



Kouga Municipality

Service Delivery & Budget Implementation Plan

Year: 2013/2014

Our VISION

**Kouga, a safe, equitable, and harmonious home, with prosperous
and sustainable livelihoods for all it people**

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FOREWORD BY EXECUTIVE MAYOR

“While the organization is wrapped in legislative and administrative procedures, the focus of the community is on service delivery and good governance. As Executive Mayor it is my duty to ensure that both objectives are achieved timely and in harmony.

The Integrated Development Plan as adopted by Council reflects objectives of Council for the term of Office of the elected Council over the period July 2013 to June 2014 which is collectively geared towards the ultimate achievement of our Vision.

This Service Delivery and Budget Implementation Plan (SDBIP) reflect the targets and objectives for the 2013/14 financial year contributing towards the overall objectives of Council as set out in the Integrated Development Plan in the longer term.

The purpose of the SDBIP is to ensure that all of us, Councillors and Officials, work towards a collective goal, optimising the limited available resources while at the same time stretching our own abilities and improving our commitment to the delivery of excellent services to our communities.

As custodian of the performance of the institution, I have the fullest intention to ensure that this SDBIP is implemented and that the implementation thereof is monitored regularly, to allow intervention where required so as to ensure that we shall meet the targets we have set for this financial year.

A handwritten signature in black ink, appearing to be 'B Koerat', written over a circular scribble.

EXECUTIVE MAYOR

B Koerat

1. INTRODUCTION

OBJECTIVE

The primary objective is to develop a 12 month plan within which the Municipality has to achieve the following:

- Deliver the services represented by the expenditure in the budget
- To collect revenue to fund service delivery.

Circular 13 from National Treasury attempts to commit all stakeholders to the agreement to work towards specific objectives. This is done within the framework of consultation as outlined in Chapter 4 of the Systems Act.

The secondary objective is to reduce to writing the activities of the organization so that it may be subjected to assessment and benchmarking.

It serves as supplementary support document to the approved budget represented as a policy document. It further serves as a record of the Key Performance Areas (KPA) with their corresponding Key Performance Indicators (KPI) or Critical Success Factors (CSF).

DEFINITION

S = SERVICE

THAT TANGIBLE AND INTANGIBLE GOODS AND/IOR SERVICES THAT A PRODUCT IS OF EXISTENCE BY OUR MANDATE

D = DELIVERY

THE "VEHICLE USED TO ACHIEVE THE RIGHT SERVICE AT THE RIGHT TIME, THE RIGHT PLACE, OF THE RIGHT QUANTITY AND OF THE RIGHT QUALITY

B = BUDGET

A POLICY DOCUMENT, THAT RECORDS REALISTIC INCOME AND EXPENDITURE AS WELL AS THE INTENDED ACTIVITIES

I = IMPLEMENTATION

THIS REFERS TO THE SEQUENCE AND REALIZATION OF DELIVERY AND REFLECTS ACTION AND EFFORT

P = PLAN

THIS REFLECTS THAT ANNUAL PLAN FOR A PARTICULAR YEAR TOWARDS THE ACHIEVEMENT OF OBJECTIVES AS SET OUT IN THE INTEGRATED DEVELOPMENT PLAN AS AGREED WITH BY STAKEHOLDERS

Once the budget has been approved, at least one week before the commencement of the new financial year the SD&BIP must be presented to the Mayor by the Accounting Officer after consultations with Senior Managers and other Heads of Departments.

Even though it is not a policy document like the IDP and the Budget it is a vital tool for planning and strategy development. The monitor capability of the PMS system is vitally important towards reporting and achieving service delivery. It is a vital tool for decision-making and contracting mandates from communities.

The layers of this document will see the objectives reported by the following listed components as well as the comparisons to the Organizational Performance and in turn linked to the individual Directors and their activities within their votes.

The major components of the SDBIP are:

1. Quarterly projections of budgeted income and actual income per vote and per activity
2. Quarterly projections of budgeted expenditure, both operating and capital, against actual per vote and per activity
3. Quarterly projections of the service levels (KPA) achieved against budget spending and comment.

These will be illustrated both tabular and graphically with comments

The procedure

The SDBIP was fundamentally divided in two sections namely:

a. *The Service Delivery Component (SD)*

This is derived from the Performance Management System from which the KPA and its score are extracted. Here we analysed the purpose for the existence of the budget into the KPA and the corresponding KPI together with its delivery mechanism.

b. *The Budget Implementation Plan (BIP)*

Hereto we made use of controlled stationers to provide the detail associated with every line on the budget. This was to determine the justification for the budget as well as ascertain it's directive in support of a KPA

The Concept

It is that spending will be indicative of service delivery as a major consideration of whether the KPA was achieved. It is supplemented by an overview report by the Director and endorsed by the Municipal Manager.

LEGISLATION

The Municipal Finance Management Act 2004, Chapter 7, Section 53 (c) (ii), which states:

“Take reasonable steps to ensure the Municipalities SD&BIP is approved by the Mayor within 28 Days after the approval of the budget and made public no later than 14 days after that”

Circular 13, from National Treasury provides the departure point for the SDBIP.

Chapter 8 of the MFMA provides that the Accounting Officer must submit a draft of the SDBIP to the Mayor within 14 days of the budget being approved as well as a draft of the annual performance agreements required by the Municipal Systems Act

Section 72 (1), (a), (ii) states “the accounting officer of the municipality must by 25 January of each year-assess the performance of the municipality during the first half of financial year, taking into account-the municipality’s service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan”

These sections leads us to the budget monitoring requirements of section 71 and the rest of section 72 of the MFMA where it is stipulated that the Mayor must monitor whether the budget is being implemented in accordance with SDBIP.

It should be noted that service delivery and its related expenditure is based on the ability to fund the budget. Should a shortage income realize an Adjustment Budgets, in terms of the MFMA, will be considered by Council.

The effect is that expenditure will be reduced in line with realistic income. This in turn means that service as contained in the SDBIP will then be reduced proportionately.

ROLE-PLAYERS

The Roles of the respective role players are:

1. The Executive Mayor

As head of the Mayoral Committee and Council provides political leadership and directive and is overall responsible for the performance of the Municipality.

2. The Ward Councillor

As representative of a certain sector of the population and as promoter of the Ward Committee structure.

3. The Municipal Manager

As Accounting Officer and administratively charged with the .

4. The Chief Financial Officer

As advisor to the Accounting Officer and responsible for the administration of the budget. (Section 84, (1).

Senior accountants for reporting and assistance. Delegation- MFMA

5. Senior Managers

As appointed as head of department for the respective services. Section 78, (1).

6. Senior officials and Section Heads

Reporting to Senior Managers and acting under delegation of their superiors.

7. Unions

As recognized body for organized labour being SAMWU and IMATU.

8. External Parties

- National Treasury- MFMA
- Provincial Officers and Departments.-MFMA

9. Internal Documents

- Integrated Development Plan
- Spatial Development Plans
- Local Economic Development Plan

10. Other

ORGANOGRAM AND INSTITUTIONAL ARRANGEMENTS

The Organogram that depicts the structure of employees that supports and delivered the objectives of the organization. The budget is divided into activities together with the employees associated with it.

2. INCOME - BUDGETS

2.1. Revenue By Source

REVENUE BY SOURCE	Budget	Actual YTD	Quarter 1		Quarter 2		Quarter 3		Quarter 4		(% of budget)
	R		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Property rates	R 139 092 204		R 34 773 051		R 34 773 051		R 34 773 051		R 34 773 051		
Property rates - penalties & collection charges			R 0		R 0		R 0		R 0		
Service charges - electricity revenue	R 218 438 539		R 54 609 635		R 54 609 635		R 54 609 635		R 54 609 635		
Service charges - water revenue	R 52 489 631		R 13 122 408		R 13 122 408		R 13 122 408		R 13 122 408		
Service charges - sanitation revenue	R 36 428 278		R 9 107 069		R 9 107 069		R 9 107 069		R 9 107 069		
Service charges - refuse revenue	R 31 353 558		R 7 838 389		R 7 838 389		R 7 838 389		R 7 838 389		
Service charges - other	R 10 670 663		R 2 667 666		R 2 667 666		R 2 667 666		R 2 667 666		
Rental of facilities and equipment	R 315 856		R 78 964		R 78 964		R 78 964		R 78 964		
Interest earned - external investments	R 682 625		R 170 656		R 170 656		R 170 656		R 170 656		
Interest earned - outstanding debtors	R 4 550 606		R 1 137 652		R 1 137 652		R 1 137 652		R 1 137 652		
Dividends received	R 0		R 0		R 0		R 0		R 0		
Fines	R 2 029 024		R 507 256		R 507 256		R 507 256		R 507 256		
Licences and permits	R 7 387 606		R 1 846 902		R 1 846 902		R 1 846 902		R 1 846 902		
Agency services	R 0		R 0		R 0		R 0		R 0		
Transfers recognised - operational	R 68 946 350		R 17 236 588		R 17 236 588		R 17 236 588		R 17 236 588		

Other revenue	R 14 402 965		R 3 600 741		R 3 600 741		R 3 600 741		R 3 600 741	
Gains on disposal of PPE	-		R 0		R 0		R 0		R 0	
Total Revenue (excluding capital transfers and contributions)	R 586 787 905		R 146 696 976		R 146 696 976		R 146 696 976		R 146 696 976	

Comments:

Here we comment on cash flow performance of income earning service and charges.

2.2. Revenue By Vote

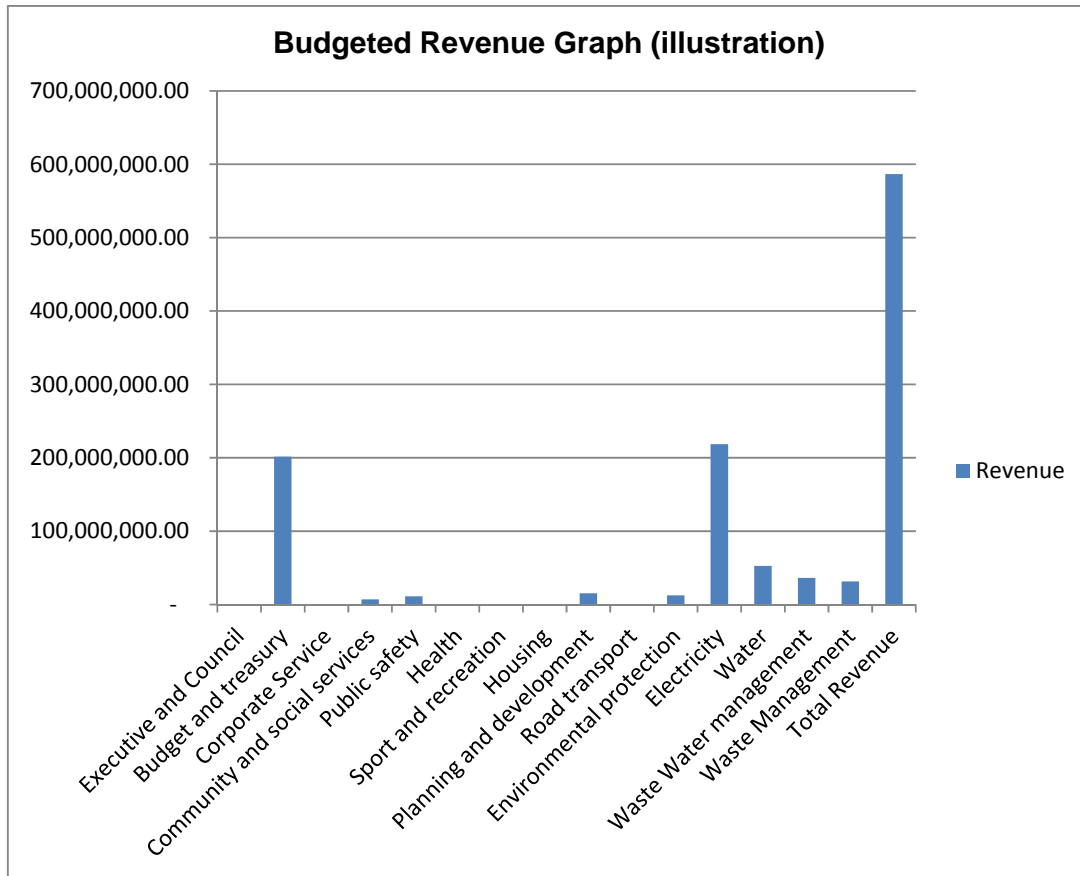
REVENUE BY VOTE	Budget	Actual YTD	Quarter 1		Quarter 2		Quarter 3		Quarter 4		(% of budget)
	R'000		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Executive and council	-		R 0.00		R 0.00		R 0.00		R 0.00		
Budget and treasury office	R 201 410 541		R 50 352 635		R 50 352 635		R 50 352 635		R 50 352 635		
Corporate services	R 300 750		R 75 187		R 75 187		R 75 187		R 75 187		
Community and social services	R 7 103 207		R 1 775 802		R 1 775 802		R 1 775 802		R 1 775 802		
Public safety	R 11 352 309		R 2 838 077		R 2 838 077		R 2 838 077		R 2 838 077		
Health	R 0		R 0		R 0		R 0		R 0		
Sport and recreation	R 0		R 0		R 0		R 0		R 0		
Housing	R 0		R 0		R 0		R 0		R 0		

Planning and development	R 15 366 158		R 3 841 540		R 3 841 540		R 3 841 540		R 3 841 540	
Road transport	R 0		R 0		R 0		R 0		R 0	
Environmental protection	R 12 544 794		R 3 136 199		R 3 136 199		R 3 136 199		R 3 136 199	
Electricity	R 218 438 539		R 54 609 635		R 54 609 635		R 54 609 635		R 54 609 635	
Water	R 52 489 631		R 13 122 408		R 13 122 408		R 13 122 408		R 13 122 408	
Waste water management	R 36 428 278		R 9 107 069		R 9 107 069		R 9 107 069		R 9 107 069	
Waste management	R 31 353 558		R 7 838 389		R 7 838 389		R 7 838 389		R 7 838 389	
Total Revenue by Vote	R 586 787 765		R 146 696 941		R 146 696 941		R 146 696 941		R 146 696 941	

Comments:

Here we comment on cash flow performance by GFS vote

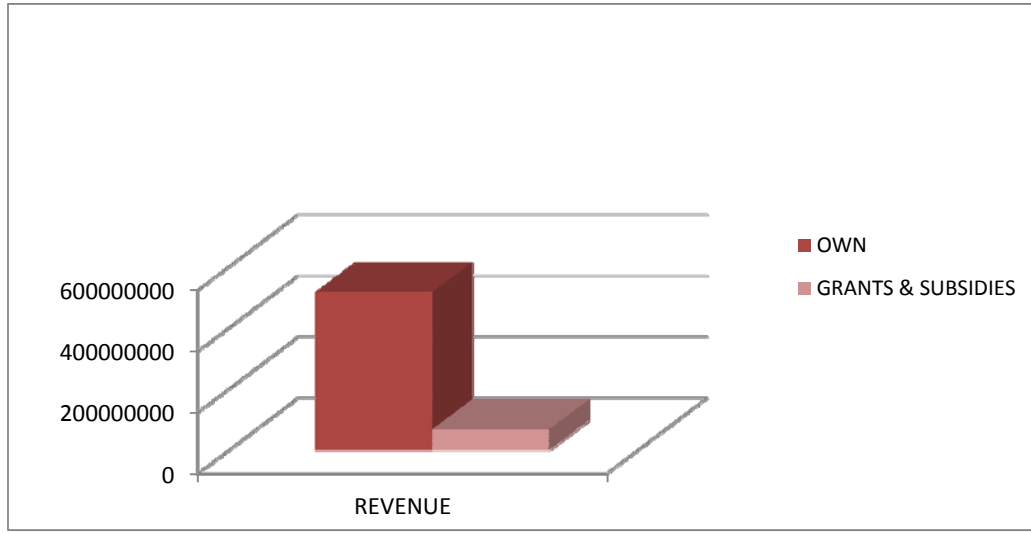
Budgeted Revenue Graph (illustration)



Comment:

Here we would report on the achievement of realistic anticipated income received and collected, as budgeted for. This includes all income

2.4. Source of Budgeted Income Graph (illustration)



Comment:

Here we would report on the achievement of realistic anticipated income received and collected, as budgeted for.

3. EXPENDITURE - BUDGETS

3.1. Operating Expenditure by Vote

OPERATING EXPENDITURE VOTE	Budget	Actual YTD	Quarter 1		Quarter 2		Quarter 3		Quarter 4		(% of budget)
	R		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Executive and council	R 26 950 189		R 6 737 547		R 6 737 547		R 6 737 547		R 6 737 547		
Budget and treasury office	R 82 783 442		R 20 695 861		R 20 695 861		R 20 695 861		R 20 695 861		
Corporate services	R 35 634 377		R 8 908 594		R 8 908 594		R 8 908 594		R 8 908 594		
Community and social services	R 40 811 982		R 10 202 995		R 10 202 995		R 10 202 995		R 10 202 995		
Public safety	R 30 546 917		R 7 636 729		R 7 636 729		R 7 636 729		R 7 636 729		
Health	R 0		R 0		R 0		R 0		R 0		
Sport and recreation	R 1 043 263		R 260 816		R 260 816		R 260 816		R 260 816		
Housing	R 4 658 030		R 1 164 508		R 1 164 508		R 1 164 508		R 1 164 508		
Planning and development	R 88 839 440		R 22 209 860		R 22 209 860		R 22 209 860		R 22 209 860		
Road transport	R 0		R 0		R 0		R 0		R 0		
Environmental protection	R 12 682 953		R 3 170 738		R 3 170 738		R 3 170 738		R 3 170 738		
Electricity	R 208 639 359		R 52 159 840		R 52 159 840		R 52 159 840		R 52 159 840		
Water	R 57 291 524		R 14 322 881		R 14 322 881		R 14 322 881		R 14 322 881		
Waste water management	R 35 447 830		R 8 861 958		R 8 861 958		R 8 861 958		R 8 861 958		
Waste management	R 30 466 658		R 7 616 665		R 7 616 665		R 7 616 665		R 7 616 665		
Total Expenditure by Vote	R 655 795 965		R 163 948 991		R 163 948 991		R 163 948 991		R 163 948 991		

3.2 Operating Expenditure by Type

OPERATING EXPENDITURE BY TYPE	Budget	Actual YTD	Quarter 1		Quarter 2		Quarter 3		Quarter 4		(% of budget)
	R'000		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Employee related costs	R 192 040 173		R 48 010 043		R 48 010 043		R 48 010 043		R 48 010 043		
Remuneration of councillors	R 10 793 940		R 2 698 485		R 2 698 485		R 2 698 485		R 2 698 485		
Debt impairment	R 45 111 922		R 11 277 980		R 11 277 980		R 11 277 980		R 11 277 980		
Depreciation & asset impairment	R 71 142 130		R 17 785 533		R 17 785 533		R 17 785 533		R 17 785 533		
Finance charges	R 10 323 894		R 2 580 973		R 2 580 973		R 2 580 973		R 2 580 973		
Bulk purchases	R 176 155 000		R 44 038 750		R 44 038 750		R 44 038 750		R 44 038 750		
Other materials	R 0		R 0		R 0		R 0		R 0		
Contracted services	R 15 294 798		R 3 823 700		R 3 823 700		R 3 823 700		R 3 823 700		
Transfers and grants	R 0		R 0		R 0		R 0		R 0		
Other expenditure	R 134 934 108		R 33 733 527		R 33 733 527		R 33 733 527		R 33 733 527		
Loss on disposal of PPE	R 0		R 0		R 0		R 0		R 0		
Total Expenditure	R 655 795 965		R 163 948 991		R 163 948 991		R 163 948 991		R 163 948 991		

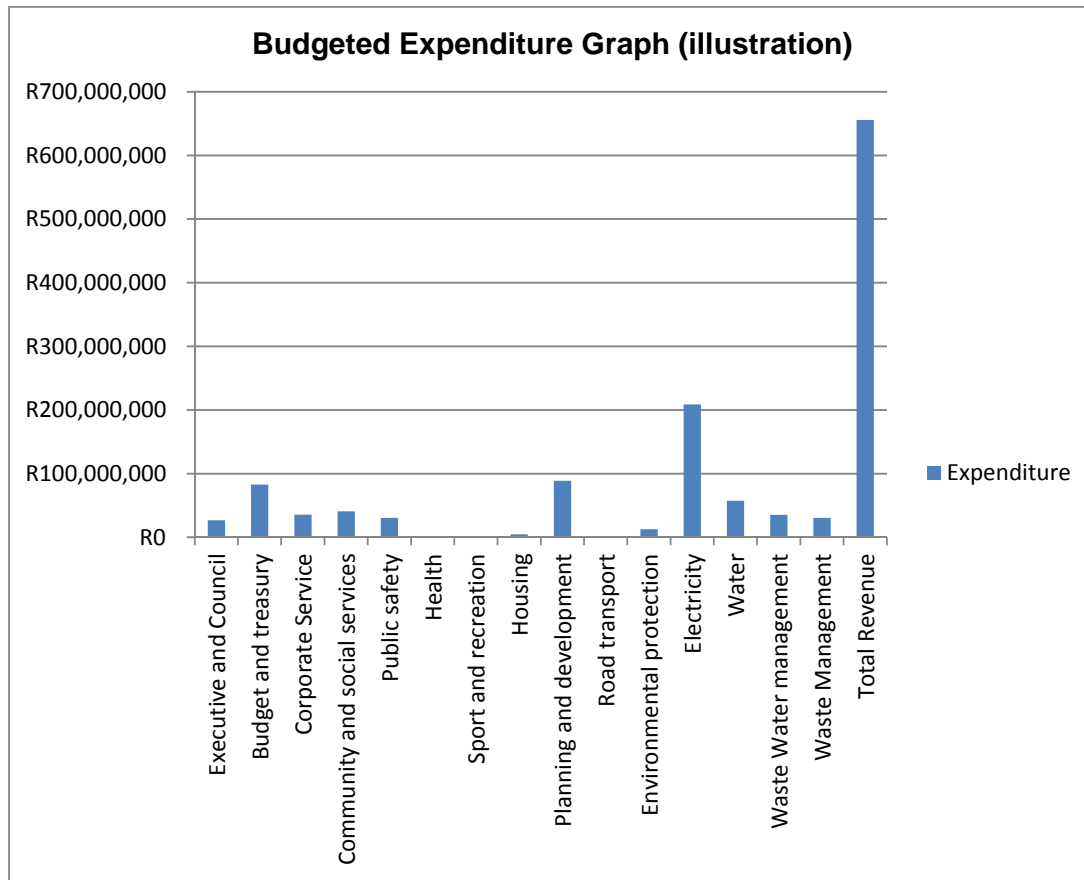
3.3 Budget Expenditure by Department/ Vote

Type	Budget	Actual	Quarter 1		Quarter 2		Quarter 3		Quarter 4		YTD %
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
Municipal governance and administration	R 145 368 008		R 36 342 002		R 36 342 002		R 36 342 002		R 36 342 002		
Community and public safety	R 77 060 191		R 19 265 048		R 19 265 048		R 19 265 048		R 19 265 048		
Economic and environmental services	R 101 522 393		R 25 380 598		R 25 380 598		R 25 380 598		R 25 380 598		
Trading services	R 331 845 372		R 82 961 343		R 82 961 343		R 82 961 343		R 82 961 343		

Comments:

Here we comment on performance by departments, providing reason for under and over expenditure

Operating Budgeted Expenditure



Comment:

Here we would report on the spending per government classification called GFS, as budgeted for. This includes all types of expenditure

4. CAPITAL EXPENDITURE

4.1. Capital Works Plan

Dept.	Dept.	Description	Budget 2013/2014	Funding
Code	Description			
121	CORPORATE SERVICES	New Council Chamber	1 000 000.00	OWN
173	ECONOMIC DEVELOPMENT :TOURISM	New staff, computers 30,000	30 000.00	OWN
190	ELECTRICITY		4 200 000.00	INEP
223	FINANCE: REVENUE	1 x Paper Shredder	25 000.00	OWN
223	FINANCE: REVENUE	1 x Laptop	15 000.00	OWN
223	FINANCE: REVENUE	3 x Computers	36 000.00	OWN
223	FINANCE: REVENUE	4 x Aircons	28 000.00	OWN
223	FINANCE: REVENUE	4 x Adding Machines	6 000.00	OWN
223	FINANCE: REVENUE	6 x Chairs (Swivel)	12 000.00	OWN
223	FINANCE: REVENUE	3 x Receipting Printers	7 500.00	OWN
223	FINANCE: REVENUE	1 x Guillotine	1 500.00	OWN
			131 000.00	

227	FINANCE: STORES	Air Conditioning 3 & 12500	37 500.00	OWN
227	FINANCE: STORES	Renovations store area	75 000.00	OWN
			112 500.00	
230	FIRE BRIGADE	UPGRADE SATELLITE FIRE STATION IN ST FRANCIS BAY	45 000.00	OWN
230	FIRE BRIGADE	RELOCATE J/BAY FIRE STATION TO ENTIRE BUILDING	65 000.00	OWN
230	FIRE BRIGADE	SUPPLY AND FIT NEW PA + SIREN AND AMP FOR HINO	3 970.00	OWN
230	FIRE BRIGADE	SUPPLY AND FIT NEW 2 WAY RADIOS	6 170.00	OWN
230	FIRE BRIGADE	SUPPLY AND FIT SIREN AMP AND SPEAKER FOR TANKER	3 685.00	OWN
230	FIRE BRIGADE	REFURBISH DENNIS FIRE ENGINE	205 000.00	OWN
230	FIRE BRIGADE	BUSH FIRE FIGHTING VEHICLE FOR HUMANSDORP (UNIMOG)		OWN
			328 825.00	
325	HOUSING SERVICES	Filing Cabinets, Cupboard and Archives helving	20 000.00	OWN
333	HUMAN RESOURCES	Building of the strong room	250 000.00	OWN
500	LIBRARY	Acquisition of tables, chairs, book shelves for all libraries	70 000.00	OWN
500	LIBRARY	Acquisition of printers, scanners, etc.	20 000.00	OWN
			90 000.00	
551	TECHNICAL SERVICES : DIRECTOR	Upgrade filing cabinets, Cupboards & Archive Shelving	10 000.00	OWN

551	TECHNICAL SERVICES : DIRECTOR	1 x Laptop, PC Update & Data Projector / Urn & Bar Fridge	50 000.00	OWN
			60 000.00	
560	MIG ADMIN UNIT	Additional Filing Storage for project files	26 800.00	OWN
560	MIG ADMIN UNIT	1xProject Management Software	26 800.00	OWN
560	MIG ADMIN UNIT	1xProjector	26 800.00	
560	MIG ADMIN UNIT	1xProjecting Screen	26 800.00	
560	MIG ADMIN UNIT	2xLaptop	26 800.00	OWN
			134 000.00	
700	PLANNING & DEVELOPMENT	2 x Laptops, 2 x PC updates, 2 x Aircons, Projector	80 000.00	OWN
780	SEWERAGE	Construction of Package Plant and Sewer Reticulation in Weston	4 500 000.00	MIG
780	SEWERAGE	Jeffrey's Bay Aug. of Sewer Treatment Plant	6 000 000.00	MIG
			10 500 000.00	
800	SPORT AND RECREATION	Sports Facilities	4 036 597.50	MIG

980	WATER	Jeffrey's Bay Reservoir	7 000 000.00	MIG
980	WATER	Kruisfontein WWTW	4 000 000.00	MIG
980	WATER	Humansdorp Reservoir	374 052.50	MIG
980	WATER	Upgrading of the St. Francis bay Wastewater Treatment Works	1 000 000.00	MIG
		Total	33 346 975.00	

5. SERVICE DELIVERY

SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN: 2013/14: INSTITUTIONAL OBJECTIVES

KEY PERFORMANCE AREA		FINANCIAL VIABILITY AND MANAGEMENT						
STRATEGY		Ensure the provision of budgetary and treasury functions, supply chain management services, revenue collection services, credit control services, property valuations and the management of financial systems so as to ensure compliance with the Local Government Municipal Finance Management Act 56 of 2000						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
95% of revenue collected Against revenue raised	% revenue collected	95%	95%	95%	95%		Kouga	Finance
42 Days or less for the collection of debt	No. of days for debt collection	42 days	42 days	42 days	42 days		Kouga	Finance
Less than 10% reliance on grants for the funding of operational activities	% reliance	10/100	10/100	10/100	10/100		Kouga	Finance
Less than 38% of total expenditure attributable to personnel costs	% expenditure	38/100	38/100	38/100	38/100		Kouga	Administration, Monitoring and Evaluation
Actual expenditure not less than 90% of budgeted expenditure	% expenditure	90/100	90/100	90/100	90/100		Kouga	All
100% capital budget expenditure	% expenditure	10/100	30/100	50/100	100/100		Kouga	All
External interest not exceeding 5% of operating expenditure	Interest against Opex	5/100	5/100	5/100	5/100		Kouga	Finance
10% of total operating budget allocated to repairs and maintenance	% allocated	10/100	10/100	10/100	10/100		Kouga	Finance
Less than 5% variance in comparison of actual and budgeted PPE acquisition's	% variance	Less than 5%	Less than 5%	Less than 5%	Less than 5%		Kouga	Finance
20% Reduction in staff related legal fees against budgeted amount	% reduction	5/20	10/20	15/20	20/20		Kouga	Administration, Monitoring and Evaluation
Current assets less inventory to exceed liabilities by 150%	Liquidity ration	150%	150%	150%	150%		Kouga	Finance
100% of registered indigent residents have access to free basic services	% with access to free basic services	100%	100%	100%	100%		Kouga	Finance

KEY PERFORMANCE AREA		LOCAL ECONOMIC DEVELOPMENT						
STRATEGY		Facilitate programmes and projects to attract tourist to Kouga area inclusive of support to Local Tourism Offices and facilitate programmes and projects to attract investment, the creation of jobs and the streamlining of administrative processes to stimulate economic development						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
500 Jobs created	No of jobs created	50/500	100/500	300/500	500/500		Kouga	All
50 Jobs created through private public partnerships	No. of partnerships created	5/50	10/50	30/50	50/50		Kouga	LED, Tourism and Creative Industries
500 SMME's exposed to SMME development initiatives	No. of SMME's	100/1000	200/1000	400/1000	500/1000		Kouga	LED, Tourism and Creative Industries
100 Indigent farmers exposed to agrarian programmes	No. of farmers	50/500	150/500	300/500	500/500		Kouga	LED, Tourism and Creative Industries
200 Residents exposed to rural development programmes	No. of residents	50/500	150/500	300/500	500/500		Kouga	LED, Tourism and Creative Industries
4000 Tourism bed nights in Kouga occupied	No. of bed nights	100/500	3000/4000	3500/4000	4000/4000		Kouga	LED, Tourism and Creative Industries
100% of LED project budget spent on LED projects	% expenditure	25/100	50/100	75/100	100/100		Kouga	LED, Tourism and Creative Industries

KEY PERFORMANCE AREA		INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION						
STRATEGY		Facilitate the development and implementation of programmes and projects for the transformation of the institution to reflect the demographics of South Africa and facilitate skills development initiatives to grow and develop institutional capacity						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
100% Compliance with the implementation of the Employment Equity Plan targets for the 2013/14 year	% compliance	100%	100%	100%	100%		Kouga	Administration, Monitoring and Evaluation
100% Expenditure of internal and SETA funding for staff development initiatives	% expenditure	25/100	50/100	75/100	100/100		Kouga	Administration, Monitoring and Evaluation
1% of total operational budget is	%	0.25/1	0.50/1	0.75/1	1/1		Kouga	Administration,

spent on skills development	expenditure							Monitoring and Evaluation
100% Compliance with the Work Place Skills Plan	% compliance	25/100	50/100	75/100	100/100		Kouga	Administration, Monitoring and Evaluation
KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
STRATEGY		Ensure compliance with legislative requirements in so far as it relates to public participation programmes, property management, records control, inter-governmental relations, communications with stakeholders, community satisfaction surveys, provision of legal advisory services to Council and administration, the provision of human resources services and the provision of administrative support to Council and its Committees.						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
100% of wards participate through monthly Ward Committee Meetings	% of wards	100/100	100/100	100/100	100/100		Kouga	Administration, Monitoring and Evaluation
100% of wards participate through quarterly Ward Constituency Meetings	% of wards	100/100	100/100	100/100	100/100		Kouga	Administration, Monitoring and Evaluation
Clean Audit for the 2013/14 year	Audit Opinion	N/a	Audit Corrective Action Plan adopted and implemented	100% compliance with implementation of Audit Corrective Action Plan	100% compliance with implementation of Audit Corrective Action Plan		Kouga	All
5000 Resident participated in Public Participation programmes	No of residents	500/5000	2000/5000	3000/5000	5000/5000		Kouga	All
100% of staff held accountable for performance	% of staff	100/100	100/100	100/100	100/100		Kouga	Municipal Manager and all Directors
Customer satisfaction score of 3	Result of survey	N/a	N/a	N/a	Satisfaction score of 3		Kouga	All
Vacancy rate of less than 5% over a 3 month period against approved Organogram	Vacancy rate	Organogram Approved	Less than 5% vacancy rate	Less than 5% vacancy rate	Less than 5% vacancy rate		Kouga	Administration, Monitoring and Evaluation
100% Administrative Legal Compliance	% compliance	100% compliance	100% compliance	100% compliance	100% compliance		Kouga	All

KEY PERFORMANCE AREA		INFRASTRUCTURE AND THE PROVISION OF BASIC SERVICES						
STRATEGY		Ensure the provision and delivery of basic services such as roads, storm water, water, electricity and sanitation to all communities. Ensure the rendering of protection services, fire and rescue services, Law enforcement, cleansing services, the provision and maintenance of cemeteries and parks, the management of community halls and sports facilities and environmental health services to all residents						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
100% of properties in formal residential areas provided with potable water	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Infrastructure Planning and Development
95% Blue Drop score for potable water quality	Blue drop score	95%	95%	95%	95%		Kouga	Infrastructure Planning and Development
Water losses not to exceed 20%	% water losses	Less than 20% losses	Less than 20% losses	Less than 20% losses	Less than 20% losses		Kouga	Infrastructure Planning and Development
100% of properties in formal residential areas provided with sanitation services	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Infrastructure Planning and Development
80% Green Drop score for treatment of effluent	Green Drop Score	80%	80%	80%	80%		Kouga	Infrastructure Planning and Development
100% of properties on formal residential areas provided with electricity	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Infrastructure Planning and Development
Electricity losses not to exceed 15%	% losses	Less than 15% losses	Less than 15% losses	Less than 15% losses	Less than 15% losses		Kouga	Infrastructure Planning and Development
Bulk electricity capacity exceeds internal demand by 5%	% capacity exceeds demand	5% excess	5% excess	5% excess	5% excess		Kouga	Infrastructure Planning and Development
100% of properties in formal residential areas are serviced by maintained roads	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Infrastructure Planning and Development
100% of properties in formal residential areas are serviced with storm water systems	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Infrastructure Planning and Development
100% of Council owned properties is subjected to maintenance programmes	% of properties	25/100	50/100	75/100	100/100		Kouga	Infrastructure Planning and Development; Social Services

100% of properties in formal residential areas are services with refuse removal services	% of properties	100/100	100/100	100/100	100/100	100%	Kouga	Social Services
100% compliance with waste disposal site permit requirements	% compliance	100/100	100/100	100/100	100/100		Kouga	Social Services
100% of MIG grants spent	% expenditure	25/100	50/100	75/100	100/100		Kouga	Infrastructure Planning and Development
100% of DME grants spent	% expenditure	25/100	50/100	75/100	100/100		Kouga	Infrastructure Planning and Development
100% of food vending premises inspected quarterly for compliance	% inspected	100/100	100/100	100/100	100/100		Kouga	Social Services
100% of emergency responses within 15 minutes of call	% response against time	100/100	100/100	100/100	100/100		Kouga	Social Services
Maintain 10% availability of graves in cemeteries	% availability	10% availability	10% availability	10% availability	10% availability		Kouga	Social Services

KEY PERFORMANCE AREA		SPATIAL AND ENVIRONMENTAL RATIONALE						
STRATEGY		Ensure that planning and development services are rendered in accordance with the Spatial Development Framework and the rendering of administrative services in respect of housing projects in compliance with National Policies and directives						
INSTITUTIONAL OBJECTIVES	KPI	TARGETS				BASELINE	WARD	DIRECTORATE
		QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4			
100% of development complies with the Spatial Development Framework	% compliance	100/100	100/100	100/100	100/100		Kouga	Infrastructure Planning and Development
100% of natural areas are managed in terms of the Environmental Management Plan	% compliance	100/100	100/100	100/100	100/100		Kouga	Social Services

5.2 Departmental Performance

5.2.1. Departmental Performance Table

Department	Score
Administration Monitoring and Evaluation	Quarterly Assessment
Finance	Quarterly Assessment
Infrastructure Planning and Development	Quarterly Assessment
LED, Tourism and Creative Industries	Quarterly Assessment
Social Services	Quarterly Assessment

SUPPLEMENTARY INFORMATION

A. WARD INFORMATION

No.	Ward
1	Oyster Bay Umzamuwethu Leebos Farm and rural areas past Kruisfontein
2	Pellsrus, And a portion of Jeffreys Bay up to Woltemade street
3	Lower Wave Crest between A D Keet, Poplar, Tecoma and Noorsekloof Streets,
4	Kruisfontein, Vaaldam, Jeygkamp, Die Berg, Gill Marcus, Johnson's Ridge and; A Section of Humansdorp Town
5	Arcadia and; The area bordering Humansdorp Country Club; A section of the Old Golf Course Settlement
6	The new part of KwaNomzamo; Vergenoeg, Polla Park, Lungiso High School area
7	Loerie, Thornhill, Kleinfontein, Longmore and surrounds

8	<p style="text-align: center;">Upper Wavecrest, Ferreira Town, Kabeljous and; Farm areas towards Mondplaas</p>
9	<p style="text-align: center;">Phillipsville , Centerton, Hankey town, Rosedale, Extension 4.</p>
10	<p style="text-align: center;">Ramaphosa Village, Quagga, Andrieskraal, Cambria</p>
11	<p style="text-align: center;">Jeffreys Bay CBD, C-Place</p>
12	<p style="text-align: center;">St Francis Bay Kromme River, Sea Vista, Cape St Francis</p>
13	<p style="text-align: center;">Patensie Town, Correctional Services, Weston, Rooidraai Chickwell Farm Area</p>
14	<p style="text-align: center;">Aston Bay, Marina Martenique, Paradise Beach, Tokyo Sexwale</p>
15	<p style="text-align: center;">Ocean View towards Humansdorp,</p>

	Boskloof, Panorama, Humansdorp CBD, Old KwaNomzamo
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B. SPENDING CLASSIFICATIONS

Spending protocol is vitally important if the budget, especially within a 12 month period is to be achieved. It has to conform to the internal and external policies and legislation. E.g. Supply Chain Management Policy.

Type of spending

1. Deliberate spending (priority 4)

Here expenditure is incurred as a result of a directive to be achieved e.g. purchasing of later model computers. This spending need necessarily not have taken place but may be as a result of a future plan for spreading expenses or a maintenances plan.

2. Compulsory spending (priority 1)

Here no choice is possible and if not incurred will result in a break down in service delivery E.g. salaries and wages, loan repayments.

3. Voluntary spending (priority 3)

This spending type refers to expenses that add to an existing service that part that could be done without or restrict but is seen as contributions to matters other than basic service delivery or indirectly we do not know its full extent e.g. Donation, provisions, telephone, stationery.

4. Involuntary spending (priority 2)

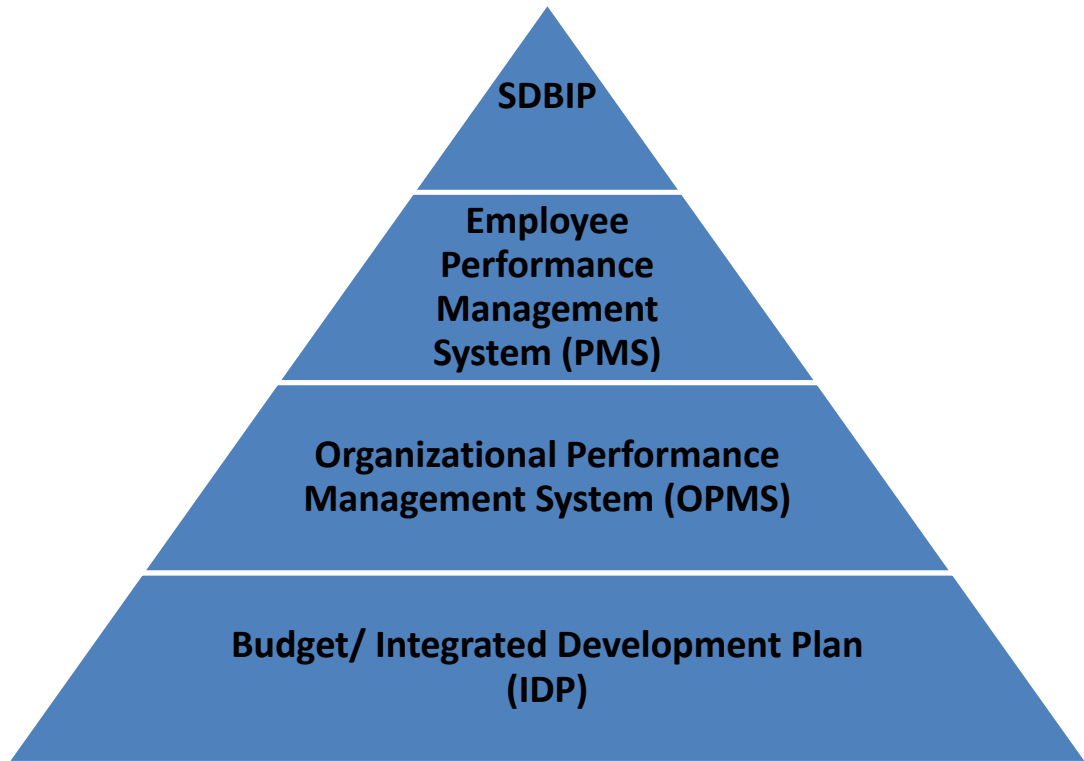
These expenses we have no control over and will include bank charges, delivery fees, P.A.Y.E, vat

The priority of spending may necessarily not be directly related to the timing of when the expenses take place. What is intended is that when cash flow become a problem one should be able to prioritize spending so as not to halt service delivery. Every head of department should indicate next to the spending line the priority and so for e.g. a compulsory spending budget may be achieved. This will facilitate emergency reform action on a minutes' notice.

C. **PERFORMANCE MANAGEMENT**

The SDBIP forms and integral part of the Organizational Performance Management System in that it provides the Institutional Scorecard and Departmental Scorecards through the service delivery targets which is cascaded into the performance management contracts of senior managers.

The pyramid illustrate the span between the SDBIP and the Policy Document



D. SDBIP REVISION

As budget administrator the CFO will forward to the Accounting Officer the reports in terms of section 71 and 72. The results of trading between realistic income and expenditure will prompt the need to revise the SDBIP.

As Departmental Administrators Heads of Departments shall at quarterly intervals report to the Municipal Manager on the implementation of SDBIP targets per their respective Directorates for purpose of monitoring and review where required.

- The areas of concern will be highlighted
- The Adjustment Budget will be made available.
- The corresponding KPA will be identified
- The Director in charge will be requested to provide written comment as the need to adjust the SDBIP, considering the priority status.
- The choice of alternatives will be tabled in an effort to avert downwards adjustment.
- Consultation will be held with the Executive Mayor and management
- A report will be compiled and tabled at Council.
- Performance measurements will be adjusted.
- Roll over for capital projects will be note and the funds set aside at the yearend should financial resources permit.

SDBIP review shall coincide with any budget adjustment as may be permissible by law.

The circular diagram illustrates the flow of functions to revise the SDBIP

