



SOL PLAATJE MUNICIPALITY



SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2009/10

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

(1 July 2009 – 31 December 2009)

January 2010

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1. INTRODUCTION

The Municipal Finance Management Act (MFMA) of 2003 requires that municipalities prepare a **Service Delivery and Budget Implementation Plan (SDBIP) as an implementation and management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan (IDP).**

Section 1 of the Municipal Finance Management Act defines the "service delivery and budget implementation plan" *as the detailed plan approved by the mayor of the municipality in terms of Section 53 (1) (c) (ii) for implementing the municipality's delivery of municipal services and its annual budget and which must include the following:-*

- a) projections of each month of-*
 - (i) revenue to be collected, by source; and*
 - (ii) operational and capital expenditure, by vote;*
- b) service delivery targets and performance indicators for each quarter; and*
- c) any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1)(c)".*

In terms of Section 53 (i)(c)(ii) of the MFMA, the SDBIP must be approved by the mayor of a municipality within 28 days of the approval of the budget and be made public within 14 days after the approval of the SDBIP (Section 53 (3) (a).

The Sol Plaatje Municipality's 2009/10 SDBIP was submitted to the Executive Mayor on 22 June 2009 (a draft was submitted on 29 May 2009) and tabled before Council on 14 July 2009 (Resolution C312/09). The SDBIP was made public in the local press and on the Municipality's website on 23 July 2009 and 29 July 2009. Sol Plaatje therefore complied in terms of Section 53 (i)(c)(ii) as well as Section 53 (3) (a).

According to MFMA Circular 13 it is the outputs made public in the "top layer" SDBIP that needs to be used to measure performance on a quarterly basis during the financial year. In-year monitoring (1st and 3rd Quarters) is meant to be in a "light" form of monitoring.

Section 72 of the MFMA compels the accounting officer of a municipality to submit a **Mid-year Budget and Performance Assessment Report by 25 January** of each year to the Mayor, National Treasury and Provincial Treasury.

The council should reserve its oversight role over performance at the end of the financial year when the Annual Report of the Municipality is tabled. It is, however, important that the **in-year reporting must serve as an early warning indicator for poor performance** and to give both the Council and Administration the opportunity to take corrective action in those areas where under performance is reported.

This report indicates the performance of the Sol Plaatje Municipality at mid-year (1 July 2009 to 31 December 2009) against the set targets in the 2009/10 SDBIP.

2. Performance Against Set Targets in the 2009/10 SDBIP as at 31 December 2009

2.1. Capital Budget and Expenditure

Council adopted a Capital Budget of R113,59 in May 2009. The previous year (2008/09) a Capital Budget of R129,65 million was adopted.

Total Actual Budget at 31 December 2009:	R125,647,924
Total Budget Adopted by Council in May 2009:	<u>R113,499,216</u>
Increase in adopted Budget	<u>R 12,148,712</u>

Total Actual Spent (YTD): **R42,564,212**

The increase in the adopted budget is due to the following additional funds received for the indicated projects that were not available when the Budget was adopted in May 2009.

Additions to original adopted Budget

Project name	Funding Source	Amount
Donkerhoek Services	Provincial	R1,368,205
Erection CCTV Cameras (Gal)	Eq Share	R1,000,000
Water Loss Minimisation Project	DBSA	R 750,000
Prepaid meters and vending	CRR	R5,000,000
Parks Maintenance Equipment	FBDM	R1,000,000
Dunston/Ubuntu Services	Provincial	R3,030,000
TOTAL ADDITIONAL FUNDING RECEIVED		R12,148,712

The above amounts and addition to the Capital Budget will be corrected when an adjustment budget is presented to Council.

Performance of Capital Programme per KPA

KPA	PHYSICAL PROGRESS	ACTUAL SPENT (YTD)
LED	31% (52%)*	16% (10%)*
Basic and Sustainable Service Delivery	50% (48%)*	35% (26%)*
Finance	40% (58%)*	92% (6%)*
Institutional Building	44% (37%)*	35% (55%)*
Total Municipal Programme (Average)	35% (44%)*	34% (17%)*
Target	45%	40%

(*) 2008/09 comparative figures at 31 December 2008

In general the performance is much better than the same period in the 2008/09 financial year – especially in terms of capital spending. The difference in performance on physical progress from the same period the previous year is due to the fact that a large percentage of the projects implemented during 2008/09 were roll-over projects from 2007/08 – therefore the high percentage of physical progress.

The only other discrepancies from the table above are the physical progress against capital spent in the **KPA – LED**. The reason for this is that most of the projects are roll-over projects. In the case of the **KPA – Financial Viability** the project entails the procurement and installation of pre-paid meters. All the meters have been procured and the installation process is ongoing – therefore the spent exceeds the physical progress.

A detailed progress report generated from the Blueprint Management System is attached as Annexure 1. This report indicates the detail information per project as well as per Ward.

Performance on Provincial and National Grants (Capital)

MIG

An amount of R29, 626 million was gazetted for the 2009-2010 Financial Year. Of this amount 69% is allocated towards water and sanitation infrastructure, 23% towards roads and stormwater and 3% towards electricity projects. At mid year an additional amount of R9 837 000 was gazette which was a release of funding withheld in the 2008-2009 Financial Year.

At the end of December 2009 the expenditure reported was standing at 59% but due to the reallocated R9.8m it is now standing at 44%. In comparison to the previous financial year, the Municipality has improved its spending on MIG as the expenditure for mid-year in the 2008-2009 financial year was 0% due to the fact that it a roll-over of funds from the Bucket Eradication funds which were also released at mid-year.

It is anticipated that the municipality will be able to spend its allocation by end June 2010. Most projects planned for this allocation are currently under construction with one exception which is still at tender stage.

Sol Plaatje Municipality, water and sanitation bulk infrastructure is still in dire straits and needs major upgrading urgently. Due to rapidly expanding developments in the catchment area of Homevale Wastewater Treatment Works it was necessary that upgrading and refurbishment be undertaken to accommodate the increasing wastewater flows. The plant is currently operating way beyond its original design capacity. As part of addressing the critical bulk infrastructure needs, the municipality has allocated a huge portion of its MIG funds towards rehabilitating the current Homevale Wastewater Treatment Works.

GURP Funding

Equitable shares (Capital)

An amount of R2,250,000 was budget for GURP projects for 2009/2010 financial year. R1million was allocated for CCTV cameras project. The project has not yet started spending due to delays that occurred during the supply chain processes, there were mistakes with the tender document which has now been rectified and the process can now be concluded. Two additional projects will be implemented in this financial year, namely the upgrade of Social Centre Hall and the Recreation Hall. This is possible due to savings on other projects.

GURP Provincial Grant

An amount of R7million was gazetted for the year 2009/10 Financial Year. Of this amount 21.4% was allocated to Maintenance of Parks, 3.6% Galeshewe Signage, 3.6% Tyala shopping centre, 64.3% Roads projects and 7.1% Kekana Park. The expenditure on the above project is 49.88%. Maintenance of Parks is awarded and the contractors are on site.

NDPG Grant

Technical Assistance

An amount of R 10 204 925.00 was gazetted for technical assistance and 98% of the money has been spend. The gazetted amount was spent in two financial years 2008/09 and 2009/10. An addition amount of R5 000 000.00 was gazetted by December 2009 from National Treasury to implement the remaining projects.

Capital Grant

Amount of R30 million was gazetted in March 2009 for Capital Grant and the budget was cut down to R15 million by December 2009 because at the time we were still implementing Technical Assistance budget. The R15 million that was cut down is not lost and will be used in the next financial year. There is no expenditure to date on the new gazetted budget; the projects have started in January 2010.

Annexure 2 gives a summary on the performance of these grants.

Sol Plaatje Municipality readiness in terms of the 2010 FIFA World Cup

The 2010 FIFA World Cup is here and though Sol Plaatje Municipality is not a host city there are many benefits that may be drawn from this event since Mangaung Municipality, being a host city, is only approximately 170km away. Sol Plaatje Municipality in conjunction with the Northern Cape Government saw it necessary to build relations with Mangaung Municipality and its Provincial Government so as to develop the economies of the two provinces and to take joint advantage of the opportunities offered by the FIFA World Cup for 2010 and beyond. This endeavor was confirmed by the signing of a Memorandum of Understanding (MoU) by the different stakeholders namely; Free State Province, Northern Cape Province, Mangaung Municipality and Sol Plaatje Municipality on 12 November 2009. The event was graced by the presence of both Provincial Premiers; Municipal Executive Mayors and various MEC's from both provinces. The municipality observes the signing of the MoU as a significant milestone reached since this has been outstanding for approximately two years. What remains is the implementation of the plans agreed upon. A fulltime 2010 Coordinator has now been appointed to facilitate all preparations. A 2010 FIFA World Cup budget will be availed during the municipal budget adjustment process. This will assist in resourcing the preparation process. Base Camp team is now confirmed and will be hosting Uruguay.

2.2. Operating Income and Expenditure

The operational budget of the municipality takes into account both the revenue and expenditure plans of the municipality to ensure improved performance and service delivery. The municipality approved a balanced budget where revenue projections were sufficient to cover the projected expenditure to run the organization effectively and efficiently.

The following table provides a high level summary of the municipality's budgets.

SUMMARY OF TOTALS	TOTALS	TOTALS	TOTALS
	2009/10	2008/09	2007/08
Operational budget	R862 576 741	743 095 000	607 749 000
Capital budget	R113,499,216	125 707 000	153 254 000
TOTAL BUDGET	R976 075 957	868 802 000	761 003 000

The actual performance of both budgets as at 31 December 2009 is presented in the table below

BUDGET	31 Dec 2009	31 Dec 2009	Annual budget
	%	R	2009/10
Operational budget - expenditure	43	370,052,635	R862 576 741
Operational budget – billed revenue	58	496,265,291	R862 576 741

It should be noted that the revenue from property rates includes an amount of approximately R70 million to annual rate payers. The average monthly billings on rates are R10.5 million for those who pay their rates monthly. This resulted in revenue to far exceed the spending.

The below 50% spending on operational expenditure is as a result of depreciation that has not been run for the first six months due to other processes with regards to asset register and asset management system. This is currently addressed as we are focusing on action plan to address the exceptions raised by the Auditor General. The run will take place retrospectively from 1 July 2009.

The supply chain process might have an impact on the progress made with regards to the performance of the capital budget. Management has resolved on a fully fledged supply chain unit and procedures are in the process of development and will be finalized very soon to ensure that supply chain becomes an agent for faster implementation of projects and ultimately will result in improved spending on capital grants and other allocated funds.

Included in the total operational budget are the following grant related expenditures;

Equitable shareR93 127 000
 Libraries.....R1 001 000
 Resorts.....R544 000
 Health.....R2 062 000

It should be mentioned that the municipality's operational costs to run and administer the two resorts, Transka and Rekaofella is R1 412 934 whilst the subsidy gazette is R544 000. No transfers have been made for the current financial period as well as periods preceding this.

The municipality has only received an amount of R344 000 from the R2 062 000 gazetted with regards to health services as at 31 December 2009. The personnel expenditure at all health personnel at all centres administered by Sol Plaatje Municipality amounts to R3 714 782 per annum.

The municipality has received a grant from Department of Sports, Arts and Culture to the amount of R1 001 000 for the period, and the following are the operational projects that will be completed in this financial year with the allocated funds;

- Shift workers – all libraries
- Library material
- Staff development and training
- Outreach programmes
- Literacy
- Infrastructure
- Magazines and newspapers
- Marketing
- Hire of photocopiers

An amount of R678 110 was spent as at 31 December 2009.

Detailed reports on operational budget are presented in the annexure to this report.

2.3. Service Delivery Targets

In general the performance on the service delivery targets set in the SDBIP for 2009/10 is much better than in the previous year. In analyzing the variance reports where targets were not met the following came to light:

- The planning process during the IDP Review, Budget preparation and SDBIP preparation is not to standard. This results in un-realistic targets being set or targets that cannot be objectively measure. In some instances targets were also set without ensuring that the necessary resources are available – both human resource capacity and capability as well as financial resources.
- In terms of municipal services (water, sewer, electricity, roads,) it is mainly ascribed to poor project management and the unnecessary long supply chain management process
- Management information systems are another shortcoming as performance information is not always accurate and on time.

The integrity of information is therefore questionable in most cases.

Serious attention must therefore be given to address the continued under-performance in certain areas by the involvement and commitment of managers during the review of the IDP and preparation of the Budget and SDBIP. The root causes identified above need to be systematically addressed in order to ensure that the Municipality's performance improves. In practical terms, this implies that the following interventions will be applied as a matter of urgency as part of the **Local Government Turnaround Strategy as adopted by Cabinet on 3 December 2009**. It is now expected of the Sol Plaatje Municipality to prepare and implement its own **tailor-made turnaround strategy** that must be incorporated into the IDP and Budget in **March 2010**:

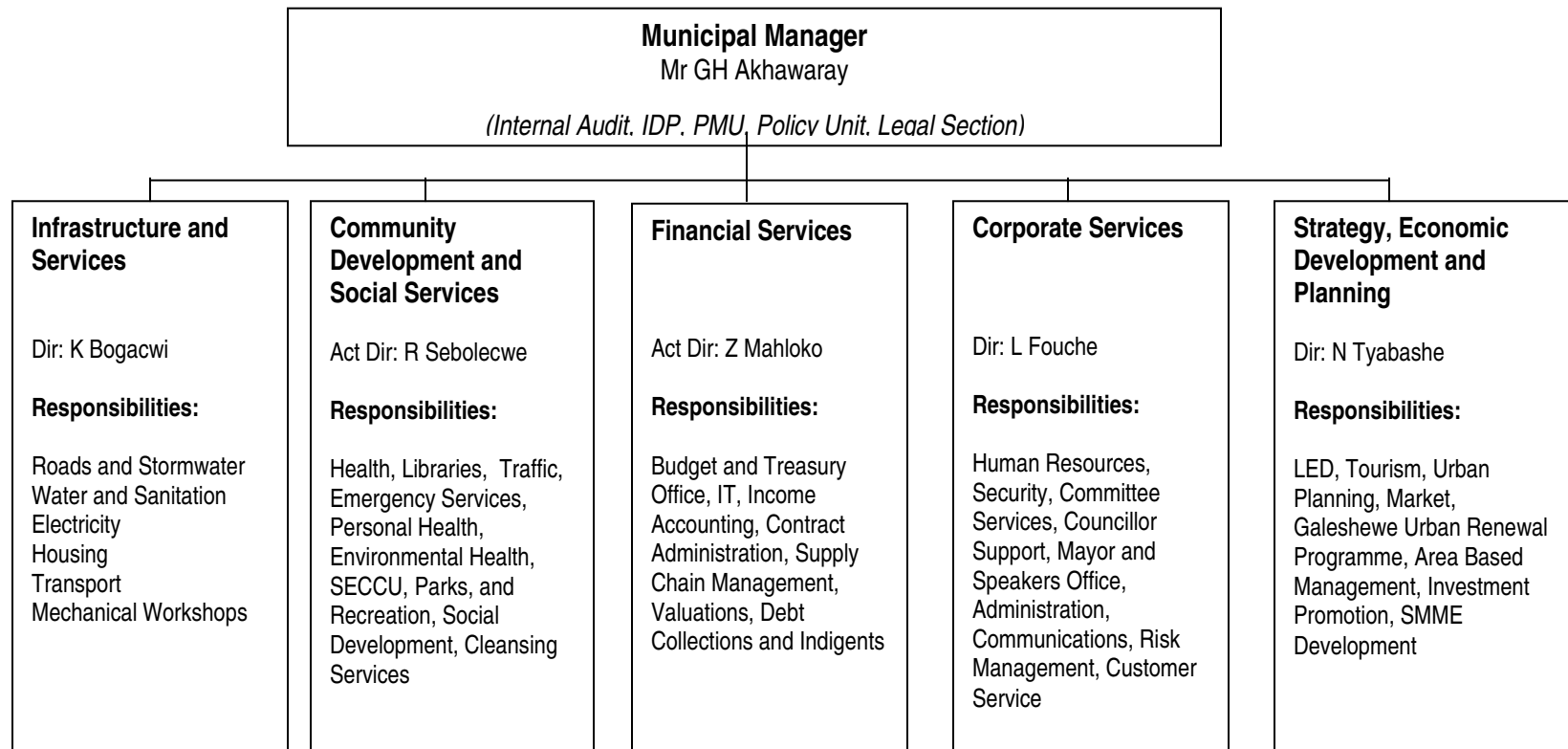
- Establish a system of governance whereby the Executive Mayor on a regular basis meet with the Municipal Manager and the Executive Directors to **assess performance on a regular basis** in order to intervene where under performance is evident, and report this to Council at least quarterly.
- Manage the Executive Management Team as a **strategic team**, by managing their individual performance, but also binding them into a cohesive team that serves as the **point of integration** in the municipality.
- Firm up on **management processes**, especially the availability and maintenance of critical management information, the establishment of monitoring and reporting systems that will integrate financial and IDP non-financial reporting.
- **Stop unchecked growth of the staff establishment, especially in non-core and support functions** and start the process of **building capacity in critical areas** in accordance with a **credible skills development plan**.
- **Improve management processes and procedures**, especially in terms of capturing, maintaining and reporting of performance information.
- **Finalise the organisational structure**, staff placement and recruitment process.

ANNEXURE 4

Quarterly Performance of Service Delivery Targets and Performance Indicators for each Vote/Directorate in the 2009/10 SDBIP

The following table indicates the Service Delivery Targets and Performance Indicators per Municipal Key Performance Areas (KPA's) according to the 2009/10 Annual Targets of the Multi-year Institutional Scorecard in the IDP broken down into quarterly targets for the 2009/10 SDBIP. It also indicates the responsible Directorate (Vote).

The Structure of the Municipality is indicated below to show the responsibility of each Directorate:



ANNEXURE 4

SERVICE DELIVERY TARGETS 2009/10: PERFORMANCE 2ND QUARTER (1 JUL 2009 TO 31 DEC 09)

				Performance Target			2009/10 Quarterly Target and Performance			Variance Report (Comments)		
Municipal Key Performance Area	IDP Strategic Objective	Key Performance Indicator	Measurement unit	2009/10	2010/11	2011/12	Departmental Responsibility	1st Quarter Sep 09 Actual	2nd Quarter Target Dec 09		2nd Quarter Actual Dec 09	
LED	To provide a sound, affordable and predicable environment for business to control its risks and costs in order to expand existing economic activity and to attract new development	To facilitate economic development, establish relationships with Business Community and key national, provincial and neighbouring stakeholders and monitor economic indicators pro-actively with business sector input	Socio Economic Surveys completed in 2010/11	50%			Strategy, Economic Development and Planning	0%	0%	0%	Funds were not budgeted for conducting a socio-economic survey. At present the estimated socio-economic information as provided by the EconoMonitor is being used	
			Relationships formalised and # of working sessions	4	4	4	Strategy, Economic Development and Planning	4	2	4	Relationships have been formalised with Matlosana Local Municipality (SPM's legal department is busy with finalisation of MOU recieved from Matlosana); NOCCI; Naledi Local Municipality and Mangaung Local municipality (MOU is signed by both Premiers and Executive Mayors).	
			Maintaining data and quarterly reporting on economic indicators with BC	100%	100%	100%	Strategy, Economic Development and Planning	100%	100%	100%	A copy of the second quarter report on EconoMonitor was sent to NOCCI in updating them about economic indicators. Such will be done on a quarterly basis. Detailed discussions on implications of the findings will be discussed continuously as further working sessions unfold during the year.	
			Alignment of the SDF with the LED policy to promote economic development	IDP, SDF and Sectoral plans aligned	100%	100%	100%	Strategy, Economic Development and Planning	100%	100%	100%	SDF is aligned with LUMS, GURP Business Plan and LED Strategy. All Business Plans submitted to National Treasury through GURP were aligned with the SDF, i.e. (1) Legislature Precinct; (2)Economic Node; (3)Green Belt; (4)Activity Corridors and(5) Hostel Upgrades. The LED Strategy was also aligned with SDF during its review in 2008/9. LUMS and LED Strategy await for Council approval.
			Create economic growth by maintaining and enhancing Kimberley and existing outlying settlements as sustainable, attractive centres of living, services and work within their existing footprints	% of Developmental plans with key governmental and Mangaung stakeholders completed	50%	75%	100%	Strategy, Economic Development and Planning / Infrastructure and Services	25%	10%	10%	National Treasury uses Sol Plaatje Municipality as benchmark in NDPG programme since it is ahead of all other municipalities countrywide. Developmental plans in the form of Business Cases have been submitted. SEDP through GURP has relationships with various provincial departments, i.e. Correctional Services; Ministry of Transport, Safety and Liason, Department of Economic Development and Tourism; National Treasury; South African Polices Services. Through LED Unit, Sol Plaatje has relationship with Northern Cape Department of Education through National Skills Development Strategy
	To maximize the number of jobs created through local economic development initiatives and projects by 2012	Number of jobs created through initiatives of the SPM (including EPWP, capital, maintenace etc)	Man-days jobs provided: LED initiatives	100 000	150 000	200 000	Strategy, Economic Development and Planning / Infrastructure and Services	15 960	38 400	29 442	Jobs created through LED Unit are as follows 50 for emerging contractors, 50 for Diamond Beneficiation, 15 for Electrical Apprenticeship all of these jobs is for period of ten months. There are 4 additional jobs created within LED Unit for six months. Through GURP 4 jobs were created for a period of three months. Through the call centre of MBD 200 permanent jobs were created as additional to the 50 which be filled by March 2010. Through Tourism 56 jobs were created for 30 days.	
			Man-days jobs provided: Projects	800 000	900 000	1 000 000	Infrastructure and Services	"	304 000	205 429	Information as per the EPWP report generated from the Govt MIS System.	
To ensure that the municipality spent 60% of its procurement budget on goods and services provided by local BEE and SMME enterprises annually	% of procurement budget spend on procuring from local SMMEs and BEEs	% procurement	45%	60%	60%	Financial Services	65%	60%	-	Information could not be extracted from the system		
Sustainable Service Delivery	To ensure sustainable service delivery to the residents of SPM	Measure quality of service delivery by determining service delivery gaps, levels and standards. Measure against set norms	% completed	40%	70%	100%	Infrastructure and Services	"	20%	-	These processes has not started yet and need to be adjusted for the remainder of the FY	
		Differentiated service delivery model to enhance revenue and improve service delivery to residents submitted to Council for consideration	Plan completed by June 2010	100%	100%	100%	Infrastructure and Services / Financial Services	"	100%	-		
	To provide 1,215 households in formal areas with a metered water connection by June 2009/10	Number of households in formal areas provided with metered water connections	No. of households	400	300	93	Infrastructure and Services	0	200	500	300 Lindani 200 Ikageng	
	To provide 5,645 households in formal settlements with basic sanitation by 2011/12	Number of households in formal areas provided with metered water connections	No. of households	1250	1250	1250	Infrastructure and Services	0	553	500	Homevale Plant is hydraulically overloaded to eradicate more backlog	
	To provide 8,400 households with water connections in informal areas by 2011/12	Number of households connected to water in informal areas	No. of households	1750	1750	1750	Infrastructure and Services	0	195	195	Lerato Park, Promised Land; Bokamoso	
	To provide 8,400 households with sanitation services in informal areas by 2011/12	Number of households connected with sanitation services in informal areas	No. of households	1750	1750	1750	Infrastructure and Services	0	195	195	Buckets as there is no infrastructure in place	
	To reduce water losses to 15% by 2010/11	% reduction in water losses	% reduction	22%	18%	15%	Infrastructure and Services	0%	25.50%	25.50%		
	To reduce electricity losses to 11% by 2010/11	% reduction in electricity losses	% reduction	12.00%	11.55%	11.00%	Infrastructure and Services	16.13	12.88%	19,53	By passed prepayment and old Plessey meters to be replaced	
	To ensure that 50kms of roads are surfaced by 2011/12. (Total backlog 257 Km)	Additional kms roads surfaced	No of Km	10Km	10Km	10Km	Infrastructure and Services	0.433	5	1.1km	Available budget for construction of new roads does not speak to the target as indicated. Given the available budget we can only complete a minimum of 4.3 km of new access roads for 09/10 financial. The length reported is from the GURP paving of streets Project.	

SERVICE DELIVERY TARGETS 2009/10: PERFORMANCE 2ND QUARTER (1 JUL 2009 TO 31 DEC 09)

Municipal Key Performance Area	IDP Strategic Objective	Key Performance Indicator	Measurement unit	Performance Target			2009/10 Quarterly Target and Performance			Variance Report (Comments)		
				2009/10	2010/11	2011/12	Departmental Responsibility	1st Quarter Sep 09 Actual	2nd Quarter Target Dec 09		2nd Quarter Actual Dec 09	
	To provide shelter for all by 2014 based on current demographic projections. (Backlog 14,794 units)	No of subsidised houses provided	No. of households	3 358	766	920	Infrastructure and Services	410	1680	886	The pace of delivery has improved because the Retswelele 45 has also started	
		Preparation and implementation of a 5-year Integrated Human Settlement Plan align with IDP by July 2010	% progress		100%	100%	100%	Infrastructure and Services	20%	50%	90%	Need to verify delivery of houses and confirm with public participation process concurrently with IDP consultation process.
	To provide 1,800 households with electricity connections in the Sol Plaatje municipal area by 2011/12 (Total backlog 7,686)	Number of households provided with electricity connections	No of households	300	300	300	Infrastructure and Services	23	150	6	Awaiting delivery of ready boards	
	To ensure that all households receive a weekly solid waste removal service	Number of additional households provided with solid waste removal services	No of additional households	New households added	New households added	New households added	Infrastructure and Services	-	-	8 460	This is new households provided with a weekly service for the period 1/7/09 to 31/12/09	
	To maximize the number of indigent households receiving free basic services by 2011/12	To maximize the number of indigent households receiving free basic water by 2011/12	No of households receiving FBW	17 000	19 000	21 000	Financial Services	9 870	17 000	8 956	In terms of Council policy, indigents have to renew their status annually and non-compliance to this leads to status being withdrawn. We are also struggling administratively to fasttrack the processing of new applications. We are however investigating the advantage of policy change with regards to the process which we believe will result in increased number of beneficiaries immediately as the value of property in terms of the Valuation Roll will serve as a baseline for qualification within certain thresholds. This will result in reduced administrative costs and enhanced service delivery.	
		To maximize the number of indigent households receiving free basic electricity by 2011/12	No of households receiving FBE	17 000	19 000	21 000	Financial Services	9 870	17 000	8 956		
		To maximize the number of indigent households receiving free basic alternative energy by 2011/12	No of households receiving FBAE	100	200	300	Financial Services	0	33	0		Under construction
	Infrastructure Development	To ensure a sustainable and well maintained infrastructure development programme for SPM by 2011/12	Research with regards to infrastructure and maintenance needs in terms of service delivery needs identified.	Research completed and Infrastructure investment plan and maintenance plans updated	75%	100%	100%	Infrastructure and Services	0%	50%	0%	Process not started
			Implement Integrated Infrastructure Investment Plan by June 2011 (CIP)	% progress in implementing Plan	20%	40%	60%	Infrastructure and Services	0%	10%	0%	Process not started
Integrated Bulk Infrastructure Rehabilitation and Operations Plan approved by Council and implemented			% Developed during 2009/10	100%			Infrastructure and Services	0%	100%	10%	Pilot project in two areas of Kimberley 90% complete and will be rolled out to the rest of the Mun Area	
			% progress in implementing Plan	10%	30%	50%	Infrastructure and Services	0%	5%	0%		
Integrated Infrastructure and Assets Maintenance and Operations Plan implemented			% progress in implementing Plan	10%	15%	25%	Infrastructure and Services / Financial Services	"	5%	0%	Plan has not been finalised yet	
Develop and implement integrated environmental management plan over next 10 years			% Developed during 2009/10	25%			Community Development and Social Services	40%	25%	0%	Seeking funding opportunities to start the process	
			% progress in implementing Plan	10%	30%	50%	Community Development and Social Services	0%	0%	0%	Seeking funding opportunities to start the process	
Develop and implement integrated Waste Management plan over next 10 years			% Developed during 2009/10	100%			Community Development and Social Services	"	100%	0%	Seeking funding opportunities to start the process	
			% progress in implementing Plan	10%	30%	50%	Community Development and Social Services	"	0%	0%	Seeking funding opportunities to start the process	
Implement integrated transport plan over next 10 years			% progress in implementing Plan	100%	100%	100%	Infrastructure and Services	0%	100%	0%	This is an unrealistic KPI and target and not possible to measure objectively.	
Kms of road resealed	Kms of roads resealed	5.8km	20km	20km	Infrastructure and Services	1,9	5	6.6km (61820m²)	The following streets were resealed for this current financial year, utilising a contractor: Jacobus Smit 2.0km , Transvaal Road 1.1km , Cecil Sussman 0.620km , Seleke Str 1.4km , Nobengula Str 1.4km. Please note that patching and re sealing cannot be measured in km but m².			
M² of roads patched	M² of roads patched	50000 M²			Infrastructure and Services	4 614	100	11,443m²	All tar patching work was done by our internal maintenance teams.			

SERVICE DELIVERY TARGETS 2009/10: PERFORMANCE 2ND QUARTER (1 JUL 2009 TO 31 DEC 09)

				Performance Target			2009/10 Quarterly Target and Performance			Variance Report (Comments)		
Municipal Key Performance Area	IDP Strategic Objective	Key Performance Indicator	Measurement unit	2009/10	2010/11	2011/12	Departmental Responsibility	1st Quarter Sep 09 Actual	2nd Quarter Target Dec 09		2nd Quarter Actual Dec 09	
		Development and implementation of a Sustainable Energy and Climate Change Strategy (SECCS)	% Developed during 2009/10	100%			Community Development and Social Services	40%	100%	100%		
			% progress in implementing Plan	10%	30%	50%	Community Development and Social Services	0%	.	10%		
		To realise at least a 10% saving on the SPM's electricity consumption by July 2008	MVA/% reduction in electricity consumption	94 MVA	95 MVA	96 MVA	Infrastructure and Services	93 MVA / 10%	94 MVA	70MVA	Hot water geyser load switched off during peak demand.	
Financial Viability and Management	To increase the payment level to 87% by 2010/11 for current billing	% increase in payment levels	Payment levels	87%	90%	95%	Financial Services	86%	87%	77%	This is an average collection rate for the period. The Financial Services Directorate has embarked on a debt collection stride and the response has been positive. December has had a negative impact on the average collection rate due to people being on vacation and Credit Control measures could not effectively be implemented. This will improve from January.	
	To spend at least 85% of the capital budget annually	% of the capital budget spend annually	% spend	85%	85%	90%	Infrastructure and Services / Community Development and Social Services / Financial Services	15,12%	40%	34%	This percentage is lower than the target as additional funds were received during the year that were not known during the adoption of the budget in May 2009. The percentage spent on the original adopted budget of R113, m would have been %	
	Maintain the debt coverage ratio at current levels or at least 2:1 against net assets of the municipality	Ratio of debt coverage	Ratio	2:1	2:1	2:1	Financial Services	44.3	2;1	4.1	Sol Plaatje has been very conservative in procurement of long term loans. The debt coverage including current liabilities is 4 times and for now this situation is convenient.	
	To reduce the ratio of outstanding service debtors to revenue by 2010/11	Ratio of outstanding service debtors to revenue	Ratio	4.5	4.5	4.5	Financial Services	3.45	04:05		Because of the decreased average collection rate for the 2nd quarter, the amount in outstanding areas is the projected revenue from service charges of rates income. This will be addressed.	
	Increase the cost coverage ratio to 1:1 annually or maintain the current status	Ratio of cost coverage	Ratio	1:1; or maintain current status	1:1; or maintain current status	1:1; or maintain current status	Financial Services	0.65	1:1; or maintain current status	-	Sol Plaatje approves a balanced budget annually to ensure that planned expenditure is in line with revenue projections.	
	To procure and implement a functional integrated electronic financial management system to efficiently manage the finances of the Municipality compliant to the MFMA by July 2008	A fully functional electronic financial system in operation by 1 July 2008	100% functional financial system		100%	100%	Financial Services	90%	100%	95%	The General Ledger, Payroll system are functional - only Creditors and Contracts management part is not completed as yet. The target is that by end of 3rd quarter all systems should be working effectively.	
	Increase the municipal reserves by at least 1% per annum	Develop long term financial plan for Council approval by Dec 2009	% developed		100%	100%	100%	Financial Services	0%	100%	0%	This plan is still outstanding as the Municipal Management prioritised the stabilisation of the financial situation during the first two quarters. This plan will be addressed during the present IDP/Budget Review and Turnaround strategy
		To increase own funding to fund own municipal social and development initiatives	% increase in own funding to fund capital programme		5%	10%	20%	Financial Services	0.8%	3.2%	5,38%	This is a challenge but with the aim of improving the collection rate as well as focusing on old debt - this will unlock funds for investment in capital development.
Enhance financial management and reporting practices to municipal stakeholders	Alignment of the budget with the IDP and SDBIP and the respective reporting systems by August 2009	% aligned and reporting alignment		90%	100%	100%	Financial Services / Municipal Manager Office	25%	90%	40%	The financial strategy of Sol Plaatje Municipality will be developed during the 3rd quarter and will be tabled to management by no later than 31 March 2010 for adoption with the budget of 2010/11.	
Municipal Institutional Development and Transformation	To ensure that all levels of personnel on the organogram of the SPM is 100% representative and in line with the employment equity plan of the Municipality by June 2011	Representivity in terms of the SPLM Equity Plan	% representivity	60%	80%	100%	All	"	60%	67%		
	To improve institutional effectiveness	Effective delivery against KPI's identified as per departmental Service Delivery Plans	% achievement	80%	90%	100%	All	37%	80%	-	Unrealistic target and cannot be measured objectively. This aspect will be addressed during the performance assessments of s57 Managers.	
	To enhance service delivery with efficient institutional support by June 2010	Improve turnaround time of SCM process	Turnaround time (weeks)		8	8	8	Financial Services	10	8	10	The SCM structures and processes are being reviewed and will be implemented during the 3rd Quarter
		Improvement on turnaround time on applications for building plan approval from date of receiving the correct and complete application	Turnaround time (weeks)		2	2	2	Strategy, Economic Development and Planning	3	2	2	On straightforward approvals it takes 3weeks (15 working days). If it requires comments on straightforward approvals it takes 3weeks (15 working days). If it requires Council resolution including rezoning then it takes longer than this. KPI indicator depends on comments from other line departments (Infrastructure & Community Services) and delays are experienced. Council resolution including rezoning then it takes longer than this. KPI indicator depends on comments from other line departments (Infrastructure & Community Services) and delays are experienced.

SERVICE DELIVERY TARGETS 2009/10: PERFORMANCE 2ND QUARTER (1 JUL 2009 TO 31 DEC 09)

				Performance Target			2009/10 Quarterly Target and Performance			Variance Report (Comments)		
Municipal Key Performance Area	IDP Strategic Objective	Key Performance Indicator	Measurement unit	2009/10	2010/11	2011/12	Departmental Responsibility	1st Quarter Sep 09 Actual	2nd Quarter Target Dec 09		2nd Quarter Actual Dec 09	
		Improvement on turnaround time on applications for development applications from date of receiving the correct and complete application (excl. appeals, EIAs, Traffic Impact Studies, etc.)	Turnaround time (weeks)	12	12	12	Strategy, Economic Development and Planning	(36) & 8	12	27	Certain items were kept in obedience since February 2009. Subsequently 27 items have been dealt with of which 14 were approved and 13 not approved. KPI should also be made applicable to the Directorate Infrastructure as the delays experienced are mainly due to delayed responses from them. 36 weeks is broken down as follows: 8 weeks - Urban Planning, 8 Weeks Committee/Council for approval process, 20 weeks for comments from line departments. Thus, Urban Planning completes its part within 8 weeks. On that note, target by Urban Planning has been achieved. Clarity on how to report on this KPI is required as it involves both Infrastructure and Community Services.	
		To ensure completion of an Integrated Human Resource Strategy, aligned with the IDP by 2010	Council adopted HR Strategy	% completion of HR Strategy	100%	100%	100%	Corporate Services	30%	90%	30%	Because of lack of funding, a new strategy cannot be considered. Previous draft strategy to be investigated for possible finalization as less funding would be required
		To ensure 100% expenditure of the allocated budget to implement the Workplace Skills Plan annually	% expenditure of budget	% expenditure	96%	97%	100%	Corporate Services	25%	45%	0%	No funding received from LGSETA. Awaiting approval for the application of discretionary grant
		To ensure that all Section 57 managers comply with the minimum competency levels as prescribed by the Municipal Regulations on Minimum Competency Levels by 2012	Number of Section 57 Managers who have attained the necessary higher qualification as prescribed by	No of Managers attaining prescribed higher qualification	60%	80%	100%	Corporate Services	50%	50%	50%	
		To design an organisational structure by 2009/10	Design and population of the organisational structure	% progress	100%	100%	100%	Corporate Services	50%	100%	50%	The establishment of a current organogram is up to date and only have to be tabled before Council. It is being kept up to date on a daily basis. The next 50% will be the workshoping of the changing and expansion of the Organogram.
		To ensure that the Council adopted MIS Strategy is fully implemented by 2009/2010	Implementation of the MIS	% progress	100%	100%	100%	Financial Services	10%	65%		
		To populate the organisational structure by 2011/12	% of approved post on Organogramme competently filled	% of posts competently filled	60%	80%	100%	Corporate Services	75%	30%	65%	
Good Governance and Public Participation	To enhance structured public participation processes for the different levels of planning and development by the Municipality by 2009/10	No of ward committees functional and involved in planning and developmental activities	No. of committees involved	28	28	28	Executive and Council	-	28	15	A process of establishing and capacitating Ward Committees is driven from the Speakers Office	
	To establish a comprehensive corporate branding for Sol Plaatje Municipality	Council adopted Comprehensive Communication Strategy (including corporate image library) implemented	% completion of Communication strategy	100%	100%	100%	Corporate Services	50%	55%	50%	Strategy to be tabled at EMT for submission to the Policy Committee and finally Council adoption.	
		Develop a SPM marketing strategy to package the offering and growth opportunities of the municipal area and implemented	% completion and implementation of strategy	75%	100%	100%	Corporate Services	-	40%	-	This KPI and target will be adjusted as this process will be part of the Communication Strategy	
	To ensure an unqualified audit report for the 2010/11 Financial Year	Audits in terms of Intenal Audit Plan	Number of reports	14	16	18	Office of Municipal Manager/Internal Audit	1	-	1	Annual audit plan for 09/10 was approved on the 4 September 2009, which resulted in delay. Presently 5 audits have been completed. For 1 audit draft report is issued awaiting management comments. it should be noted that the actual target of audits is 12 and provision has been made for at least 2 ad-hoc audits.	
		Develop and roll out an Enterprise Risk Management Strategy	ERM Strategy	100%	1	1	Office of Municipal Manager/Corporate Services	50%	100%		Process have not started yet	
		Develop and roll out a Fraud Prevention Plan (FPP)	FPP	100%	1	1	Office of Municipal Manager/Policy Unit	50%	100%	50%	A draft Fraud Prevention Plan and a policy have been tabled at the Policy Committee. The plan will only be implemented upon approval by council..	
		A qualified audit report; leading up to an unqualified audit opinion by fully implementing operation audit cleanup and conduct audit readiness reviews thereafter	Audit opinion	Qualified report	Unqualified report	Unqualified report	All	-	Qualified	Disclaimer	Audit action plan in place. Request funding for unbundling of infrastructure assets.	
	Enhance the system of governance of Sol Plaatje Municipality	Re-introduce the strategic leadership governance structure	% implemented and performance of team measured	100%	100%	100%	All	0%	100%	0%	Process to commence later under leadership of MM	
Integrated performance Management System		% Performance management system implemented	50%	100%	100%	Office of Municipal Manager/IDP/Corporate Services	50%	28%	70%	Policy drafted await approval from Policy Committee and Council. SDBIP and Quarterly Reports in place. S57 Managers Performance Agreements in place. Mid-year Performance assessment of S57 Managers to take place in Feb 2010.		
Improve the satisfaction of residents and councillors with front-line, face-to-face and over-the counter services by 2010	Customer satisfaction as measured according to the Likert scale	Customer satisfaction	40%	60%	80%	Corporate Services	0%	30%	25%	Draft Concept document for contact center is completed and will be tabled to EMT for inputs and approval in January 2010. Questionnaire to collect baseline information will be finalized by end January 2010. The results will be available by end March 2010		