs for the district based on the new valuation rolls from these municipalities. The valuation rolls per KZ has been completed and the district has utilised these in the calculation of the sanitation tariffs, hence the implementation of the new sanitation tariffs commenced in the 2010/11 financial year. Subsequent to the adoption of valuation rolls in the 2010/2011 financial year, a further valuation roll was published by the Local Municipalities effective from 01 July 2012. The tariff increase for 2016/2017 has been determined at 10%.

Domestic Sewer tariffs have been revised to R0,00615c per rand value of the property. The minimum and maximum charge will be R 56.11 and R 218.85 per month respectively.

Business sewer has also been revised to R0.00615c per rand value of the business property. The minimum and maximum charge is R 145.89 and R 1,428.99 per month respectively.

A detailed listing of applicable sanitation tariffs is contained on Annexure C of the medium term budget report.

1.4.3 Regional Solid Waste – Landfill Site

The average increase in the tariff for the 2016/2017 year is 20%. Following the feasibility studies performed, Council needs to increase its solid waste tariffs above inflationary levels for several years, for the site to become financially viable. It must be further noted that cost reduction initiatives must be implemented as the current high cost of maintaining the site cannot be continuously be passed on to our consumers.

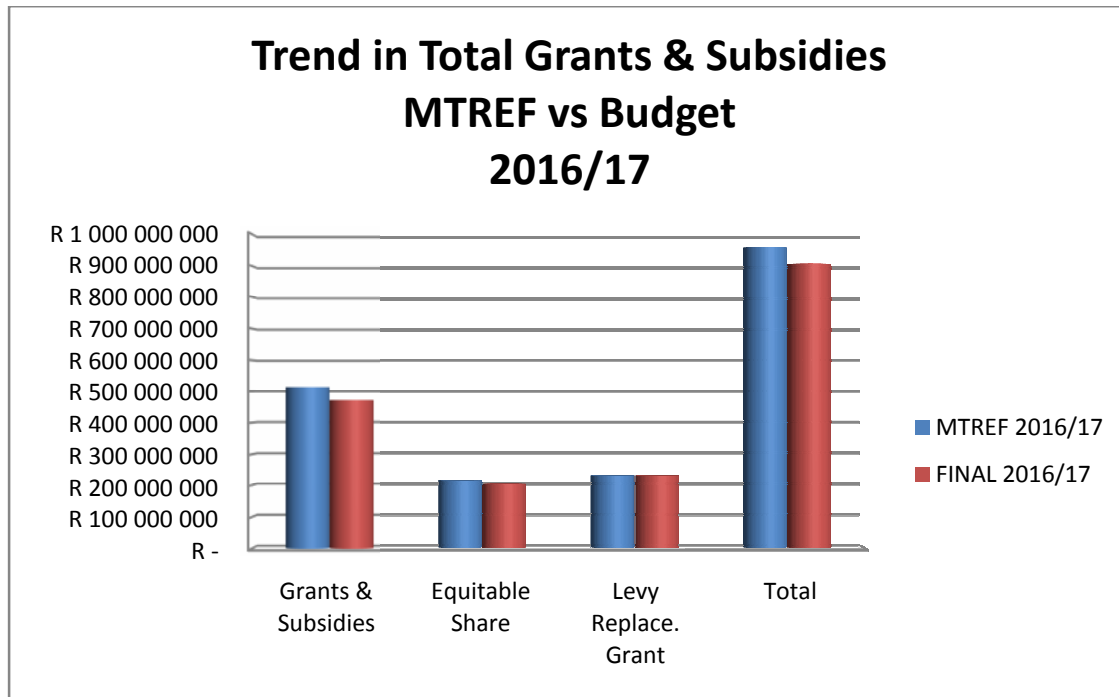


Figure 3 Grant Revenue for the Final Budget 2016/17 vs MTREF Budget 2016/17

The above graph pictorially depicts the municipality’s dependency on grants equating to a total of R906m for the 2016/17 financial year compared to R958m for the 2016/17 MTREF budget.

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- The Operations and Maintenance costs of the District's 284 water schemes.
- Balanced budget constraints (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the Water Services Development Plan and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and

The following table is a high level summary of the 2016/17 budget and MTREF (classified per main type of operating expenditure):

Table 4 Summary of operating expenditure by standard classification item

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Expenditure By Type									
Employee related costs	99 493	111 559	132 210	175 275	158 890	158 890	190 458	203 700	216 806
Remuneration of councillors	8 523	8 814	9 395	11 411	11 411	11 411	11 411	12 153	12 943
Debt impairment	4 190	4 330	10 260	3 637	3 637	3 637	3 834	4 037	4 260
Depreciation & asset impairment	50 917	48 971	48 881	52 920	52 920	52 920	64 000	71 397	77 961
Finance charges	19 376	13 637	12 672	16 656	16 656	16 656	17 447	7 518	7 854
Bulk purchases	29 466	32 471	39 224	40 533	43 841	43 841	48 010	45 589	48 142
Other materials	-	-	-	503	427	427	491	517	547
Contracted services	65 270	82 515	90 364	109 793	110 708	110 708	103 238	108 472	113 094
Transfers and grants	11 127	12 233	7 181	12 563	7 563	7 563	5 000	4 000	3 000
Other expenditure	182 879	203 369	282 124	220 768	309 092	309 092	225 595	236 789	268 784
Loss on disposal of PPE	265	193	1 406	-	-	-	-	-	-
Total Expenditure	471 506	518 092	633 717	644 059	715 145	715 145	669 484	694 174	753 391

The budgeted allocation for employee related costs for the 2016/17 financial year totals R190m. The total employee related cost budget, excluding Councillors remuneration equals 28.45 per cent of the total operating expenditure. The annual increase in salaries is 6% in line with the 2015 salary and wage agreement entered into between SALGA, the employer body, and the organized labour. The budget for councillors allowances has also been increased by 6%. As part of the Municipality's cost reprioritization new and vacant positions were thoroughly analyzed and only critical vacancies within the Municipality were accommodated. In addition expenditure against overtime has been significantly reduced, with provisions against this budget item only being provided for emergency services and other critical functions and limited to only 2% of the remuneration. Overtime for Senior managers and employees exceeding a remuneration threshold as determined by the Minister of Labour from time to time has not been budgeted for. Furthermore, medical aid budget was not provided

for employees who are currently not on medical aid, this will be revised during the mid year review. Should any employees join during the first six months, a provision will then be made in the February 2017 adjustment budget. This will assist to free up funds which end up being tied up in the medical aid budget and not being used most of the time.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. The total budget for Councillors' allowances for the 2016/17 financial year is R11.4m. An estimated increase of 6% has been applied for the Councillors remuneration.

The provision for debt impairment was determined based on an annual collection rate of between 90 and 95 per cent and the Credit and Debt Collection Policy of the Municipality. For the 2016/17 financial year this amount equates to R3.8 million and escalates to R4.3 million by 2018/19. While this expenditure is considered to be a non-cash flow item, it informs the total cost associated with rendering the services of the municipality, the municipality's realistically anticipated revenues and the depreciation also has to be cash backed.

Provision for depreciation and asset impairment has been informed by the Municipality's Property, Plant & Equipment Policy. Depreciation is considered to be a rate at which the asset is being consumed. Budget provisions in this regard total R64 million for the 2016/17 financial year and equates to 10 per cent of the total operating expenditure. To be noted that the implementation of GRAP 17 accounting standard has meant bringing a number of assets previously not included in the assets register onto the register. This exercise was done for the 2010/2011 financial year and has resulted in a significant increase in depreciation in relation to prior years. To be noted that the accumulated depreciation for the municipality amounts to R329m as per 2014/15 Annual Financial Statements. However, R6.4m of the 2016/17 financial year's depreciation is cash backed to provide for the Capital Reserve and this will continue over the medium term provided the municipality's revenues do not change.

Finance charges consist primarily of the repayment of interest on long-term loans as well as the uThungulu finance Partnership. These charges make up 3 per cent (R17.4 million) of the total operating expenditure for 2016/17. This expenditure item is expected to increase by 2017/18 due to the proposed loan of R45m which will be used to fund the construction of cell 3 of the landfill site. The uThungulu Finance Partnership is expected to come to an end in June 2017. To be noted that the municipality annually appoints a reputable credit rating agency to determine the creditworthiness and the financial health of the municipality.

Bulk purchases are directly informed by the purchase of bulk water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The budget for bulk purchases in 2016/17 amounts to R48m.

Contracted services consists mainly of the SSA contract, which amounts to R68.2m, and is currently outsourced to WSSA. To be noted that as part of the tender specifications, WSSA also undertakes repairs and maintenance of the water schemes in the uThungulu District, the total budget for this tender is budgeted for at R123m for the 2016/17 financial year.

This function was outsourced after a thorough investigation as required by section 78 of the Municipal Systems Act. The current tender was awarded during the 2013/14 financial year and has been extended until the end of 2015/16. A new section 78 report is expected to be tabled before Council soon and this will then determine a way forward in so far as the SSA contract is concerned.

Other major items included in Contract Services are as follows;

- Auditor General’s Fees R4.2m
- IT Services R2.2m
- Internal Audit & Audit Committees R2.6m
- Meter reading, Debt recovery & Cash Management R1,7m

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 6 per cent for 2016/17 – 2018/2019 MTREF. To be noted that included in other expenditure is Operational IDP projects amounting to R107m, which makes 48% of the Other expenditure category.

The following table gives a breakdown of the main expenditure categories for the 2016/17 financial year.

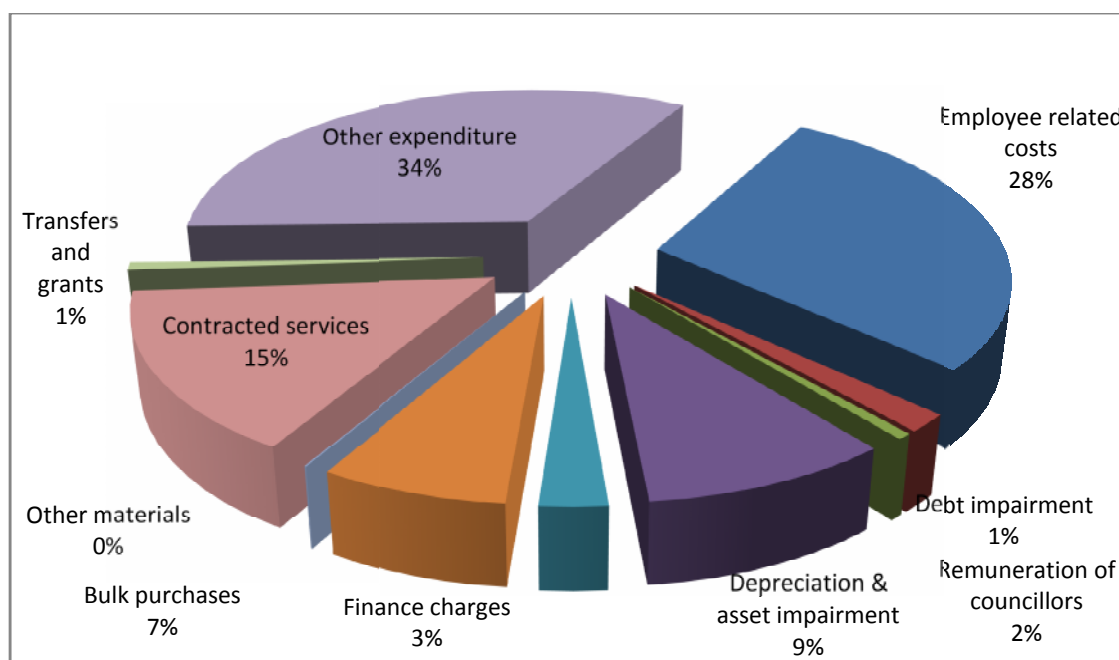


Figure 4 Main Operational Expenditure Categories for the 2016/17 financial year**1.5.1 Priority given to repairs and maintenance**

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2016/17 budget and MTREF provide for extensive growth in the area of asset maintenance.

During the compilation of the 2016/17 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure and historic deferred maintenance. Repairs and maintenance has been budgeted for at R55 million for the 2016/17 financial year. In relation to the total operating expenditure, repairs and maintenance contributes 10% of the total operating expenditure (excluding IDP Projects) for the 2016/17 financial year.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. Detail relating to free services, cost of free basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement) on page 53.

The cost of the social package of the registered indigent households is largely financed by National government through the local government equitable share received in terms of the annual Division of Revenue Act.

Figure 5 Operational Expenditure by Vote (Incl. IDP Projects) for the 2016/17 financial year.

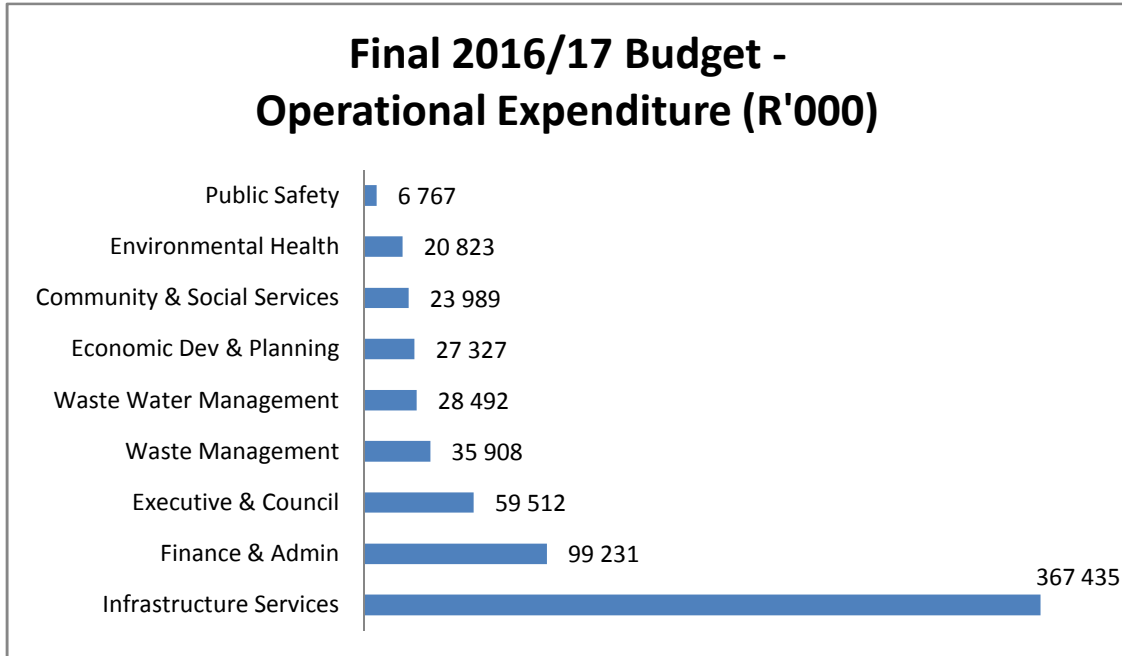


Table 5: -- Detailed listing of the Operational IDP Projects for the medium Term

OPERATIONAL PROJECTS						
PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Asset Care Centre	Update of Fixed Asset Register	MSIG	Asset Management	357 447	384 628	450 000
Insurance Claims	Operational Shortfall for insurance claims	Internal	Asset Management	200 000	200 000	300 000
			Asset Management Total	557 447	584 628	750 000
Rural Transport Services & Infrastructure	Rural Transport Services & Infrastructure	RRAMS	Auxillary Infrastructure	2 379 000	2 532 000	2 673 000
			Auxillary Infrastructure Total	2 379 000	2 532 000	2 673 000
Community Participation Programme	Community Participation Programme	Internal	Board General Expenses	250 000	300 000	350 000
Matric Achievers	Matric Achievers	Internal	Board General Expenses	150 000	150 000	150 000
Implementation of Section 81 - Amakhosi	Implementation of Section 81 - Amakhosi	Internal	Board General Expenses	300 000	350 000	350 000
Community Upliftment Programmes	Community Upliftment Programmes	Internal	Board General Expenses	200 000	250 000	350 000
			Board General Expenses Total	900 000	1 050 000	1 200 000
Automation of Budget Process	Automation of Budget Process	Internal	Budget Section	100 000	50 000	50 000
mSCOA	Implementation of mSCOA	MSIG	Budget Section	527 093	1 084 015	300 000
			Budget Section Total	627 093	1 134 015	350 000
Develop/Implement Air Quality Management Plan	Develop/Implement Air Quality Management Plan	Internal	Community Services	450 000	250 000	275 000
Tertiary Registration	Provide registration grants to assist needy students to register at tertiary institutions.	Internal	Community Services	150 000	180 000	200 000
School Uniforms	Provide school uniforms to reduce the number of school dropouts due to poverty.	Internal	Community Services	100 000	110 000	120 000
HIV/AIDS	Support the implementation of programmes, monitor and facilitate the functioning of uThungulu Aids Council.	Internal	Community Services	600 000	600 000	1 200 000
Operation SukumaSakhe	Socio economic profiling of households	Internal	Community Services	600 000	150 000	150 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Crime Prevention	Conduct Crime Prevention Campaigns	Internal	Community Services	150 000	150 000	150 000
Programs for the Marginalised	Gender Equality: Promote Gender Equality and Empowerment	Internal	Community Services	150 000	200 000	200 000
Programs for the Marginalised	Children's Rights: Implementation of District Childrens Rights Plan	Internal	Community Services	200 000	250 000	250 000
Programs for the Marginalised	Youth : Implement Youth Development Programmes	Internal	Community Services	600 000	800 000	1 000 000
Programs for the Marginalised	Women Empowerment Programmes	Internal	Community Services	150 000	200 000	250 000
Programs for the Marginalised	Disability:Implement the District Disability Plan	Internal	Community Services	300 000	400 000	500 000
Programs for the Marginalised	Senior Citizens : Create an enabling and supportive environment for Senior Citizens	Internal	Community Services	250 000	300 000	350 000
Culture, Arts & Heritage	Culture, Arts and Heritage: Co-ordinate Arts and Culture Programmes	Internal	Community Services	1 000 000	900 000	1 250 000
Sport Development	Federation/Club Support	Internal	Community Services	-	-	-
Sport Development	District Elimination Games	Internal	Community Services	450 000	550 000	550 000
Sport Development	District Golden Games	Internal	Community Services	157 500	165 375	200 000
Sport Development	Mayoral Cup	Internal	Community Services	1 000 000	600 000	800 000
Sport Development	District Marathon	Internal	Community Services	500 000	700 000	1 000 000
Sport Development	Sport Development	Internal	Community Services	500 000	700 000	
Sport Development	SALGA GAMES	Internal	Community Services	2 700 000	2 700 000	3 000 000
One Home one Garden	Povide seeds and seedlings to poor households.	Internal	Community Services	60 000	70 000	80 000
			Community Services Total	10 067 500	9 975 375	11 525 000
Risk Management Strategy - King III	Risk Management Strategy - King III	Internal	Corporate Services	150 000	200 000	250 000
Enterprise Risk Management	Enterprise Risk Management	Internal	Corporate Services	220 000	300 000	350 000
Fraud & Corruption Prevention	Fraud & Corruption Prevention	Internal	Corporate Services	150 000	150 000	200 000
			Corporate Services Total	520 000	650 000	800 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Clean Audit 2014 and Beyond - Systems Support	Water Meter Audit of all households within District ensuring that all metered connection are accounted for and billed accordingly.	Internal	Consumer Billing	400 000	500 000	600 000
			Consumer Billing Total	400 000	500 000	600 000
International Day for Disaster Risk reduction	International Day for Disaster Risk reduction	Internal	Disaster Management	100 000	150 000	200 000
Disaster Risk Reduction Programme	Disaster Risk Reduction Programme	Internal	Disaster Management	100 000	150 000	200 000
Temporary Shelter	Fire Fighting services	Internal	Disaster Management	310 000	400 000	500 000
A new system that will be able to send out alerts of early warning and other communication with stakeholders.	A new system that will be able to send out alerts of early warning and other communication with stakeholders.	Internal	Disaster Management	-	450 000	-
Establishment of Disaster Management Volunteers Programme	Establishment of Disaster Management Volunteers Programme	Internal	Disaster Management	-	200 000	250 000
Disaster Stock Items	Disaster Stock Items	Internal	Disaster Management	-	300 000	350 000
Temporary Shelter	Temporary Shelter	Internal	Disaster Management	-	450 000	500 000
			Disaster Management Total	510 000	2 100 000	2 000 000
Agriculture	Agripark Implementation	Internal	Economic Development	-	1 250 000	1 300 000
Agriculture	Forestry Dependant livelyhood - Sokhulu	Internal	Economic Development	730 000	1 500 000	3 500 000
Agriculture	Forestry Dependant livelyhood - Port Dunford	Internal	Economic Development	-	1 500 000	3 500 000
Agriculture	Forestry Dependant livelyhood - Nkandla	Internal	Economic Development	150 000	1 500 000	3 500 000
Agriculture	Hydroponics for Permaculture & Vermaculture	Internal	Economic Development	650 000	5 000 000	4 000 000
Agriculture	Farmer Support & Development	Internal	Economic Development	650 000		
Tourism Job Creation	Entrepreneurship Expo	Internal	Economic Development	200 000	200 000	250 000
Tourism Job Creation	Craft Marketing	Internal	Economic Development	250 000	350 000	800 000
Tourism Job Creation	Film Office	Internal	Economic Development	350 000	400 000	600 000
Tourism Job Creation	uThungulu Creative & Performing Arts Sector	Internal	Economic Development	300 000	-	-

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Tourism Job Creation	Local Film Production	Internal	Economic Development	500 000	-	-
Tourism Job Creation	TNPA Port Festival	Internal	Economic Development	300 000	600 000	700 000
Tourism Marketing	Cruise Ship	Internal	Economic Development	50 000	250 000	400 000
Tourism Marketing	Tourism Marketing Shows	Internal	Economic Development	300 000	350 000	500 000
Tourism Marketing	The King's Experience	Internal	Economic Development	600 000	800 000	1 000 000
Tourism Marketing	Back to School - Last Dance	Internal	Economic Development	700 000	1 000 000	1 100 000
Tourism Marketing	Liberation Heritage Route	Internal	Economic Development	400 000	500 000	500 000
Led Job Creation	LED Support and Implementation	Internal	Economic Development	650 000	450 000	500 000
Led Job Creation	Artisan Development	Internal	Economic Development	-	3 500 000	3 500 000
Led Job Creation	Black Industrialists Programme	Internal	Economic Development	750 000	1 000 000	1 200 000
Led Job Creation	Green Economy Projects	Internal	Economic Development	-	500 000	950 000
SMME Support & Development	SMME Support & Development	Internal	Economic Development	500 000	700 000	800 000
Annual Summit	Annual Summits	Internal	Economic Development	400 000	600 000	650 000
			Economic Development Total	8 430 000	21 950 000	29 250 000
Occupational Health & Safety	Implementation of Occupational Health & Safety Act	Internal	HR	100 000	200 000	200 000
Employee Assistance Programme	Implementation of Employee Assistance Programme	Internal	HR	500 000	550 000	600 000
Labour Relations	Expenses related to labour related matters	Internal	HR	100 000	100 000	100 000
Organisational Workstudy	Organisational Workstudy	Internal	HR	600 000	600 000	600 000
TASK Job Evaluation	TASK Job Evaluation Implementation (Est. of payscales)	Internal	HR	650 000	1 000 000	1 000 000
			HR Total	1 950 000	2 450 000	2 500 000
Organisational Workstudy & PMS	Organisational Workstudy & Systems Implementation of PMS	Internal	HR	400 000	600 000	600 000
			Performance Management Total	400 000	600 000	600 000
Clean Audit 2014 and Beyond - Systems Support	Outsource GRAP Compliance and Governance	Internal	Management Accounts	139 711	150 334	-

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Clean Audit 2014 and Beyond - AFS and Consolidations	Outsource GRAP Compliance and Governance	MSIG	Management Accounts	156 460	168 357	-
Acturial Valuations	Outsourcing for GRAP Compliance	Internal	Management Accounts	59 000	65 000	75 000
Credit Rating	To obtain credit rating for compliance and governance	Internal	Management Accounts	150 000	170 000	190 000
			Management Accounts Total	505 171	553 691	265 000
EPWP	EPWP	EPWP	MII	5 466 000	-	-
			MII Total	5 466 000	-	-
Special Events		Internal	MM's Department	800 000	500 000	600 000
Development and alignment of district IDP's	IDP Roadshows	Internal	Corporate Services	1 000 000	1 200 000	1 500 000
PR Marketing	Marketing + Billboards	Internal	MM's Department	800 000	450 000	500 000
Web-site Development	Marketing and Information of UDM	Internal	MM's Department	50 000	50 000	100 000
Business Continuity Plan	Business Continuity Plan	Internal	MM's Department	350 000	-	-
State of the District Address	Hosting of SODA	Internal	MM's Department	400 000	550 000	600 000
			MM's Department Total	3 400 000	2 750 000	3 300 000
Health Awareness	Health Awareness	Internal	Municipal Health	100 000	700 000	800 000
Clean Up Campaign	Clean Up Campaign	Internal	Municipal Health	-	-	-
			Municipal Health Total	100 000	700 000	800 000
Coastal Management Programme	Support 1 Coastal programme	Internal	Planning & Environmental	250 000	350 000	350 000
SPLUMA Implementation	Operation of district JMPT's	Internal	Planning & Environmental	400 000	650 000	650 000
Annual IDP Review	Development and alignment of district IDP's	Internal	Planning & Environmental	150 000	200 000	200 000
Sector Plans	District Integrated Transport Plan & LM Assistance	Internal	Planning & Environmental	400 000	1 000 000	1 000 000
			Planning & Environmental Total	1 200 000	2 200 000	2 200 000
Mig Projects Advertisements	MIG Projects Advertisements	MIG	PMU	100 000	-	-
			PMU Total	100 000	-	-

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Construction of VIP Sanitation	Mbonambi (281-5) VIP Sanitation Project Phase 5	MIG	Waste Water	9 393 000	-	-
Construction of VIP Sanitation	Nkandla (286-7) - VIP Sanitation Project Phase 7	MIG	Waste Water	1 000 000	-	-
Construction of VIP Sanitation	Umlalazi (284- 9&10) VIP Sanitation Project Phase 9 & 10	WSIG	Waste Water	4 300 000	4 500 000	5 000 000
Construction of VIP Sanitation	Umlalazi (284-9) - VIP Sanitation Project Phase 9	MIG	Waste Water	10 000 000	-	-
Construction of VIP Sanitation	Umlalazi (284-10) - VIP Sanitation Project Phase 10	MIG	Waste Water	-	20 000 000	20 000 000
			Waste Water Total	24 693 000	24 500 000	25 000 000
Blue DrOp Rating	Water Services Authority bluedrop rating	Internal	WSA	150 000	200 000	200 000
GIS Operational Budget	GIS Operational Budget	Internal	WSA	50 000	75 000	100 000
GIS Development & Training	GIS Development & Training	Internal	WSA	50 000	75 000	100 000
Water / Sanitation Awareness Campaigns	Water / Sanitation Awareness Campaigns	Internal	WSA	100 000	120 000	150 000
National Arbor Week	National Arbor Week	Internal	WSA	100 000	120 000	150 000
National Water Week	National Water Week	Internal	WSA	100 000	120 000	150 000
Blue/Green Drop compliance	Blue/Green Drop compliance	Internal	WSA	50 000	75 000	100 000
Water Events	Water Events	Internal	WSA	100 000	120 000	150 000
Water loss management strategy - Implementation	Water loss management strategy - Implementation	Internal	WSA	400 000	500 000	600 000
DWAF Water Resource Compliance	DWAF Water Resource Compliance	Internal	WSA	400 000	500 000	600 000
Annual Update of WSDP	Annual Update of WSDP	Internal	WSA	400 000	500 000	600 000
Water Quality Improvement Interventions	Water Quality Improvement Interventions	Internal	WSA	-		
Water Treatment Works & Waste Water TW Registration	Water Treatment Works & Waste Water TW Registration	Internal	WSA	500 000	500 000	600 000
Implementation of Section 78 Assessment	Implementation of Section 78 Assessment	Internal	WSA	400 000	500 000	600 000
Raw Water Abstraction Fee	Raw Water Abstraction Fee	Internal	WSA	700 000	800 000	1 500 000
Asset Management	Asset Management	Internal	WSA	250 000	300 000	350 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Green Drop Rating	Cleaning/ Desludging of ponds at all wastewater treatment plants	Internal	WSP	700 000	1 000 000	1 200 000
Drought	Drought Relief (water carting)	Internal	WSP	34 356 166	23 740 587	38 791 711
Survival Water Borehole	Survival Water Borehole	Internal	WSP	700 000	1 000 000	1 300 000
Green Drop Rating	Refurbishment of ponds	Internal	WSP	700 000	800 000	900 000
Green Drop Rating	Green Drop Compliance	Internal	WSP	100 000	150 000	200 000
Green Drop Rating	Green Drop rating	Internal	WSP	150 000	175 000	200 000
Blue Drop Compliance	Compliance testing	Internal	WSP	150 000	175 000	200 000
			WSP Total	36 856 166	27 040 587	42 791 711
WC/WDM Awareness Campaigns	WC/WDM Awareness Campaigns	Internal	WUE	400 000	250 000	250 000
Mains and Reticulation leak detection surveys and repairs	Mains and Reticulation leak detection surveys and repairs	Internal	WUE	500 000	300 000	300 000
Upgrade to existing Telemetry	Upgrade to existing Telemetry	Internal	WUE	500 000	-	-
Evaluation of condition of deteriorating Infrastructure	Evaluation of condition of deteriorating Infrastructure	Internal	WUE	250 000	500 000	500 000
Planned Mains replacement programs	Planned Mains replacement programs	Internal	WUE	300 000	500 000	50 000
Domestic leak repair and domestic plumbing and Re-tro fitting programs	No Drop Compliance	Internal	WUE	500 000	500 000	500 000
Top 100 consumer investigation and meter change out	No Drop Compliance	Internal	WUE	300 000	300 000	300 000
Allowance for reservoir outlet meter repair/replacement/installation	No Drop Compliance	Internal	WUE	500 000	300 000	300 000
Development of Water loss related policies, i.e real loss reduction and apparent loss policies	Development of Water loss related policies, i.e real loss reduction and apparent loss policies	Internal	WUE	500 000	300 000	300 000
Development and Implementation of Operations and Maintenance Plans, Asset Management Plans and Rehabilitation Plans	Development and Implementation of Operations and Maintenance Plans, Asset Management Plans and Rehabilitation Plans	Internal	WUE	500 000	300 000	300 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
GIS reference and check, GPS all properties and gather data regarding meter, level of service (both water and sanitation)	GIS reference and check, GPS all properties and gather data regarding meter, level of service (both water and sanitation)	Internal	WUE	500 000	300 000	300 000
			WUE Total	4 750 000	3 550 000	3 100 000
			Grand Total	107 561 377	109 325 296	135 654 711

1.6 Capital expenditure

The following table and figure provides a breakdown of budgeted capital expenditure by vote:

Description	2016/17 Medium Term Revenue & Expenditure Framework					
	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
R thousand						
Capital Expenditure per Vote						
Executive & Council	3 200	1%	100	0%	100	0%
Finance & Administration	7 700	2%	3 150	1%	950	0%
Environmental Health	300	0%	–	0%	–	0%
Community & Social	380	0%	450	0%	440	0%
Public Safety	–	0%	–	0%	–	0%
Planning & Economic Development	100	0%	100	0%	100	0%
Waste Management	3 251	1%	45 000	9%	–	0%
Waste Water Management	50	0%	50	0%	575	0%
Water Distribution	451 212	97%	457 595	90%	415 953	99%
Total Capital Budget	466 192	100%	506 445	100%	418 118	100%

Capital Expenditure by Vote for the 2016/17 financial year.

For 2016/17 an amount of R466million has been appropriated for the development of water infrastructure which represents 97 per cent of the total capital budget, decreasing to 90% in 2017/18 and again increasing to 99% in the 2018/19 financial year. Infrastructure gets the biggest share of the capital budget followed by Finance and Administration at R7.7m for the 2016/17 financial year, included in this amount is a budget allocated to the implementation of the Municipal Standard Chart of Accounts (mSCOA) which comes into effect from 1 July 2017.

Included in the 2017/18 capital budget is an amount of R45m which is required for the construction of cell 3 of the landfill site. It is anticipated that this funding will be raised through borrowings, although other alternate funding options are currently being investigated, such as Public Private Partnership (PPP). An amount of R3.25m for feasibility and design of cell 3 has been included in the 2016/17 budget and has been funded from the accumulated reserves.

Table 6: - Detailed listing of the Capital Projects for the Medium Term

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Insurance Claims (Capital)	Shortfall for insurance claims	Internal	Asset Management	250 000	400 000	450 000
			Asset Management Total	250 000	400 000	450 000
INTERNAL MOVABLE ASSETS	Internal Moveable Assets	Internal	Board General Expenses	3 200 000	100 000	100 000
			Board General Expenses Total	3 200 000	100 000	100 000
mSCOA	Implementation of mSCOA	Internal	Budget Section	5 000 000	1 500 000	500 000
			Budget Section Total	5 000 000	1 500 000	500 000
Establishment of Air Quality Monitoring Network	Establishment of Air Quality Monitoring Network	Internal	Community Social Services	-	50 000	-
Implementation of Air Quality Management Plan	Development and Update of Emission Inventory System	Internal	Community Social Services	180 000	150 000	200 000
Implementation of Air Quality Management Plan	Development and alignment of AEL system with national	Internal	Community Social Services	200 000	150 000	200 000
			Community Social Services Total	380 000	350 000	400 000
Internal Assests	Office equipment	Internal	Economic Development	50 000	50 000	50 000
			Economic Development Total	50 000	50 000	50 000
Internal Movable Assets	Internal Movable Assets	Internal	Environmental Health	300 000	-	-
			Environmental Health Total	300 000	-	-
Internal Movable Assets	Office Ergonomisation Project	Internal	Finance Executive	1 000 000	500 000	-
			Finance Executive Total	1 000 000	500 000	-
Document Management System	Document Storage	Internal	IT	-	70 000	75 000
Collaboration System Software	Workflow Development	Internal	IT	-	70 000	75 000
Network Refresh	Computer and network components	Internal	IT	250 000	200 000	200 000
Implementation of BCP	Business Continuity Plan	Internal	IT	1 000 000	895 458	-
ERM System	Development: Management Information	Internal	IT	-	500 000	700 000
PABX System	Telephony Instruments	Internal	IT	50 000	70 000	75 000
DRP System	Back up hardware	Internal	IT	50 000	70 000	75 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
			IT Total	1 350 000	1 875 458	1 200 000
Bulk Water Supply	Kwahloko SSA 1	RBIG	MII	40 000 000	30 000 000	31 000 000
Bulk Water Supply	Greater Mthonjaneni SSA 2	RBIG	MII	32 000 000	72 702 000	80 000 000
Bulk Water Supply	Eshowe SSA 1	RBIG	MII	45 724 000	40 000 000	34 000 000
Bulk Water Supply	Middledrift SSA5	RBIG	MII	54 000 000	30 000 000	20 527 000
Bulk Water Supply	Nsezi Bulk	RBIG	MII	500 000	500 000	15 000 000
Bulk Water Supply	Greater Mthonjaneni SSA4	RBIG	MII	17 500 000	-	-
Bulk Water Supply	Greater Mthonjaneni SSA5	RBIG	MII	21 500 000	-	-
Bulk Water Supply	Greater Mthonjaneni WTW (Phase 2)	RBIG	MII	-	100 000	500 000
Bulk Water Supply	Greater Mthonjaneni SSA6	RBIG	MII	-	100 000	500 000
Bulk Water Supply	Greater Mthonjaneni SSA8	RBIG	MII	-	100 000	500 000
Bulk Water Supply	Vutshini Phase 1	RBIG	MII	-	-	-
Bulk Water Supply	Eshowe SSA3	RBIG	MII	-	100 000	500 000
Bulk water Infrastructure Maintenance	Nkandla bulk upgrade(increase capacity and replacement of slow sand filters	Internal	MII	300 000	2 000 000	-
Bulk water Infrastructure Maintenance	Eshowe upgrade(increase capacity and replace all slow sand filters)	Internal	MII	2 500 000	5 000 000	-
Bulk water Infrastructure Maintenance	Melmoth water works refurbishment and upgrade	Internal	MII	2 500 000	5 000 000	-
Bulk water Infrastructure Maintenance	Gingindlovu refurbishment and slow sand filter replacement	Internal	MII	1 000 000	3 000 000	-
Bulk water Infrastructure Maintenance	Ekhombe pressure filter replacement	Internal	MII	600 000	-	-
Bulk water Infrastructure Maintenance	Nkandla pumpstation upgrades	Internal	MII	800 000	2 500 000	-
Bulk water Infrastructure Maintenance	Install bulk flow meters	Internal	MII	100 000	1 000 000	-

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Bulk water Infrastructure Maintenance	Melmoth Bulk Water Supply	WSIG	MII	8 300 000		-
Bulk water Infrastructure Maintenance	Tanker Reduction Strategy (WSIG)	WSIG	MII	-	81 000 000	38 000 000
Bulk water Infrastructure Maintenance	WC/WDM Strategy Implementation	WSIG	MII	10 565 009	30 000 000	30 000 000
Bulk water Infrastructure Maintenance	KDS and Eshowe Water Supply	WSIG	MII	62 203 991	-	-
Reticulation Water Supply	Gingindlovu Waste Water Treatment Works	MIG	MII	-	50 000	-
Reticulation Water Supply	Kwahlokohloko SSA 1	MIG	MII	10 000 000	15 000 000	20 000 000
Reticulation Water Supply	Tugela Water Use Licence Scheme	Internal	MII	1 800 000	-	-
Reticulation Water Supply	Eshowe SSA 1	MIG	MII	1 000 000	1 000 000	15 000 000
Reticulation Water Supply	Greater Mthonjaneni SSA 2	MIG	MII	5 181 611	15 000 000	10 000 000
Reticulation Water Supply	Greater Mthonjaneni SSA 4	MIG	MII	14 548 889	-	-
Reticulation Water Supply	Middledrift Phase 2	MIG	MII	3 000 000	-	-
Reticulation Water Supply	Middledrift SSA3	MIG	MII	250 000	9 748 000	20 000 000
Reticulation Water Supply	Vutshini Phase 1	MIG	MII	500 000	-	1 900 000
Reticulation Water Supply	Mbonambi Water Phase 2	MIG	MII	7 000 000	20 000 000	20 000 000
Reticulation Water Supply	Greater Mthonjaneni SSA 5	MIG	MII	20 888 000	-	-
Reticulation Water Supply	Mpungose Phase 1D-Reticulation	MIG	MII	15 000 000	-	9 071 023
Reticulation Water Supply	Nkandla Vutshini S/A SSA5	MIG	MII	15 000 000	20 000 000	20 000 000
Reticulation Water Supply	KwaHlokohloko S/A SSA5	MIG	MII	10 000 000	33 957 148	16 012 862
Reticulation Water Supply	MhlanaSomOpho Phase 3C	MIG	MII	18 000 000	10 000 000	4 691 708
Reticulation Water Supply	Middledrift SSA 5	MIG	MII	15 000 000	23 312 552	20 000 000
Reticulation Water Supply	Mbonambi Water SSA 2	MIG	MII	1 000 000	1 000 000	2 000 000
Reticulation Water Supply	WATER RETICULATION - KWASOKHULU	RBM	MII	6 000 000	-	-
			MII Total	444 261 500	452 169 700	409 202 593

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Internal Movable Assets	Office Equipment	Internal	Planning & Environmental	50 000	50 000	50 000
			Planning & Environmental Total	50 000	50 000	50 000
Internal Movable Assets	Internal Movable Assets	Internal	SCM	100 000	-	-
			SCM Total	100 000	-	-
Construction of Landfill Site	Construction of Cell 3 - Feasibility & Design	Internal	Solid waste	3 250 995	-	-
Construction of Landfill Site	Construction of Cell 3 - Works	Loan	Solid waste	-	45 000 000	-
			Solid waste Total	3 250 995	45 000 000	-
Gingindlovu Waste Water Treatment Works	Gingindlovu Waste Water Treatment Works	MIG	Waste Water Management	50 000	50 000	575 157
			Waste Water Management Total	50 000	50 000	575 157
Survival Water Programme (Boreholes)	Survival Water Programme (Boreholes)	Internal	WSA	1 000 000	1 000 000	1 000 000
INTERNAL MOVABLE ASSETS - WSD	INTERNAL MOVABLE ASSETS - WSD	Internal	WSA	100 000	50 000	50 000
			WSA Total	1 100 000	1 050 000	1 050 000
Existing Projects Extensions	Existing Projects Extensions	Internal	WSP	200 000	500 000	700 000
Internal Movable Assets	Internal Movable Assets	Internal	WSP	100 000	-	-
Water metre installation	Water metre installation	Internal	WSP	1 500 000	-	-
Health and Safety Plants	Health and Safety Plants	Internal	WSP	500 000	-	-
Melmoth Water & Waste Schemes Upgrade	Melmoth Water & Waste Schemes Upgrade	Internal	WSP	200 000	570 000	750 000
Gingindlovu Water & Waste Schemes Upgrade	Gingindlovu Water & Waste Schemes Upgrade	Internal	WSP	200 000	570 000	750 000
Nkandla Water & Waste Schemes Upgrade	Nkandla Water & Waste Schemes Upgrade	Internal	WSP	200 000	570 000	750 000
Mbonambi Water & Waste Schemes Upgrade	Mbonambi Water & Waste Schemes Upgrade	Internal	WSP	200 000	570 000	790 000
Mthunzini Water & Waste Schemes Upgrade	Mthunzini Water & Waste Schemes Upgrade	Internal	WSP	200 000	570 000	800 000

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	DEPARTMENT	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
			WSP Total	3 300 000	3 350 000	4 540 000
Internal Movable Assets	Internal Movable Assets	Internal	WUE	150 000	-	-
Installation of Domestic Meters	Installation of Domestic Meters	Internal	WUE	1 000 000	-	-
Cluster Metering of Standpipes & Tanker points	Cluster Metering of Standpipes & Tanker points	Internal	WUE	1 000 000	-	-
Office Establishment (Park Office)	Office Establishment (Park Office)	Internal	WUE	400 000	-	-
			WUE Total	2 550 000	-	-
			Grand Total	466 192 495	506 445 158	418 117 750

The figure below indicates the municipality's 2016/17 Capital Budget by Funding Source.

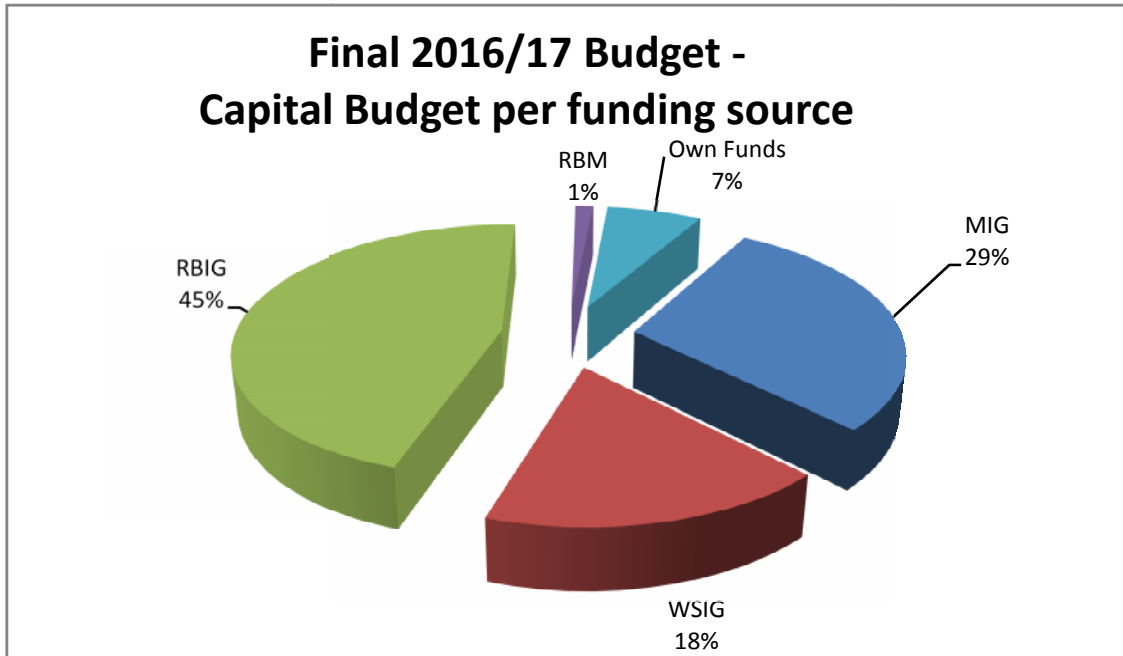


Figure 7 Capital Budget by Funding Source for the 2016/17 financial year

1.7 Service Delivery and Budget Implementation Plan

The Draft uThungulu District Municipality’s Service Delivery and Budget Implementation Plan below has been compiled and will be submitted to the Mayor for final approval in terms of Section 53(1) of the MFMA.

MUNICIPAL MANAGER'S DEPARTMENT

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END	
										TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
1 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																				
1.1	1.1.5, 1.1.6	6.2 / 6.4	Internal	Skills Development of Staff and Councillors	Percentage of identified departmental skills gaps addressed				100%	100%		100%		100%		100%				
2 BASIC SERVICE DELIVERY																				
2.1	Internal	6.4	MM5.10	Improve perception of the district's performance and service rendering	Percentage improvement in the customers perception as per the satisfaction survey				100%	100%		100%		100%		100%				
3 LOCAL ECONOMIC DEVELOPMENT																				
3.1	7.13	6.4	MM5.2	Enhance Stakeholder Relations by meeting with external stakeholders at least twice per quarter to secure funding for community initiatives	Number stakeholder relations meeting held				8	2		2		2		2				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
4 FINANCIAL VIABILITY AND MANAGEMENT															
4.1	4.1.1, 4.8	6.3 / 6.4	Internal	Financially and sustainable district	Percentage spent of allocated Departmental CAPEX				100%	100%	100%	100%	100%		
4.2	4.1.1,	6.3 / 6.4	Internal	Ensure Financial management and control	Percentage spent of allocated Departmental OPEX				100%	100%	100%	100%	100%		
4.3	4.1.1, 4.1.2	6.3 / 6.4	Internal	Ensure 100% compliance with MFMA in accordance with the MFMA Dashboard	Percentage MFMA compliance according to MFMA Dashboard				100%	100%	100%	100%	100%		
4.4	4.1.2	6.3 / 6.4	Internal	Maintain an Unqualified Audit opinion for the 2015/2016 financial year.	Attainment of unqualified Audit opinion			Unqualified Audit Report	Unqualified	Future date	Future date	Unqualified			
					Percentage of Internal Audit findings addressed			New	100%	100%	100%	100%	100%		
					Reduction in percentage of AOPO issues raised in the 2015/2016 Annual report			New	100%	100%	100%	100%	100%		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
4.5	4.2.1, 4.2.2, 4.2.3	6.3 / 6.4	Internal	Ensure financial sustainability and viability of the organisation by maintaining the cost coverage and the outstanding service debtors to revenue quarterly and the debt coverage ratio bi-annually.	Outstanding debtors to revenue ratio				0.80				0.80		
					Cost coverage ratio				3.00	3.00	3.00	3.00	3.00		
					Debt coverage ratio				17.00		17.00		17.00		
4.6	1.1.9	6.3 / 6.4	Internal	Ensure the implementation of MSCOA											
4.7	4.4	6.3 / 6.4		Ensure the implementation of revenue enhancement strategies by ensuring that 82% of debt is collected quarterly.	Percentage debt collection				82%	82%	82%	82%	82%		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
4.8	4.5	6.3 / 6.4		Ensure that 83% of payments are processed in line with the approved payment process.	Percentage of invoices paid within 30 days from receipt of invoices, statements, and credible, accurate and reliable payment documentation submitted timeously from user departments				83%	83%	83%	83%	83%		
4.9	4.6	6.3 / 6.4	Internal	To ensure sound Procurement Management and Control	Percentage compliance to the approved procurement plan			New	100%				100%		
4.10	4.7	6.3 / 6.4	Internal	Ensure that 100% of conditional grants and subsidies are spent by 30 June 2017	Percentage of grants and subsidies spent				100%	30%	60%	75%	100%		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMAN CE TARGET	UNIT OF MEASUREME NT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMEN T FOR 2016/2017	ANNUAL TARGET	QUARTE R ENDING 30 SEPT	QUARTE R ENDING 31 DEC	QUARTE R ENDING 31 MARCH	QUARTE R ENDING 30 JUNE	BUDGET ALLOCA TION FOR 2016/2017	BUDGET REMAINING AT YEAR END
5. GOOD GOVERNANCE															
5.1	Internal	Internal	Internal	Conduct weekly, monthly and quarterly meetings, in preparation of Clean Audit 2017, with staff and political leadership to improve information sharing and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes and responsibilities.	Number of weekly MANCO meetings held				48	13	11	11	13		
				Percentage of MANCO meetings chaired				80%	80%	80%	80%	80%			
				Number of quarterly staff meetings held				4	1	1	1	1			
				Number of Leadership meetings held				24	7	5	5	7			
				Number of meetings with the Deputy Municipal Managers				4	1	1	1	1			
5.2	Internal	6.2 / 6.4	Internal	Enhance tracking of the implementation of ExCo and Council resolutions	Percentage of resolutions actioned				80%	80%	80%	80%	80%		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
					Number of Actions and Timelines reports to MPAC				4	1	1	1	1		
5.3	5.1.1, 5.1.2	6.2 / 6.4	Internal	Improve Intergovernmental Relations with all local municipalities in the District by attending Intergovernmental Forums quarterly.	Number of Quarterly Municipal Manager's Forums				4	1	1	1	1		
					Number of Quarterly Mayor's Forums				4	1	1	1	1		
5.4	Internal	6.2 / 6.4	MM5.6	Ensure the hosting of the Annual State of the District Address by 30 June 2017.	Date of SODA				30-Jun-17	Future date	Future date		30-Jun-17		
5.5	5.1.3	6.2 / 6.4	MM5.10	Conduct 2 rounds of IDP Roadshows per local municipality as part of the public participation and consultation process of the IDP by 30 June 2017.	Number of IDP Roadshows				18	Future date	9		9		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMAN CE TARGET	UNIT OF MEASUREME NT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMEN T FOR 2016/2017	ANNUAL TARGET	QUARTE R ENDING 30 SEPT	QUARTE R ENDING 31 DEC	QUARTE R ENDING 31 MARCH	QUARTE R ENDING 30 JUNE	BUDGET ALLOCA TION FOR 2016/2017	BUDGET REMAINING AT YEAR END		
5.6	5.3.1, 5.3.2, 5.3.2	6.2 / 6.4	Internal	Ensure the implementation of the Performance Management Framework for 2016/2017 through the measurement and reporting of performance of the municipality as an institution.	Number of Performance Agreements signed by 31 July 2016				6	6							
				Ensure oversight functionality by conducting quarterly internal audits on performance management in preparation for Clean Audit 2017.	Date of completion of Annual 2015/2016 Performance Assessment				31-Dec-16			31-Dec-16					
				Date of submission of 2015/2016 Assessment Results to PAC				31-Dec-16			31-Dec-16						
				Number of consolidated SDBIP reports to EXCO				4	1		1		1		1		
				Date of completion of Quarter 1 Performance Assessment				31-Dec-16			31-Dec-16						
				Date of completion of Quarter 2 Performance Assessment				31-Mar-17			31-Mar-17						
				Date of completion of Quarter 3 Performance Assessment				30-Jun-17							30-Jun-17		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
					Number of Quarterly Internal Audit Reviews				4	1	1	1	1		
					Date of submission of 2015/2016 Annual Performance Report to AG				31-Aug-16	31-Aug-16					
					Date of submission of Mid-Year Performance Report to Council				31-Mar-17			31-Mar-17			
					Date approval of 2016/2017 OPMS Scorecard by Council				30-Jun-17				30-Jun-17		
5.7	Internal	Internal	Internal	Promote accountability of employees and organisation in using resources and ensuring that implementation objectives are met.	Percentage achievement by Departmental SDBIP performance targets set				100%	100%	100%	100%	100%		
5.8	Internal	Internal	Internal	Ensure effective performance management for Senior Managers (level 14-15) staff in uThungulu by 30 June 2017.	Date of review of PMS Policy				30-Jun-17				30-Jun-17		
					Date of review of PMS Framework				30-Jun-17				30-Jun-17		
					Date of completion of Managers' scorecards				30-Jun-17				30-Jun-17		

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
5.9.1	5.4.1,5.4.2	6.2 / 6.4	Internal	Ensure the reporting on the Back 2 Basic Programme monthly and quarterly to CoGTA and DCOG.	Number of B2B reports submitted to KZN CoGTA				4	1	1	1	1		
5.9.2					Number of B2B reports submitted to DCoGTA						12	3	3	3	3
5.10	5.5, 5.6.1, 5.6.2	6.2 / 6.4	MM5.5, MM5.6	Ensure the implementation of the Risk Management Strategy and Risk Management Policy by convening one Strategic Enterprise Risk (ERM) Management Committee meeting with HOD's per quarter to give inputs into and evaluate the process and conduct one Annual Risk Assessment by 30 September 2016	Number of Quarterly Strategic ERM Committee meetings				4	1	1	1	1		
				Date of completion of Annual Risk Assessment							30-Sep-16	30-Sep-16			

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END	
5.1 1	5.5, 5.6.1, 5.6.2	6.2 / 6.4	MM5.5, MM5.6	Ensure the implementation and maintenance of the Anti-Corruption and Fraud Prevention Strategy by convening one Strategic Anti-Corruption and Fraud Prevention Management Committee meeting with HOD's per quarter to give inputs into and evaluate the process and conduct one Annual Fraud Risk Assessment by 30 September 2016.	Number of Quarterly Strategic Anti-Corruption and Fraud Prevention Management Committee meetings				4	1	1	1	1			
					Number of Fraud Risk Awareness Campaign				1					1		
		Date of completion of Annual Fraud Risk Assessment						30-Sep-16	30-Sep-16							
		Percentage of reduction of risks identified														
5.1 2	5.7	6.2 / 6.4	MM5.3 & MM5.7	Ensure the implementation of the Business Continuity Strategy and Plan through the implementation of Phase V of the BCP.	Date of implementation of BCP				30-Jun-16			30-Jun-16				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
5.13	Internal	Internal	Internal	Conduct 8 Municipal Public Accounts Committee (MPAC) meetings to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality in preparation of Clean Audit 2017.	Number of monthly MPAC meetings				8	2	2	2	2		
6. CROSS CUTTING															
6.1	5.8	6.2 / 6.4	Internal	Ensure the Approval of the 2017-2022 IDP by 30 June 2017	Date of submission of Draft IDP to Council				31-Mar-17		Future date	Future date	31-Mar-17		
					Date of approval of Final IDP by Council				30-Jun-17		Future date	Future date		30-Jun-17	

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
6.2	6.1.4	6.2 / 6.4	Internal	Ensure the implementation of the Spatial Planning and Land Use Management Act (SPLUMA) and the roll-out thereof to local municipalities by 30 June 2017.	Date of establishment of Joint Municipal Planning Tribunal				30-Sep-15						
6.3	7.1	6.2 / 6.4	MM1.1	Ensure the implementation of the Integrated District Education Programme through the hosting of the Annual Matric Achievers Awards by 31 January 2017.	Date of Annual Matric Achievers Awards				31-Jan-16	Future date		31-Jan-17			
6.4	7.4.2	6.2 / 6.4	MM5.10; MM 2.2	Facilitate district Clean up campaigns with the local municipalities by 30 June 2017	Number of clean up campaigns				6	-	2	0	2	2	

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT	QUARTER ENDING 31 DEC	QUARTER ENDING 31 MARCH	QUARTER ENDING 30 JUNE	BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END	
6.5	7.9	6.2 / 6.4	MM2.2	Ensure the implementation of the District HIV/AIDS Programme through the facilitation of 3 HIV/AIDS Awareness Interventions by 30 June 2017.	Number of District AIDS Council meetings attended				4	1	1	1	1			
6.6	7.1.1	6.2 / 6.4	MM2.3	Ensure at least 1 quarterly visit to the Office of the Municipal Manager assigned Warroom and submit status reports to the Deputy Municipal Manager: Community Services within 10 working days after quarter ends.	Number of warroom visits				4	1	1	1	0	1	1	
					Number of reports to DMM:COMM Services				4	1	1	1	0	1	1	

DEPARTMENT OF THE DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES: 2016/2017

COMPONENT 3 - QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END	
									Target	Actual	Target	Actual	Target	Actual	Target	Actual			
CORPORATE EXECUTIVE																			
1.1	4.1, 1,	6.1	Internal	Respond to all written corporate internal audit enquiries and general enquiries within 14 days of report date.	Average number of days to respond			14	14		14		14			14			
1.2	5.5	6.1 / 6.2 / 6.3	Internal	Draft reports and submit quarterly to the Corporate Services Portfolio Committee on the Performance of Contractors under the control of the Corporate Department. To be reported within 2 months after quarter end. The report should highlight actions taken to address under performance.	Number of reports to portfolio committee within 2 months after quarter ends			4	1		1		1			1			

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
1 . 3	5. 2. 1	6.2 / 6.3	Internal	Prepare and submit the quarterly corporate SDBIP (Component 3) for 2016/2017 to the Municipal Manager within 10 working days after quarter end.	Number of SDBIP reports to MM			4	1		1		1		1			
				Date of submission of SDBIP			within 10 working days	14-Jul-16		14-Oct-16		14-Jan-17		14-Apr-17				
1 . 4	5. 1. 1. 5. 1. 2	6.1	Internal	Schedule at least 1 Corporate Services Intergovernmental Relations meeting with all LM's per quarter.	Number of IGR meetings			4	1		1		1		1			
1 . 5	7. 1. 1	6.1	Internal	Ensure at least 1 quarterly visit to the Corporate Services assigned Warroom and submit status reports to the Deputy Municipal Manager: Community Services within 15 days after each visit.	Number of warroom visits			4	1		1		1		1			
				Number of reports to DMM:COM														

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
1 . 6	5. 2. 1	6.2	Internal	Report quarterly on individual and organisational performance indicators for the Corporate Service Department and submit report on achievements to the Office of the Municipal Manager within 15 days after quarter end.	Number of IPMS reports submitted within 15 days			4	1		1		1		1			
					Number of OPMS reports submitted within 15 days			4	1		1		1		1			
1 . 7	5. 3. 1, 5. 3. 2, 5. 3. 3	6.2	CS 3.4	Ensure the cascading of effective Performance Management System	Percentage completion of the development of Performance Plans for all Senior Managers within the Corporate Services Department			30-Sep-16	30-Sep-16									
					Performance Assessments of Senior Managers					31-Dec-16		31-Mar-17		30-Jun-17				
1 . 8	5. 4. 1	6.1	Internal	Submit Back to Basics report to the Office of the Municipal Manager within 30 days after quarter ends	Number of B2B reports submitted			4	1		1		1		1			

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
1.9				Compile and submit the monthly National Back to Basics Dashboard within 15 days after month end to DCOG.	Number of B2B reports submitted to DCOG			12	3		3		3		3			
1.10	Internal	Internal	Internal	Hold monthly meetings with Corporate Managers and keep record of minutes of meetings to ensure that staff is utilised	Number of monthly meetings per quarter			12	3		3		3		3			
1.11	1.1.3, 1.1.4	6.2	Internal	Staff Competency Plan	Date of completion of the Departmental staff competency Plan			30-Sep-16	30-Sep-16				-		-		-	
				Staff identified for training as per the assessment outcome			31-Dec-16	31-Dec-16			-		-		-		-	
1.12				Develop partnership with external stakeholders to obtain funding for Corporate Social Investment initiatives to be implemented by 30 June 2017	Number of CSI initiatives			1					-		1		-	

Item no:	OPMS Indicator no:	DGDPR Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
REVENUE ENHANCEMENT																		
2 . 1	4. 2. 3	6.4	Internal	Developing business plans that will generate revenue through departmental projects by 30 June 2017	Number of business plans developed for 2016/2017	All Managers	New	4	1		1		1		1			
					Number of liaison meetings with potential funders		New				1		1					
MUNICIPAL STANDARD CHARTS OF ACCOUNTS (MSCOA)																		
3 . 1	1. 1. 9	4.4 / 6.1 / 6.2 / 6.3 / 6.4	Internal	Ensure attendance of monthly MSCOA meetings by senior managers	Number of monthly MSCOA meetings attended by senior Managers	All Managers	New	12	3		3		3		3			
				Attendance of quarterly MSCOA steering committee meetings by the Deputy Municipal Manager: Corporate Services	Number of MSCOA Steering Committee meetings attended by Deputy Municipal Manager: Corporate Services		New	4	1		1		1		1			
3 . 2					DMM													

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
BUDGETING PLANNING																		
4	4.1.1	6.2	Internal	Prepare and submit quarterly Procurement Plan for 2016/2017 to the Portfolio Committee within 60 days after quarter ends	DMM	Date of submission of the quarterly Procurement plan to PC	New	4	1		1		1		1			
BUDGETING AND REPORTING																		
5	4.1.1	6.2	Internal	Prepare and submit monthly expenditure reports to the Budget Office, Provincial and National Treasury in terms of section 71 (1) of the MFMA within 10 working days after month end and to the portfolio committee within 2 months.	DMM	Number of expenditure reports submitted to the Budget within 10 days after month end	New	12	3		2		4		3			
						Number of S71 reports submitted to portfolio committee	New	12	3		3		3		3			

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
6 EXPENDITURE CONTROL																					
6.1	4.5	6.2	Internal	Ensure payments certificates are submitted to Expenditure within 10 working days of receipt		Percentage of payment certificates		100%	100%		100%		100%		100%						
7 ADMINISTRATIVE SERVICES																					
7.1	Internal	6.1 / 6.4	Internal	Ensure effective functioning of Council and Committees of Council in accordance with council's Standing Rules of Order by holding at least 40 portfolio committee, 12 EXCO and 6 Council meetings by 30 June 2017.	Number of Portfolio meetings	Z Conco		40	10		10		10		10						
					Number of EXCO meetings	Z Conco		12	3		3		3		3						
					Number of Council meetings	Z Conco		6	1		2		2		2		1				
					Monitoring of Councillor attendance to meetings of Council by submitting quarterly report to Speaker within 30 days after quarter ends.	Number of reports on the Councillors' attendance to Council meetings	Z Conco		4	1		1		1		1		1			

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
7.2	Internal	6.1 / 6.4	Internal	Ensure that minutes of EXCO meetings are completed within 7 working days after the meeting and that memos on EXCO resolutions are submitted to user department within 10 working days after EXCO.	Number of days for completion of EXCO minutes	Z Conco		within 7 days	within 7 days	within 7 days		within 7 days		within 7 days				
				Number of days for submission of resolution memos to user departments	Z Conco		within 10 days	within 10 days	within 10 days		within 10 days		within 10 days					
7.3	Internal	6.1 / 6.4	Internal	Ensure implementation of Council resolutions within 30 days after council meeting. Submit quarterly report on Council resolutions implemented to MPAC, ExCo and Council	Percentage of resolutions of Council implemented within 30 days after council sitting	MNT Xulu		100%	100%	100%		100%		100%				
				Number of implementation reports submitted to MPAC, EXCO and Council			4	1	1		1		1					

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
7 4	Internal	6.1 / 6.4	Internal	Ensure compliance with the Promotion of Access to Information Act by updating and approval of the Access to Information Manual by 31 December 2016.	Date of review of Access to Information Manual			30-Sep-16	30-Sep-16												
					Date of approval by Council			31-Dec-16			31-Dec-16										
					Date of advertisement for comments			31-Mar-17					31-Mar-17								
					Date of Access to Information Manual to be published and gazetted			30-Jun-17								30-Jun-17					
8				INFORMATION TECHNOLOGY																	
8 1	Internal	4.4	Internal	Ensure the reliability and efficiency of the IT systems by ensuring 95% uptime.	Percentage uptime			95%	95%			95%			95%						
					Number of reports on data recovery			4	1			1			1			1			
					Number of IT Strategy and MSP workshop			1				1									

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
8 . 2	Internal	4.4	Internal	Ensure the compliance with the National IT White Paper on Open Source Systems	Approval by Council by 30 September 2016			30-Sep-16	30-Sep-16												
					Date of installation of open source software			31-Dec-16			31-Dec-16										
					Number of Proprietary Office software licence seat			20					10			10					
					Number of quarterly reports to portfolio at the 2nd PC meeting after quarter ends			4	1		1		1			1					
8 . 3	Internal	4.4	Internal	Ensure the delivery of friendly and efficient help desk services and report quarterly to the portfolio committee on the number of calls resolved against the number of calls logged. Submit quarterly report at the 2nd PC meeting after quarter ends.	Percentage of calls resolved within 20 days of receipt			98%	98%			98%			98%						
					Number of quarterly reports to portfolio at the 2nd PC meeting after quarter ends			4	1		1		1			1					

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual				
8.4				Implement quarterly IT Steering Committee resolutions by creating action plans for 90% of resolutions made within 30 days	Percentage action plans created for IT Steering Committee meeting resolutions within 30 days			90%	90%	90%		90%		90%						
					Number of IT Steering Committee meetings			4	1	1	1	1	1							
8.5	Internal	4.4	CS 8.6	Finalize the network refresh by 30 June 2017 and report quarterly progress to the IT Steering Committee. Submit quarterly report at the 2nd PC meeting after quarter ends.	Percentage of equipment procured			100%		100%										
					Percentage of equipment installed			100%		100%										
					Number of IT Steering Committee progress reports to portfolio at the 2nd PC meeting after quarter ends			4	1	1	1	1	1							

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual				
8.6	Interanal	4.4	CS 4.1	Procure and implement the VOIP telephony system by 30 June 2017 and report quarterly on the implementation thereof to the IT Steering Committee. Submit quarterly report at the 2nd PC meeting after quarter ends.	Percentage of equipment procured	-	-	100%			100%	-	-	-	-	-	-	-		
					Percentage implementation of VOIP system	-	-	100%				50%		100%	-	-	-	-	-	-
					Number of IT Steering Committee progress reports to IT SC at the 2nd PC meeting after quarter ends	-	-	4	4	-	4	-	4	-	4	-	-	-	-	-
8.7	1.1.8, 1.1.9	4.4 / 6.1 / 6.2	CS4.7	Develop the ERM System through the finalisation of Venus SCOA deployment by 30 June 2017. Report quarterly progress to the IT Steering Committee.	Finalisation of specifications			30-Sep-16	30-Sep-16											
					Percentage of equipment procured			100%			100%									
					Date of installation of Venus SCOA			31-Dec-16			31-Dec-16									

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual			
					Number of IT Steering Committee progress reports to IT SC within 30 days after quarter ends			4	1	1		1		1					
8.8	Internal	4.4	Internal	Design wide area network infrastructure plan	Date of completion of the infrastructure plan			30-Sep-16	30-Sep-16										
				Approval of the infrastructure plan by Council			31-Dec-16			31-Dec-16									
				Implement 1 Wide Area Network as per the plan			30-Jun-17									30-Jun-17			
				Submit a close up report within 30 days after quarter ends			30-Jun-17									30-Jun-17			
8.9	Internal	4.4	Internal	Prepare and submit quarterly IT Security and Governance Management System report IT Steering Committee and portfolio committee by the 2nd PC meeting after quarter ends	Number of reports to IT SC and PC within 60 days after quarter ends			4	1	1		1		1					

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
8 · 1 0	5. 7	4.4	CS 6.7	Ensure the implementation of the Business Continuity Strategy and Plan through the construction and implementation of the BCP at Empangeni Disaster Centre by 30 June 2017. Report quarterly progress to the IT Steering Committee within 30 days after quarter ends.	Date of finalisation of specifications	T Baldwin		30-Sep-16	30-Sep-16												
					Date of procurement of office in a box			31-Mar-17					31-Mar-17								
					Percentage of office equipment procured			100%									100%				
					Number of IT Steering Committee progress reports within 30 days after quarter ends			4	1	1	1	1	1								

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
9				MANAGEMENT SERVICES																	
9.1	Internal	Internal	Internal	Implement effective HR management in preparation of Clean Audit 2016 through the implementation of the Employment Equity Strategy by ensuring that 80% of appointments are made in line with the EEP. Report quarterly statistics to the Corporate Services Portfolio Committee within 30 days after quarter ends	Percentage of appointments made in line with EEP			80%	80%			80%			80%						
				Percentage of the Employment Equity Strategy by ensuring that 80% of appointments are made in line with the EEP. Report quarterly statistics to the Corporate Services Portfolio Committee within 30 days after quarter ends	Percentage of appointment receiving induction training within 30 days			100%	100%			100%			100%			100%			
				Number of reports to portfolio within 30 days after quarter ends			4	1			1			1			1				
9.2	Internal	6.2	Internal	Effective Implementation of HR Strategy	Date of submission of Implementation Plan			30-Sep-16	30-Sep-16												
				Percentage Implementation of HR Strategy			100%			25%			60%			100%					
				Number of HR Awareness Campaigns			2						1			1					

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual					
9 . 3	Internal	6.2	Internal	Develop the Diversity Management and Equity Plan by 31 December 2016. Submit report quarterly on the implementation of the plan.	Approval of Diversity Management and Equity Plan and submit to DoL			31-Jan-17													
					Number of quarterly implementation reports to PC by the 2nd PC meeting after quarter ends			4	1		1		1		1						
					Number of HR Awareness campaigns			2					1		1						
9 . 4	Internal	6.2	CS3.5	Conduct a review of all staff jobs and functions by 30 June 2017 to ensure alignment between the IDP and Organogram.	Percentage completion of job and function review			100%	25%		50%		75%		100%						
					Date of approval of reviewed Organogram			30-Jun-17							30-Jun-17						

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual				
9 . 5	1. 1. 3, 1. 1. 4	6.2	Internal	Implement the 2016/2017 WSP by ensuring that 240 staff members receive training by 30 June 2017 and submit the 2017/2018 WSP to Council by 30 June 2017. Report quarterly on the percentage of budgeted amount spent at the 2nd PC meeting after quarter ends	Number of staff trained			240	60		60		60		60					
					Percentage of budgeted amount spent on WSP			100%	10%		30%		60%		100%					
					Date of completion of Skills Audit for staff and Councillors			30-Apr-17							30-Apr-17					
					Date of submission of 2017/2018 WSP LGSETA			30-Apr-17							30-Apr-17					
9 . 6	1. 1. 3, 1. 1. 4	6.2	Internal	Ensure Councillor development by providing at least 20 Councillors with NQF accredited training opportunities by 30 June 2017.	Number of Councillors trained			20	5		5		5		5	-	-			
9 . 7	1. 1. 7	3.2	CS 3.2	Ensure implementation the Employee Assistance Programme by conducting at least one awareness campaign per quarter.	Number of awareness campaigns			4	1		1		1		1					
					Number of reports to District AIDS Council			4	1		1		1		1					
					Number of District AIDS Council meetings attended			4	1		1		1		1					
					Number of reports to portfolio at the 2nd PC meeting after quarter ends			4	1		1		1		1					

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual			
9 . 8	Indicator 1	6.4	CS 3.3	Implement an effective Labour Relations Framework by monitoring grievances and facilitating workshops on policies that affect staff. Report quarterly progress to the 2nd PC meeting after quarter ends.	Percentages of grievances/ old cases resolved within 90 days			100%	100%		100%		100%		100%				
					Number of HR Workshops with staff			4	1		1		1		1				
					Number of reports to portfolio at the 2nd PC meeting after quarter ends			4	1		1		1		1				
9 . 9	Indicator 1	6.4	CS3. 1	Organize medical examinations for staff in water and sewerage plants as per legislation as well as exit medicals for technical staff leaving the organisation and submit report on examination results to the user department within 30 days after they become available from the medical practitioner.	Date of medical examinations for sewerage staff			31-Jul-16 & 30-Nov-16	31-Jul-16		30-Nov-16								
					Date of medical examinations for water and cemetery staff			30-Nov-16		30-Nov-16									
					Average number of days to submit results to user departments, after receiving from the medical practitioner			30 days	30 days		30 days								
					Number of progress reports to the 2nd PC meeting after quarter ends			4	1		1		1		1				

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual				
9 . 1 0	Internal	6.4	CS3.1	Ensure the functionality of the Occupational Health and Safety Committee by ensuring that 100% of recommendations passed by the committee are audited within 90 days. Submit quarterly progress to the Corporate Services Portfolio Committee.	Number of Occupational Health and Safety Committee meetings held			4	1		1		1		1					
					Number of audits on safety compliance			4	1		1		1		1					
					Percentage of recommendations audited within 90 days			100%	100%		100%		100%		100%		100%			
					Number of reports to the 2nd PC meeting after quarter ends			4	1		1		1		1		1			
10				PUBLIC PARTICIPATION AND COUNCIL SUPPORT																
10 . 1 1	Internal	6.4	Internal	Ensure the mobilization of the community to attend IDP Roadshows and the State of the District Address through the facilitation of monthly District Public Participation Forum meetings with all local municipalities, except for December and January.	Number of District Public Participation Forum meetings			10	3		2		2		3					

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END		
									Target	Actual	Target	Actual	Target	Actual	Target	Actual				
102	Internal	6.4	Internal	Ensure effective and appropriate etiquette when providing Councillor support	Number of training attended by Council Support Staff by 30 June 2017			10	2		3		3		2					
103	Internal	6.4	Internal	Ensure effective stakeholder Relations Building by providing Development programmes for Councillors and Amakhosi	Number of Councillor and Amakhosi Induction and maintenance Training by 30 June 2017			4	1		1		1		1					
					Number of training of Councillors and Amakhosi on Municipal Powers and Functions by 31 March 2017			2			1		1							
					Number of reports to the 2nd PC meeting after quarter ends			4	1		1		1		1		1			
104	Internal	6.4	Internal	Facilitate at least 6 community clean-up campaigns by 30 June 2017.	Number of clean up campaigns facilitated			6	1		2		2		1					

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	UNIT OF MEASUREMENT	RESPONSIBLE PERSON	BASELINE	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET REMAINING AT YEAR END
									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
105				Hold quarterly meetings with Local Municipalities on Clean Up campaigns	Number of meetings held with L/M			4	1		1		1		1			
106				Submit quarterly progress report to the Office of the Municipal Manager within 10 days after quarter ends.	Number of reports to within 10 days after quarter ends			4	1		1		1		1			
107				Report quarterly progress to the Corporate Services Portfolio Committee at the 2 nd PC meeting after quarter ends	Number of reports to the 2 nd PC meeting after quarter ends			4	1				1		1			
11				LEGAL SERVICES														
111	Internal	6.4	Internal	Ensure Legislative update by communicating generic updates of bills/ legislation pertaining to Local Government through workshops	Number of legislative updated			8	2		2		2		2			
					Number of workshops held pertaining to Local Government Legislation			4	1		1		1		1		1	
112				Conduct legal awareness to ExCo and Council	Number of legal awareness conducted to ExCo and Council			4	1		1		1		1			

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									Target	Actual	Target	Actual	Target	Actual	Target	Actual		
11.3				Provide legal advice within 14 days of request	Percentage of legal advise provision			100%					100%		100%			
11.4				Ensure effective and efficient legal advise	Develop electronic referral application			30-Sep-16	30-Sep-16									
11.5				Ensure legal agreement are concluded within 21 days of such agreement	Percentage of legal agreement provision			100%	100%		100%		100%		100%			
11.6				Provide legal educational support to Local Municipalities	Number of educational support to LMs			4					1		1			
11.7				Conduct quarterly legal policy compliance and legal update	Number of policy compliance and legal updates			60					15		15			

DEPARTMENT OF THE DEPUTY MUNICIPAL MANAGER: FINANCIAL SERVICES: 2016/2017

COMPONENT 3 - QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

Item no:	OPMS Indicator no:	DGDPP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17	
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
FINANCE EXECUTIVE																					
1	4.1.1	6.1	Internal	Prepare and submit the quarterly finance SDBIP (Component 3) for 2016/2017 to the Municipal Manager within 10 working days after quarter end.	E Schamrel	Number of SDBIP reports to MM	4			4	1		1		1		1				
				Date of submission		with in 30 working days			within 10 working days	14-Jul-16			14-Oct-16		13-Jan-17		13-Apr-17				
1	4.1.1	6.2, 6.3, 6.4	Internal	Ensure the employment of at least 5 MFMA Interns in the Finance Department in terms of the business plan and report quarterly to the Finance Service Portfolio Committee by the 2nd PC meeting after quarter ends.	C Reddy	Number of interns employed	5			5	5		5		5		5				
				Number of reports to portfolio committee by the 2nd PC meeting after quarter ends			4			4	1		1		1		1				

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
1	4.1 .1, 4.1 .2	6.1	Internal	Respond to all written finance internal audit enquiries and general enquiries within 14 days of report date.	C Reddy	Average number of days to respond	11			14	14			14		14				
1	5.5	6.2 , 6.3 , 6.4	Internal	Draft reports and submit quarterly to the Financial Services Portfolio Committee by the 2nd PC meeting after quarter ends on the Performance of Contractors under the control of the Finance Department. The report should highlight actions taken to address under performance.	C Reddy	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	12			4	1			1		1				

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
2	7.1.1	6.1	Internal	Ensure at least 1 quarterly visit to the Financial Services Warroom and submit status reports to the Deputy Municipal Manager: Community Services within 15 days after quarter ends.	C Reddy	Number of warroom visits	5			4	1		1		1		1			
				Number of reports to DMM:COM within 15 days after quarter ends		4			4	1		1		1		1				
2	5.1.1, 5.1.2	6.1	Internal	Schedule at least 1 Financial Services Intergovernmental Relations meeting with all LM's per quarter.	C Reddy	Number of IGR meetings	5			4	1		1		1		1			

Item no:	OPMS Indicator no:	DGRP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
2	Inter na l	Inter na l	Inter na l	Hold monthly meetings with Finance Managers and keep record of minutes of meetings to ensure that staff is utilised	C Reddy	Number of monthly meetings	31			12	3		3		3		3			
2	5.5	6.2 , 6.3	Inter na l	Report quarterly on individual and organisational performance indicators for the Financial Services Department and submit report on achievements to the Office of the Municipal Manager within 15 days after quarter end.	C Reddy	Number of OPMS reports	4			4	1		1		1		1			
						Number of IPMS reports	4			4	1		1		1		1			

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
2	4.1 .1, 4.1 .2	6.1	Internal	Staff Competency Plan	C Reddy	Date of completion of the Departmental staff competency Plan	New		##### #	30-Sep-16										
1	.1 1 0					Date staff identified for training as per the assessment outcome	New		##### #			31-Dec-16								
1	5.3 1, 5.3 .2, 5.2 .3	6.2	Internal	Ensure the cascading of effective Performance Management System	C Reddy	Date completion of the development of Performance Plans for all Senior Managers within the Finance Services Department	New		##### #	30-Sep-16										
1	.1 1 1					Date for Performance Assessments of Senior Managers	New					31-Dec-16		2017/03/31		2017/06/30				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
1.1.1.2	5.4.1.5.4.2	6.1	Internal	Submit the Back to Basics report to the Office of the Municipal Manager within 15 days after quarter end.	E Schamrel	Number of reports submitted	New			4	1		1			1				
1.1.1.3			Internal	Develop partnerships with the external stakeholder to obtain funding for Corporate Social Investment Initiatives to be implemented by 30 June 2017	C Reddy	Numner of CSI initiatives				1							1			

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
REVENUE ENHANCEMENT																					
2				Develop Business Plans to generate revenue through departmental projects by 30 June 2017	All Manager	Number business plans developed for 2016/2017	New			1	1										
						Number of liaison meetings with potential funders	New			2		1		1							
MUNICIPAL STANDARDS CHARTS OF ACCOUNTS (MSCOA)																					
3	1.1.9	4.4, 6.1, 6.2, 6.3, 6.4	Internal	Ensure attendance of monthly MSCOA meetings by senior managers	All Managers	Number of monthly MSCOA meetings attended by senior Managers	New			12	3		3		3				3		

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
											3				Attendance of quarterly MSCOA steering committee meetings by the Deputy Municipal Manager: Corporate Services	Number of MSCOA steering committee meetings attended by Deputy Municipal Manager: Corporate Services		New		

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
BUDGETING PLANNING																					
4	4.1.1	6	Internal	Prepare and submit quarterly Procurement Plan for 2016/2017 to the Portfolio Committee within 60 days after quarter ends	DM M	Date of submission of the quarterly Procurement plan to PC within 30 days after quarter ends	New			4	1			1				1			
EXPENDITURE CONTROL																					
5	4.5	6	Internal	Ensure payments certificates are submitted to Expenditure within 10 working days of receipt		Percentage of payment certificates	New			100%	100%			100%				100%			

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
BUDGETING AND REPORTING																					
2	4.1 .1	6.2 , 6.3	Int er na l	Prepare and submit final 2017/2018 budget to Council for approval by 31 May 2017 in terms of section 24 (1) of the MFMA and Provincial and National Treasury by 14 Jun 2016 as per budget regulation section 35 (a) of Government Gazette No 32141.	B Mdl etsh e	Date of approval of Final Budget by Council	### ###			##### ###									31-May-17		
						Date of submission to NT and PT	### ###			##### ###									14-Jun-17		

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
2	4.1 .1	6.2 / 6.3	Int er na l	Prepare and submit the Mid-Year Financial Review of the 2016/2017 budget to the mayor by 25 January 2017 in terms of section 72 (1) of the MFMA and Provincial and National Treasury immediately after the submission to the Mayor as per budget regulation section 24 (3) of Government Gazette No 32141.	B Mdl etsh e	Date of submission of S72 report to Mayor	### ### #			##### ###						25-Jan-17					
						Date of submission of S72 report to NT and PT	### ###			##### ###	3 S71 reports be submitted					27-Jan-17					

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
2	4.1.1	6.2, 6.3	Inter national	Prepare and submit the adjustments budget, if required, to Council by 28 February 2017 as per section 24 (3) of the MFMA and Provincial and National Treasury within 10 working days after the submission to the Mayor as per budget regulation section 24 (3) of Government Gazette No 32141	B Mdl etsh e	Date of submission of adjustments budget to Council	###			#####	3 S71 reports be submitted		3 S71 reports be submitted		28-Feb-17						
						Date of submission of adjustments budget to NT and PT	###			#####					14-Mar-17						
2	1.1.8, 1.1.9	6.2	F6.2, F6.3	Ensure the implementation of mSCOA by reporting monthly on progress to the Finance Portfolio Committee and completion by 31/3/2017	C Red dy	Number of reports to portfolio committee at the 2nd PC meeting after quarter ends	New			12	3			3							

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
3	4.1 .1	6.2 , 6.3	F6.7, F6.9	Prepare and submit monthly financial reports to the Mayor, Provincial and National Treasury in terms of section 71 (1) of the MFMA within 10 working days after month end and to the portfolio committee within 2 months.	C Reddy	Number of S71 reports submitted to the Mayor within 10 days after month end	12			12	3		2		4		3			
						Number of S71 reports submitted to portfolio committee by the 2nd PC meeting after quarter ends	12			12	3		3		3		3			
3	4.1 .1	6.2 , 6.3 , 6.4	Inter national	Ensure the review of the Budget, Virement, Funding and Reserve policy and Long Term Financial Plan. Submit to Council for approval by 31 May 2017.	C Reddy	Number of policies reviewed	5			4							4			
						Date of approval by Council	### ###										31-May-17			

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
REVENUE ENHANCEMENT																					
3	4.2 .3, 4.4	6.3 , 6.4	F5. 8	Ensure that 90% of defaulters on non-payment in urban areas (Gingindlovu, Mtunzini, Eshowe, Kwambonambi, Melmoth and Nkandla) receive notifications and submit quarterly reports to the Financial Services Portfolio Committee by the 2nd PC meeting after quarter ends.	M Mathebula	Percentage of defaulters receiving notifications	1			90%	90%			90%			90%				
				Number of reports to portfolio committee by the 2nd PC meeting after quarter ends			11			4	1			1			1				

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
3	4.2 .3, 4.4	6.3 , 6.4	F6. 8	Implement the Revenue Enhancement Plan by conducting 4 revenue workshops per quarter with the community to promote revenue policies which benefit the poor and to further enhance revenue collection. Submit quarterly report by the 2nd PC meeting after quarter ends	M Mat heb ula	Number of revenue workshops	25			16	4		4		4		4				
						Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11			4	1		1		1		1				

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											TA	RG	ET	TU	AL	TA	RG	ET			TU	AL	TA	RG	ET	TU	AL
3	4.2, 3, 4.4	6.3, 6.4	F6.8	Prepare and submit quarterly report to Financial Services Portfolio Committee on the Financial Viability of uThungulu DM and the achievement of 83% debtors collection target. Submit quarterly report to portfolio by the 2nd PC meeting after quarter ends	M Mathebula	Percentage debt collection	100 %			83%	83%		83%		83%		83%										
						Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11			4	1		1		1		1										
3	4.7	6.3, 6.4		Submit monthly Grant reports to the relevant Provincial Departments on all DORA grants received within 10 working days after month end in terms of section 71 (5) of the MFMA.	M Mathebula	Number of grant reports submitted	12			12	3		3		3		3										

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
4	4.7	6.2 , 6.3 , 6.4	Interna l	Draft the MSIG project business plan for approval by 31 August 2016 and submit quarterly reports to the Finance Portfolio Committee on the implementation of the business plan objectives by the 2nd PC meeting after quarter end	M Mathebula	Date of approval of MSIG Business Plan by Council	###			#####											
						Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11			4	1	3	1	2	1		1				
4	4.4	6.2 , 6.3 , 6.4	F6.8	Ensure the review of the Credit and Debt Control, Tariff, Incentive and Indigent policies and submit to Council for approval by 31 May 2017	M Mathebula	Number of policies reviewed	4			4	research policies		submit to Bud SC		workshop to rules		Submit to Council				
						Date of approval	#####			#####							31-May-17				

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											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
SUPPLY CHAIN MANAGEMENT																					
4	4.6	6.2 , 6.3 , 6.4	F6.1.8	Submit the annual review report on the Supply Chain Management policy to Financial Services Portfolio Committee by 31 May 2017	S Ndl ovu	Date of approval of the Supply Chain Management Policy review	### ###		##### ###	research policies		submit to Bud SC		workshop to rules		Submit to Council					
4	4.1.1	6.2 , 6.3 , 6.4	Inter nal	Prepare and submit annual report by 31 August 2016 on the implementation of the Supply Chain Management policy for the 2015/2016 financial year to the Finance Portfolio Committee within 30 days after quarter ends.	S Ndl ovu	Date of submission of Annual 15/16 SCM report to portfolio	### ###		##### ###	31-Aug-16											

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17				
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL						
4	4.1.1	Interanal	Interanal	Control and monitor stores by conducting quarterly total stock counts and report on the results / variances annually within 2 months after the financial year end to the Financial Services Portfolio Committee by the 2nd PC meeting after quarter ends.	S Ndl ovu	Date of submission of Annual Variance report to portfolio	###			31-Jul-16	31-Jul-16													
						Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	4			4	1			1				1						
						Number of quarterly total stock counts	4			4	1			1				1						
EXPENDITURE CONTROL																								
5	4.5	Interanal	Interanal	Monitor the payment of creditors and salaries by submitting monthly cash flow statement reports to the Finance Portfolio Committee by the 2nd PC meeting after quarter ends	Z Mkh wazi	Percentage of salary payments made within 7 days after month end	1			100%	100%			100%			100%							
					Z Mkh wazi	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	New			4	1			1			1			1				

Item no:	OPMS Indicator no:	DGBP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17	
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
ASSET MANAGEMENT																					
6	4.1, 4.4	6.4	F6.7	Ensure the review of the Asset policy and retention policy by 31 May 2017	K Swif t	Date of approval of Asset Policy by Council	### ###			##### ###	research policies		submit to Bud SC		workshop to rules		Submit to Council				
6	4.1, 6.3, 6.4	6.2, 6.3, 6.4	Internal	Compile and submit quarterly reports on Asset Management to the Finance Portfolio Committee by the 2nd PC meeting after quarter ends.	K Swif t	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	New			4	1		1		1		1				
6	4.1, 6.3, 6.4	6.2, 6.3, 6.4	Internal	Compile and submit quarterly Insurance Reports to the Finance Portfolio Committee by the 2nd PC meeting after quarter ends.	K Swif t	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11			4	1		1		1		1				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17	
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
6	4.1 .1	6.2 / 6.3 / 6.4	Inter na l	Ensure the prevention of abuse of fleet vehicles by reporting on fleet use to Manco as well as the submission of a monthly report on users with mileage > 3000 km p.m and fuel usage >R3000 p.m to HR (MVAC) for actions to be taken	K Swif t	Number of usage reports to Manco within 60 days after month ends	New			12	3		3		3		3				
						Number of users with mileage >3000km per month and fuel usage >R3000 p/m reports to HR (MVAC) within 60 days after the reporting month ends	New			12	3		3		3		3				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17	
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
MANAGEMENT ACCOUNTS																					
7	4.1.1	6.2, 6.3, 6.4	F6.7, 6.9	Complete and formally submit the 2015/2016 financial statements to the Auditor General by 31 August 2016 in terms of section 126 (2) of the MFMA.	K Swif t	Date of submission of AFS to AG	### ###		##### ###		31-Aug-16		1 AFS Q meeting		1 AFS Q meeting		1 AFS Q meeting				
7	4.1.1	6.2, 6.3, 6.4	F 6.9	Complete and formally submit the 2015/2016 Consolidated Annual Financial Statements to the Auditor General by 30 September 2016 in terms of section 126 (b) of the MFMA.	K Swif t	Date of submission of Consolidated AFS to AG	New		##### ###		30-Sep-16		1 AFS Q meeting		1 AFS Q meeting		1 AFS Q meeting				
7	4.1.1	6.2, 6.3, 6.4	F6.7, 6.9	Submit the Financial Audit Report of 2015/2016 financial year to Council by 31 January 2017 in terms of section 121 (1) of the MFMA.	K Swif t	Date of submission to Council	### ###		##### ###								31-Jan-17				

Item no:	OPMS Indicator no:	DGBP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
7	4.1.1	6.2, 6.3, 6.4	F6.1.7	Prepare the District's credit rating report on an annual basis based on the previous year's Financial Statements and submit to the Finance Portfolio Committee by 30 June 2017.	K Swif t	Date of submission to portfolio	### ###		##### ###	Compile tender		Submit to bid comm		Engegement meetings		30-Jun-17				
8	4.1.1	6.2, 6.3, 6.4	Inter nal	Submit quarterly reports details of all loans as part of the quarterly financial report to the Finance Portfolio Committee by the 2nd PC meteing after quarter ends.	K Swif t	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11		4	1		1		1		1				

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	PERCENTAGE ACHIEVEMENT FOR 16/17	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
8	4.1 .1	6.2 / 6.3 / 6.4	Inter nal	Submit quarterly reports of the investment register with details of investment, period, interest rate and term as part of the quarterly financial report to the Financial Services Portfolio Committee by the 2nd PC meeting after quarter ends.	K Swif t	Number of reports to portfolio committee by the 2nd PC meeting after quarter ends	11			4	1		1		1		1			
8	4.1 .1	6.2 / 6.3 / 6.4	Inter nal	Ensure the review of the Borrowing and Cash and Banking policies and submit to Council for approval by 31 May 2017.	K Swif t	Number of policies reviewed Date of approval	New New			2 ##### ###	research policies		submit to Bud SC		workshop to rules		Submit to Council			

DEPARTMENT OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES: 2016/2017

COMPONENT 3 - QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017
							TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
1 COMMUNITY EXECUTIVE																
1.1	Respond to all written internal audit enquiries and general enquiries within 10 days of report date	DMM	Average number of days to respond			10	10		10		10		10			
1.2	Draft reports and submit quarterly to the Community Services Portfolio Committee on the Performance of Contractors under the control of the Community Services Department. To be reported within 2 months after quarter end. The report should highlight actions taken to address under performance.		Number of reports to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
1.3	Schedule at least 1 Community Services Intergovernmental Relations meeting with all LM's per quarter.		Number of IGR meetings			4	1		1		1		1			

IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017
							TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
1.4	Report quarterly on individual and organisational performance indicators for the Community Services Department and submit report on achievements to the Office of the Municipal Manager within 15 days after quarter end.		Number of IPMS reports submitted within 15 working days			4	1		1		1		1			
			Number of OPMS reports submitted within 15 working days			4	1		1		1		1			
1.5	Prepare and submit the quarterly Community Services SDBIP (Component 3) for 2016/2017 to the Municipal Manager within 10 working days after quarter end.		Number of SDBIP reports to MM			4	1		1		1		1			
			Date of submission			within 10 working days	14-Jul-16		14-Oct-16		15-Jan-17		14-Apr-17			
1.6	Ensure at least 1 quarterly visit to the Community Services assigned Warroom and submit status reports after each visit.		Number of warroom visits			4	1		1		1		1			
1.7	Consolidate quarterly Warroom report submitted and recommendations made to the portfolio committee at the 2nd PC meeting after quarter ends.		Number of report to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
1.8	Submit the Back to Basics report to the Office of the Municipal Manager within 10 days after quarter ends.		Number of reports submitted			4	1		1		1		1			
1.9	Hold monthly meetings with Community Services Managers and keep record of minutes of meetings to ensure that staff is utilised		Number of monthly meetings			12	3		3		3		3			

IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017	
							TARGE T	ACTUA L	TARGE T	ACTUA L	TARGE T	ACTUA L	TARGE T	ACTUA L			
1.10	Staff Competency Plan		Date of completion of the Departmental staff competency Plan			30-Sep-16	30-Sep-16		-		-	-					
			Staff identified for training as per the assessment outcome					31-Dec-16	-	-	-						
1.11	Ensure the cascading of effective Performance Management System		Percentage completion of the development of Performance Plans for all Senior Managers within the Corporate Services Department			30-Sep-16	30-Sep-16										
			Performance Assessments of Senior Managers			30-Jun-17		31-Dec-16		31-Mar-17		30-Jun-17					
1.12	Develop partnership with external stakeholders to obtain funding for Corporate Social Investment initiatives to be implemented by 30 June 2017		Number of CSI initiatives			1					-		1	-			
2	REVENUE ENHANCEMENT																
2.1	Developing business plans that will generate revenue through departmental projects by 30 June 2017	All Managers	Number of business plans developed for 2016/2017	New	4		1		1		1						
			Percentage of completion of business plans	New	100%		30%		60%		100%						
			Date of submission of business plans to funders	New	30-Jun-17		Future Date		Future Date		30-Jun-17						

IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017
							TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
3	MUNICIPAL STATNDARD CHARTS OF ACCOUNTS (MSCOA)															
3.1	Attend MSCOA meetings	All Managers	Number of monthly MSCOA meetings attended	New	12		3		3		3					
			Number of MSCOA Steering Committee meetings attended	New	4		1		1		1					
4	BUDGETING PLANNING															
4.1	Ensure the implementation of the 2016/2017 Procurement Plan by reporting quarterly on teh progress made to the Portfolio Committee by the 2nd PC meeting after quarter ends.	DMM	Number of procurement progress reports submitted to the PC by the 2nd PC meeting after quarter ends	New	New	4	1		1		1		1			
4.2	Ensure budget spent by holding monthtly joint meetings with Budget and Treasury Office (BTO) and Supply Chain Mammagement SCM) Units		Number of meetings held with BTO and SCM	New	New	10	3		2		2		3			
5	BUDGETING AND REPORTING															
5.1	Prepare and submit monthlt expenditure reports to the Budget Offcieewithin 10 working days after month ends and to the Portfolio committee within 2 months	DMM	Number of expenditure reports submitted to the Budget unit within 10 working days after month ends	New	New	12	3		3		3		3			
			Number of expenditure reports submitted to the Portfolio Committee within 2 months	New	New	10	3		2		2		3			

6	IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017	
								TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
EXPENDITURE CONTROL																		
6.1		Ensure payments certictaas are submitted to Expenditure section within 10 working days of receipt	DMM	Percentage of payment certificates received and processed within 10 working days. <i>(indicating the number of certificates received per quarter)</i>	New	N e w	100%	100%		100%		100%		100%				
COMMUNITY AND SOCIAL SERVICES																		
7.1		Ensure the implementation of the Integrated Skills Development Programme by assisting 24 youths with registration grants by 31 March 2017		Date of advertisement			31-Oct-16			31-Oct-16								
			Date of approval of candidates			31-Jan-17					31-Jan-17							
			Number of youth assisted with registration			24					24							
			Report on registration grants to portfolio committee at the 2nd PC meeting after quarter ends			31-Mar-17					31-Mar-17							

IDP	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 2014/2015	BASELINE 2015/2016	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 2016/2017	BUDGET BALANCE FOR 2016/2017
							TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
7.2	Ensure the implementation of the District HIV/AIDS awareness interventions by 30 June 2017. Submit quarterly report to portfolio committee by the 2nd PC meeting after quarter ends		Number of HIV/AIDS Awareness intervention			3			1		1		1			
			Number of progress reports to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
7.3	Ensure the implementation of the District HIV/AIDS programme through facilitation of quarterly District HIV/AIDS Council meetings by 30 June 2017. Submit quarterly report to portfolio committee by the 2nd PC meeting after quarter ends		Number of District AIDS Council meetings			4	1		1		1		1			
			Number of progress reports to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
7.4	Implement 6 programmes by 30 June 2017 for marginalised groups such as Women, Men, Children, Youth, Senior Citizens and the Disabled. Report quarterly progress to portfolio committee at the 2nd PC meeting after quarter ends.		Number of Senior Citizens Forum meetings held			4	1		1		1		1			
			Date of Man's March against Alcohol and Drug Abuse			30-Jun-17							30-Jun-17			
			Number of youth programmes implemented			2			1				1			
			Number of Women's Forum meetings held			4	1		1		1		1			

			Date of completion of Child Headed Household Database			31-Mar-17					31-Mar-17					
			Number of District Disability Forum meetings held			4	1		1		1		1			
			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
7.5		Ensure the implementation of Operation SukumaSakhe by ensuring that 100% of identified needs are met within available budget. Report quarterly to portfolio committee at the 2nd PC meeting after quarter ends	Percentage of identified needs assisted			100%	100%		100%		100%		100%			
			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
7.6		Contribute towards the Crime Prevention Programme through the facilitation of 2 safety and security awareness campaigns in high risk areas as identified by the SAPS by 30 June 2017. Submit quarterly report to portfolio committee at the 2nd PC meeting after quarter ends	Number of Safety and Security Awareness Campaigns			2			1				1			
			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
7.7		Ensure the promotion of culture, arts and heritage within uThungulu by contributing financially to the Annual SATMA Awards by 31 October 2016. Submit report on event to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends.	Percentage of budgeted amount spent on SATMA Awards			100%	50%		100%							
			Number of reports on event to portfolio committee at the 2nd PC meeting after quarter ends			1					1					
7.8		Impementation of identified arts and culture programmes from the Arts and Culture	Number of Arts and Culture Programmes implemented			3			1		1		1			

	Development Plan in conjunction with the Department of Arts and Culture by 30 September 2016.	Percentage of identified programmes assisted as per Arts and Culture Development Plan			100%			25%		75%		100%			
		Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
8	AIR QUALITY MANAGEMENT														
8.1	Ensure the implementation of the Air Quality Management Plan by conducting inspections at all 8 identified sites by 30 June 2017	Number of identified areas inspected			8	2		2		2		2			
		Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			
8.2	Collect and capture emission data for controlled emitters in the NAEIS format and 100% approval thereof by 30 June 2017	Percentage of internal reports approved by 30 June 2017			100%		-	-		Emission data for controlled emitter reports to NAEIS		-	100%		-
		Number of progress reports to portfolio			4	1		1		1		1			
	Respond to all non compliance of emission. Submit quarterly report to portfolio at the 2nd PC meeting after quarter ends.	Number of days responded to all non compliant emitters			2	2		2		2		2			
		Number of reports to portfolio at the 2nd PC meeting after quarter			4	1		1		1		1			

			ends															
		Processing of all emission licence applications submitted. Submit quarterly report to portfolio at the 2nd PC meeting after quarter ends.	Number of emission licences issued			4	1		1		1		1		1			
			Number of reports to portfolio at the 2nd PC meeting after quarter ends			4	1		1		1		1		1			
9		SPORT DEVELOPMENT																
9.1		Ensure implementation of uThungulu Sports Development Plan by 31 December 2016. Report quarterly on the implementation thereof to the portfolio committee at the 2nd PC meeting after quarter ends	Date of implementation of Sports Development Plan			31-Dec-16			31-Dec-16									
			Percentage of identified programmes assisted as per Sports Development Plan			100%				50%				100%				
			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1		1			
9.2		Ensure the participation and contribution towards to the District Elimination Games by 31 October 2016 and SALGA Games by 31 December 2016 and report quarterly progress to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends	Percentage of budgeted amount spent			100%	25%		75%		100%							
			Date of District Elimination Games			31-Oct-16			31-Oct-16									
			Date of SALGA Games			31-Dec-16			31-Dec-16									
			Number of codes participating			16			16									

			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			3	1		1		1							
9.3	Facilitate the District Golden Games for elderly people by 31 July 2016 and report thereon to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends		Date of Golden Games			31-Jul-16	31-Jul-16											
			Number of progress reports to portfolio Committee at the 2nd PC meeting after quarter ends			1	1											
9.4	Host the Mayoral Cup to promote local athletes by 30 September 2016 and report thereon to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends		Date of Mayoral Cup			30-Sep-16	30-Sep-16											
			Number of reports on event to portfolio committee at the 2nd PC meeting after quarter ends			1			1									
9.5	Facilitate the Annual uThungulu District Marathon by 30 November 2016 and report on event to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends		Date of advertisement			30-Sep-16	30-Sep-16											
			Date of stakeholder liaison meeting			31-Oct-16			31-Oct-16									
			Date of uThungulu Marathon			30-Nov-16			30-Nov-16									
			Number of reports on event to portfolio committee at the 2nd PC meeting after quarter ends			1						1						
10		DISASTER MANAGEMENT																
10.1	Ensure the implementation of the Disaster Management Plan by responding to 100% of disasters within the District. Report quarterly progress to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends		Percentage of disasters responded to			100%	100%		100%		100%		100%					
			Number of the progress report to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1		1			

10.2	Ensure the implementation of the Disaster Risk Reduction Programme through the facilitation of 16 awareness campaigns by 30 June 2017.		Number of Disaster Awareness Campaigns			16	4		4		4		4		
			Number of progress report to portfolio committee at the PC meeting after quarter ends			4	1		1		1		1		
10.3	Ensure the activation of the Disaster Management Volunteers Programme by training 200 volunteers on fire fighting activities by 30 June 2017.		Roll-out programmes for the volunteers			30-Jun-17	30-Sep-16		31-Dec-16		31-Mar-17		30-Jun-17		
			Number of progress report to portfolio committee at the 2nd PC meeting after quarter ends			4	1		1		1		1		
10.4	Ensure the procurement of 10 temporary shelters for inclusion in disaster management stock items by 31 December 2016.		Date of appointment of the service provider			31-Dec-16			31-Dec-16						
			Number of temporary shelters procured			10			10						
			Number of progress report to portfolio committee at the 2nd PC meeting after quarter ends			1					1				
11		ENVIRONMENTAL HEALTH													
11.1	Ensure bylaw governance of Child Care facilities through the approval of uThungulu District Child Care Services Bylaws by 30 June 2017.		Draft bylaw			30-Sep-16	30-Sep-16								
			Date of submission of draft bylaw to EXCO			31-Dec-16			31-Dec-16						

				Public participation and compilation of comments			31-Mar-17					31-Mar-17					
				Approval of final bylaw by Council by 30 June 2017			30-Jun-17						30-Jun-17				
11.2		Ensure implementation of the Bilharzia Control Plan by 30 June 2017.		Number of Bilharzia Awareness Campaigns			12	3		3		3		3			
				Number of progress report to portfolio committee at the 2nd PC meeting after quarter ends			12	1		1		1		1			
11.3		Ensure environmental health awareness by conducting at least 12 environmental health awareness campaigns by 30 June 2017. Report quarterly progress to the Community Services Portfolio Committee at the 2nd PC meeting after quarter ends.		Number of environmental health awareness campaigns			12	3		3		3		3			
				Number of progress reports on EHS submitted to portfolio Committee at the 2nd PC meeting after quarter ends			4	1		1		1		1			

DEPARTMENT OF THE DEPUTY MUNICIPAL MANAGER: PLANNING AND ECONOMIC DEVELOPMENT: 2016/2017

COMPONENT 3 - QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

Item no:	OPMS No:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE INDICATOR	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASELINE 14/15	BASELINE 15/16	% ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION 2016/2017	BUDGET REMAINING AT YEAR END	
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL			
1		PLANNING EXECUTIVE																			
1.1	4.5, 4.7, 4.8	Internal	Internal	Keep the Planning Executive expenditure on OPEX projects within the approved budget for the 2016/2017 financial year	MM Mashiteng	Total percentage of budgeted amount spent for the 2016/17 Financial Year	100 %			100%	20%		50%		75%		100 %				
1.2	4.1, 5.8	Internal	Internal	Respond to all written P&ED internal audit enquiries and general enquiries within 10 days of report date.	MM Mashiteng	Average number of days to respond	<14 days			10	10		10		10		10				
1.3	5.5	Internal	Internal	Ensure at least 1 quarterly visit to the Planning and Economic Development Department assigned Warroom and submit status reports to the Deputy Municipal Manager: Community Services within 15 days after each visit.	MM Mashiteng	Number of warroom visits	4	4		4	1		1		1		1				
						Number of reports submitted to DMM:COM within 15 days after each visit	4	4		4	1		1		1		1		1		

1.4	5.2.1	Internal	Internal	Prepare and submit the quarterly planning and economic SDBIP (Component 3) for 2016/2017 to the Municipal Manager within 10 working days after quarter ends.	S Davidson	Number of SDBIP reports submitted to the MM's office within 10 working days after quarter ends.	4	4			4	1		1		1			
						Date of submission of SDBIP within 10 working days after quarter ends.	with in 30 days after quarter ends	within 15 days after quarter ends		within 10 days after quarter ends	14-Jul-16		14-Oct-16		14-Jan-17		14-Apr-17		
1.5	5.2.1	Internal	Internal	Report quarterly on individual and organisational performance indicators for the Planning and Economic Development Department and submit reports on achievements to the Office of the Municipal Manager within 15 days after quarter ends.	MM Mashiteng	Number of IPMS reports submitted within 15 days after quarter ends	with in 30 days after quarter ends	within 30 days after quarter ends			4	1		1		1			
						Number of OPMS reports submitted within 15 days after quarter ends	with in 30 days after quarter ends	within 30 days after quarter ends			4	1		1		1		1	
1.6	5.5	Internal	Internal	Draft reports and submit quarterly to the Planning and Economic Development Services Portfolio Committee on the Performance of Contractors under the control of the Economic Development Section and Statutory and Development Planning. To be	MM Mashiteng	Number of reports to portfolio committee within 2 months after quarter ends					4	1		1		1			

				reported within 2 months after quarter end. The report should highlight actions taken to address under performance.															
1.7		Internal	Internal	Hold monthly meetings with P&ED Managers and keep record of minutes of meetings to ensure that staff is utilised	MM Mashiteng	Number of monthly meetings	New	10		12	3		3		3		3		
1.8	1.1.3, 1.1.4	Internal	Internal	Staff Competency Plan	MM Mashiteng	Date of completion of the Departmental staff competency Plan	New	New		30-Sep-16	30-Sep-16								
						Staff identified for training as per the assessment outcome	New	New		31-Dec-16		31-Dec-16							
1.9	5.3.1, 5.3.2, 5.3.3	Internal	Internal	Ensure the cascading of effective Performance Management System	MM Mashiteng	Date of completion of the development of Performance Plans for all Senior Managers within the Planning and Economic Development Department	New	New		30-Sep-16	30-Sep-16								

						Performance Assessments of Senior Managers conducted	New	New		30-Jun-17			31-Dec-16		31-Mar-17		30-Jun-17			
1.10	5.1.1, 5.1.3	Internal	Internal	Schedule at least 1 Planning and Economic Development Intergovernmental Relations meeting with all local municipalities per quarter to align activities within the district.	MM Mashiteng	Number of IGR Forum meetings	New			4			1		1		1			1
1.11				Develop partnership with external stakeholders to obtain funding for Corporate Social Investment initiatives to be implemented by 30 June 2017	Number of CSI initiatives					1							1			
2	REVENUE ENHANCEMENT																			
2.1	4.2.3			Developing business plans that will generate revenue through departmental projects by 30 June 2017	All Managers	Number of business plans developed for 2016/2017	New	New		4	1		1		1		1			
						Number of liaison meetings with potential funders	New	New		2			1		1					
3	MUNICIPAL STANDARD CHARTS OF ACCOUNTS (MSCOA)																			
3.1	1.1.9			Attend MSCOA meetings	All Managers	Number of monthly MSCOA meetings attended	New	New		12	3		3		3		3			
					MM Mashiteng	Number of MSCOA Steering Committee meetings	New	New		4	1		1		1		1			

						attended													
4		BUDGET PLANNING																	
4.1	4.1.1	Internal	Internal	Ensure the implementation of the 2016/2017 Procurement Plan by reporting quarterly reporting on the progress made to the Portfolio Committee by the 2nd PC after quarter ends.	MM Mashiteng	Number of procurement progress reports submitted to the PC by the 2nd PC after quarter ends.	New	New		4	1		1		1		1		
				Ensure budget spent by holding monthly joint meetings with the Budget and Treasury Office and Supply Chain Mngement units	MM Mashiteng	Number of meeting held with BTO and SCM	New	New		10	3		2		2		3		
5		BUDGETING AND REPORTING																	
5.1	4.1.1	Internal	Internal	Prepare and submit monthly expenditure reports to the Budget Office, within 10 working days after month end and to the portfolio committee within 2 months.	MM Mashiteng	Number of expenditure reports submitted to the Budget within 10 days after month end	New	New		12	3		2		4		3		
						Number of expenditure reports submitted to portfolio committee	New	New		10	3		2		2		3		
6		EXPENDITURE CONTROL																	

6.1	4.5	Internal	Internal	Ensure payments certificates are submitted to Expenditure section within 10 working days of receipt.	S Singh	Percentage of payment certificates received and processed within 10 working days. (indicating the number of certificates received per quarter)	New	New			100%	100%		100%		100%				
7		ECONOMIC DEVELOPMENT																		
7.1	2.1.2	Internal	Internal	Keep the Economic Development expenditure on OPEX projects within the approved budget for the 2016/2017 financial year	MM Mashiteng	Total OPEX percentage of budgeted amount spent for the 2016/17 Financial Year					100%	25%		50%		75%		100%		
7.2	2.1.1	Internal		Facilitate at least 1 Economic Development Summit by 30 June 2017 and submit report on event at the first sitting of the Planning and Economic Development Portfolio Committee after the event.	S Sibiya / A Tait	Date of Planning & Economic Development summit held per annum	30-Nov-14				30-Jun-16							30-Jun-16		
						No of report submitted to the 1st PC after the event	1				1							1		
7.3	5.1.1, 5.1.2	Internal	Internal	Promotion and awareness of Economic Development in the district	MM Mashiteng	Number of Economic Development (IGR) forums hosted (DEDF)	New	New			4	1		1		1		1		
7.4	7.1	1.1	E1.8	To promote agriculture development within the District	S Sibiya / A Tait	Number of farmers supported and developed	New				12	3		3		3		3		

				with agricultural support initiatives		Number of Farmers trained	New			18	6		0		6		6		
						Development of Essential Oils Beneficiation Plan	New			30-Jun-17							30-Jun-17		
						Number of Agriculture progress reports to portfolio committee	New			4	1		1		1		1		
7.5	2.1, 2.2	1.2 & 1.3	E1.1 2, E1.2 4, E1.2 9	Promote work opportunities to reduce unemployment.	S Sibiya / A Tait	Number of Work Opportunities created	61			50	10		20		10		10		
						Number of Crafters Marketed	New			32	10		10		6		6		
						Forestry Sector Draft Business Plan developed	New	New		31-Dec-16			31-Dec-16						
						Forestry Sector Final Draft Business Plan developed	New	New		30-Jun-17							30-Jun-17		
7.6	4.1, 5.1, 6.1	1.2	E1.1 8	Increase the number of annual visitors to the tourism destinations	S Sibiya / A Tait	Number of Cruise Ship assisted	100 %			22			12		10				
						Number of Tourism shows participated in	New			4	1		1				2		
						Date of submission to the Portfolio Committee for the Advertising and Campaigning for the Last Dance Music Festival	New			30-Sep-16	30-Sep-16								
						Marketing of the Last Dance Music Festival	New			31-Dec-16			31-Dec-16						

						Item to Portfolio Committee re preparation of commencement of campaign for Kings Experience	New			30-Sep-16	30-Sep-16								
						Marketing of the King's Experience	New			31-Dec-16			31-Dec-16						
						King Cetswayo Heritage Commemoration	New			30-Sep-16	30-Sep-16								
						Number of Tourism progress reports to portfolio committee	New			4	1		1		1				
7.7	3.1, 3.2	1.4	E1.1 6, E1.1 7	Creative, Visual and Performing Arts (CVPA)	N Mavundla	Creative, Visual and Performing Arts Festival	New			30-Jun-17								30-Jun-17	
						Tourism and Arts Academy concept development	New			31-Dec-16			31-Dec-16						
						Number of CVPA training sessions conducted	New			3	1		0		1			1	
						Number of CVPA programmes implemented	New			2	0		0		1			1	
						Support Local Film Production - uJeqeNentombi Yethonga	New			30-Jun-17								30-Jun-17	
						Number of Film Office progress reports to portfolio committee	New			4	1		1		1			1	

7.8	1.1, 1.2	1.4	E1.2 9, E1.3 1, E1.3 3	Support and increase the number of Cooperatives and SMME's registered in the District	S Sibiya / A Tait	Number of informal Economic Chamber engagement sessions attended	New			4	1		1		1						
						Number of new SMME's assisted and captured onto the data base	>100			40	10		10		10		10				
						Number of training, support and development sessions hosted	New			4	1		1		1		1				
						Date of SMME Economic Symposium	30-Jun-15			30-Jun-17							30-Jun-17				
						Number of Black Industrialists companies identified	New			10	5				5						
						Number of Black Industrialists assisted	New			4			2				2				
						Number of SMME/ Co-Operatives support programmes implemented / participated in	New			4	1		0		1		2				
						Number of SMME progress reports to portfolio committee	4			4	1		1		1		1				
8				STATUTORY AND DEVELOPMENT PLANNING																	

8.1		Internal	Internal	Keep the Statutory and Development Planning expenditure on OPEX projects within the approved budget for the 2016/2017 financial year	MM Mashiteng	Total percentage of budgeted amount spent for the 2016/17 Financial Year	<100 %			100%	25%		50%		75%		100 %		
8.2	8.1	6.1	P5.1	Prepare and submit the final 2017/2022 IDP to Council for approval by 30 June 2017.	G Mathaliese	Date of submission of Final IDP Framework Plan to Council	30-Sep-14			30-Sep-16	30-Sep-16								
						Number of IDP Representative (IGR) Forums	3			3			1		1		1		
						Date of submission of Draft IDP to Council	30-Mar-15			31-Mar-17					31-Mar-17				
						Date of approval of Final IDP by Council	30-Jun-15			30-Jun-17							30-Jun-17		
8.3	9.1	5.3, 6.1	P6.4	Ensure the Municipality has an appropriate suite (sector) of plans	W Mpofu	Environmental Framework Plan terms of reference developed	New			31-Dec-16					31-Dec-16				
						Date of appointment of service provider for Environmental Framework Plan	New			30-Mar-17							30-Mar-17		
						Number of progress reports to portfolio committee	12			3			1		1		1		
8.4	10.1, 10.2	5.3	P5.7	Assist in protecting the Environment	G Mathaliese	Number of Coastal programmes supported	1			1							1		

						Number of Coastal Management Working Group (IGR) forums hosted	New			4	1		1		1				
						Number of Provincial Coastal Committees participated in	New			4	1		1		1				
						Number of progress reports to portfolio committee on Number Coastal programmes supported, Number of Coastal Management Working Group (IGR) forums hosted, Number of Provincial Coastal Committees participated in.	4			4	1		1		1				
						Number of Environmental progress reports to portfolio Committee	New			4	1		1		1				
8.5	Internal	7.2	P7.6	Ensure functioning GIS unit for the Planning and Economic Development Section with support to the DPSS participating local municipalities.	G Mathaliese	Number of consultative visits to participating DPSS LM's	New			36	9		9		9				
						100% of map requests attended to	New			100%	100%		100%		100%				
						Number of GIS progress reports to portfolio committee	4			4	1		1		1				

9																			
PLANNING SHARED SERVICES																			
9.1	Internal	7.2	Internal	Provide a Development Planning Shared Service to uThungulu family of municipalities	G Mathaliese	Number of consultative visits to participating DPSS LM's	New				12	3		3		3		3	
						100% of Land Development Applications received and processed.	New				100%	100%		100%		100%		100%	
						Number of progress reports to portfolio committee	4				4	1		1		1		1	

DEPARTMENT OF THE DEPUTY MUNICIPAL MANAGER: TECHNICAL SERVICES: 2016/2017

COMPONENT 3 - QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

Item no:	OPMS Indicator no:	DGDP Ref:	Implementation Plan Ref:	PERFORMANCE TARGET	RESPONSIBLE PERSON	UNIT OF MEASUREMENT	BASE LINE 14/15	BASE LINE 15/16	PERCENTAGE ACHIEVEMENT FOR 2016/2017	ANNUAL TARGET	QUARTER ENDING 30 SEPT		QUARTER ENDING 31 DEC		QUARTER ENDING 31 MARCH		QUARTER ENDING 30 JUNE		BUDGET ALLOCATION FOR 16/17	BUDGET BALANCE FOR 16/17
											TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL	TARGET	ACTUAL		
1				TECHNICAL EXECUTIVE																
1.1	4.5, 4.7, 4.8	6.1	Internal	Ensure 100% commitment on CAPEX, OPEX, MWIG, RBIG and MIG annual expenditure programmes with no over-expenditure by 30 June 2017 and report quarterly progress to the Technical Services Portfolio Committee by the 2nd PC meeting after quarter ends.	TF Mnguni	Percentage of budgeted amount committed on OPEX				100%	10%		30%		60%		100%			
					Percentage of budgeted amount committed on CAPEX				100%	10%		30%		60%		100%				
					Percentage of budgeted amount committed on MWIG				100%	10%		45%		65%		100%				
					Percentage of budgeted amount committed on RBIG				100%	10%		45%		65%		100%				
					Percentage of budgeted amount committed on MIG				100%	10%		45%		65%		100%				

						Number of reports to portfolio by the 2nd PC meeting after quarter ends					4	1		1		1			
1.2	4.1.1, 5.8	6.1	Internal	Prepare and submit the quarterly technical SDBIP (Component 3) for 2016/2017 to the Municipal Manager within 10 working days after quarter ends.	L Gcaba	Number of SDBIP reports submitted to the MM's office within 10 working days after quarter ends.					4	1		1		1			
						Date of submission of SDBIP within 10 working days after quarter ends.					within 10 days after quarter ends	14-Jul-16		14-Oct-16		14-Jan-17		14-Apr-17	
1.5	5.2.1	6.1	Internal	Report quarterly on individual and organisational performance indicators for the Technical Services Department and submit reports on achievements to the Office of the Municipal Manager within 15 days after quarter ends.	L Gcaba	Number of IPMS reports submitted					4	1		1		1			
						Number of OPMS reports submitted within 30 days after quarter ends					4	1		1		1			
1.3	5.5	6.1	Internal	Draft reports and submit quarterly to the Technical Services Portfolio Committee on the Performance of Contractors under the control of the Technical Department. To be reported within 2 months after quarter ends. The report should highlight actions taken to address under	S Mngadi	Number of reports to portfolio committee within 2 months after quarter ends.					4	1		1		1			

				performance.															
1.6	5.4.1, 5.4.2	6.1	Internal	Submit the Back to Basics report to the Office of the Municipal Manager within 10 working days after quarter ends.	M Dlamini	Number of reports submitted within 10 working days after quarter ends				4	1		1		1		1		
1.4	7.11	6.1	Internal	Ensure quarterly visits to the Technical Services assigned Warroom and submit quarterly status reports to the Deputy Municipal Manager: Community Services within 15 days after quarter ends.	TF Mnguni	Number of Warroom visits				4	1		1		1		1		1
						Number of reports to DMM: COM within 15 days after quarter ends.				4	1		1		1		1		
1.7	5.1.1, 5.1.2	6.1	Internal	Schedule at least 1 Technical Services Intergovernmental Relations meeting with all local municipalities per quarter to align activities within the district.	TF Mnguni	Number of IGR meetings				4	1		1		1		1		
1.8	4.1.1, 4.1.2	6.1	Internal	Respond to all written technical internal audit enquiries and general enquiries within 10 days of report date.	TF Mnguni	Average number of days to respond to internal audit enquiries.				10	10		10		10		10		
1.9	1.1.3, 1.1.4	6.2	Internal	Staff Competency Plan		Date of completion of the Departmental				30-Sep-16	30-Sep-16				-				

						staff competency Plan													
	1.1.3, 1.1.4	6.2	Internal			Staff identified for training as per the assessment outcome				31-Dec-16		31-Dec-16		-					
1.10	5.3.1, 5.3.2, 5.3.3	6.2	Internal	Ensure the cascading of effective Performance Management System		Date of completion of the development of Performance Plans for all Senior Managers within the Corporate Services Departemet				30-Sep-16	30-Sep-16								
						Performance Assessments of Senior Managers						31-Dec-16		31-Mar-17			30-Jun-17		
1.11	4.3	6.4	Internal	Ensure the updating of the Fixed Asset Register for the Technical Department by submitting details of new assets to the Asset Department within 60 days after the completion of the project.	T Jele / T Mtetwa	Percentage of assets updated within 60 days of completion				100%	100%			100%			100%		
1.12				Develop partnership with external stakeholders to obtain funding for Corporate Social Investment initiatives to be implemented by 30 June 2017	Number of CSI initiatives					1			-			-		1	
2				REVENUE ENHANCEMENT															
2.1	4.2.3	6.4	Internal	Developing business plans that will generate revenue through departmental projects by 30 June	All Managers	Number of business plans developed for 2016/2017	New			4	1		1		1		1		

				2017			Number of liaison meetings with potential funders			2		1		1					
3			MUNICIPAL STANDARD CHARTS OF ACCOUNTS (MSCOA)																
3.1	1.1.9	4.4 6.1, 6.2,6.3, 6.4	Internal	Attend MSCOA meetings	All Managers	Number of monthly MSCOA meetings attended	New			12	3		3		3		3		
3.2	1.1.9	4.4, 6.1, 6.2,6.3, 6.4	Internal		TF Mnguni	Number of MSCOA Steering Committee meetings attended	New			4	1		1		1		1		
4			BUDGETING PLANNING																
4.1	4.1.1	6.2	Internal	Ensure the implementation of the 2016/2017 Procurement Plan by reporting quarterly reporting on the progress made to the Portfolio Committee by the 2nd PC after quarter ends.	TF Mnguni	Number of procurement progress reports submitted to the PC by the 2nd PC after quarter ends.	New			4	1		1		1		1		
4.2	4.1.1	6.2	Internal	Ensure budget spent by holding monthly joint meetings with the Budget and Treasury Office and Supply Chain Management units	TF Mnguni	Number of meeting held with BTO and SCM	New			10	3		2		2		3		
5			BUDGETING AND REPORTING																

5.1	4.1.1	6.2	Internal	Prepare and submit monthly expenditure reports to the Budget Office, within 10 working days after month end and to the portfolio committee within 2 months.		Number of expenditure reports submitted to the Budget within 10 days after month end	New			12	3		2		4		3		
						Number of expenditure reports submitted to portfolio committee	New			12	3		2		2		3		
6			EXPENDITURE CONTROL																
6.1	4.5	6.2	Internal	Ensure payments certificates are submitted to Expenditure section within 10 working days of receipt.	S Baker / M Mazibuko / M Dlamini / Z Tlou	Percentage of payment certificates received and processed within 10 working days. (indicating the number of certificates received per quarter)	New			100%	100%		100%		100%		100%		
7			WATER SERVICES																
7.1	2.1.2	Internal	6.1.3	Implementation of the Capacitation Plan for the Urban Component by 30 June 2017 as per Section 78 assessment. Report quarterly progress to the portfolio committee by the 2nd PC meeting after quarter ends.	T Jele	Date of tender advertisement				30-Sep-16	30-Sep-16								
						Date of appointment of service providers				31-Mar-17				31-Mar-17					
						Number of progress reports to portfolio by the 2nd PC meeting after quarter ends				4	1		1		1		1		
7.2	2.1.1	4.5	T6.2 to T6.6	Ensure community participation and stakeholder engagement by	T Mtetwa	Number of Awareness Campaigns conducted				12	3		3		3		3		

			participating in Water Week, Arbor Week and Sanitation Week. Conduct at least 12 community awareness campaigns by 30 June 2017. Report quarterly on awareness campaigns conducted to the portfolio committee by the 2nd PC meeting after quarter ends.		Number of reports submitted to the portfolio by the 2nd PC meeting after quarter ends					4	1		1		1				
8			MUNICIPAL INFRASTRUCTURE IMPLEMENTATION																
8.1	2.4.1, 2.4.2, 2.4.3	4.5	T4.12, T4.15, T4.17, T4.18, T4.19, T4.20, T4.21, T4.23, T4.25	Ensure the eradication of backlogs in the district by providing basic water services. Report quarterly to the portfolio committee on the number of households with access to water as well as the new water connections by the 2nd PC meeting after quarter ends.	T Mtetwa / S Mngadi	Percentage of households with access to basic water				66.72 %	65.4 3%		65.8 6%		66.2 9%		66.7 2%		
						Number of households with access to basic water				77639	7613 9		7663 9		7713 9		7763 9		
						Number of new water connections				2 000	500		500		500		500		
						Number of progress reports by the 2nd PC meeting after quarter ends				4	1		1		1		1		
8.2	2.5.1, 2.5.2, 2.5.3	4.5	T4.82, T4.83, T4.84, T4.85, T4.86	Ensure the eradication of backlogs in the district by providing basic sanitation services. Report quarterly to the Technical Portfolio Committee on the number of households with access to sanitation as well as the new sanitation connections by the 2nd PC meeting after quarter ends.	S Mngadi	Percentage of households with access to basic sanitation				78.58 %	76.6 4%		77.2 9%		77.9 3%		78.5 8%		
						Number of households with access to sanitation services				91439	8918 9		8993 9		9068 9		9143 9		
						Number of new sanitation connections				3 000	750		750		750		750		
						Number of progress reports by the 2nd PC meeting after				4	1		1		1		1		

						quarter ends													
8.3	4.8	6.1, 6.4	Internal	Implement regional cemetery upgrades as part of Phase II D through the construction of a new fence and gate by 30 June 2017.	S Mngadi	Finalisation of the appointment of service provider				31-Mar-17	Futu re Date		Futu re Date		31-Mar-16				
						Percentage completion of regional cemetery upgrades				50%	Futu re Date		30%		Futu re Date		50%		
						Number of progress reports by the 2nd PC meeting after quarter ends				4	1		1		1		1		
8.4	2.3	4.3	T5.10	Implement the Rural Transport Services and Infrastructure objectives for 2016/2017 by 30 June 2017. Report quarterly progress to the portfolio committee by the 2nd PC meeting after quarter ends.	S Mngadi	Percentage of objectives completed as per approved business plan				100%	10%		30%		60%		100%		
						Percentage completion of reclassification of class 6 roads				5%	1%		2%		3%		5%		
						Percentage completion of bridge condition survey				50%	10%		20%		30%		50%		
						Percentage completion of data logging				80%	20%		40%		60%		80%		
						Number of reports to portfolio by the 2nd PC meeting after quarter ends				4	1		1		1		1		
8.5	2.1.1	4.5	T4.50 to T4.54	Commence with the upgrade of the water and waste water services network repairs in Nkandla,	Sphelele Mkhize	Percentage completion of prioritized Mtunzini network repairs				100%	10%		30%		60%		100%		

				Eshowe, Melmoth, Mtunzini, Mbonambi and Gingindlovu and report quarterly progress to the Portfolio Committee by the 2nd PC meeting after quarter ends.		Percentage completion of prioritized Melmoth network repairs				100%	10%	30%	60%	100%			
						Percentage completion of prioritized Mbonambi network repairs				100%	10%	30%	60%	100%			
						Percentage completion of prioritized Gingindlovu network repairs				100%	10%	30%	60%	100%			
						Percentage completion of prioritized Nkandla network repairs				100%	10%	30%	60%	100%			
						Number of reports to portfolio by the 2nd PC meeting after quarter ends				4	1	1	1	1			
8.6	2.1.3	4.6	T6.1	Complete the Energy Assessment Report for usage for all water and waste water treatment plants by 31 March 2017.	T Jele	Date of appointment of service provider				31-Dec-16	Future Date	31-Dec-16					
						Date of approval by Council				31-Mar-17	Future Date	Future Date	31-Mar-17				
8.7	3.2.2	1.3	T1.21	Ensure the functioning of EPWP Incentive projects within the uThungulu District by creating 600 new jobs under projects being implemented for the 2016/2017 financial year. Report quarterly statistics to the portfolio committee by the 2nd PC meeting after quarter ends.	S Mngadi	Number of jobs created				600	150	150	150	150			
						Number of progress reports to portfolio by the 2nd PC meeting after quarter ends				4	1	1	1	1			
9				OPERATIONS MAINTENANCE AND MONITORING													

9.1	2.2.1	6.4	Internal	Maintain the Regional Solid Waste Site as well as the transfer station in order to ensure effective operation of the sites by ensuring compliance with the permits conditions. Submit quarterly to portfolio committee by the 2nd PC meeting after quarter ends	Y Mkhabela	Number of compliance monitoring committee meetings held				4	1		1		1						
						Quarterly compliance Internal Audit report				4	1		1		1		1				
						Number of progress reports by the 2nd PC meeting after quarter ends				4	1		1		1		1				
9.2	Internal	3.2	T6.9	Ensure improved health and safety conditions by considering recommendations made by the Occupational Health and Safety Committee and implementing recommendations within the budget.	Sphelele Mkhize / Y Mkhabela	Percentage of budget spent within 2016/2017 addressing OHS problems identified in 2015/2016 by OHS Committee	New			50%	15%		25%		35%		50%				
						Number of identified problems during 15/16 OHS audits	New														
						Submit quarterly report to PC by the 2nd PC meeting after quarter ends.					4	1		1		1					
						Submit annual expenditure report to portfolio committee by the 30 June 2017.							30-Jun-17							30-Jun-17	
'10				WATER AND WASTE WATER (PROCESS SECTION)																	
10.1	2.6.1	4.5	T5.4	Improve quality of drinking water for all water treatment plants	S Ngwenya	Percentage Compliance to SANS 241 : 2015	New														
				Submit quarterly report to PC by the 2nd PC meeting after quarter ends						4	1		1		1		1		1		

						meeting after quarter ends.													
10.2	2.6.2	4.5	T5.5	Improve quality of waste water for all waste water treatment plants	S Ngwenya	Percentage Compliance to General Authorisation Standards/ Works Licence													
				Submit quarterly report to PC by the 2nd PC meeting after quarter ends		Submit quarterly report to the TS: PC by the 2nd PC meeting after quarter ends.													
11				WATER USE EFFICIENCY															
11.1	2.1.1	4.5	T4.32, T4.56	Ensure the implementation of the UDM Water Conservation Demand Management Strategy by installing 2000 replacement meters by 30 June 2017.	T Jeje	Number of replacement meters installed				2000	500		500		500		500		
11.2	2.1.1	4.5	T4.40	Repair 100% of identified household leaks by 30 June 2017. Report quarterly progress to the Technical Services Portfolio Committee by 2nd PC meeting after quarter ends	T Jeje	Percentage of leaks repaired				100%	100%		100%		100%		100%		
						Number of progress reports by the 2nd PC meeting after quarter ends				4	1		1		1		1		

uThungulu Fresh Produce Market - UFPM

The municipality has formally registered an entity to function as a Fresh Produce Market. The uThungulu District Municipality holds a 100percent shareholding in this entity. The entity started operating on its own from April 2015. A separate budget for the 2016/17 financial year has been submitted by the entity and below is an overview of the entity's 2016/2017 budget.

The aggregate budget over the MTEF which takes into account the anticipated sales revenue from the Department of Education and also the grant income from Uthungulu District Municipality. The table also reflects expenditure estimates over the MTEF. The budget over this period is characterized by increasing expenses on a year-on-year basis. The revenue estimates take into account increases of 4.40 per cent as the grant framework provides for an increase in meal costs year-on-year (in 2014/15 the cost was R2.73 per learner for primary and special schools and R3.55 for secondary schools and in 2015/16 the cost is R2.85 and R3.60).

While there are challenges in the purchase price of fresh produce, other spending items have been rationalized, including transportation of fresh produce. The take-over of implementation from the service provider has yielded some efficiency benefits as the cost of running the programme has reduced drastically, resulting in increased surplus in 2016/17. It must be noted that there is a decline in the surplus over the two outer years as a result of increasing expenses while the revenue is constant. Worth noting, is the fact that the direct costs of running the nutrition programme (transport, purchase of fresh produce and payment of stipends to casual workers) amounts to R19.573 million, making 68 per cent of the total spending. This leaves R6.851 million of the revenue from DOE sales for administrative expenditure which amounts to R9.086 million. This therefore indicates that, currently UFPM needs the grant funding from Uthungulu District Municipality whilst plans are intensified to capture other alternative markets/clients, i.e the Department of Health, the Department of Social Development, etc.

1.8 Annual Budget Tables – Parent Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 7 MBRR Table A1 - Budget Summary

DC28 uThungulu - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	49 902	53 801	53 826	65 748	65 748	65 748	–	75 834	88 518	97 370
Investment revenue	27 113	32 866	37 046	30 374	32 574	32 574	–	37 197	37 834	40 104
Transfers recognised - operational	336 374	423 490	469 387	490 849	477 364	477 364	–	472 693	499 124	540 068
Other own revenue	10 171	15 360	15 143	32 430	123 092	123 092	–	53 342	72 665	9 025
Total Revenue (excluding capital transfers and contributions)	483 560	525 517	575 402	619 400	698 778	698 778	–	639 065	698 141	686 567
Employee costs	99 493	111 559	132 210	175 275	158 890	158 890	–	190 458	203 700	216 806
Remuneration of councillors	8 523	8 814	9 395	11 411	11 411	11 411	–	11 411	12 153	12 943
Depreciation & asset impairment	50 917	48 971	48 881	52 920	52 920	52 920	–	64 000	71 397	77 961
Finance charges	19 376	13 637	12 672	16 656	16 656	16 656	–	17 447	7 518	7 854
Materials and bulk purchases	29 466	32 471	39 224	41 035	44 267	44 267	–	48 501	46 107	48 689
Transfers and grants	11 127	12 233	7 181	12 563	7 563	7 563	–	5 000	4 000	3 000
Other expenditure	252 604	290 407	384 154	334 198	423 437	423 437	–	332 667	349 298	386 138
Total Expenditure	471 506	518 092	633 717	644 059	715 145	715 145	–	669 484	694 174	753 391
Surplus/(Deficit)	12 054	7 425	(58 315)	(24 658)	(16 367)	(16 367)	–	(30 419)	3 967	(66 825)
Transfers recognised - capital	173 857	209 559	229 446	489 275	456 837	456 837	–	433 012	438 220	414 778
Contributions recognised - capital & contributed a	–	–	–	–	2 500	2 500	–	6 000	–	–
Surplus/(Deficit) after capital transfers & contributions	185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953
Capital expenditure & funds sources										
Capital expenditure	174 201	218 317	232 852	512 245	489 598	489 598	–	466 192	506 445	418 118
Transfers recognised - capital	160 743	182 163	218 093	490 275	456 837	456 837	–	428 712	433 720	409 778
Public contributions & donations	–	–	–	–	2 500	2 500	–	6 000	–	–
Borrowing	3 088	60	8 766	–	2 775	2 775	–	–	45 000	–
Internally generated funds	10 370	36 094	5 994	21 970	27 486	27 486	–	31 481	27 725	8 340
Total sources of capital funds	174 201	218 317	232 852	512 245	489 598	489 598	–	466 192	506 445	418 118
Financial position										
Total current assets	505 448	589 964	588 839	375 944	375 944	375 944	–	369 328	355 642	362 558
Total non current assets	1 199 526	1 366 963	1 545 008	2 485 766	2 463 119	2 463 119	–	2 856 971	3 285 855	3 625 958
Total current liabilities	205 505	237 188	245 903	147 365	147 365	147 365	–	136 318	134 849	138 543
Total non current liabilities	154 508	157 760	154 834	154 639	154 639	154 639	–	146 967	194 798	197 569
Community wealth/Equity	1 344 961	1 561 978	1 733 110	2 559 706	2 537 059	2 537 059	–	2 943 014	3 311 891	3 652 448
Cash flows										
Net cash from (used) operating	249 404	278 630	114 463	492 599	402 208	402 208	–	421 508	482 289	412 665
Net cash from (used) investing	(145 830)	(200 776)	(197 972)	(506 821)	(484 174)	(484 174)	–	(451 852)	(500 321)	(418 078)
Net cash from (used) financing	(24 442)	(4 946)	(6 938)	(8 663)	(8 663)	(8 663)	–	(12 037)	35 112	(5 491)
Cash/cash equivalents at the year end	445 849	518 756	428 309	413 553	345 808	337 679	–	303 426	320 506	309 603
Cash backing/surplus reconciliation										
Cash and investments available	470 521	541 761	448 076	359 154	359 154	359 154	–	315 429	289 667	289 985
Application of cash and investments	274 365	318 879	279 340	254 346	259 679	259 679	–	268 878	234 406	224 274
Balance - surplus (shortfall)	196 156	222 882	168 736	104 808	99 475	99 475	–	46 551	55 261	65 711
Asset management										
Asset register summary (VDV)	1 174 413	1 343 566	1 524 894	2 406 978	2 384 256	2 384 256	2 364 692	2 364 692	2 799 727	3 139 873
Depreciation & asset impairment	50 917	48 971	48 881	52 920	52 920	52 920	64 000	64 000	71 397	77 961
Renewal of Existing Assets	–	–	–	489 510	454 793	454 793	454 793	385 546	352 670	392 786
Repairs and Maintenance	43 985	52 108	76 820	47 626	68 371	68 371	58 196	58 196	60 607	64 001

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a brief overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Capital transfers and contributions) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not providing for cash backed provisions due to budget limitations. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections and increase in indigent customers. The municipality is in the process of developing the Funding and Reserves Policy as required by section 7 of the Municipal Budget and Reporting Regulations in order to deal with the cash backing of the reserves. It is anticipated that the policy will prescribe the percentage of cash backing that will progressively increase over the years which will eventually result in all the reserves being fully cash backed in the long run.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this must not be done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs. According to the recently compiled Water Services Delivery Plan, it is anticipated that the municipality will only be able to eliminate water backlogs by the year 2030, unless urgent interventions are implemented.

Table 8: MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC28 uThungulu - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard	1									
<i>Governance and administration</i>		385 894	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Executive and council		–	–	–	–	–	–	–	–	–
Budget and treasury office		384 727	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Corporate services		1 168	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		16 200	17 282	18 423	19 314	19 314	19 314	21 512	22 896	24 944
Community and social services		270	232	270	291	291	291	389	428	471
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		15 930	17 050	18 152	19 023	19 023	19 023	21 123	22 468	24 473
<i>Economic and environmental services</i>		–	–	–	–	–	–	–	–	–
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		255 322	259 101	288 090	291 455	291 455	291 455	299 551	324 778	352 925
Electricity		–	–	–	–	–	–	–	–	–
Water		181 625	200 034	211 093	225 187	225 187	225 187	250 309	273 044	298 017
Waste water management		61 975	47 686	63 473	51 941	51 941	51 941	26 571	26 796	27 475
Waste management		11 722	11 381	13 524	14 327	14 327	14 327	22 671	24 938	27 432
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	657 417	735 076	804 848	1 108 676	1 157 115	1 157 115	1 078 077	1 136 361	1 101 345
Expenditure - Standard										
<i>Governance and administration</i>		99 452	95 408	118 972	145 084	148 503	148 503	158 743	156 839	163 678
Executive and council		29 408	20 626	27 647	33 914	40 075	40 075	36 905	37 673	40 508
Budget and treasury office		34 271	30 908	41 740	48 442	48 959	48 959	57 560	50 317	50 044
Corporate services		35 773	43 873	49 585	62 728	59 469	59 469	64 279	68 848	73 126
<i>Community and public safety</i>		28 032	30 265	35 738	49 688	49 119	49 119	51 579	56 553	60 862
Community and social services		15 612	14 202	17 312	22 605	25 044	25 044	23 989	24 876	27 403
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		5 279	5 653	5 429	8 066	6 682	6 682	6 767	8 765	9 091
Housing		–	–	–	–	–	–	–	–	–
Health		7 141	10 410	12 996	19 018	17 392	17 392	20 823	22 912	24 368
<i>Economic and environmental services</i>		12 178	15 231	27 716	21 575	32 626	32 626	27 327	41 700	48 890
Planning and development		12 178	15 231	27 716	21 575	32 626	32 626	27 327	41 700	48 890
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		331 845	377 188	451 291	427 712	484 896	484 896	431 835	439 081	479 962
Electricity		–	–	–	–	–	–	–	–	–
Water		245 703	296 180	347 702	332 841	370 286	370 286	367 435	366 653	404 575
Waste water management		59 426	46 383	65 097	50 160	70 473	70 473	28 492	28 607	29 401
Waste management		26 715	34 624	38 492	44 711	44 137	44 137	35 908	43 822	45 986
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	471 506	518 092	633 717	644 059	715 145	715 145	669 484	694 174	753 391
Surplus/(Deficit) for the year		185 911	216 984	171 131	464 617	441 970	441 970	408 593	442 187	347 953

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into separate functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for uThungulu District Municipality, Water & Waste water functions, except for the Waste management function. As highlighted previously, the municipality still has a long way to go in achieving cost reflective tariffs as this needs to be done whilst ensuring minimal impact on the consumers, especially the poorest of the poor.

Table 9 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC28 uThungulu - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote	1									
Vote 1 - Executive & Council		–	–	–	–	–	–	–	–	–
Vote 2 - Economic Development, Planning & Environment		–	–	–	–	–	–	–	–	–
Vote 3 - Community & Social Services		270	232	270	291	291	291	389	428	471
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Environmental Health		15 930	17 050	18 152	19 023	19 023	19 023	21 123	22 468	24 473
Vote 6 - Finance & Administration		385 894	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Vote 7 - Infrastructure Services		181 625	200 034	211 093	225 187	225 187	225 187	250 309	273 044	298 017
Vote 8 - Waste Management		11 722	11 381	13 524	14 327	14 327	14 327	22 671	24 938	27 432
Vote 9 - Waste Water Management		61 975	47 686	63 473	51 941	51 941	51 941	26 571	26 796	27 475
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	657 417	735 076	804 848	1 108 676	1 157 115	1 157 115	1 078 077	1 136 361	1 101 345
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		44 261	38 891	38 847	56 182	59 812	59 812	59 512	61 913	66 405
Vote 2 - Economic Development, Planning & Environment		12 178	15 967	27 716	21 575	32 626	32 626	27 327	41 700	48 890
Vote 3 - Community & Social Services		15 612	14 202	17 312	22 605	25 044	25 044	23 989	24 876	27 403
Vote 4 - Public Safety		5 279	5 653	5 429	8 066	6 682	6 682	6 767	8 765	9 091
Vote 5 - Environmental Health		7 141	10 410	12 751	19 018	17 392	17 392	20 823	22 912	24 368
Vote 6 - Finance & Administration		55 192	55 781	80 370	88 902	88 692	88 692	99 231	94 925	97 273
Vote 7 - Infrastructure Services		245 703	296 180	347 702	332 841	370 286	370 286	367 435	366 653	404 575
Vote 8 - Waste Management		26 714	34 624	38 492	44 711	44 137	44 137	35 908	43 822	45 986
Vote 9 - Waste Water Management		59 426	46 383	65 097	50 160	70 473	70 473	28 492	28 607	29 401
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	471 506	518 092	633 717	644 059	715 145	715 145	669 484	694 174	753 391
Surplus/(Deficit) for the year	2	185 911	216 984	171 131	464 617	441 970	441 970	408 593	442 187	347 953

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 10 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

DC28 uThungulu - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	33 305	37 659	35 134	45 709	45 709	45 709	–	46 595	56 366	61 991
Service charges - sanitation revenue	2	4 605	4 529	4 898	5 421	5 421	5 421	–	6 178	6 796	7 475
Service charges - refuse revenue	2	11 722	11 381	13 524	14 327	14 327	14 327	–	22 671	24 938	27 432
Service charges - other		270	232	270	291	291	291	–	389	428	471
Rental of facilities and equipment		34	37	36	–	–	–	–	50	50	50
Interest earned - external investments		27 113	32 866	37 046	30 374	32 574	32 574	–	37 197	37 834	40 104
Interest earned - outstanding debtors		34	28	29	276	276	276	–	293	310	329
Dividends received					–	–	–	–	–	–	–
Fines					–	–	–	–	–	–	–
Licences and permits					–	–	–	–	–	–	–
Agency services					–	–	–	–	–	–	–
Transfers recognised - operational		396 374	423 490	469 387	490 849	477 364	477 364	–	472 693	499 124	540 068
Other revenue	2	10 102	15 295	15 078	32 154	122 816	122 816	–	53 000	72 305	8 646
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		483 560	525 517	575 402	619 400	698 778	698 778	–	639 065	698 141	686 567
Expenditure By Type											
Employee related costs	2	99 493	111 559	132 210	175 275	158 890	158 890	–	190 458	203 700	216 806
Remuneration of councillors		8 523	8 814	9 395	11 411	11 411	11 411	–	11 411	12 153	12 943
Debt impairment	3	4 190	4 330	10 260	3 637	3 637	3 637	–	3 834	4 037	4 260
Depreciation & asset impairment	2	50 917	48 971	48 881	52 920	52 920	52 920	–	64 000	71 397	77 961
Finance charges		19 376	13 637	12 672	16 656	16 656	16 656	–	17 447	7 518	7 854
Bulk purchases	2	29 466	32 471	39 224	40 533	43 841	43 841	–	48 010	45 589	48 142
Other materials	8				503	427	427	–	491	517	547
Contracted services		65 270	82 515	90 364	109 793	110 708	110 708	–	103 238	108 472	113 094
Transfers and grants		11 127	12 233	7 181	12 563	7 563	7 563	–	5 000	4 000	3 000
Other expenditure	4, 5	182 879	203 369	282 124	220 768	309 092	309 092	–	225 595	236 789	268 784
Loss on disposal of PPE		265	193	1 406							
Total Expenditure		471 506	518 092	633 717	644 059	715 145	715 145	–	669 484	694 174	753 391
Surplus/(Deficit)		12 054	7 425	(58 315)	(24 658)	(16 367)	(16 367)	–	(30 419)	3 967	(66 825)
Transfers recognised - capital		173 857	209 559	229 446	489 275	455 837	455 837	–	433 012	438 220	414 778
Contributions recognised - capital		–	–	–	–	2 500	2 500	–	6 000	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953
Taxation				0							
Surplus/(Deficit) after taxation		185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		185 911	216 984	171 131	464 617	441 970	441 970	–	408 593	442 187	347 953

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R639 million in 2016/17 and escalates to R687million by 2018/19. This represents an increase of 7.5%over the medium term.
2. Service charges relating to water, sanitation and refuse constitutes the biggest component of the revenue basket of the Municipality, totalling R76 million for the 2016/17 financial year and increasing to R97 million by 2018/19. For the 2016/17 financial year services charges amount to 12% of the total revenue base and grows to14% per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of water.
3. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. To be noted that the Equitable Share allocation has seen a decrease of R10,7m when compared to the 2015/16 projections as per Gazette in the 2015 Division of Revenue Act. The most likely cause for EQS decrease is the KZ283 wards that are moving to KZ282, uThungulu District municipality will no longer be a Water Services Authority in those wards.
4. Employee related costs have increased by 20% from the 2015/16 full year forecast, this is due to the inflationary increase of 6% on salaries in line with 2015 Salary and Wage Collective agreement, as well as newly funded positions that have been included in the 2016/17 financial year. Also to be noted that the salaries budget for 2015/16 was adjusted downwards due to savings on vacant positions and some unutilised staff benefits. Furthermore, the scarce skills allowance was revised for certain categories of staff in line with the approved Council policy which is aimed at attracting and retaining skilled staff in the uThungulu District Municipality.
5. Depreciation has been budgeted for at R64m for the 2016/17 financial year and increasing to R78m over the MTREF, this is as a result of the infrastructure assets that are being added onto the fixed asset register as a result of new schemes being commissioned.
6. Finances Charges comprise of the repayments of the current loans that were acquired by Council in order to fast track the backlog eradication process and Finance Partnership, this expenditure item amounts to a total of R33 million over the MTREF. Furthermore, a loan of R45m is proposed for the 2017/18 financial year to be used for the construction of cell 3 of the regional solid waste site.

7. Bulk purchases have significantly increased over the MTREF, with a total allocation of R142 million over the MTREF. This can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water from the Bulk Water suppliers as well as the anticipated completion of schemes under the Greater Mthonjaneni, Middledrift and KwaHlokoHloko water projects.
8. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Table 11 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

DC28 uThungulu - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		364	-	-	-	-	-	-	-	-	-
Vote 2 - Economic Development, Planning & Environment		-	-	12 596	-	-	-	-	-	-	-
Vote 3 - Community & Social Services		-	-	3 546	1 085	10 182	10 182	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	-	-	-	-
Vote 6 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure Services		156 579	211 132	173 209	491 190	455 366	455 366	-	429 662	423 120	410 903
Vote 8 - Waste Management		-	341	-	-	-	-	-	3 251	45 000	-
Vote 9 - Waste Water Management		-	1 080	6 400	4 550	1 751	1 751	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	156 943	212 553	195 751	496 825	467 299	467 299	-	432 912	468 120	410 903
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		1 625	1 580	674	950	1 464	1 464	-	3 200	100	100
Vote 2 - Economic Development, Planning & Environment		-	142	87	170	170	170	-	100	100	100
Vote 3 - Community & Social Services		56	471	239	780	530	530	-	380	350	400
Vote 4 - Public Safety		16	-	69	1 700	2 014	2 014	-	-	-	-
Vote 5 - Environmental Health		-	-	-	400	400	400	-	300	-	-
Vote 6 - Finance & Administration		4 414	3 571	3 253	2 510	5 506	5 506	-	7 700	4 275	2 150
Vote 7 - Infrastructure Services		3 602	-	22 563	8 560	5 729	5 729	-	21 550	33 450	3 880
Vote 8 - Waste Management		-	-	3 632	350	1 050	1 050	-	-	-	-
Vote 9 - Waste Water Management		7 545	-	6 583	-	5 437	5 437	-	50	50	575
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		17 258	5 764	37 101	15 420	22 299	22 299	-	33 280	38 325	7 215
Total Capital Expenditure - Vote		174 201	218 317	232 852	512 245	489 598	489 598	-	466 192	506 445	418 118
Capital Expenditure - Standard											
Governance and administration		6 038	5 151	3 927	3 860	6 970	6 970	-	10 900	4 375	2 250
Executive and council		195	1 554	651	850	1 360	1 360	-	3 200	100	100
Budget and treasury office		354	530	232	1 660	2 208	2 208	-	6 350	2 400	950
Corporate services		5 489	3 067	2 984	1 350	3 402	3 402	-	1 350	1 875	1 200
Community and public safety		436	471	3 853	3 965	13 126	13 126	-	680	350	400
Community and social services		420	471	3 784	2 265	10 712	10 712	-	380	350	400
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		16	-	69	1 700	2 014	2 014	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	400	400	-	300	-	-
Economic and environmental services		-	142	12 683	170	170	170	-	100	100	100
Planning and development		-	142	12 683	170	170	170	-	100	100	100
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		167 727	212 553	212 389	504 250	469 333	469 333	-	454 512	501 620	415 368
Electricity		-	-	-	-	-	-	-	-	-	-
Water		160 182	211 132	195 773	499 350	461 095	461 095	-	451 212	456 570	414 793
Waste water management		7 545	1 080	12 983	4 550	7 188	7 188	-	50	50	575
Waste management		-	341	3 632	350	1 050	1 050	-	3 251	45 000	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	174 201	218 317	232 852	512 245	489 598	489 598	-	466 192	506 445	418 118
Funded by:											
National Government		160 724	182 163	203 279	490 275	456 837	456 837	-	428 712	433 720	409 778
Provincial Government		19	-	14 814	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	160 743	182 163	218 093	490 275	456 837	456 837	-	428 712	433 720	409 778
Public contributions & donations	5	-	-	-	-	2 500	2 500	-	6 000	-	-
Borrowing	6	3 088	60	8 766	-	2 775	2 775	-	-	45 000	-
Internally generated funds		10 370	36 094	5 994	21 970	27 486	27 486	-	31 481	27 725	8 340
Total Capital Funding	7	174 201	218 317	232 852	512 245	489 598	489 598	-	466 192	506 445	418 118

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2016/17, R433 million has been allocated for the capital budget. This allocation decreases to R468 million in 2017/18 and then to R411 million in 2018/19.
3. Single-year capital expenditure has been appropriated at R33 million for the 2016/17 financial year and totals R79 million over the Medium term.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of office machinery and specialized tools and equipment and ad hoc projects with a life cycle of not more than a year. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
5. The capital programme is funded from national grants and transfers, and internally generated funds. For 2016/17, capital transfers total R435 million, decreasing slightly to R434 million in 2017/18 and further down to R410 million in 2018/19. Internally generated funding has been provided for at a total of R68 million over the MTREF.

Table 12 MBRR Table A6 - Budgeted Financial Position

DC28 uThungulu - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS											
Current assets											
Cash		75 848	38 756	78 309	24 782	24 782	24 782		29 350	29 667	29 985
Call investment deposits	1	370 000	480 000	350 000	320 000	320 000	320 000	-	280 000	260 000	260 000
Consumer debtors	1	37 791	44 203	81 990	11 702	11 702	11 702	-	22 971	25 268	27 794
Other debtors		14 502	20 413	69 881	10 433	10 433	10 433		27 082	29 790	32 769
Current portion of long-term receivables		38	39	44	42	42	42		41	45	49
Inventory	2	7 269	6 552	8 615	8 986	8 986	8 986		9 884	10 873	11 960
Total current assets		505 448	589 964	588 839	375 944	375 944	375 944	-	369 328	355 642	362 558
Non current assets											
Long-term receivables		440	393	347	313	313	313		266	221	173
Investments		24 673	23 004	19 767	14 372	14 372	14 372		6 079	-	
Investment property											
Investment in Associate											
Property, plant and equipment	3	1 173 336	1 342 634	1 523 844	2 469 678	2 445 655	2 445 655	-	2 848 431	3 283 701	3 624 006
Agricultural											
Biological											
Intangible		1 077	932	1 050	1 402	2 778	2 778		2 194	1 932	1 779
Other non-current assets											
Total non current assets		1 199 526	1 366 963	1 545 008	2 485 766	2 463 119	2 463 119	-	2 856 971	3 285 855	3 625 958
TOTAL ASSETS		1 704 974	1 956 926	2 133 846	2 861 710	2 839 063	2 839 063	-	3 226 299	3 641 497	3 988 515
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	10 595	6 938	9 529	15 531	15 531	15 531	-	11 047	6 643	7 464
Consumer deposits		9 114	9 661	9 698	9 521	9 521	9 521		10 473	11 520	12 672
Trade and other payables	4	168 870	216 028	225 292	115 559	115 559	115 559	-	113 243	115 030	116 643
Provisions		16 926	4 561	1 384	6 754	6 754	6 754		1 555	1 656	1 763
Total current liabilities		205 505	237 188	245 903	147 365	147 365	147 365	-	136 318	134 849	138 543
Non current liabilities											
Borrowing		78 874	77 585	68 056	52 525	52 525	52 525	-	44 020	82 490	75 025
Provisions		75 634	80 175	86 777	102 114	102 114	102 114	-	102 948	112 308	122 544
Total non current liabilities		154 508	157 760	154 834	154 639	154 639	154 639	-	146 967	194 798	197 569
TOTAL LIABILITIES		360 013	394 948	400 737	302 004	302 004	302 004	-	283 285	329 647	336 112
NET ASSETS	5	1 344 961	1 561 978	1 733 110	2 559 706	2 537 059	2 537 059	-	2 943 014	3 311 851	3 652 403
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	4	1 079 969	1 296 986	1 468 118	2 294 714	2 272 067	2 272 067		2 678 022	3 046 899	3 387 456
Reserves	4	264 992	264 992	264 992	264 992	264 992	264 992	-	264 992	264 992	264 992
TOTAL COMMUNITY WEALTH/EQUITY	5	1 344 961	1 561 978	1 733 110	2 559 706	2 537 059	2 537 059	-	2 943 014	3 311 891	3 652 448

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
3. The budgeted Community wealth or equity for the MTREF is R2,9 billion, R3.3 billion and R3.7 billion for the 16/17,17/18 and 18/19 financial years respectively.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 13 MBRR Table A7 - Budgeted Cash Flow Statement

DC28 uThungulu - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges											
Service charges		49 902	53 801	53 826	59 173	59 173	59 173		68 250	79 667	87 633
Other revenue		5 933	4 615	(8 161)	10 154	27 041	27 041		11 714	45 874	924
Government - operating	1	337 874	371 631	398 843	490 849	477 364	477 364		472 693	499 124	540 068
Government - capital	1	244 168	277 214	250 503	489 275	458 337	458 337		433 012	438 220	414 778
Interest		27 147	32 894	37 074	30 650	32 850	32 850		37 489	38 144	40 432
Dividends											
Payments											
Suppliers and employees		(385 119)	(435 654)	(597 770)	(558 283)	(628 338)	(628 338)		(579 203)	(607 221)	(660 317)
Finance charges		(19 375)	(13 637)	(12 672)	(16 656)	(16 656)	(16 656)		(17 447)	(7 518)	(7 854)
Transfers and Grants	1	(11 127)	(12 233)	(7 181)	(12 563)	(7 563)	(7 563)		(5 000)	(4 000)	(3 000)
NET CASH FLOW/(USED) OPERATING ACTIVITIES		249 404	278 630	114 463	492 599	402 208	402 208	-	421 508	482 289	412 665
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE				1 237					6 000	-	-
Decrease (increase) in non-current debtors											
Decrease (increase) other non-current receivables		53	46	42	41	41	41		47	45	40
Decrease (increase) in non-current investments		21 534	1 668	3 238	5 383	5 383	5 383		8 293	6 079	-
Payments											
Capital assets		(167 417)	(202 490)	(202 488)	(512 245)	(489 598)	(489 598)		(466 192)	(506 445)	(418 118)
NET CASH FLOW/(USED) INVESTING ACTIVITIES		(145 830)	(200 776)	(197 972)	(506 821)	(484 174)	(484 174)	-	(451 852)	(500 321)	(418 078)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing										45 000	-
Increase (decrease) in consumer deposits					866	866	866		952	1 047	1 152
Payments											
Repayment of borrowing		(24 442)	(4 946)	(6 938)	(9 529)	(9 529)	(9 529)		(12 989)	(10 935)	(6 643)
NET CASH FLOW/(USED) FINANCING ACTIVITIES		(24 442)	(4 946)	(6 938)	(8 663)	(8 663)	(8 663)	-	(12 037)	35 112	(5 491)
NET INCREASE/ (DECREASE) IN CASH HELD		79 132	72 908	(90 447)	(22 885)	(90 630)	(90 630)	-	(42 382)	17 080	(10 904)
Cash/cash equivalents at the year begin:	2	366 717	445 848	518 756	436 438	436 438	428 309		345 808	303 426	320 506
Cash/cash equivalents at the year end:	2	445 849	518 756	428 309	413 553	345 808	337 679		303 426	320 506	309 603

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The budgeted cash/cash equivalents are R303m, R321m and R310m for the 2016/2017, 2017/2018 and 2018/2019 financial years respectively.

Table 14 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC28 uThungulu - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	445 849	518 756	428 309	413 553	345 808	337 679	–	303 426	320 506	309 603
Other current investments > 90 days		(0)	(0)	–	(68 771)	(1 026)	7 103	–	5 924	(30 839)	(19 618)
Non current assets - Investments	1	24 673	23 004	19 767	14 372	14 372	14 372	–	6 079	–	–
Cash and investments available:		470 521	541 761	448 076	359 154	359 154	359 154	–	315 429	289 667	289 985
Application of cash and investments											
Unspent conditional transfers		32 460	51 722	38 603	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	87 397	109 396	85 902	99 707	105 310	105 310	–	82 094	71 975	66 090
Other provisions		154 508	157 760	154 834	154 639	154 369	154 369	–	102 948	112 308	122 544
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	83 837	50 122	35 640
Total Application of cash and investments:		274 365	318 879	279 340	254 346	259 679	259 679	–	268 878	234 406	224 274
Surplus(shortfall)		196 156	222 882	168 736	104 808	99 475	99 475	–	46 551	55 261	65 711

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. A focal point in this table is that the municipality has budgeted to fully spend all grant allocations received in the outer years.

Table 15 MBRR Table A9 - Asset Management
DC28 uThungulu - Table A9 Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE										
Total New Assets	1	174 201	218 317	232 852	22 735	34 805	34 805	80 646	153 775	25 332
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		74 032	186 004	120 179	14 165	12 036	12 036	64 465	104 900	23 682
Infrastructure - Sanitation		67	50	-	-	-	-	-	-	-
Infrastructure - Other		96 487	24 426	108 317	1 500	850	850	3 251	45 000	-
Infrastructure		170 586	210 479	228 496	15 665	12 886	12 886	67 716	149 900	23 682
Community		-	-	-	-	10 182	10 182	880	400	440
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	3 522	7 459	3 729	6 795	10 010	10 010	12 000	3 215	905
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		93	379	627	275	1 726	1 726	50	260	295
Total Renewal of Existing Assets	2	-	-	-	489 510	454 793	454 793	385 546	352 670	392 786
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	485 375	447 584	447 584	385 496	352 620	392 211
Infrastructure - Sanitation		-	-	-	4 050	7 195	7 195	50	50	575
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	489 425	454 779	454 779	385 546	352 670	392 786
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	85	15	15	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		74 032	186 004	120 179	499 540	459 620	459 620	449 962	457 520	415 903
Infrastructure - Sanitation		67	50	-	4 050	7 195	7 195	50	50	575
Infrastructure - Other		96 487	24 426	108 317	1 500	850	850	3 251	45 000	-
Infrastructure		170 586	210 479	228 496	505 090	467 665	467 665	453 262	502 570	416 478
Community		-	-	-	-	10 182	10 182	880	400	440
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	3 522	7 459	3 729	6 880	10 025	10 025	12 000	3 215	905
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		93	379	627	275	1 726	1 726	50	260	295
TOTAL CAPITAL EXPENDITURE - Asset class	2	174 201	218 317	232 852	512 245	489 598	489 598	466 192	506 445	418 118
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		490 239	644 234	761 700	1 633 257	1 589 340	1 589 340	1 612 369	2 026 292	2 390 029
Infrastructure - Sanitation		22 742	22 226	24 751	56 990	63 269	63 269	30 704	30 106	30 026
Infrastructure - Other		585 640	600 456	662 930	591 938	602 180	602 180	650 749	681 487	667 361
Infrastructure		1 098 622	1 266 916	1 449 381	2 282 245	2 254 789	2 254 789	2 293 822	2 737 885	3 087 415
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	74 714	75 718	74 463	123 331	126 690	126 690	68 676	59 909	50 679
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1 077	932	1 050	1 402	2 778	2 778	2 194	1 932	1 779
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 174 413	1 343 566	1 524 894	2 406 978	2 384 256	2 384 256	2 364 692	2 799 727	3 139 873
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		50 917	48 971	48 881	52 920	52 920	52 920	64 000	71 397	77 981
Repairs and Maintenance by Asset Class	3	43 985	52 108	76 820	47 626	68 371	68 371	58 196	60 607	64 001
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	42 694	62 942	44 733	66 303	66 303	55 172	57 427	60 643
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		43 985	8 381	12 356	243	143	143	100	106	112
Infrastructure		43 985	51 076	75 298	44 976	66 446	66 446	55 272	57 533	60 755
Community		-	133	196	59	159	159	230	244	257
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	900	1 326	2 591	1 766	1 766	2 694	2 831	2 988
TOTAL EXPENDITURE OTHER ITEMS		94 903	101 080	125 702	100 546	121 291	121 291	122 196	132 005	141 961
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	95.6%	92.9%	92.9%	82.7%	69.6%	93.9%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	925.0%	859.4%	859.4%	602.4%	494.0%	503.8%
R&M as a % of PPE		3.7%	3.9%	5.0%	1.9%	2.8%	2.8%	2.0%	1.8%	1.8%
Renewal and R&M as a % of PPE		4.0%	4.0%	5.0%	22.0%	22.0%	22.0%	19.0%	15.0%	15.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. From the above table it is noted that the amounts allocated to renewal and repairs and maintenance of infrastructure assets equates to 19% of PPE. Furthermore, uThungulu's internally funded capital for 2016/17 accounts for 7% of the total capital budget, most of the capital budget is grant funded mainly through MIG, RBIG and WSIG, which is for backlog eradication.

Table 16 MBRR Table A10 Basic service delivery measurement

DC28 uThungulu - Table A10 Basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		30 306	33 337	30 306	36 670	36 670	36 670	40 337	41 144	41 967
Piped water inside yard (but not in dwelling)		43 625	47 988	47 000	52 786	52 786	52 786	58 065	59 226	60 411
Using public tap (at least min.service level)	2	22 000	24 200	22 500	26 620	26 620	26 620	29 282	29 868	30 465
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		95 931	105 524	99 806	116 077	116 077	116 077	127 684	130 238	132 843
Using public tap (< min.service level)	3	7 590	8 349	9 930	9 184	9 184	9 184	10 102	10 304	10 510
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		41 831	46 014	35 616	50 616	50 616	50 616	55 677	56 791	57 926
<i>Below Minimum Service Level sub-total</i>		49 421	54 363	45 546	59 799	59 799	59 799	65 779	67 095	68 437
Total number of households	5	145 352	159 887	145 352	175 876	175 876	175 876	193 464	197 333	201 279
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		30 306	33 337	30 306	36 670	36 670	36 670	40 337	41 144	41 967
Flush toilet (with septic tank)		4 250	4 675	4 250	5 143	5 143	5 143	5 657	5 770	5 885
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		73 274	80 601	83 274	88 662	88 662	88 662	97 528	99 478	101 468
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
<i>Minimum Service Level and Above sub-total</i>		107 830	118 613	117 830	130 474	130 474	130 474	143 522	146 392	149 320
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		37 522	41 274	27 522	45 402	49 942	54 936	49 942	50 941	51 959
No toilet provisions		–	–	–	–	–	–	–	–	–
<i>Below Minimum Service Level sub-total</i>		37 522	41 274	27 522	45 402	49 942	54 936	49 942	50 941	51 959
Total number of households	5	145 352	159 887	145 352	175 876	180 416	185 410	193 464	197 333	201 279

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Honourable Speaker, Mayor, Deputy Mayor and the Council Whip, on the administration side it consists of the Municipal Manager and senior officials of the municipality.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.2 Schedule of Key Deadlines

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2015) a time schedule that sets out the process to revise the IDP and prepare the budget.

The IDP and budget time schedule were tabled in the Budget Steering Committee in August 2014 and was then subsequently submitted to the Financial Services Portfolio Committee, Exco, and Council in August 2015. This was revised in January 2015 and subsequently approved by Council. The Key dates applicable to the process were:

- **August 2015** – The Mayor tables the Schedule of Key deadlines to the relevant Council Committees;
- **September 2015** – Detail departmental budget proposals (capital and operating) submitted to the Budget Office for consolidation and assessment against the financial planning guidelines;
- **January 2016** - Council considers the 2015/16 Mid-year Review in terms of section 72 of the MFMA;
- **February 2016**- Council considers the 2015/16 Adjustments Budget;

- **March 2016**– Multi-year budget proposals are submitted to the Budget Steering Committee for consideration and further deliberation;
- **16 March 2016**- Tabling in the Financial Services Portfolio Committee, Exco and Council of the draft 2016/17 IDP and 2016/17 MTREF for consideration;
- **March/April 2016** – Public consultation, IDP Roadshows;
- **April 2015**– finalisation of the 2016/17 IDP review and 2016/17 MTREF, taking into consideration comments received from the public, comments from National and Provincial Treasuries, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **20 April 2016**- Tabling of the final 2016/17 MTREF before Council for consideration and approval.

There were minor deviations from the key dates set out in the Budget Time Schedule tabled in Council, however, the dates were still within the legislated timelines.

2.3 Process For Integration Of The IDP & Preparation Of The Budget

The budget process is integrated with the review of the IDP through the IDP review mechanism. The outcome of consultation feeding into the preparation and review of the IDP is taken into account in the budget process.

The Deputy Municipal Manager: Planning and Economic Development arranged alignment forums, of which key outcomes were considered in the review of the IDP and for inclusion in the 2016/2017 Multi-Year Budget Consultation for the preparation of the uThungulu IDP.

2.4 Process to Record and Integrate Input from the Community

The Deputy Municipal Manager: Planning & Economic Development recorded inputs from the alignment forums and with Road shows have been held in October 2015 in each Local Municipality Area to provide feedback on the tabled Budget / IDP as follows:

- uMfolozi Municipality – 30 September 2015
- uMlalazi Municipality – 06 October 2015
- Mthonjaneni Municipality – 21 October 2015
- Nkandla Municipality – 28 October 2015
- Amakhosi Roadshow – 04 September 2015
- Corporates Roadshow – 02 October 2015
- Government Roadshow – 01 September 2015
- Ntambanana Municipality – 01 October 2015



Community Members listening attentively during the October 2015 IDP/Budget Roadshows

2.5 Process And Media Used To Provide Information On The Budget And IDP To The Community

Some of the tools used for communicating the Budget/IDP, as contained in the Public Relations / Communication Strategy, are:

- Road shows in uMhlatuze, Mfolozi, Ntambanana, Nkandla, Mthonjaneni & uMlalazi Municipalities annually in April during the Budget/IDP comment phase and in October after Council approval of the IDP/Budget
- Monthly external newsletter *IzindabaEzimtoti*
- Monthly internal newsletter *Ezisematheni*
- uThungulu website www.uthungulu.org.za
- Annual Service Commitment Charter booklet published as and when needed
- Annual Report – publication planned for January each year.
- Print media press releases as and when required to local and provincial newspapers
- Adverts in local and provincial newspapers as required
- IDP Representative Forum meetings
- District LED Forum meetings
- District Mayors' Forum meetings



Her Worship, The Mayor TVB Mchunuduring a handover of bicycles at the Mthonjaneni Roadshow.

2.6 Alignment Of Budget With IDP

The budget was prepared using the following IDP inputs:

- Situational Analysis
- The outputs of the consultations with the various stakeholders.
- Priority Development Issues
- Strategic approach

The information from the above processes was included in the budget according to the IDP prioritisation model. A preparation of the municipal Integrated Development Plan (IDP) has been prepared for the 2012/2013 to 2016/17 as required by the Municipal Systems Act and the MFMA. The document contains information on the following:

- Vision for the Uthungulu District Municipality
- Strategic Focus Areas
- Long-term goals or outcomes for the resident communities
- Alignment with national, provincial and district plans
- Consideration of service delivery and funding of housing, health and transport
- Description of prioritisation systems used for allocating resources to objectives
- Amendments to the IDP
- The consultative process undertaken to review the IDP

The Budget Steering Committee has been operational since the inception of the IDP preparation process. The committee acts as a support to the IDP preparation process.

2.7 IDP FOCUS AREAS

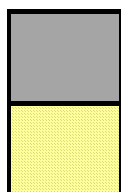
The integrated development approach of the uThungulu District Municipality focuses on the combination of basic needs approach and economic development. As such, the district has been investing in physical, social and economic development aspects. Its investment has been founded on the approach of responding to areas of greatest need and areas with potential for greatest returns in terms of economic development.

The uThungulu District Municipality also focuses on its core functions as referenced in Section 84(1) of the Municipal Structures Act (No. 117 of 1998). The following table provides a summary of only those core functions (shaded areas) for the uThungulu District Municipality:

POWERS AND FUNCTIONS

In terms of Circular 8/2008: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, the uThungulu Distri

			281	282	283	284	285	286
1	S 84(1)(a)	Integrated development planning for the district municipality including Development Plan for the local municipalities within the area of the District Municipality						
2	S 84(1)(b)	Potable water supply that effects a significant proportion of the municipalities in the district						
3	S 84(1)(C)	Bulk supply of electricity						
4	S 84(1)(d)	Domestic waste-water and sewage disposal system						
5	S 84(1)(e)	Solid waste disposal sites serving the area of the District Municipality as a whole						
6	S 84 (1)(f)	Municipal roads which form an integrated part of a road transport system for the area of the district municipality as a whole						
7	S 84 (1)(g)	Regulation of passenger transport services						
8	S 84 (1)(h)	Municipal airport serving the area of the district municipality as a whole						
9	S 84 (1)(i)	Municipal health serving the area of the district municipality as a whole						
10	S 84 (1)(j)	Fire fighting services for district municipality as a whole						
11	S 84 (1)(k)	Fresh produce markets and (abattoirs) serving the area of the district municipality as a whole						
12	S 84 (1)(l)	Cemeteries and crematoria						
13	S 84 (1)(m)	Promotion of local tourism for the district municipality						
14	S 84 (1)(n)	Municipal public works relating to any of the above function or and other functions assigned to the district municipality						
	S 84 (1)(o)	The receipt, allocation and if applicable distribution of grants made to the district municipality						
16	S 84 (1)(p)	The imposition and collection of taxes, levies and duties as related to the above functions or may be assigned to the District Municipality in terms of national						
18	Sched 4 B	Building regulations						
22	Sched 4 B	Local Tourism						
40	Sched 5 B	Licencing and control of undertakings that sell food to the public						
50	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleansing services						



Allocated functions to the District

Functions omitted from existing enactment in terms of Extraordinary Provincial Gazette of KZN Vol3 No 299 dated 30 June 2009

2.8 IDP Strategic Objectives

The above is compartmentalized into the following eleven development strategies for the district:

STRATEGIC PRIORITIES	PROGRAMMES
Municipal Transformation and Organisational Development.	
	Human Resource Development
	Information & Communication Technology Services
	Administrative Services
	Individual Performance Management
	Organisational Performance Management
	Institutional Development
	Integrated Development Planning
Municipal Financial Viability and Management.	
	Financial management
	Budgeting and reporting
	Revenue Enhancement
	Expenditure control
	Improved Audit Opinion
Good Governance and Public Participation.	
	Public Relations & Communications
	Intergovernmental Relations
	Public Participation
	Batho Pele Principles
	Community Participation
	Nation-building and good governance.
	Improved Ward Information
Infrastructure Development and Service Delivery.	
	Electricity & Alternative Energy
	Regional Solid Waste
	Regional Cemeteries and Crematoria
	Municipal Roads and Public Transport Services
	Municipal Airports
	Municipal Public Works
	Regional Fresh Produce Market
	Abattoir
	ICT Infrastructure
	Rail Networks
	Harbour

STRATEGIC PRIORITIES	PROGRAMMES
Basic Services Provision	
	Access to Water (Potable Water and Waste Water)
	Access to Sanitation
	Potable Water, Waste Water and Sanitation
	Drought relief
	Upgrading of Water Services Networks
	Water Services Authority and Planning
	Access to Electricity (Energy)
	Access to Solid Waste (Regional Solid Waste)
	Regional Cemeteries and Crematoria
	Free Basic Services
	Improved access to basic services
	Improved access to Free Basic Services
Local Economic Development	
	Local Economic Development
	Local Economic Development of prioritised groups
	Local Tourism Development
	Agricultural Development
	Business and Industrial Development
	Community Work programme implemented and cooperatives supported
Sustainable Human Settlement & Land Management	
	Internal Fixed Assets
	Spatial Planning & Development
	Nodal Planning & Development
	Land Use Management
	Land Reform
	Housing
Human Resource Development	
	Education
	Skills Development
Rural Development & food security	
	Sustainable Livelihoods
	Rural development
	Agrarian Reform

STRATEGIC PRIORITIES	PROGRAMMES
Community Development & Social Services	
	Municipal Health
	Air Quality Management
	Safety & Security
	Crime Prevention
	Community, Service, Facilities and Actions
	Sport & Recreation Programme
	Disaster Management
	Marginalised Groups
	HIV/AIDS
	Culture, Arts & Heritage
Environmental & Resource Management	
	Integrated Environmental Management
	Coastal Management
	Responses to Climate Change

The 2016/2017 MTREF has therefore been directly informed by the above strategic objectives and the IDP.

2.9 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

2.9.1 PROVISION OF CLEAN WATER AND MANAGING WASTE WATER

uThungulu District Municipality is a Water Services Authority (WSA) in terms of the Minister's determination of the municipal powers and function in terms of section 84 (b) and (d) of the Municipal Structures Act, Act 117 of 1998. The WSA functions are clearly defined in chapter 3 of the Water Services Act, Act 108 of 1997.

The WSA function status is only applicable to the four local municipalities namely;

Mfolozi Municipality	KZ 281
uMlalazi Municipality	KZ 284
Mthonjaneni Municipality	KZ 285
Nkandla Municipality	KZ 286

Based on the aforementioned functions, a detailed Water Services Development Plan (WSDP) was prepared indicating the challenges facing the municipality. UThungulu is predominantly rural with only 20% being urban incorporating surrounding townships. The backlogs are reflected below;

Water Supply Backlog based on the 2011 census data

Basic Service	Number of Households (HH) with access	Number of HH without access	Backlog in Percentage based on 2011 Stats of 116 367 HH in the District
Access to Water	73213	43154	37
Access to Sanitation	79523	36844	32

Based on the table above, it is clear that the municipality is faced with the challenge of ensuring that the 37% (43154) households that have now been provided with water or have access to piped water and enjoys uninterrupted service.

To successfully achieve this mammoth task, the WSA undertook a Section 78 capacity assessment as prescribed in the Municipal Systems Act, Act 32 of 2000. This was done to assess the capacity of all local municipalities to ascertain if they would be able to undertake the Water Services Provider (WSP) function.

The outcome of this service indicated that all five municipalities would not be able to manage water services provision function within the extended areas. It be noted that the previous town councils only had capacity and resources to provide water services within their old boundaries. The newly established wall to wall municipalities resulted in massive extensions of the municipal boundaries with the inclusion of vast rural areas with limited infrastructure.

The 73213 households receive water from over 250 water schemes. These water projects receive water from the following sources: boreholes, springs, rivers through weirs, dams and from bulk pipeline from other neighbouring municipalities.

Access to sanitation stands at 79523 of household served by rural sanitation (VIP) as well as water borne sewerage systems in urban areas except for Mbonambi Town which is entirely on septic tanks. That means our sanitation backlog is about 36844 households representing 32%.

2.9.2 WATER SERVICES PROVIDER STATUS

In view of the fact that all local municipalities did not have capacity to undertake the WSP function, uThungulu entered into a service level agreement with the local municipalities, excluding KZ 282 to provide the WSP function for their entire respective servicing areas. This required that the municipality provide all resources and capacity to ensure that all systems were operational.

To achieve this successfully, uThungulu opted for the services of a service support agent (SSA) for rural schemes. Currently in the year ahead, uThungulu has budgeted R123m for the WSP function. The town supply schemes are operated and managed by UDM. uThungulu appointed the service of a service support agent WSSA.

In addition to the maintenance of rural schemes, the municipality is also responsible for the maintenance of rudimentary water supply facilities such as boreholes, standard developments schemes and protected localized springs which do not have piped network due to low yields.

In areas where boreholes and springs have dried up and where there is no prospect of groundwater, the municipality provide water with water tankers. As alluded earlier in the book, this cost has been increasing annually and no funding has been forthcoming from National and Provincial Government.

2.9.3 WATER QUALITY ISSUES

The municipality is taking the water quality issue very seriously. From last year, the municipality started to make budget provision to address water quality issues. Currently water quality is managed based on the Department of Water Affairs guidelines. These guidelines were reviewed in April 2009 to conform to the SANS 241 standard (blue and green drop). With the introduction of the blue drop performance rating, this standard was improved to only consider water conforming to the class 1 classification.

uThungulu is doing internal monitoring by sampling all its water schemes on a monthly basis and submit those results to DWA through an electronic reporting system. In addition to this, all water plants are equipped with chlorine test meters. The samples are taken on a daily basis for chlorine level monitoring. This also includes the turbidity testing. Most of uThungulu water quality has always been above the 80% compliance. The bulk failures are received from boreholes and spring sources mostly in areas without electricity.

❑ EFFLUENT QUALITY

The effluent samples are taken on a monthly basis and the results are submitted to DWA.

These systems are in Eshowe Town and at Melmoth. Most of the failure are on the oxidation ponds where excessive grown of vegetation has occurred.

❑ WATER SAFETY PLAN

Previously the municipality did not have a water safety plan as this was not compulsory. A budget provision was made available in the 2012/13 financial year with similar provisions made in the outer years. In March 2012, a draft water safety plan was sent to the Department of Water Affairs for approval.

It is important to state that all designs of bulk schemes had been based on 36 to 48hr storages. Since 2006, the municipality has embarked on a strategy to move away from unreliable local sources such as boreholes and springs as they are susceptible to groundwater fluctuations and are the first points of failure during drought.

❑ PROBLEMS EXPERIENCED BY THE MUNICIPALITY

- Huge number of backlogs still to be addressed by the municipality
- Ageing infrastructure in the towns
- Vast areas without water requiring carting of water by tankers
- Diminishing groundwater causing boreholes to dry or affecting water quality
- Negative impact on water supply due to high demand arising from excessive garden watering due to the "One House One Garden" which is a National Government campaign.
- Lack of metering in rural areas
- Vandalism of infrastructure by some community members

- Persistent drought in the district which has necessitated restrictions on the supply of water in some areas as well as interventions such as transporting water by water tankers, which is costly.
- Serious illegal water abstraction and abuse
- Insufficient funds for proper asset management
- Lack of capacity
- Serious challenges with the management of the Support Service Agent contract.

❑ **STEPS TO ADDRESS THE ABOVE PROBLEMS**

All the problems reflected above are covered in detail in the WSDP. The main intervention required to fast track the eradication of these problems is the topping up at least 30% of MIG funding to cover the increasing operational cost.

It should also be noted that as the new infrastructure is implemented, more funding is required for the operation and maintenance of these assets. uThungulu has written a letter to the National Planning Commission requesting a policy review on MIG funding to address the operation and maintenance issues.

2.9.4 WATER CONSERVATION AND WATER DEMAND MANAGEMENT (WC/WDM)

uThungulu District Municipality has taken the issue of WC/WDM seriously. Council has approved the Water Conservation and Water Demand Management Strategy for uThungulu and its implementation is underway. In pursuance of this, a new section known as Water Use Efficiency (WUE) has been created and tasked with the responsibility of implementing the strategy. This section is headed by a Senior Manager. The first priority is to determine the level of non-revenue water and set targets to reduce based on the WC/WDM plan.

A service provider has been appointed to carryout analysis of various systems and do zoning and installation of bulk meters for the purpose of water balances. Another service provider has been appointed to replace conventional meters with smart meters and to carryout leak repairs in the customers' properties. These repairs will be a once off activity. Thereafter, our customers will be expected to manage their leaking appliances. In areas where we are experiences high rate of defaulters, the smart meters will be put of pre-paid mode.

2.9.5 PERFORMANCE INDICATORS AND BENCHMARKS

2.9.5.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. In this regard the Municipality has been independently rated by Global credit rating co. for the past three years and has received an A- rating for its long term credit worthiness. This is indicative of high certainty of timely payment and liquidity factors that are strong and supported by good fundamental protection factors. As with all other municipalities, uThungulu District Municipality's borrowing strategy is primarily informed by the

affordability of debt repayments. As alluded to in table A6 above, the municipality has settled an INCA bullet loan early, amounting to R21 m thereby reducing overall borrowings and lowering gearing..

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be monitored to ensure we maintain a healthy gearing ratio.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. Cognisance must be taken of the impact borrowings will have on future tariffs for service charges.

2.9.5.5 Employee costs as a percentage of operating revenue remains fairly stable over the MTREF, with 28.45% in 2016/17, 29.34% in 2017/18 and 28.78% for the 2018/19 financial year. This is primarily owing to the increases in services charges being aligned to inflationary targets which determine the increase in expenses inclusive of employee costs.

2.9.6 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Council. With the exception of water, only registered indigents qualify for the free and subsidised services.

For the 2016/17 financial year approximately 2400 registered indigents have been provided for in the budget with this figure increasing to 2600 by 2016/17. In terms of the Municipality's indigent policy registered households are entitled to 10k fee water, and subsidised sanitation costs.

Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes, water tankers, etc) are not taken into account in the statistics for free water supplied.

2.10 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The Budget related policies of the municipality have been reviewed with assistance from the Norms and Standards unit in the Provincial Treasury. These policies have been taken to the Rules Committee and will be taken to Exco and Council for final approval together with the final 2016/2017 multi year budget on the 25th May 2016. These policies are as follows;

- Incentive Policy
- Indigent Policy
- Investment and Banking Policy
- Property, Plant and Equipment
- Tariff Policy
- Credit Control and Debt collection Policy (Bylaws)
- Virement Policy
- Budget policy
- Long Term Financial Planning Policy
- Funding & Reserves Policy
- Borrowing Policy
- Supply Chain Management
- Succession and Retention Policy
- Recruitment and Selection Policy
- Employment Equity Policy

2.11 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

2.11.1 In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.

2.11.2 Internship programme

The Municipality is participating in the Municipal Financial Management Internship programme and has employed a total of eighteen interns since the inception of this programme. Currently there are five in the employ of the municipality, these interns have been enrolled for the Certificate in Municipal Development Programme through Wits Business School and the training has commenced in February 2016.

2.11.3 Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA. This Office is headed by a permanently employed Chief Financial Officer.

2.11.4 Audit Committee and Municipal Public Accounts Committee

An Audit Committee and the Municipal Public Accounts Committee has been established and is fully functional.

2.11.5 Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the final budget and is directly aligned and informed by the 2016/17 MTREF. The draft SDBIP will be finalised in terms of Section 53(1) of the MFMA.

2.11.6 Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.12 Annual Budget Tables – uThungulu Fresh Produce Market (Municipal Entity)

Uthungulu Fresh Produce Market - Table D1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16			Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	-	-	-	5 000	5 000	5 000	5 000	4 000	3 000
Other own revenue	-	-	-	27 804	27 804	28 508	27 587	28 801	30 068
Total Revenue (excluding capital transfers and contributions)	-	-	-	32 804	32 804	33 508	32 587	32 801	33 068
Employee costs	-	-	-	4 507	3 507	2 791	4 298	4 513	4 738
Remuneration of Board Members	-	-	-	844	594	537	810	851	893
Depreciation and debt impairment	-	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	552	252	15	420	441	463
Transfers and grants	-	-	-	-	-	-	300	300	300
Other expenditure	-	-	-	25 996	27 546	26 995	23 412	24 296	25 499
Total Expenditure	-	-	-	31 899	31 899	30 338	29 240	30 401	31 893
Surplus/(Deficit)	-	-	-	905	905	3 169	3 347	2 400	1 175
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	-	-	905	905	3 169	3 347	2 400	1 175
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	-	-	905	905	3 169	3 347	2 400	1 175
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	300	302	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	250	250	-
Total sources of capital funds	-	-	-	-	-	-	250	250	-
Financial position									
Total current assets	-	-	-	905	905	5 411	4 650	4 818	5 018
Total non current assets	-	-	-	12 514	12 514	12 714	12 814	12 860	12 604
Total current liabilities	-	-	-	-	-	2 441	2 022	2 123	2 229
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	-	-	-	1 965	1 965	2 969	5 597	8 292	11 081
Cash flows									
Net cash from (used) operating	-	-	-	1 965	1 965	3 169	3 597	2 650	1 425
Net cash from (used) investing	-	-	-	-	-	(200)	(300)	(302)	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	-	-	-	1 965	1 965	2 969	6 267	8 615	10 040

Uthungulu Fresh Produce Market - Table D2 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Revenue by Source	1									
Service charges - other					5 000	5 000	5 000	5 000	4 000	3 000
Transfers recognised - operational					27 804	27 804	28 508	27 587	28 801	30 068
Other revenue								-	-	-
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		-	-	-	32 804	32 804	33 508	32 587	32 801	33 068
Expenditure By Type										
Employee related costs					4 507	3 507	2 791	4 298	4 513	4 738
Remuneration of Directors					844	594	537	810	851	893
Debt impairment	4				-	-	-	-	-	-
Collection costs					-	-	-	-	-	-
Depreciation & asset impairment					1 060	1 060	-	250	250	250
Finance charges					-	-	-	-	-	-
Bulk purchases	2				-	-	-	-	-	-
Other materials	5				552	252	15	420	441	463
Contracted services					20 319	22 888	24 450	20 803	21 843	22 935
Transfers and grants					-	-	-	300	300	300
Other expenditure	3				4 617	3 598	2 545	2 359	2 203	2 313
Loss on disposal of PPE										
Total Expenditure		-	-	-	31 899	31 899	30 338	29 240	30 401	31 893
Surplus/(Deficit)		-	-	-	905	905	3 169	3 347	2 400	1 175
Transfers recognised - capital										
Contributions recognised - capital										
Contributions of PPE										
Surplus/(Deficit) after capital transfers & contributions		-	-	-	905	905	3 169	3 347	2 400	1 175
Taxation										
Surplus/ (Deficit) for the year		-	-	-	905	905	3 169	3 347	2 400	1 175

Uthungulu Fresh Produce Market - Table D3 Capital Budget by vote and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1									
Multi-Year expenditure										
<i>Insert programme/projects description</i>										
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-
Single Year expenditure										
<i>Market infrastructure</i>								250	250	
<i>Equipment</i>								50	52	
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	300	302	-
Total Capital Expenditure	4	-	-	-	-	-	-	300	302	-
Funded by:										
National Government										
Provincial Government										
Parent Municipality										
District Municipality										
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations	6									
Borrowing	3									
Internally generated funds								250	250	
Total Capital Funding	4	-	-	-	-	-	-	250	250	-

Uthungulu Fresh Produce Market - Table D4 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS										
Current assets										
Cash					905	905	2 611	2 281	2 331	2 407
Call investment deposits										
Consumer debtors							2 800	2 369	2 487	2 611
Other debtors										
Current portion of long-term receivables										
Inventory										
Total current assets		-	-	-	905	905	5 411	4 650	4 818	5 018
Non current assets										
Long-term receivables	3									
Investments										
Investment property										
Property, plant and equipment	1				12 352	12 352	12 552	12 652	12 701	12 448
Agricultural assets										
Biological assets										
Intangible assets					162	162	162	162	159	156
Total non current assets		-	-	-	12 514	12 514	12 714	12 814	12 860	12 604
TOTAL ASSETS		-	-	-	13 420	13 420	18 125	17 464	17 678	17 622
LIABILITIES										
Current liabilities										
Bank overdraft										
Borrowing										
Consumer deposits										
Trade and other payables							2 441	2 022	2 123	2 229
Provisions	3									
Total current liabilities		-	-	-	-	-	2 441	2 022	2 123	2 229
Non current liabilities										
Borrowing										
Provisions	3									
Total non current liabilities		-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES		-	-	-	-	-	2 441	2 022	2 123	2 229
NET ASSETS	2	-	-	-	13 420	13 420	15 684	15 442	15 555	15 393
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)					1 965	1 965	2 969	5 597	8 292	11 081
Reserves										
Share capital										
TOTAL COMMUNITY WEALTH/EQUITY	2	-	-	-	1 965	1 965	2 969	5 597	8 292	11 081

Uthungulu Fresh Produce Market - Table D5 Budgeted Cash Flow

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Suppliers and employees										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other					27 804	27 804	28 508	27 587	28 801	30 068
Government - operating					5 000	5 000	5 000	5 000	4 000	3 000
Government - capital										
Interest										
Dividends										
Payments	2									
Suppliers and employees					(30 839)	(30 839)	(30 338)	(28 690)	(29 851)	(31 343)
Finance charges										
Dividends paid										
Transfers and Grants								(300)	(300)	(300)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	-	-	1 965	1 965	3 169	3 597	2 650	1 425
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE										
Decrease (Increase) in non-current debtors										
Decrease (increase) other non-current receivables										
Decrease (increase) in non-current investments										
Payments										
Capital assets							(200)	(300)	(302)	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	-	-	(200)	(300)	(302)	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	1	-	-	-	1 965	1 965	2 969	3 297	2 348	1 425
Cash/cash equivalents at the year begin:	2				-	-	-	2 969	6 267	8 615
Cash/cash equivalents at the year end:	2				1 965	1 965	2 969	6 267	8 615	10 040

2.13 Annual Budget Tables – Consolidated Budget

DC28 uThungulu - Table A1 Consolidated Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands										
Financial Performance										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	49 902	53 801	53 826	65 748	65 748	65 748	–	75 834	88 518	97 370
Investment revenue	27 113	32 866	37 046	30 374	32 574	32 574	–	37 197	37 834	40 104
Transfers recognised - operational	336 374	423 490	469 387	490 849	477 364	477 364	–	472 693	499 124	540 068
Other own revenue	10 171	15 360	15 143	60 234	150 896	151 600	–	80 929	101 466	39 093
Total Revenue (excluding capital transfers and contributions)	483 560	525 517	575 402	647 205	726 582	727 285	–	666 652	726 942	716 635
Employee costs	99 493	111 559	132 210	179 782	162 397	161 680	–	194 756	208 213	221 544
Remuneration of councillors	8 523	8 814	9 395	12 255	12 005	11 949	–	12 221	13 004	13 836
Depreciation & asset impairment	50 917	48 971	48 881	53 980	53 980	52 920	–	64 250	72 248	78 211
Finance charges	19 376	13 637	12 672	16 656	16 656	16 656	–	17 447	7 518	7 854
Materials and bulk purchases	29 466	32 471	39 224	41 587	44 519	44 282	–	48 921	46 548	49 152
Transfers and grants	11 127	12 233	7 181	7 563	7 563	7 563	–	300	300	300
Other expenditure	252 604	290 407	384 154	359 135	449 923	450 432	–	355 828	373 344	411 387
Total Expenditure	471 506	518 092	633 717	670 958	747 044	745 483	–	693 723	721 175	782 284
Surplus/(Deficit)	12 054	7 425	(58 315)	(23 753)	(20 462)	(18 198)	–	(27 071)	5 767	(65 650)
Transfers recognised - capital	173 857	209 559	229 446	489 275	456 837	456 837	–	433 012	438 220	414 778
Contributions recognised - capital & contributed a	–	–	–	–	2 500	2 500	–	6 000	–	–
Surplus/(Deficit) after capital transfers & contributions	185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128
Capital expenditure & funds sources										
Capital expenditure	174 201	218 317	232 852	512 245	489 598	489 598	–	466 492	506 747	418 118
Transfers recognised - capital	160 743	182 163	218 093	490 275	456 837	456 837	–	428 712	433 720	409 778
Public contributions & donations	–	–	–	–	2 500	2 500	–	6 000	–	–
Borrowing	3 088	60	8 766	–	2 775	2 775	–	–	45 000	–
Internally generated funds	10 370	36 094	5 994	21 970	27 486	27 486	–	31 781	28 027	8 340
Total sources of capital funds	174 201	218 317	232 852	512 245	489 598	489 598	–	466 492	506 747	418 118
Financial position										
Total current assets	505 448	589 964	588 839	376 850	376 850	381 355	–	373 978	360 460	367 576
Total non current assets	1 199 526	1 366 963	1 545 008	2 498 280	2 475 633	2 475 833	–	2 869 785	3 298 715	3 638 561
Total current liabilities	205 505	237 188	245 903	147 365	147 365	149 807	–	138 339	136 972	140 772
Total non current liabilities	154 508	157 760	154 834	154 639	154 639	154 639	–	146 967	194 798	197 569
Community wealth/Equity	1 344 961	1 561 978	1 733 110	2 561 671	2 539 024	2 540 028	–	2 948 611	3 320 183	3 663 529
Cash flows										
Net cash from (used) operating	249 404	278 630	114 463	489 564	399 173	399 173	–	425 105	484 939	414 090
Net cash from (used) investing	(145 830)	(200 776)	(197 972)	(506 821)	(484 174)	(484 374)	–	(452 152)	(500 623)	(418 078)
Net cash from (used) financing	(24 442)	(4 946)	(6 938)	(8 663)	(8 663)	(8 663)	–	(12 037)	35 112	(5 491)
Cash/cash equivalents at the year end	445 849	518 756	428 309	410 519	342 774	334 445	–	306 724	326 152	316 673
Cash backing/surplus reconciliation										
Cash and investments available	470 521	541 761	448 076	360 060	360 060	361 765	–	317 710	291 998	292 392
Application of cash and investments	274 365	318 879	279 340	252 890	258 114	259 124	–	265 901	232 655	235 947
Balance - surplus (shortfall)	196 156	222 882	168 736	107 170	101 946	102 641	–	51 809	59 343	56 445
Asset management										
Asset register summary (VDV)	1 174 413	1 343 566	1 524 894	2 407 140	2 384 419	2 384 419	2 365 154	2 365 154	2 800 187	3 140 028
Depreciation & asset impairment	50 917	48 971	48 881	53 980	53 980	52 920	64 250	64 250	72 248	78 211
Renewal of Existing Assets	–	–	–	489 510	454 793	454 793	454 793	385 796	352 920	392 786
Repairs and Maintenance	43 985	52 108	76 820	47 626	68 371	68 371	58 216	58 216	60 628	64 023

DC28 uThungulu - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard										
<i>Governance and administration</i>		385 894	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		384 727	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Corporate services		1 168	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		16 200	17 282	18 423	19 314	19 314	19 314	21 512	22 896	24 944
Community and social services		270	232	270	291	291	291	389	428	471
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		15 930	17 050	18 152	19 023	19 023	19 023	21 123	22 468	24 473
<i>Economic and environmental services</i>		-	-	-	27 804	27 804	28 508	27 587	28 801	30 068
Planning and development		-	-	-	27 804	27 804	28 508	27 587	28 801	30 068
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		255 322	259 101	288 090	291 455	291 455	291 455	299 551	324 778	352 925
Electricity		-	-	-	-	-	-	-	-	-
Water		181 625	200 034	211 093	225 187	225 187	225 187	250 309	273 044	298 017
Waste water management		61 975	47 686	63 473	51 941	51 941	51 941	26 571	26 796	27 475
Waste management		11 722	11 381	13 524	14 327	14 327	14 327	22 671	24 938	27 432
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	657 417	735 076	804 848	1 136 480	1 184 919	1 185 623	1 105 664	1 165 162	1 131 413
Expenditure - Standard										
<i>Governance and administration</i>		99 452	95 408	118 972	145 084	148 503	148 503	158 743	156 839	163 678
Executive and council		29 408	20 626	27 647	33 914	40 075	40 075	36 905	37 673	40 508
Budget and treasury office		34 271	30 908	41 740	48 442	48 959	48 959	57 560	50 317	50 044
Corporate services		35 773	43 873	49 585	62 728	59 469	59 469	64 279	68 848	73 126
<i>Community and public safety</i>		28 032	30 265	35 738	49 688	49 119	49 119	51 579	56 553	60 862
Community and social services		15 612	14 202	17 312	22 605	25 044	25 044	23 989	24 876	27 403
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		5 279	5 653	5 429	8 066	6 682	6 682	6 767	8 765	9 091
Housing		-	-	-	-	-	-	-	-	-
Health		7 141	10 410	12 996	19 018	17 392	17 392	20 823	22 912	24 368
<i>Economic and environmental services</i>		12 178	15 231	27 716	48 474	64 525	62 965	51 567	68 701	77 783
Planning and development		12 178	15 231	27 716	48 474	64 525	62 965	51 567	68 701	77 783
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		331 845	377 188	451 291	427 712	484 896	484 896	431 835	439 081	479 962
Electricity		-	-	-	-	-	-	-	-	-
Water		245 703	296 180	347 702	332 841	370 286	370 286	367 435	366 653	404 575
Waste water management		59 426	46 383	65 097	50 160	70 473	70 473	28 492	28 607	29 401
Waste management		26 715	34 624	38 492	44 711	44 137	44 137	35 908	43 822	45 986
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	471 506	518 092	633 717	670 958	747 044	745 483	693 723	721 175	782 284
Surplus/(Deficit) for the year		185 911	216 984	171 131	465 522	437 876	440 140	411 940	443 987	349 128

DC28 uThungulu - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote										
Vote 1 - Executive & Council	1	–	–	–	–	–	–	–	–	–
Vote 2 - Economic Development, Planning & Environm		–	–	–	27 804	27 804	28 508	27 587	28 801	30 068
Vote 3 - Community & Social Services		270	232	270	291	291	291	389	428	471
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Environmental Health		15 930	17 050	18 152	19 023	19 023	19 023	21 123	22 468	24 473
Vote 6 - Finance & Administration		385 894	458 693	498 336	797 907	846 346	846 346	757 013	788 686	723 475
Vote 7 - Infrastructure Services		181 625	200 034	211 093	225 187	225 187	225 187	250 309	273 044	298 017
Vote 8 - Waste Management		11 722	11 381	13 524	14 327	14 327	14 327	22 671	24 938	27 432
Vote 9 - Waste Water Management		61 975	47 686	63 473	51 941	51 941	51 941	26 571	26 796	27 475
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	657 417	735 076	804 848	1 136 480	1 184 919	1 185 623	1 105 664	1 165 162	1 131 413
Expenditure by Vote to be appropriated										
Vote 1 - Executive & Council	1	44 261	38 891	38 847	56 182	59 812	59 812	59 512	61 913	66 405
Vote 2 - Economic Development, Planning & Environm		12 178	15 967	27 716	48 474	64 525	62 965	51 567	68 701	77 783
Vote 3 - Community & Social Services		15 612	14 202	17 312	22 605	25 044	25 044	23 989	24 876	27 403
Vote 4 - Public Safety		5 279	5 653	5 429	8 066	6 682	6 682	6 767	8 765	9 091
Vote 5 - Environmental Health		7 141	10 410	12 751	19 018	17 392	17 392	20 823	22 912	24 368
Vote 6 - Finance & Administration		55 192	55 781	80 370	88 902	88 692	88 692	99 231	94 925	97 273
Vote 7 - Infrastructure Services		245 703	296 180	347 702	332 841	370 286	370 286	367 435	366 653	404 575
Vote 8 - Waste Management		26 714	34 624	38 492	44 711	44 137	44 137	35 908	43 822	45 986
Vote 9 - Waste Water Management		59 426	46 383	65 097	50 160	70 473	70 473	28 492	28 607	29 401
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	471 506	518 092	633 717	670 958	747 044	745 483	693 723	721 175	782 284
Surplus/(Deficit) for the year	2	185 911	216 984	171 131	465 522	437 876	440 140	411 940	443 987	349 128

DC28 uThungulu - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	33 305	37 659	35 134	45 709	45 709	45 709	–	46 595	56 366	61 991
Service charges - sanitation revenue	2	4 605	4 529	4 898	5 421	5 421	5 421	–	6 178	6 796	7 475
Service charges - refuse revenue	2	11 722	11 381	13 524	14 327	14 327	14 327	–	22 671	24 938	27 432
Service charges - other		270	232	270	291	291	291	–	389	428	471
Rental of facilities and equipment		34	37	36	–	–	–	–	50	50	50
Interest earned - external investments		27 113	32 866	37 046	30 374	32 574	32 574	–	37 197	37 834	40 104
Interest earned - outstanding debtors		34	28	29	276	276	276	–	293	310	329
Dividends received					–	–	–	–	–	–	–
Fines					–	–	–	–	–	–	–
Licences and permits					–	–	–	–	–	–	–
Agency services					–	–	–	–	–	–	–
Transfers recognised - operational		396 374	423 490	469 387	490 849	477 364	477 364	–	472 693	499 124	540 068
Other revenue	2	10 102	15 295	15 078	59 958	150 620	151 324	–	80 587	101 105	38 714
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		483 560	525 517	575 402	647 205	726 582	727 285	–	666 652	726 942	716 635
Expenditure By Type											
Employee related costs	2	99 493	111 569	132 210	179 782	162 397	161 680	–	194 756	208 213	221 544
Remuneration of councillors		8 523	8 814	9 395	12 255	12 005	11 949	–	12 221	13 004	13 836
Debt impairment	3	4 190	4 330	10 260	3 637	3 637	3 637	–	3 834	4 037	4 260
Depreciation & asset impairment	2	50 917	48 971	48 881	53 980	53 980	52 920	–	64 250	72 248	78 211
Finance charges		19 376	13 637	12 672	16 656	16 656	16 656	–	17 447	7 518	7 854
Bulk purchases	2	29 466	32 471	39 224	40 533	43 841	43 841	–	48 010	45 589	48 142
Other materials	8				1 055	678	442	–	911	968	1 010
Contracted services		65 270	82 515	90 364	130 113	133 597	135 158	–	124 041	130 316	136 030
Transfers and grants		11 127	12 233	7 181	7 563	7 563	7 563	–	300	300	300
Other expenditure	4, 5	182 879	203 369	282 124	225 385	312 690	311 638	–	227 953	238 992	271 097
Loss on disposal of PPE		265	193	1 406				–			
Total Expenditure		471 506	518 092	633 717	670 958	747 044	745 483	–	693 723	721 175	782 284
Surplus/(Deficit)		12 054	7 425	(58 315)	(23 753)	(20 462)	(18 198)	–	(27 071)	5 767	(65 650)
Transfers recognised - capital		173 857	209 559	229 446	489 275	455 837	455 837	–	433 012	438 220	414 778
Contributions recognised - capital	6	–	–	–	–	2 500	2 500	–	6 000	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128
Taxation				0							
Surplus/(Deficit) after taxation		185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		185 911	216 984	171 131	465 522	437 876	440 140	–	411 940	443 987	349 128

DC28 uThungulu - Table A5 Consolidated Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		364	-	-	-	-	-	-	-	-	-
Vote 2 - Economic Development, Planning & Environ		-	-	12 586	-	-	-	-	-	-	-
Vote 3 - Community & Social Services		-	-	3 546	1 085	10 182	10 182	-	-	-	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 5 - Environmental Health		-	-	-	-	-	-	-	-	-	-
Vote 6 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure Services		156 579	211 132	173 209	491 190	455 366	455 366	-	429 662	423 120	410 903
Vote 8 - Waste Management		-	341	-	-	-	-	-	3 251	45 000	-
Vote 9 - Waste Water Management		-	1 080	6 400	4 550	1 751	1 751	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	156 943	212 553	195 751	496 825	467 299	467 299	-	432 912	468 120	410 903
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		1 625	1 580	674	950	1 464	1 464	-	3 200	100	100
Vote 2 - Economic Development, Planning & Environ		-	142	87	170	170	170	-	400	402	100
Vote 3 - Community & Social Services		56	471	239	780	530	530	-	380	350	400
Vote 4 - Public Safety		16	-	69	1 700	2 014	2 014	-	-	-	-
Vote 5 - Environmental Health		-	-	-	400	400	400	-	300	-	-
Vote 6 - Finance & Administration		4 414	3 571	3 253	2 510	5 506	5 506	-	7 700	4 275	2 150
Vote 7 - Infrastructure Services		3 602	-	22 563	8 580	5 729	5 729	-	21 550	33 450	3 890
Vote 8 - Waste Management		-	-	3 632	350	1 050	1 050	-	-	-	-
Vote 9 - Waste Water Management		7 545	-	6 583	-	5 437	5 437	-	50	50	575
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		17 258	5 764	37 101	15 420	22 299	22 299	-	33 580	38 627	7 215
Total Capital Expenditure - Vote		174 201	218 317	232 852	512 245	489 598	489 598	-	466 492	506 747	418 118
Capital Expenditure - Standard											
Governance and administration		6 038	5 151	3 927	3 860	6 970	6 970	-	10 900	4 375	2 250
Executive and council		195	1 554	651	850	1 360	1 360	-	3 200	100	100
Budget and treasury office		354	530	292	1 660	2 208	2 208	-	6 350	2 400	950
Corporate services		5 489	3 067	2 984	1 350	3 402	3 402	-	1 350	1 875	1 200
Community and public safety		436	471	3 853	3 965	13 126	13 126	-	680	350	400
Community and social services		420	471	3 784	2 285	10 712	10 712	-	380	350	400
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		16	-	69	1 700	2 014	2 014	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	400	400	-	300	-	-
Economic and environmental services		-	142	12 683	170	170	170	-	400	402	100
Planning and development		-	142	12 683	170	170	170	-	400	402	100
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		167 727	212 553	212 389	504 250	469 333	469 333	-	454 512	501 620	415 368
Electricity		-	-	-	-	-	-	-	-	-	-
Water		160 182	211 132	195 773	499 350	461 095	461 095	-	451 212	456 570	414 793
Waste water management		7 545	1 080	12 983	4 550	7 188	7 188	-	50	50	575
Waste management		-	341	3 632	350	1 050	1 050	-	3 251	45 000	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	174 201	218 317	232 852	512 245	489 598	489 598	-	466 492	506 747	418 118
Funded by:											
National Government		160 724	182 163	203 279	490 275	456 837	456 837	-	428 712	433 720	409 778
Provincial Government		19	-	14 814	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	160 743	182 163	218 093	490 275	456 837	456 837	-	428 712	433 720	409 778
Public contributions & donations	5	-	-	-	-	2 500	2 500	-	6 000	-	-
Borrowing	6	3 088	60	8 766	-	2 775	2 775	-	-	45 000	-
Internally generated funds		10 370	36 094	5 994	21 970	27 486	27 486	-	31 781	28 027	8 340
Total Capital Funding	7	174 201	218 317	232 852	512 245	489 598	489 598	-	466 492	506 747	418 118

DC28 uThungulu - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS											
Current assets											
Cash		75 848	38 756	78 309	25 687	25 687	27 393		31 631	31 998	32 392
Call investment deposits	1	370 000	480 000	350 000	320 000	320 000	320 000	-	280 000	260 000	260 000
Consumer debtors	1	37 791	44 203	81 990	11 702	11 702	14 502	-	25 339	27 755	30 406
Other debtors		14 502	20 413	69 881	10 433	10 433	10 433		27 082	29 790	32 769
Current portion of long-term receivables		38	39	44	42	42	42		41	45	49
Inventory	2	7 269	6 552	8 615	8 986	8 986	8 986		9 884	10 873	11 960
Total current assets		505 448	589 964	588 839	376 850	376 850	381 355	-	373 978	360 460	367 576
Non current assets											
Long-term receivables		440	393	347	313	313	313		266	221	173
Investments		24 673	23 004	19 767	14 372	14 372	14 372		6 079	-	
Investment property											
Investment in Associate											
Property, plant and equipment	3	1 173 336	1 342 634	1 523 844	2 482 030	2 458 007	2 458 207	-	2 861 083	3 296 402	3 636 454
Agricultural											
Biological											
Intangible		1 077	932	1 050	1 564	2 940	2 940		2 357	2 091	1 934
Other non-current assets											
Total non current assets		1 199 526	1 366 963	1 545 008	2 498 280	2 475 633	2 475 833	-	2 869 785	3 298 715	3 638 561
TOTAL ASSETS		1 704 974	1 956 926	2 133 846	2 875 129	2 852 483	2 857 188	-	3 243 763	3 659 175	4 006 137
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	10 595	6 938	9 529	15 531	15 531	15 531	-	11 047	6 643	7 464
Consumer deposits		9 114	9 661	9 698	9 521	9 521	9 521		10 473	11 520	12 672
Trade and other payables	4	168 870	216 028	225 292	115 559	115 559	118 000	-	115 264	117 153	118 872
Provisions		16 926	4 561	1 384	6 754	6 754	6 754		1 555	1 656	1 763
Total current liabilities		205 505	237 188	245 903	147 365	147 365	149 807	-	138 339	136 972	140 772
Non current liabilities											
Borrowing		78 874	77 585	68 066	52 525	52 525	52 525	-	44 020	82 490	75 025
Provisions		75 634	80 175	86 777	102 114	102 114	102 114	-	102 948	112 308	122 544
Total non current liabilities		154 508	157 760	154 834	154 639	154 639	154 639	-	146 967	194 798	197 569
TOTAL LIABILITIES		360 013	394 948	400 737	302 004	302 004	304 445	-	285 307	331 769	338 341
NET ASSETS	5	1 344 961	1 561 978	1 733 110	2 573 125	2 550 479	2 552 743	-	2 958 456	3 327 405	3 667 796
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		1 079 969	1 296 986	1 468 118	2 296 679	2 274 032	2 275 036		2 683 619	3 055 191	3 398 537
Reserves	4	264 992	264 992	264 992	264 992	264 992	264 992	-	264 992	264 992	264 992
TOTAL COMMUNITY WEALTH/EQUITY	5	1 344 961	1 561 978	1 733 110	2 561 671	2 539 024	2 540 028	-	2 948 611	3 320 183	3 663 529

DC28 uThungulu - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges											
Service charges		49 902	53 801	53 826	59 173	59 173	59 173		68 250	79 667	87 633
Other revenue		5 933	4 615	(8 161)	37 958	54 845	54 845		39 301	74 675	924
Government - operating	1	337 874	371 631	398 843	490 849	477 364	477 364		472 693	499 124	570 136
Government - capital	1	244 168	277 214	250 503	489 275	458 337	458 337		433 012	438 220	414 778
Interest		27 147	32 894	37 074	30 650	32 850	32 850		37 489	38 144	40 432
Dividends									-	-	-
Payments											
Suppliers and employees		(385 119)	(435 654)	(597 770)	(589 122)	(659 177)	(659 177)		(607 893)	(637 072)	(691 660)
Finance charges		(19 375)	(13 637)	(12 672)	(16 656)	(16 656)	(16 656)		(17 447)	(7 518)	(7 854)
Transfers and Grants	1	(11 127)	(12 233)	(7 181)	(12 563)	(7 563)	(7 563)		(300)	(300)	(300)
NET CASH FROM/(USED) OPERATING ACTIVITIES		249 404	278 630	114 463	489 564	399 173	399 173	-	425 105	484 939	414 080
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE				1 237					6 000	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables		53	46	42	41	41	41		47	45	40
Decrease (increase) in non-current investments		21 534	1 668	3 238	5 383	5 383	5 383		8 293	6 079	-
Payments											
Capital assets		(167 417)	(202 490)	(202 488)	(512 245)	(489 598)	(489 798)		(466 492)	(506 747)	(418 118)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(145 830)	(200 776)	(197 972)	(506 821)	(484 174)	(484 374)	-	(452 152)	(500 623)	(418 078)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans					-	-			-	-	-
Borrowing long term/refinancing					-	-			-	45 000	-
Increase (decrease) in consumer deposits					866	866	866		952	1 047	1 152
Payments											
Repayment of borrowing		(24 442)	(4 946)	(6 938)	(9 529)	(9 529)	(9 529)		(12 989)	(10 935)	(6 643)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(24 442)	(4 946)	(6 938)	(8 663)	(8 663)	(8 663)	-	(12 037)	35 112	(5 491)
NET INCREASE/ (DECREASE) IN CASH HELD		79 132	72 908	(90 447)	(25 919)	(93 664)	(93 864)	-	(39 084)	19 428	(9 479)
Cash/cash equivalents at the year begin:	2	366 717	445 848	518 756	436 438	436 438	428 309		345 808	306 724	326 152
Cash/cash equivalents at the year end:	2	445 849	518 756	428 309	410 519	342 774	334 445		306 724	326 152	316 673

DC28 uThungulu - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash and investments available											
Cash/cash equivalents at the year end	1	445 849	518 756	428 309	410 519	342 774	334 445	–	306 724	326 152	316 673
Other current investments > 90 days		(0)	(0)	–	(64 831)	2 914	12 948	–	4 907	(34 154)	(24 281)
Non current assets - Investments	1	24 673	23 004	19 767	14 372	14 372	14 372	–	6 079	–	–
Cash and investments available:		470 521	541 761	448 076	360 060	360 060	361 765	–	317 710	291 998	292 392
Application of cash and investments											
Unspent conditional transfers		32 460	51 722	38 603	–	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	87 397	109 396	85 902	98 251	103 745	104 755	–	79 116	70 224	77 763
Other provisions		154 508	157 760	154 834	154 639	154 369	154 369	–	102 948	112 308	122 544
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	83 837	50 122	35 640
Total Application of cash and investments:		274 365	318 879	279 340	252 890	258 114	259 124	–	265 901	232 655	235 947
Surplus(shortfall)		196 156	222 882	168 736	107 170	101 946	102 641	–	51 809	59 343	56 445

DC28 uThungulu - Table A9 Consolidated Asset Management

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE										
Total New Assets	1	174 201	218 317	232 852	22 735	34 805	34 805	80 696	153 827	25 332
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		74 032	186 004	120 179	14 165	12 036	12 036	64 465	104 900	23 692
Infrastructure - Sanitation		67	50	-	-	-	-	-	-	-
Infrastructure - Other		96 487	24 426	108 317	1 500	850	850	3 251	45 000	-
Infrastructure		170 586	210 479	228 496	15 665	12 886	12 886	67 716	149 900	23 692
Community		-	-	-	-	10 182	10 182	880	400	440
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	3 522	7 459	3 729	6 795	10 010	10 010	12 050	3 267	905
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		93	379	627	275	1 726	1 726	50	260	295
Total Renewal of Existing Assets	2	-	-	-	489 510	454 793	454 793	385 796	352 920	392 786
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	485 375	447 584	447 584	385 496	352 620	392 211
Infrastructure - Sanitation		-	-	-	4 050	7 195	7 195	50	50	575
Infrastructure - Other		-	-	-	-	-	-	250	250	-
Infrastructure		-	-	-	489 425	454 779	454 779	385 796	352 920	392 786
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	85	15	15	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		74 032	186 004	120 179	499 540	459 620	459 620	449 962	457 520	415 903
Infrastructure - Sanitation		67	50	-	4 050	7 195	7 195	50	50	575
Infrastructure - Other		96 487	24 426	108 317	1 500	850	850	3 501	45 250	-
Infrastructure		170 586	210 479	228 496	505 090	467 665	467 665	453 512	502 820	416 478
Community		-	-	-	-	10 182	10 182	880	400	440
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	3 522	7 459	3 729	6 880	10 025	10 025	12 050	3 267	905
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		93	379	627	275	1 726	1 726	50	260	295
TOTAL CAPITAL EXPENDITURE - Asset class	2	174 201	218 317	232 852	512 245	489 598	489 598	466 492	506 747	418 118
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water		490 239	644 234	761 700	1 633 257	1 589 340	1 589 340	1 612 369	2 026 292	2 390 029
Infrastructure - Sanitation		22 742	22 226	24 751	56 990	63 269	63 269	30 704	30 106	30 026
Infrastructure - Other		585 640	600 456	662 930	591 998	602 180	602 180	651 049	681 789	667 361
Infrastructure		1 098 622	1 266 916	1 449 381	2 282 245	2 254 789	2 254 789	2 294 122	2 738 187	3 087 415
Community										
Heritage assets										
Investment properties										
Other assets		74 714	75 718	74 463	123 331	126 690	126 690	68 676	59 909	50 679
Agricultural Assets										
Biological assets										
Intangibles		1 077	932	1 050	1 564	2 940	2 940	2 357	2 091	1 934
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1 174 413	1 343 566	1 524 894	2 407 140	2 384 419	2 384 419	2 365 154	2 800 187	3 140 028
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		50 917	48 971	48 881	53 980	53 980	52 920	64 250	72 248	78 211
Repairs and Maintenance by Asset Class	3	43 985	52 108	76 820	47 626	68 371	68 371	58 216	60 628	64 023
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	42 694	62 942	44 733	66 303	66 303	55 172	57 427	60 643
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		43 985	8 381	12 366	243	143	143	120	127	134
Infrastructure		43 985	51 076	75 298	44 976	66 446	66 446	55 292	57 554	60 777
Community		-	133	196	59	159	159	230	244	257
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	900	1 326	2 591	1 766	1 766	2 694	2 831	2 988
TOTAL EXPENDITURE OTHER ITEMS		94 903	101 080	125 702	101 606	122 351	121 291	122 466	132 876	142 234

May 2016

176

DC28 uThungulu - Table A10 Consolidated basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		30 306	33 337	30 306	36 670	36 670	36 670	40 337	41 144	41 967
Piped water inside yard (but not in dwelling)		43 625	47 988	47 000	52 786	52 786	52 786	58 065	59 226	60 411
Using public tap (at least min.service level)	2	22 000	24 200	22 500	26 620	26 620	26 620	29 282	29 868	30 465
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		95 931	105 524	99 806	116 077	116 077	116 077	127 684	130 238	132 843
Using public tap (< min.service level)	3	7 590	8 349	9 930	9 184	9 184	9 184	10 102	10 304	10 510
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		41 831	46 014	35 616	50 616	50 616	50 616	55 677	56 791	57 926
<i>Below Minimum Service Level sub-total</i>		49 421	54 363	45 546	59 799	59 799	59 799	65 779	67 095	68 437
Total number of households	5	145 352	159 887	145 352	175 876	175 876	175 876	193 464	197 333	201 279
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		30 306	33 337	30 306	36 670	36 670	36 670	40 337	41 144	41 967
Flush toilet (with septic tank)		4 250	4 675	4 250	5 143	5 143	5 143	5 657	5 770	5 885
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		73 274	80 601	83 274	88 662	88 662	88 662	97 528	99 478	101 468
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		107 830	118 613	117 830	130 474	130 474	130 474	143 522	146 382	149 320
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		37 522	41 274	27 522	45 402	49 942	54 936	49 942	50 941	51 959
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		37 522	41 274	27 522	45 402	49 942	54 936	49 942	50 941	51 959
Total number of households	5	145 352	159 887	145 352	175 876	180 416	185 410	193 464	197 333	201 279

2.14 Municipal Manager’s quality certificate

I, municipal manager of uThungulu District, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal Manager of UThungulu District (DC28)

Signature _____

Date _____

UTHUNGULU

