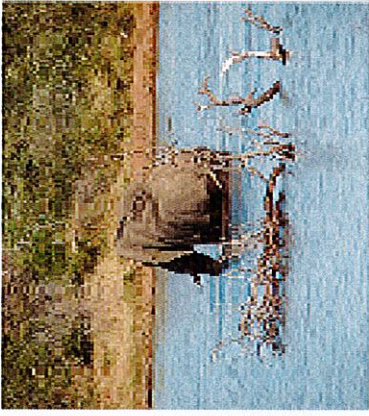


MARULENG LOCAL MUNICIPALITY



2022-23 MIDYEAR BUDGET AND PERFORMANCE ASSESSMENT

Wildlife Haven

MARULENG LOCAL MUNICIPALITY

MID—YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

2022-23

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INTRODUCTION

1. Section 72 (1) of the Municipal Finance Management Act, Act 56 of 2003 stipulates:

“The accounting officer of the municipality must by the 25 January of each year assess the performance of the municipality during the first half of each financial year” taking into account (i) monthly statements, (ii) municipality’s delivery targets and indicators set in the service delivery and budget implementation plan, and progress on resolving problems identified in the past annual report, and

Section 72 (3) further stipulates:

‘As part of the review-

- a) Make recommendations as to whether an Adjustment Budget is necessary; and
- b) Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

2. The following is the Mid-year Budget and Performance Assessment taking into account the stipulations of the MFMA, Section 72 (1) as at 31 December 2022.

1. FINANCIAL PERFORMANCE

HALF-YEAR BUDGET STATEMENTS: 31 DECEMBER 2022

(JULY 2022- DECEMBER 2022 MID YEAR PERFORMANCE)

The municipality's total budget amounts to R408 506 967 (Including Operating and capital budget). The operating budget consists of non-cash item/ budget of R56 700 000 Million which makes expenditure budget to be R351 806 967. The total capital budget amount to R142 073 094. No virements (budget transfers) were made for the period 01 July 2022 to 31 December 2022.

1.1. OPERATING EXPENDITURE

Total expenditure up to 31 December 2022 amounts to R134 115 604 million or 50% of the total operating budget of R266 433 873. The main contributors to the under/over spending in comparison to the 50% pro rata for six months are the following:

1. **Salaries and wages Budget** amounts to R93 566 144 and R45 300 845 (48%) has been spent, which is R482 227 less than the pro-rata spending, there are critical vacancies that was not filled on 31st of December 2022, e.g. community service director, CFO and director spatial planning.
2. **Remuneration of councillors** Budget amounts to R11 491 659 and R5 944 867 (52%) has been spent, which is R199 038 more than the pro-rata spending. Salaries increase for council which happened in current year (July 2022 for 2021/22 has an impact for councillors remuneration budget.
3. **Contracted Services** Budget amounts to R43 660 000 and R25 823 025 (59%) has been spent, which is R3 99 025 million more than pro-rata spending. contracted service are professional fees for all municipal departments i: e Assets register, valuation roll, VIP system, vat returns, refuse removal and security services. The vat returns for 2021 was paid in 2022 financial period which affected the expenditure for 2022.
4. **Inventory consumed** Budget amounts to R4 500 000 and R 2 980 342(66%) has been spent, which is R730 342 more than pro-rata spending. Printing and stationery is the one that consumed a lot of expenditure as this expenditure is also affected by rental of photo copy machine
5. **Finance charges/costs** amount to R 850 000 and the spending is zero, the calculations for interest on rentals (lease register) was not calculated and therefore the information was not captured into the system.
6. **Depreciation and assets impairment**, the Budget amounts to R32 750 000 and R13 516 328 (41%) has been spent, which is R2 858 672 less than pro-rata spending. The calculations/ estimation was done using the fixed assets register. Most of the assets are still on WIP (work in progress) which will be depreciated after the completion certificate been issued to the municipality, the journal for depreciation was not processed into the system as the calculations are done at year end.
7. **Debt impairment** Budget amounts to R23 400 000 and R14 243 200 (61%) has been spent, which is R2 543 200 more than pro-rata spending. the municipality has total debt of R195 731 123 million which is owed for more than 90 days, the municipality is not collecting mainly on property rates which is also affecting the interests on debtors. The estimation rate for bad debts provision calculations was based how the consumers are paying their assessment rates and services and the journal was not made as the calculations are performed at year-end.
8. **General expenses** Budget amounts to R56 216 070 and R26 306 097 (47%) has been spent, which is R1 801 938 less than the pro-rata spending. The municipality is implementing cost containment measure gazette.

1.2 OPERATING REVENUE

Total Operating revenue up to December 2022 amounts to R223 351 300 (R144 361 669 Grants and R78 989 631 own revenue) or 63% of the total revenue budget of R356 653 965, which is R45 024 318 more than the pro-rata budget. (**Total revenue is inclusive of revenue from operational and capital grants**).

Included in the total operating revenue earned to date of R223 351 300 are the following revenue items—

1. **Assessment Rates** budget amounts to R125 556 254 and R62 528 442 (50%) has been billed, which is R249 685 less than the pro-rata revenue.
2. **Rental of facilities** budget amounts to R444 575 and 0 (0%) has been billed, which is R222 288 less than the pro-rata revenue. The amount of Rental of facilities has been included in other revenue, the misclassification will be corrected when we do adjustment budget.
3. **Interest on external investments** budget amounts to R4 500 000 and R3 620 506 (80%) has been earned, which is R1 370 506 more than the pro-rata revenue. The repo rate has been increasing which also positively affecting our investment. The budget will be adjusted.
4. **Interest on outstanding debtors** budget amounts to R13 563 004 and R7 418 815(55%) has been billed, which is R637 313 more than the pro-rata revenue. Most of the debtors that are owing for more than 90 days are not settling their debts.
5. **Service charges** relate to refuse removal. The (budgeted amount is R4 774 600 and actual revenue earned amounted to R2, 493 979(52%), which is R106 679 more than pro rata revenue. More consumers are applying for collection of waste removals hence there are an increase in service charges.
6. **Licences and permits** budget amount to R2 515 200 and R91 602 (4%) has been earned, which is R1 165 998 less than pro- rata.
7. **Agency fees** budget amount to R13 379 151 and R-1 149 626 (-8%) has been earned, which is R7 839 202 less than pro- rata. There is a misclassification of agency fees which are included in other revenue that need to be corrected.
8. **Traffic fines** budget amount to R689 588 and R347 350 (50%) has been earned, which is R2 556 more than pro- rata.
9. **Government grants: operating** budget amount to R157 000 000 and R117 022 424 (75%) has been earned, which is R38 522 424 more than the pro-rata and the amount received according to DORA, no adjustment needed.
10. **Government grants: capital** budget amount to R30 170 000 and R 27 339 245 (91%) has been earned, which is R12 254 245 more than the pro- rata and the amount was received according to DoRA and the adjustment will be made as per roll over approvals.
11. **Other revenue** budget amount to R4 060 993 and R3 638 562 (90%) has been earned, which is R1 608 066 more than the pro- rata and this item will be corrected with the journals as other items like agency fees (R1 306 100) are wrongly mapped as other revenue. The main contributors for other revenue is building plan.

Below is the six months' income and expenditure report for July 2022 to Dec 2022:

1.3 CAPITAL EXPENDITURE

The capital budget (2022/23) budget amounts to **R142 073 094** and the six (6) months' expenditure is **R87 981 457** which is **62%** of the total capital budget. It must be noted that some capital projects are either at the bidding stages or designs stage. We have identified the errors on a system for Rehabilitation of Ga-Sekororo and Metz, the journals has been made to rectify the segments into the system. The roll over for Botshabelo internal street has been approved by both treasury and council and the amount will be adjusted. MIG spending alone is at **91%** with the balance of unspent funds attributable to own-funded projects and capital acquisitions. It is however anticipated that 100% of the capital budget will be spent by 30 June 2023.

Breakdown of Capital Expenditure

1.4 DEBTORS

The current outstanding Debtors for Maruleng Municipality stood at **R199 054 321 Including water and sewer of R3 323 198** which makes debtors book of Maruleng municipality to **be R195 731 123 million** excluding water and waste water management. This is broken down as follows:

Based on service classification, the major contributor to the debt is property rates which constitutes R151 901 436 (76%) of the total debtors book, while, in terms of sector classification commercials are the major contributor with a balance of R109 992 378 million (55%) of the total debtors book, there was an error occurred when mapping the organ of state and commercial on the system, the amount has swapped and the municipality is busy fixing the problem. The municipality has appointed the debt collector to assists in revenue collection.

The total payment from rates, service charges and other revenue from July 2022 to December 2022 is R63 485 506 million breakdown as follows:

1.5 CASH AND CASH EQUIVALENT AS AT 31 DECEMBER 2022

As at 31 December 2022 Council had a positive Bank Balance of **R146 105 184**, consisting of:

Current account R18 153 009

Call deposit accounts R127 951 465

Float R710

3. SERVICE DELIVERY PERFORMANCE AS AT 31 DECEMBER 2022

The annual service delivery performance of the Municipality is planned and detailed, with clear quarterly performance targets, in the Service Delivery Budget Implementation Plan (SDBIP) which was approved by the Mayor in June 2022 in accordance with section 53 (1) (c) (ii) of the MFMA, and forms part of the performance agreements of the Municipal Manager and all senior managers concluded in terms of section 57 (2) of the Local Government: Municipal Systems Act, No. 32 of 2000. The SDBIP forms the basis of all the organisational and individual performance reports, be it monthly, quarterly, mid-year or annually.

Below is the Municipality's service delivery performance report as at mid-year (31 December 2022). Where targets have not been achieved, the challenges, and corrective measures are specified. The corrective measures are designed to ensure that all the targets are achieved by the end of the financial year, notwithstanding the challenges that delayed the targets in the first half of the year.

For the period under review the municipality had 107 indicators, and 78 indicators which constitute 72.8% met their targets, while 29 indicators which constitute 27.2% did not meet their targets. The period under review performed better than 2021/22 mid-year which performed at 68%.

3.1 The tables below provide an overview performance of the Municipality against the mid-year targets and as allocated per Department and KPA.

Departments	Number of Targets	Targets Achieved	% Achieved	Targets not Achieved	% not Achieved
Municipal Manager	18	12	67%	6	33%
Budget and Treasury	16	11	69%	5	31%
Corporate Services	27	21	78%	6	22%
Community Services	11	11	100%	0	0%
Technical Services	26	15	58%	11	42%
SPED	9	7	78%	2	22%
Overall Organizational Performance	107	78	72.8	29	27.2

KPAs	Number of Targets	Targets Achieved	% Achieved	Targets not Achieved	% not achieved
Spatial Rationale	4	4	100%	0	0%
Basic Services and Infrastructure Development	38	25	66%	13	35%
Local Economic Development	6	4	67%	2	33%
Financial Viability	15	11	73%	4	27%
Good Governance and Public Participation	29	25	86%	4	14%
Municipal Transformation and Organizational Development	15	9	60%	6	40%
Overall Organizational Performance	107	78	72.8%	29	27.2%

3.2 2022/23. Mid – Year Institutional Performance

Total Number of Targets	Percentage Achieved	Percentage Not Achieved	Recommendation
107	72.8% Achieved	27.2% Not Achieved	Implementation and monitoring of recommended corrective measures

KPA 1: SPATIAL RATIONALE

No.	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
1.1	Spatial Planning	SDF	Number of SDF implemented	1	1	1	1	1	1	None	None	None
1.2		Update of LUMS	% of land use applications processed within 90 days from the date received with complete required documents	100%	100%	100%	100%	100%	100%	None	None	None
1.3			% of building plans processed within 30 days from the date received with complete required documents	100%	100%	100%	100%	100%	100%	None	None	None
1.4		Ensure GIS updated	Number of GIS update conducted	4	1	1	2	10	8		Additional data was acquired based on applications received	Increase quarterly targets updates

KPA 2: BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

No.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
2.1	Free basic services	Free basic electricity	Number of indigent households with access to free basic electricity	3700	3700	3700	3700	3700	930	2770	Low turn-out of applications during FBE applications	Awareness campaigns and workshops to be conducted in all wards for FBE
2..2		Free basic waste removal	Number of indigent households with access to free basic refuse removal	800	800	800	800	800	1200	400	Additional indigent households were provided with free basic refuse removal	Increase quarterly targets during SDBIP adjustment
2.3	Low level bridges	Maruleng low level bridges	Number of low level bridges constructed	2	2	Appointment of a consultant	Foundation of 2 bridges completed	Foundation of 2 bridges completed	Foundation of 2 bridges not completed	Foundation of 2 bridges completed	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP

No.	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
2.4	Paving of roads											
2.4.1		Sedawa internal road	Number of km of Sedawa internal road paved	Designs	1 km	No target this quarter	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None	None
2.4.2		Bochabelo internal street	Number of km of Bochabelo internal road paved	Designs	1km	No target this quarter	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None	None
2.4.3		Willows access road	Number of km of Willows access road paved	Designs	1km	1km road bed completed	1km sub-base completed	1km sub-base completed	1km sub-base completed	None	None	None
2.4.4		Enable internal street	Number of km of Enable internal road paved	Designs	1km	1km road bed completed	1km sub-base completed	1km sub-base completed	1km sub-base completed	None	None	None
2.4.6		Mashoshing internal street	Number of km of Mashoshing internal road paved	Designs	1km	Advertisement for appointment of contractor	Appointment of contractor	Appointment of contractor	Contractor appointed	None	None	None

No.	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2 nd quarter	Mid-year	Actual Performance	Variance	Reasons for variance	Corrective measures
2.5	Surfacing of roads											
2.5.1		Mabins cross access road	Number of km of Mabins access road surfaced	1.3 km	1.8km	Appointment of a contractor	1.8km sub-base completed	1.8km sub-base completed	1.8km sub-base completed	None	None	None
2..5.2		Sofaya-Mahlomelong road	Number of km of Sofaya to Mahlomelong access road surfaced	2 km	2km	Appointment of a contractor	2km sub-base completed	2km sub-base completed	2km sub-base completed	None	None	None

No.	Key Focus	Program	KPI	Baseline 2021/22	Annual Target	First Quarter	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
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Area	Target										
2..6	Rehabilitation of roads										
2.6.1	Ga-Sekororo access road	Number of km of Ga-Sekororo access road rehabilitated	Contract or appointed	1.5km	Appointment of a contractor	1.5km road base completed	1.5km road base completed	1.5km road base completed	None	None	None
2..6.2	Metz access road	Number of metres of Metz access road rehabilitated	New	600m	Appointment of a contractor	Patching of 600m potholes	Patching of 600m potholes	Patching of 600m potholes	None	None	None
2.6.3	Kampersrus access road	Number of km of Kampersrus access road rehabilitated	2 km	1km	1 km sub-base completed	1 km road bed completed	1 km road bed completed	1 km road bed completed	1 km road bed completed	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP

No.	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
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Road Designs												
2..7												
2.7.1	Loreraine-Bellville access road	Designs developed	New	Designs developed	No target this quarter	Appointment of consultant	Appointment of consultant	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None
2..7.2	Madeira access road	Designs developed	New	Designs developed	No target this quarter	Appointment of consultant	Appointment of consultant	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None
2.7.3	Molalane access road	Designs developed	New	Designs developed	No target this quarter	Appointment of consultant	Appointment of consultant	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None
2.7.4	Balloon access road	Designs developed	New	Designs developed	No target this quarter	Appointment of consultant	Appointment of consultant	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None
2.7.5	Makgaung access road	Designs developed	New	Designs developed	No target this quarter	Appointment of consultant	Appointment of consultant	Appointment of consultant	Appointment of consultant	Consultant appointed	None	None

No.	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2 nd quarter	Mid-year	Actual Performance	Variance	Reasons for variance	Corrective measures
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Repairs, Maintenance of roads and other municipal infrastructure												
2..8												
2.8.1	Roads and bridges	Msq of municipal roads and bridges maintained	377000 msq	1 508 000 msq	377 000 msq	377 000 msq	754 000 msq	832 000 msq	78 000msq	More maintenance done due to heavy rains	None	None
2.8.2	Buildings	Number of municipal buildings maintained	13	13	13	13	13	13	None	None	None	None
2.8.3	Speed machine	Number of speed machines maintained	2	2	2	2	2	2	None	None	None	None
2.8.4	Heavy machines	Number of heavy machines maintained (grader, TLB & truck)	3	3	3	3	3	3	None	None	None	None
2.8.5	Vehicles	Number of municipal vehicles maintained	14	14	14	14	14	14	None	None	None	None
2.8.6	Parks and gardens	Number of parks and gardens maintained	6	6	6	6	6	6	None	None	None	None
2.8.7	Access control	Number of access control upgraded	2	4	No target this quarter	Development of specifications	Development of specifications	Specifications not developed	Development of specifications	Delay in finalizing TOR	Service provider to be appointed in the third quarter	

1.1	High mast light	Number of high mast lights constructed	4	4	Appointment of a service provider	Supply and install high mast lights	Supply and install high mast lights	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP
1.2	Streetlight	Number of streetlights maintained	0	148	Advertise for the appointment of service provider	Appointment of service provider	Appointment of service provider	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP
1.3	Electrical assets	Number of electrical assets maintained	75	75	75	75	75	35	40	Under performance by the unit	Backlog to be addressed in the third quarter
	Key Focus Area	Program	KPI	Baseline 2021/22	Annual Target	First Quarter Target	2nd quarter Target	Actual Performance	Variance	Reasons for variance	Corrective measures
2	Other municipal assets										
2.1	Restoration of municipal buildings	Number of municipal buildings	0	2	No target this quarter	Appointment of service provider	Appointment of service provider	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and	SDBIP and procurement plan to be

	restored										procurement plan	aligned during adjustment of SDBIP
2.2	Restoration of Mayoral house	Number of Mayoral house restored	New	1	No target this quarter	Appointment of service provider	Appointment of service provider	Appointment of service provider	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP
2.3	Rehabilitation of Thusong centre services	Number of Thusong centre services rehabilitated	0	1	Development of specifications and submission to Treasury	Appointment of service provider	Appointment of service provider	Appointment of service provider	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during adjustment of SDBIP
2.4	Air conditioners	Number of air conditioners purchased	30	5	Development of specifications and submission to Treasury	Appointment of service provider	Appointment of service provider	Appointment of service provider	3 air conditioners purchased	2 conditioners outstanding	Financial constraints	To be procured in the third quarter.
2.5	IT equipment's	Number of laptops purchased	50	50	Development of specifications and submission to Treasury	50 laptops purchased	50 laptops purchased	50 laptops purchased	0	50 laptops	Adjudication done. Awaiting finalization on the appointment of service provider	Laptops to be purchased in the third quarter
2.6	Office equipment's	Number of office equipment purchased	5	5	Development of specifications and submission to Treasury	Appointment of service provider	Appointment of service provider	Appointment of service provider	Service provider not appointed	Appointment of service provider	Misalignment between the SDBIP and procurement plan	SDBIP and procurement plan to be aligned during

						Treasury							adjustment of SDBIP
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KPA 3: LOCAL ECONOMIC DEVELOPMENT

No.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
Local Economic Development												
3.1		LED programs	Number of LED programs	160		40	40	80	70	10	10 programs could not	All programs to be

	inventory management	to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)	compliance to Asset standard (GRAP 17)			
2.2		Number of assets update schedule	12	12	3	3	3	6	6	6	None	None	None
2.3	MSCOA	% compliance to MSCOA (uniform reporting for municipalities)	100%	80%	100%	100%	100%	100%	80%	20%	Asset module, bank reconciliation and investment modules not in use due to lack of training	Asset module, bank reconciliation and investment modules to be done in the third quarter	

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND SUSTAINABILITY (MANAGEMENT)

p.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
4.3 Supply Chain Management												
3..1		Supply chain management	% compliance to SCM	100%	80%	100%	100%	100%	100%	None	None	None

3.2	regulations	12	12	3	3	6	6	None	None	None
	number of complaint in-year SCM reports submitted on time to council and Treasury									

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND SUSTAINABILITY (MANAGEMENT)

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
4.4 MFMA Reports												
4.1		MFMA	Number of S71	12	12	3	3	6	6	None	None	None

	reports	reports submitted to the Mayor and Treasury within 10 working days of the start of the month																		
4.2		Number of S52 reports submitted to Council within 30 days of the end of each quarter	4	4	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2
																				None
																				None

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND SUSTAINABILITY (MANAGEMENT)

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
4.5 Expenditure Management												
5.1		MIG	% compliance	100%	100%	25%	25%	50%	91%	41%	Over	None

	expenditure	to MIG expenditure									(27 339 245/30 170 000)	performance	
5.2	Personnel expenditure	% personnel budget spent	100%	74%	25%	25%	50%	50%	48%	(45 300 845/93 566 144)	2%	Vacant posts	Filling of critical vacant posts
5.3	Maintenance expenditure	% of maintenance budget spent	100%	49%	25%	25%	50%	50%	26%		24%	No maintenance plan	Development of maintenance plan
5.4	Capital expenditure	% of capital budget spent	100%	80%	25%	25%	50%	50%	62%	(87 981 457/142 073 094)	12%	Over performance	None

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.1 Auditing and Risk Management												
1.1		External	% compliance	100%	100%	25%	25%	50%	93%	43%	The action plan	None

	auditing	internal audit reports with recommendations																				
1.5		Number PMS audits conducted	4	4	1	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	None	None
1.6		Number of audit committee meetings held	4	4	1	1	2	5	3	3	3	3	3	3	3	3	3	3	3	3	None	None
1.6		% of audit performance committee resolutions implemented	100%	100%	100%	100%	100%	100%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	Resolutions register updated upon AC meetings, the remaining resolutions to be monitored in the following quarter	Continuous monitoring of the resolution register on a monthly basis

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.2 Risk Management												
2.1		Risk	%	100%	100%	100%	100%	100%	70%	30%	Mitigation	New

	management	implementation of identified risks mitigations															strategies could not be implemented due to the resignation of the chairperson	chairperson recently appointed and mitigation strategies to be implemented
2..2		Number of institutional risk management committee meetings held	4	3	1	1	2	0	2								Risk chairperson resigned	New chairperson recently appointed and meetings to be held as scheduled
2.3	Fraud and corruption	Number of fraud and corruption cases reported	All reported cases	0	All reported cases	All reported cases	All reported cases	No case reported	None								None	

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.3 MPAC												
3.1		MPAC	% of MPAC resolutions	100%	100%	100%	100%	100%	100%	100%	None	None

3..2	implemented	4	6	1	1	2	8	6	6 Special MPAC meetings held	None

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.4 Public Participation and complaints management												
4.1		Public participation	Number of public participation meetings	4	4	1	1	2	2	None	None	None

4.2	held (Imbizos)	54	54	14	14	14	28	28	28	None	None	None
	Number of community feedback meetings held											
4.3	Number of functional ward committees	14	14	14	14	14	14	14	14	None	None	None
4.4	Number of monthly ward committees reports submitted	42	42	42	42	42	84	84	84	None	None	None
4.5	Complaints management	100%	100%	100%	100%	100%	100%	100%	100%	None	None	None
	% of complaints resolved											

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.5 Council function and support												
5.1		Council	Number of council sittings supported	4	8	1	1	2	6	4	4 special council sittings held	None

5.2	EXCO	Number of EXCO meetings held	12	3	3	6	6	8	2	2 special EXCO meetings held	None
5.3	Portfolio Committees	Number of portfolio committee meetings held	16	18	4	8	18	10	10	10 special meetings held	None
5.4	Communication Strategy	Number of strategies reviewed and implemented	1	1	1	1	1	1	None	None	None
4.5	Complaints management	% of complaints resolved	100%	100%	100%	100%	100%	100%	None	None	None

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
5.6 Other Council activities												
6.1		Mayoral Bursary fund	Number of learners supported	4	4	4	4	4	4	None	None	None

6..2	Disaster management	Number of disaster risk management awareness campaigns held	4	8	1	1	2	9	7	Additional campaigns held due to high number of house fires	None
6.3		% of disasters affected households supported	100%	100%	100%	100%	100%	100%	None	None	None
6.4	Licensing and administration	% monitoring of daily licensing	100%	100%	100%	100%	100%	100%	None	None	None
6.5	Traffic and law enforcement	% compliance to traffic and law enforcement regulations	100%	100%	100%	100%	100%	100%	None	None	None
6.6	Thusong centre services	% of effectiveness of services provided at Thusong centre	100%	100%	100%	100%	100%	100%	None	None	None
6.7	Traditional leaders allowance	Number of traditional leaders receiving allowance for attending council meetings	44	4	4	4	4	1	3	Clash of their programs with council programs	Re-alignment of programs

KPA 6: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
6.1 IDP and PMS												
1.1		IDP	IDP/Budget adopted by Council by 30 May	Adopted by Council by 30 May	Adopted by Council by 30 May	Process plan	Analysis phase	Analysis phase	Analysis phase done	None	None	none

1.2		Number of strategic planning session held	1	2	No target	1	1	1	0	1	Postponed due to urgent council matters	To held in the third quarter
1.3	PMS	Number of in-year performance management reports submitted to council	4	4	1	1	2	2	2	None	None	None
1.4		Number of officials other than S56 managers with performance plans	170	33	No target	170	170	50	120	Most employees did not submit their plans	Outstanding employees to submit their signed by the end of the third quarter	
1.5		Number of senior managers with signed performance agreements within prescribed timeframes	6	5	6	6	6	2	4	Positions of CFO, Directors SPED, Technical Services and Community Services are vacant	Director community services appointed and position of CFO and Director SPED to be advertised	

o.	Key Focus Area	Program	KPI	Annual Target	Baseline 2021/22	First Quarter Target	2 nd quarter Target	Mid-year Target	Actual Performance	Variance	Reasons for variance	Corrective measures
6.2. Employment Equity and Skills Development												
2.1		Skills Development	Number of employees	70	23	20	20	40	0	40	Service provider appointed and	Trainings to resume in the

The following progress were made regarding MPAC's resolutions:

No.	Resolution	Progress
1	Management addresses all AG's findings as per management action plan and progress made thereof be reported in all council meetings	93% of the findings implemented and remaining 7% will be resolved by the end of the fourth quarter. Progress reports tabled in all council sittings
2	Planned activities must be done as per SDBIP time-frames	72.2% of the planned targets for the mid-year achieved and the remaining 27.8% will be done as per the indicated corrective measures in quarterly reports
3	Proper monitoring should be implemented on a continuous basis	All Senior Managers position will be filled which will strengthen municipal department monitoring. MPAC Researcher appointed to strengthen the oversight role of MPAC

5. CONCLUSION

The municipality was able to achieve 72.8% (87 KPIs out of 107 measured) which is an indication of the organisation's commitments towards service delivery in the Maruleng community. The accounting officer recommends:

1. That council takes note of mid-year assessment on the financial health status of the municipality and service delivery performance, and
2. That council takes note that an Adjustment Budget is necessary.

SIGNED BY:



HOANE N.S

MUNICIPAL MANAGER

25/01/2023