

# WITZENBERG MUNICIPALITY

## SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2018/2019

A Municipality that cares for the community, creating growth  
& opportunity.

# INDEX

<b>Introduction &amp; Overview</b>	<b>2</b>
<b>Strategic Map</b>	<b>6</b>
<b>Financial Component</b>	
Component 1 – Monthly Revenue by Source	7
Component 2 – Monthly Operating Expenditure	8
Component 2 – Monthly Capital Expenditure	9
<b>Non-Financial Component</b>	
Five Year Scorecard	13
Quarterly Projections	15
Definitions of Performance Indicators	17
<b>Budgetary alignment with IDP</b>	
Expenditure per Key Performance Area	19
Expenditure per Strategic Objective	20
Three Year Projected Capital Expenditure per Ward	21

## INTRODUCTION AND OVERVIEW

### 1.1 PURPOSE OF THE REPORT

The purpose of this report is to provide an executive summary of the legislative framework that prescribes an SDBIP.

The 2018/19 Top Layer SDBIP attached to this report is hereby submitted for approval. It indicates the planned performance targets of Witzenberg Municipality for the period 1 July 2018 to 30 June 2019.

The Top Layer of the SDBIP is made up of the following components:

- ❑ One year detailed plan, with a three-year capital plan
- ❑ The necessary components includes:
  - ⇒ Monthly projection of revenue to be collected for each Source (*Expected Revenue to be collected*)
  - ⇒ Monthly projects of expenditure (operating and capital) and revenue for each vote (*S71 format*)
  - ⇒ Quarterly projects of Services Delivery Targets and performance indicators for each vote. (*Non financial measurable performance objectives in the form of targets and indicators. Level and standard of service being provided to the community*)
  - ⇒ Detailed capital works plan broken down by ward over three year

### 1.2 LEGISLATIVE FRAMEWORK AND GENERAL INFORMATION PERTAINING TO THE SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulation.

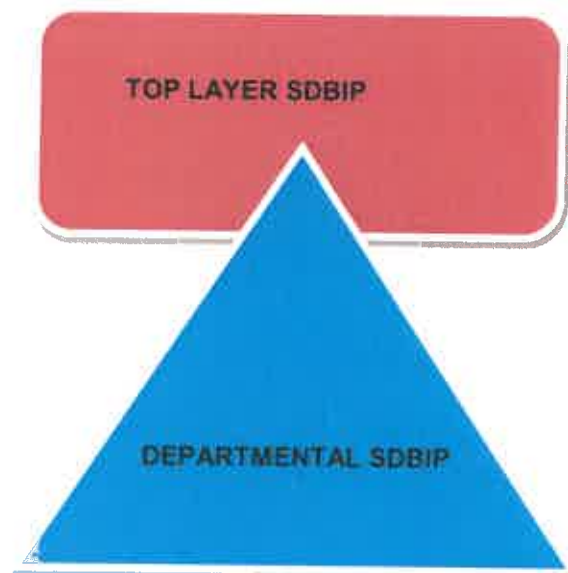
The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community to monitor the municipality’s performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget,

the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilized. The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councillors to provide feedback to their communities on progress with service delivery.

As mentioned before, it is a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance.

The SDBIP is a layered plan that consists of a top layer and a supporting layer namely the departmental SDBIP.



#### TOP LAYER SDBIP (MUNICIPAL SCORECARD)

Circular 13, as well as the municipal budget and reporting regulations prescribe the submission of a Top Layer SDBIP, which is focused on outcomes, to the Mayor with the budget. The Top Layer SDBIP contains the consolidated service delivery targets and in-year deadlines, and links such targets to top management. Only the Top Layer SDBIP will be made public and tabled before the council. The Top Layer SDBIP should also include per ward information, particularly for key expenditure items on capital projects and service delivery. This will enable each ward councillor and ward committee to oversee service delivery in their particular ward. The Top Layer SDBIP and its targets cannot be revised without notifying the council, and if changes is made in service delivery targets and

performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section 54(1)(c) of MFMA). Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

## DEPARTMENTAL SDBIP

A detailed departmental SDBIP, which is focused on operational performance, will be prepared for each municipal department. This SDBIP provides more detail on each output for which top management is responsible. The Top Layer SDBIP is therefore the summary of all the departmental SDBIP's.

The Departmental SDBIP must provide the following information:

- Purpose (Objectives)
- Service Delivery description
- Measurable Performance objectives
- List of capital projects per Ward
- Resources utilized (inputs)

## FACTORS CONSIDERED FOR THE COMPILATION OF THE TOP LAYER SDBIP

The IDP is considered as the 5-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Top Layer SDBIP was drafted through a one on one consultation with the Municipal Manager and all the directors. After the completion of the draft Top Layer SDBIP, the Municipal Manager had one on one session's with his directors to finalise the Top Layer SDBIP. One on one session's will be held with the heads of Departments to discuss and draft the Departmental SDBIP which would serve as the portfolio of evidence for the TOP Layer SDBIP. The following were considered during the development of the SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report of 2016/17
- The risks identified by the Internal Auditor during the municipal risk analysis

- Areas to be addressed and root causes of the Auditor-General management letter COMAFS as well as the risks identified during the audit
- Mid-Year Performance Report (Section 72) for 2017/18

### **SECTION 53(1)(C)(II) – SUBMISSION TO THE MAYOR**

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation for the necessary approval.

Print Name      D NASSON

Municipal Manager of Witzenberg Municipality

Signature



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Date              2018/06/05

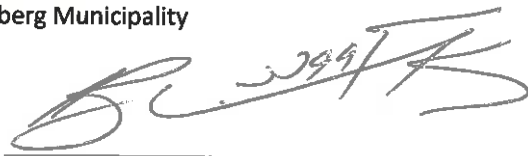
### **SECTION 53(1)(C)(II) – APPROVAL BY THE MAYOR**

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name      B Klaasen

Mayor of Witzenberg Municipality

Signature



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Date              2018/06/05

# STRATEGIC MAP

## WITZENBERG MUNICIPALITY: STRATEGIC MAP 2018/19

Vision	Mission	Municipal KPA		Pre-determined Objectives	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: <ul style="list-style-type: none"> <li>- Providing &amp; maintaining affordable services</li> <li>- Promoting Social &amp; Economic Development</li> <li>- The effective &amp; efficient use of resources</li> <li>- Effective stakeholder &amp; community participation</li> </ul>	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

## FINANCIAL COMPONENT

### COMPONENT 1 – MONTHLY REVENUE BY SOURCE R'000

Monthly Revenue By Source	July	August	September	October	November	December	January	February	March	April	May	June
Property rates	32 201	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	3 500	2 800
Service charges - electricity revenue	21 214	21 214	21 214	16 500	16 500	16 500	16 500	18 857	21 214	23 571	23 571	18 857
Service charges - water revenue	2 932	2 513	3 351	3 351	3 769	3 769	4 188	4 188	4 188	3 351	3 351	2 932
Service charges - sanitation revenue	2 956	1 391	1 217	1 217	1 217	1 565	1 217	1 217	1 217	1 217	1 217	1 739
Service charges - refuse revenue	1 928	1 928	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714	1 714	2 142
Interest, dividends, Rent	2 005	2 005	2 005	2 005	2 005	2 005	2 005	2 005	2 005	2 005	2 005	2 004
Fines, penalties and forfeits	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575	1 575
Licences and permits	305	305	305	305	305	305	305	305	305	305	305	305
Agency services	406	406	406	406	406	406	406	406	406	406	406	406
Transfer receipts - operational	11 258	11 258	11 258	11 258	11 258	11 258	11 258	11 258	11 258	11 258	11 258	11 546
Other revenue	3 400	3 400	3 400	3 400	3 400	3 400	3 400	3 400	3 400	3 400	3 400	3 400
<b>Total</b>	<b>80 180</b>	<b>49 495</b>	<b>49 945</b>	<b>45 231</b>	<b>45 649</b>	<b>45 997</b>	<b>46 068</b>	<b>48 425</b>	<b>50 782</b>	<b>52 302</b>	<b>52 302</b>	<b>47 706</b>

### COMPONENT 2 – MONTHLY OPERATING EXPENDITURE BY VOTE R'000

Monthly Expenditure By Type	July	August	September	October	November	December	January	February	March	April	May	June
Employee related costs	14 978	14 978	14 978	14 978	14 978	14 978	14 978	14 978	14 978	14 978	14 978	15 111
Remuneration of councillors	892	892	892	892	892	892	892	892	892	892	892	892
Debt impairment	1 850	1 850	1 850	1 850	1 850	1 850	1 850	1 850	1 850	1 850	1 850	1 850
Depreciation & asset impairment	3 586	3 586	3 586	3 586	3 586	3 586	3 586	3 586	3 586	3 586	3 586	3 585
Finance charges	306	306	306	306	306	306	306	306	306	306	306	306
Bulk purchases	17 779	17 779	17 779	13 828	13 828	13 828	13 828	15 803	17 779	19 754	19 754	15 803
Other materials	1 751	1 751	1 751	1 751	1 751	1 751	1 751	1 751	1 751	1 751	1 751	1 800
Contracted services	3 993	3 993	3 993	3 993	3 993	3 993	3 993	3 993	3 993	3 993	3 993	4 157
Transfers and subsidies	1 201	1 201	1 201	1 201	1 201	1 201	1 201	1 201	1 201	1 201	1 201	1 201
Other expenditure	3 644	3 644	3 644	3 644	3 644	3 644	3 644	3 644	3 644	3 644	3 644	3 923
<b>Total</b>	<b>49 980</b>	<b>49 980</b>	<b>49 980</b>	<b>46 029</b>	<b>46 029</b>	<b>46 029</b>	<b>46 029</b>	<b>48 005</b>	<b>49 980</b>	<b>51 956</b>	<b>51 956</b>	<b>48 628</b>











# NON-FINANCIAL COMPONENT

## 5 YEAR SCORECARD

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2016/17	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	99%	99%	99%	99%	99%	99%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98%	96%	96%	96%	97%	97%
		TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%
		FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service	Finance	0%	<1%	<1%	<1%	<1%	<1%
		FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	0,05%	<1%	<1%	<1%	<1%	<1%
		FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	0%	<1%	<1%	<1%	<1%	<1%
		TecWat20	Decrease unaccounted water losses.	Technical	19%	18%	18%	18%	18%	16%
		TecE17	Decrease unaccounted electricity losses.	Technical	50%	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	10,7	3	3	3	4	4
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	No Target	400	0	100	0	200
		TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	2	2
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	2	2
		TecRef11	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service	Technical	3	3	3	3	2	2
		TecE18	Number of subsidised electricity connections installed.	Technical	94	100	100	100	100	100

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Baseline 2016/17	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan	Corporate	98%	96%	96%	96%	96%	96%
		CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	75%	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports	4 Quarterly Reports
	Ensure financial viability	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	39,7	90	90	90	90	90
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	2,4	2,8	2,8	2,8	2,8	2,8
		FinFAdm11	Financial viability expressed outstanding service debtors	Finance	54%	44%	42%	42%	42%	40%
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year	Finance	Unqualified	1	1	1	1	1
		FinInc15	Increased revenue collection	Finance	95%	94%	94%	94%	95%	95%
		MM1	Percentage of budget spent on maintenance for the whole of the municipality	Municipal Manager	99%	99%	99%	99%	99%	99%
	MM2	Percentage spend of capital budget for the whole of the municipality	Municipal Manager	97%	96%	96%	96%	97%	97%	
	To maintain and strengthen relations with international- & inter-governmental partners as well	MMIDP9	Number of IDP community meetings held.	Municipal Manager	14	14	14	14	14	14
		ComSoc49	Number of meetings with inter-governmental partners	Community	12	12	12	12	12	12
	Communal Services	Provide & maintain facilities that make citizens feel at home	ComAm34	Report on annual customer satisfaction survey on community facilities	Community	2,2	1 Report	1 Report	1 Report	1 Report
ComDir1			% Expenditure on Maintenance Budget by Community Directorate	Community	100%	99%	99%	99%	99%	99%
ComDir2			% Expenditure on Capital Budget by Community Directorate	Community	96%	96%	96%	96%	97%	97%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	2521	2750	2700	2700	2500	2500
		ComLed9	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	398	390	400	400	400	420
		ComSoc42	Number of social development programmes implemented	Community	22	20	20	20	20	20
		ComHS14	Number of housing opportunities provided per year	Community	200	100	100	100	100	100
		ComHS15	Number of Rental Stock transferred	Community	65	50	60	60	70	70
	Create an enabling environment to attract investment & support local economy.	MMPProp21	Quarterly report on the alienation of municipal properties to support economic growth.	Municipal Manager	Phase 2 Implement	4	4	4	4	4
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Phase 2 Implement	4	4	4	4	4

## 2018/19 QUARTERLY PROJECTIONS

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Target 2018/19	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	99%	25%	50%	75%	99%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	96%	15%	40%	60%	96%
		TecWat21	Percentage compliance with drinking water quality standards.	Technical	98%	98%	98%	98%	98%
		FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	<1%	<1%	<1%	<1%	<1%
		TecWat20	Decrease unaccounted water losses.	Technical	18%	18%	18%	18%	18%
		TecEl37	Decrease unaccounted electricity losses.	Technical	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	3	0	0,5	1,5	3
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	Technical	400	100	200	300	400
		TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	3
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	3
		TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	3	3	3	3	3
		TecEl36	Number of subsidised electricity connections installed.	Technical	100	0	20	50	100

Municipal KPA	Pre-determined Objectives	Ref	Key Performance Indicator	Reporting Directorate	Target 2018/19	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan	Corporate	96%	25%	50%	75%	96%
		CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality	Corporate	4 Quarterly Reports	1	1	1	1
	Ensure financial viability	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	90	90	90	90	90
		FinFAdm9	Financial viability expressed as Cost Coverage ratio	Finance	2,8	2,8	2,8	2,8	2,8
		FinFAdm11	Financial viability expressed outstanding service debtors	Finance	44%	44%	44%	44%	44%
		FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year	Finance	1 Unqualified Report			1	
		FinInc15	Increased revenue collection	Finance	94%	94%	94%	94%	94%
		MM1	Percentage of budget spent on maintenance for the whole of the municipality	Municipal Manager	99%	25%	50%	75%	99%
		MM2	Percentage spend of capital budget for the whole of the municipality	Municipal Manager	96%	15%	40%	60%	96%
	To maintain and strengthen relations with international- & inter-	MMIDP9	Number of IDP community meetings held	Municipal Manager	14		7		14
ComSoc49		Number of meetings with inter-governmental partners	Community	12	3	6	9	12	
Communal Services	Provide & maintain facilities that make citizens feel at home	ComAm34	Report on annual customer satisfaction survey on community facilities	Community	1 Survey & 1 Analysis Report	1 Survey	1 Analysis Report		
		ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Community	99%	25%	50%	75%	99%
		ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	96%	15%	40%	60%	96%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	2750	2750	2750	2750	2750
		ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects	Community	390	100	200	300	390
		ComSoc 42	Number of social development programmes implemented	Community	20	5	10	15	20
		ComHS14	Number of housing opportunities provided per year	Community	100	0	20	50	100
		ComHS15	Number of Rental Stock transferred	Community	50	10	20	40	50
	Create an enabling environment to attract investment & support local economy.	MMPProp21	Quarterly report on the alienation of municipal properties to support economic growth	Corporate	4 Progress Reports	1	1	1	1
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy	Community	4 Progress Reports	1	1	1	1



## DEFINITIONS OF PERFORMANCE INDICATORS

Ref	Key Performance Indicator	Reporting Directorate	Definitions
TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Technical	Percentage reflecting year to date spend (including secondary cost) / maintenance budget of the Technical Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TecWat21	Percentage compliance with drinking water quality standards.	Technical	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for water services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for sanitation services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for electricity services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Finance	This indicator reflects the number of outstanding valid applications (where down payment has been received) for waste removal services (where valid applications translate into an active account) for domestic customers as extracted from the Municipality's SAMRAS database. The accuracy of the billing records is reported within an error rate of 0, 5%. Proxy measure for National Key Performance Indicator.
TecWat20	Decrease unaccounted water losses.	Technical	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
TecEl37	Decrease unaccounted electricity losses.	Technical	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.
TecDir2	Number of subsidised serviced sites developed.	Technical	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure.
TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Technical	This indicator reflects the number of informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Proxy for National KPI.
TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Technical	This indicator reflects the number of informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Proxy for National KPI.
TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Technical	This indicator reflects the number of informal settlements receiving a weekly door-to-door refuse removal collection service and on-going area cleaning (litter picking and illegal dumping removal). Proxy for National KPI.
TecEl36	Number of subsidised electricity connections installed	Technical	This indicator reflects the number of subsidised connections installed per annum in informal settlements and low cost housing/serviced sites projects. Proxy for National KPI.

Ref	Key Performance Indicator	Reporting Directorate	Definitions
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP.
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	This indicator reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. National Key Performance Indicator.
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue excluding grants number of times.
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months.
FinFAdm11	Financial viability expressed outstanding service debtors	Finance	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end.
FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements.
FinInc15	Increased revenue collection	Finance	This indicator reflects the percentage of revenue collected from service accounts delivered.
MM1	Percentage of budget spent on maintenance for the whole of the municipality.	Municipal Manager	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the municipality in total. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
MMIDP9	Number of IDP community meetings held.	Municipal Manager	Bi-annual community meetings as per IDP Process Plan held in each of the 7 towns.
ComSoc49	Number of meetings with inter-governmental partners.	Community	Number of Inter-Governmental meetings attended.
ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	This indicator measures the implementation and analysis report of a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities.
ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Community	Percentage reflecting year to date spend (including secondary cost) / total maintenance budget of the Community Directorate. Note that the in-year reporting during the financial year will be indicated as a trend (year to date spend). Maintenance is defined as the actions required for an asset to achieve its expected useful life. Planned Maintenance includes asset inspection and measures to prevent known failure modes and can be time or condition-based. Only certain votes identified for calculation.
ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

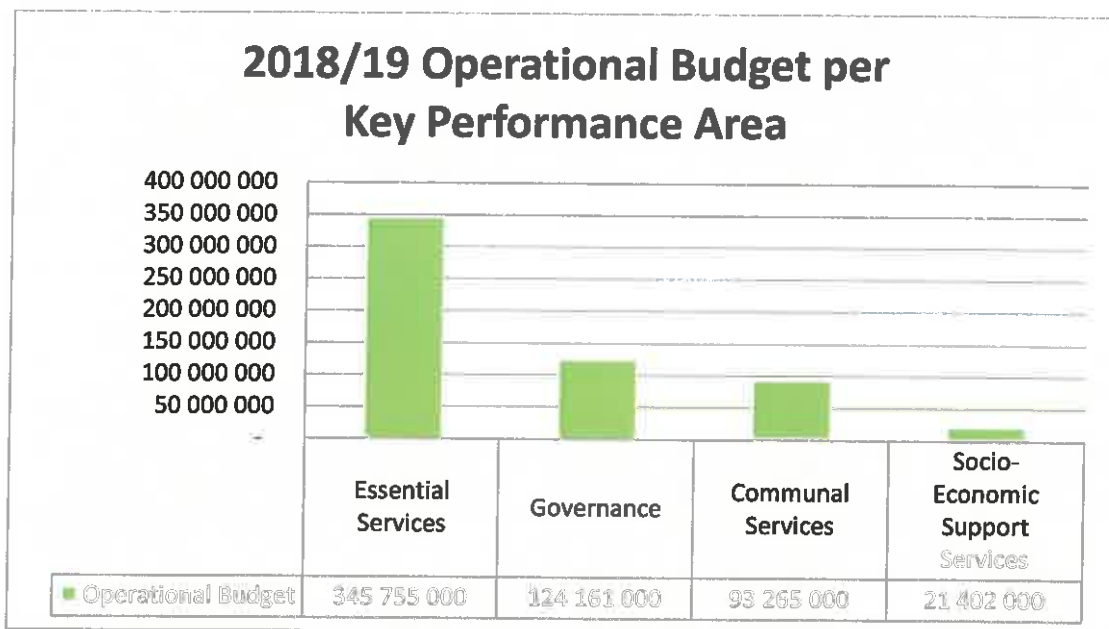
Ref	Key Performance Indicator	Reporting Directorate	Definitions
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	Refers to the number of account holders subsidised through the municipality's Indigent Policy.
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects	Community	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects Proxy for National KPI.
ComSoc 42	Number of social development programmes implemented	Community	The indicator refers to the number of social developmental programmes implemented. Seven programmes have been identified and each programme will consist of a number of projects and interventions.
ComHS14	Number of housing opportunities provided per year	Community	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m <sup>2</sup> house.
ComHS15	Number of Rental Stock transferred	Community	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.
MMPprop21	Quarterly report on the alienation of municipal properties to support economic growth	Municipal Manager	Progress reports on the economic development support from the municipality through the alienation of strategic located municipal properties.
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	Community	Progress reports on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.

## BUDGETARY ALIGNMENT WITH IDP

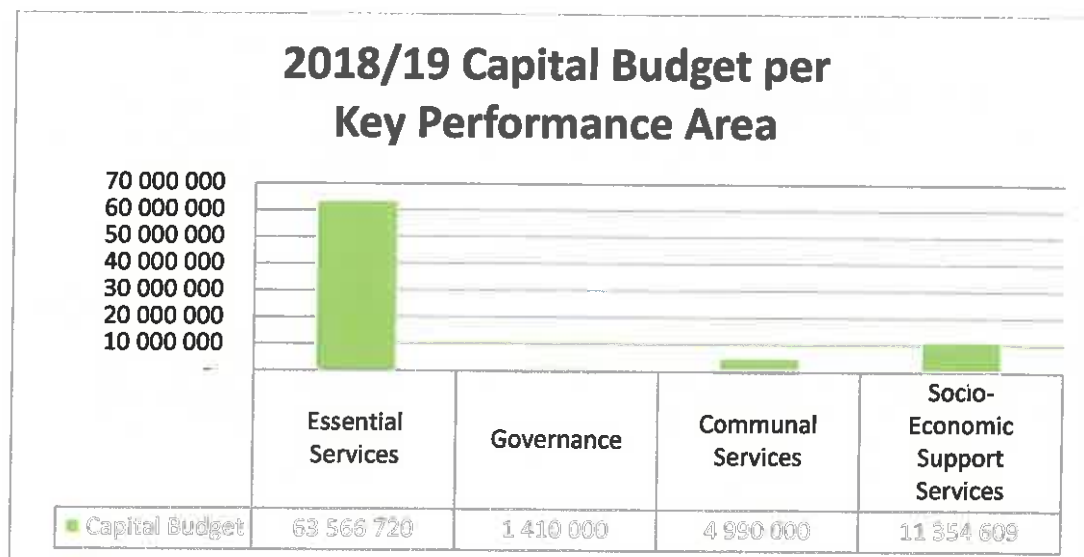
### EXPENDITURE PER KEY PERFORMANCE AREA

<u>2018/19 Budget linked to Key Performance Area</u>	<u>Total Budget</u>	<u>Operational Budget</u>	<u>Capital Budget</u>
Essential Services	409 321 720	345 755 000	63 566 720
Governance	125 571 000	124 161 000	1 410 000
Communal Services	98 255 000	93 265 000	4 990 000
Socio-Economic Support Services	32 756 609	21 402 000	11 354 609
<b>TOTAL</b>	<b>R 665 904 329</b>	<b>R 584 583 000</b>	<b>R 81 321 329</b>

### 2018/19 Operational Budget per Key Performance Area



### 2018/19 Capital Budget per Key Performance Area



## BUDGET PER STRATEGIC OBJECTIVE

<u>Key Performance Area</u>	<u>Strategic Objective</u>	<u>Operational Budget</u>	<u>Capital Budget</u>
Essential Services	1.1 Sustainable provision & maintenance of basic infrastructure	R 345 755 000	R 23 191 181
	1.2 Provide for the needs of informal settlements through improved services		R 40 375 539
Governance	2.1 Support Institutional Transformation & Development	R 77 421 000	R 720 000
	2.2 Ensure financial viability.	R 44 229 000	R 150 000
	2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.	R 2 511 000	R 540 000
Communal Services	3.1 Provide & maintain facilities that make citizens feel at home.	R 93 265 000	R 4 990 000
Socio-Economic Support Services	4.1 Support the poor & vulnerable through programmes & policy	R 19 186 000	
	4.2 Create an enabling environment to attract investment & support local economy.	R 2 215 000	R 11 354 609

### THREE YEAR PROJECTED CAPITAL EXPENDITURE PER WARD

**KEY PERFORMANCE AREA:** ESSENTIAL SERVICES

**Strategic Objective:** 1.1 Sustainable provision & maintenance of basic infrastructure

Programme	Department	Project	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	
								1.1a
	Sanitation	Aerator replacement programme	All	CRR	750 000	500 000		
	Sanitation	Refurbishment of WWTW	All	CRR	600 000	600 000		
	Sanitation	Security upgrades at pumpstations & WWTW	All	CRR	450 000	250 000	450 000	
	Waste	New material recovery facility/drop-off.	All	Belgium	621 180	295 800		
	Waste		All	MIG		6 701 813	5 472 100	
	Waste		All	CRR				
	Water	Op-Die-Berg Reservoir	8	MIG				
	Water	Tulbagh reservoir	9	MIG				
	Water	Security upgrades at pumpstations & WTW	All	CRR	450 000	350 000	1 200 000	
	Water	Construction of Tulbagh storage dam	11	RBIG	8 260 870	16 931 304		
	Water	Upgrade Tierhokskloof bulk water pipeline, V	7	MIG				
1.1b	Upgrade & maintenance of network infrastructure	Electrical	Electrical network refurbishment	All	CRR		1 200 000	
		Electrical	Upgrade of MV cables	7	CRR	1 400 000		800 000
		Electrical	MV Network equipment	All	CRR	1 000 000	1 000 000	1 000 000
		Electrical	Upgrade of LV network cables	All	CRR	1 400 000	1 000 000	1 000 000
		Electrical	Tools & Equipment	All	CRR	120 000	160 000	
		Electrical	Upgrade of streetlights	All	CRR	350 000	350 000	350 000
		Sanitation	Sewer network replacement programme	All	CRR	1 000 000	1 000 000	2 000 000
		Sanitation	Sewer pumps replacement programme	All	CRR	200 000	200 000	200 000
		Sanitation	Tools & Equipment	All	CRR	100 000	200 000	100 000
		Waste	Vehicle replacement programme	All	CRR	550 000	3 000 000	
		Water	Infrastructure management system	All	CRR	300 000	200 000	200 000
		Water	Tools & Equipment	All	CRR	100 000	100 000	100 000
		Water	Water pipes & valves replacement program	All	CRR	1 000 000	1 000 000	2 000 000
1.1c	Transport management & road maintenance	Roads &sw	Upgrade of roads network	All	CRR		2 000 000	2 500 000
		Roads &sw	Upgrade of Tulbagh roads	11	CRR		3 000 000	4 500 000
		Roads &sw	Pedestrian route along Nduli/R46 (RSEP)	12	RSEP	434 783	434 783	
		Roads &sw	Upgrade pavement Vosstr: Retiefstr to edge of town (RSEP)	5	RSEP	1 304 348	1 304 348	
		Roads &sw	Taxi facility for Ceres CBD (Bella Vista taxi's)	5	MIG		5 869 563	1 130 436
		Roads &sw		5	CRR		1 391 304	
		Roads &sw	New Digger Loader	All	CRR	1 000 000		
		Roads &sw	Storm water infrastructure upgrading	All	CRR	300 000	450 000	450 000

**Strategic Objective:** 1.2 Provide for the needs of informal settlements through improved services

Programme	Department	Project	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	
								1.2a
	Electrical	Vredebes Phase 1 streetlights	5	MIG	1 536 522			
	Roads &sw	Vredebes Phase F2 Internal Roads	5	IHSDG	5 406 079			
	Sanitation	Vredebes Phase F2 Internal Sanitation	5	IHSDG	4 635 515			
	Roads &sw	Vredebes Phase F2 Internal Storm water	5	IHSDG	2 648 866			
	Water	Vredebes Phase F2 Internal Water	5	IHSDG	4 635 515			
	Roads &sw	Nduli infill Internal Roads	12	IHSDG		1 739 130	1 739 130	
	Sanitation	Nduli infill Internal Sanitation	12	IHSDG		1 739 130	1 739 130	
	Roads &sw	Nduli infill Internal Storm water	12	IHSDG		1 739 130	1 739 130	
	Water	Nduli infill Internal Water	12	IHSDG		1 739 130	1 739 130	
	Roads &sw	Vredebes/Nduli intersection	5	MIG			9 533 117	
	Roads &sw	Vredebes/DuToit intersection	5	MIG				
	Roads &sw	Vredebes Access Collector (Phase 2)	5	MIG	9 130 434			
	Roads &sw	Vredebes Access Collector	5	CRR				
	Roads &sw	Vredebes external storm water	5	MIG	8 034 782	3 391 441		

**KEY PERFORMANCE AREA: GOVERNANCE**

**Strategic Objective:** *2.1 Support Institutional Transformation & Development  
2.2 Financial Viability  
2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.*

Programme	Department	Project	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	
2.1b	Law enforcement & traffic	Traffic	Driving license test centre	3	CRR		330 000	363 000
		Traffic	Fire Arms	3	CRR		165 000	181 500
		Roads &sw	Traffic calming measures (speedhumps)	All	CRR	150 000	150 000	150 000
2.1d	Administration	Admin	Upgrade Council Chambers	3	CRR	400 000	100 000	
		Finance	Office equipment	All	CRR	30 000	30 000	-
		Community	Office equipment	All	CRR	30 000	30 000	-
		Corporate	Office equipment	All	CRR	30 000	50 000	50 000
		Technical	Office equipment	All	CRR	30 000	30 000	-
		Mun Manage	Office equipment	All	CRR	30 000	30 000	-
		Mun Manage	Office equipment	All	MIG	20 000	20 000	20 000
2.1g	Disaster management & fire fighting	Fire Fighting	Equipment	All	CRR		200 000	200 000
2.2a	Income & debt management	Finance	IT Equipment	All	CRR	100 000		
2.2b	Expenditure management	Finance	Insurance replacements	All	CRR	50 000	50 000	
2.3a	Communication & marketing	Marketing	Signage & Billboards	All	CRR	70 000	70 000	70 000
		Marketing	Camera & photographic equipment	All	CRR	90 000	22 000	20 000
		Communicati	Access Control - Furniture & equipment	3	CRR	30 000	100 000	30 000
2.3b	ICT	Admin	IT Equipment	All	CRR	350 000	550 000	600 000

**KEY PERFORMANCE AREA: COMMUNAL SERVICES**

**Strategic Objective:** *3.1 Provide & maintain facilities that make citizens feel at home.*

Programme	Department	Project	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	
3.1a	Upgrading & maintenance of facilities	Amenities & f	3x3m Containers	All	CRR		500 000	300 000
		Amenities & f	Sportsground development & upgrading	All	CRR	350 000	350 000	400 000
		Amenities & f	Upgrade of Lyelstr, Ceres Sport facilities	3	MIG		3 098 922	
		Amenities & f	Resurface netball courts	All	CRR	300 000	300 000	300 000
		Amenities & f	Upgrade of facilities at Bella Vista sportgroun	4	CRR		100 000	
		Amenities & f	Upgrading of sport facilities	All	Prov Gov	300 000		
		Amenities & f	Aircons Ceres Town Hall	3	CRR	500 000		-
		Amenities & f	Replace 650 chairs Ceres Town Hall	3	CRR		500 000	
		Amenities & f	Replace floor Ceres Town Hall	3	CRR		1 600 000	
		Amenities & f	Replace stage curtains Tulbagh Town Hall	11	CRR	100 000		
		Amenities & f	Upgrade of Koinonia Hall (RSEP Contribution)	4	CRR		50 000	200 000
		Amenities & f	New regional cemetery at Bella Vista (RSEP c	6	CRR		200 000	200 000
		Amenities & f	New regional cemetery at Bella Vista	6	MIG			4 956 522
		Amenities & f	Upgrade Wolseley Library	7	Prov Gov	400 000		
3.1b	Environmental management	Waste	Op-Die-Berg Public toilets	8	CRR	500 000	700 000	200 000
		Amenities & f	Akkerbos paving of walkways (Phases 1-3)	3	CRR	120 000	120 000	
		Amenities & f	Krulpulpote	All	CRR		90 000	
		Amenities & f	Brushcutters	All	CRR	100 000	100 000	
		Amenities & f	Chainsaws	All	CRR	60 000	70 000	
		Amenities & f	Play equipment for parks	All	CRR	20 000		
		Amenities & f	Mobile toilets	All	CRR	240 000		-
		Amenities & f	Containers x 2	All	CRR		40 000	
		Amenities & f	1.3 Ton truck	All	CRR		350 000	
		Amenities & f	Cherry picker	All	CRR	500 000		-
		Amenities & f	Recreational space with landscaping & furnit	12	CRR			100 000
		Amenities & f	Obtain new property, construction of pound	11	CRR	1 500 000	1 590 000	1 685 400

**KEY PERFORMANCE AREA: SOCIO-ECONOMIC SUPPORT**

**Strategic Objective: 4.1 Support the poor & vulnerable through programmes & policy  
4.2 Create an enabling environment to attract investment & support local economy.**

Programme	Department	Project	Ward	Funding Source	2018/19 Budget	2019/20 Budget	2020/21 Budget	
4.2a	Local economic development	Resorts	Pine Forest: Furniture for chalets	3	CRR	192 000		215 732
		Resorts	Resorts: Plant & Equipment	3	CRR	220 000		
		Roads &sw	Upgrade VanBreda bridge Ceres	3	Transport	1 842 609	12 173 913	2 608 696
		Roads &sw	Upgrade VanBreda bridge Ceres	3	CRR			4 000 000
	Roads &sw	Reconstruction Piet Retiefstr, Tulbagh	11	CRR	9 000 000			
4.2b	Utilizing municipal/public property to support growth	Property	Obtain new property		CRR	100 000		