

**MHLONTLO
LOCAL
MUNICIPALITY**

**Third 3rd Quarter
REPORT**

2017/2018 FY

**MHLONTLO
LOCAL
MUNICIPALITY**

QUALITY CERTIFICATE

I, SOTSHONGAYE, SG (Full Names), the Municipal Manager of Mhlontlo Municipality hereby certify that the quarterly report on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP) for Third Quarter, has been prepared in accordance with the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act,



S.G. Sotshongaye

MUNICIPAL MANAGER

02/05/2018

DATE

RECEIPT BY THE MAYOR

I, Dywili N. (Full Names), the Mayor of Mhlontlo Local Municipality, hereby accept the quarterly report on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP) of the municipality for the Third Quarter of the 2017/18 FINANCIAL YEAR as presented by the Municipal Manager in terms of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act,



Cllr. N. Dywili

MAYOR

02/05/2018

DATE

SECTION 1

1.1 OVERVIEW

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, and measure and review performance indicators to ensure efficiency and effectiveness and the impact of service delivery by the municipality. Therefore, performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organization and its employees, are met. At local government level performance management is institutionalised through legislative requirements on the performance management process for Local government.

The Constitution of the Republic of South Africa 1996, section 152, in dealing with the objectives of local government paved the way for performance management with the requirements of an "*accountable government*". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of *inter alia*:

- The promotion of efficient, economic and effective use resources;
- The accountable public administration;
- To be transparent by providing information;
- To be responsive to the needs of the community; and
- To facilitate a culture of public service and accountability amongst staff.


The Municipal Systems Act 2000 (Act 32 of 2000), requires municipalities to establish a performance management system. Additionally, the same act and the Municipal Finance Management Act 2003 (Act 53 of 2003) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and be monitored for the performance of the budget against the IDP through the Service Delivery and Budget Implementation Plan (SDBIP)

Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 indicates that "*A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting, and improvement will be conducted, organized and managed, including determining the roles of the different role players*". Performance management is not only relevant to the municipality as a whole, but also, to the individuals employed in the municipality, as well as, the external service providers and the Municipal Entities, such as, *Trade Invest Mhlontlo* (TIM).

This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and the individual performance.

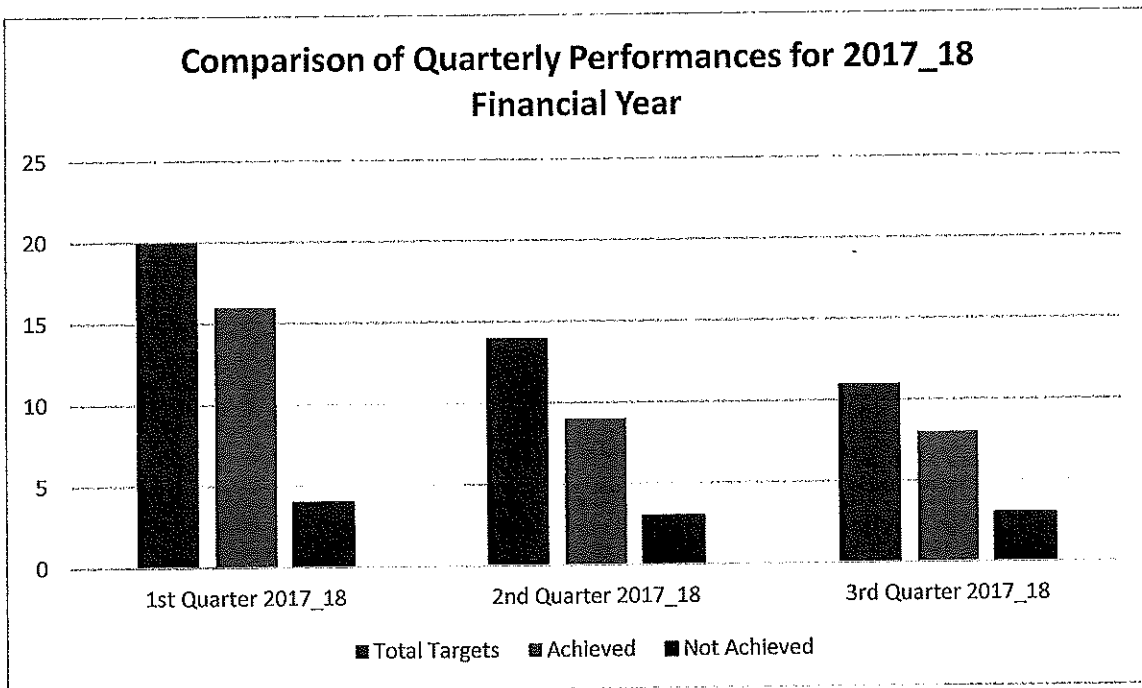
1.2 LEGISLATIVE REQUIREMENTS

- 1.2.1 The SDBIP is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and the format of the SDBIP is prescribed by the MFMA Circular 13 from National Treasury.
- 1.2.2 Section 41 (1) (e) of the Local Government: Municipal Systems Act 2000 (Act 32 of 2000), prescribes that a process must be established for regular reporting to Council.




IGR	Strengthen alignment of Sector Department programmes and the Municipal IDP by 30 June 2021	Enhance IGR performance	No. of effective IGR meetings convened	IGR Policy	R 696 980	Formulate MoU's with District Municipality and Sector Departments	One IGR Meeting	 Achieved			Signed Minutes, Attendance Registers
						Signed Minutes, Attendance Registers	Signed Minutes, Attendance Registers and reviewed IGR Framework and policy				

The above summary illustrates strides that were made by Good Governance on its quest to attain the predetermined objectives set by the department for the third quarter of 2017_18 financial year as encapsulated in the Service Delivery and Budget Implementation Plan (SDBIP).

For the quarter under review, Good Governance had about Eleven (11) indicators on their scorecard. From the eleven indicators, the department was able to deliver positive results to eight (08) of these and three (03) indicators were not achieved. The departments overall performance for the quarter under review was at **72.72%** a significant improvement when compared to **64.28%** performance of the second quarter.







INSTITUTIONAL CAPACITY BUILDING AND TRANSFORMATION

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarter Reporting		Reasons of Variance	Remedial Action	Portfolio of Evidence
							3 rd Quarter Target	3 rd Quarter Actual Performance			
Human resources alignment and development	To review and ensure maintain an IDP-aligned organisational structure by 30 June 2021.	Organisational Review and Alignment	Approved Organogram.	Current organogram council approved	R 228 114	Annual Review of Organogram.	Prepare and submit draft review organogram for 2018/19 to council	 Achieved			Draft Organogram council resolution
		Job evaluation		Job descriptions completed. Evaluation underway	NIL	Job evaluation, grading and placement	Continuous placement of employees in line with job descriptions.	 Not Achieved	No list of employees to be placed	Indication of list of employees to be placed by the Placement Committee	NIL
		Skills Development	No of successfully completed skills programmes	WSP and Training Development Policy		R2669 894	Develop and implement skills development plan.	15 councillors, 2 traditional leaders and 10 officials	 Not achieved 3 Councillors attended the EE workshop in January. 33 Officials attended different programmes	Gazette from Minister of COGTA that prevented Councillors to be enrolled in formal qualifications.	Identification of Councillors trainings to be implemented in the next quarter	Attendance registers certificat and proof of registration in sor programmes.

INSTITUTIONAL CAPACITY BUILDING AND TRANSFORMATION

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarter Reporting Target	3 rd Quarter Actual Performance	Reasons of Variance	Remedial Action	Portfolio of Evidence
						Signed attendance registers bearing the names of councillors, traditional leaders and name of training	Signed attendance registers bearing the names of councillors, traditional leaders and name of training	Available for 3 cllrs And 33 officials	N/A	N/A	N/A
		Institutional Transformation	Reviewed employment equity plan submitted to the Department of Labour	Employment Equity Plan	R 234 864	Reviewed Employment equity plan	Submit reviewed employment equity plan to the Department of Labour	Achieved	N/A	N/A	Confirmation of submission from Dol.
						Reviewed EEP, Proof of submission/acknowledgement of receipt	Reviewed EEP, Proof of submission/acknowledgement of receipt	Achieved	N/A	N/A	N/A
Institutional policies and systems review	To align institutional policies and systems with best practise in local government	Review and implement HR Policies	No of policies and systems reviewed and updated. I	Systems and policies in place	R 785 549	Reviewed and new developed policies submitted to council	Conduct Policy workshop to align, review and develop new policies	Achieved	N/A	N/A	Policy Review Attendance Register, List of the reviewed policies and new policies
OHS and Employee wellness	To promote a health and wellness culture among Councillors and				R 315 763	Reviewed and new developed policies, council resolution	Signed attendance registers for the policy review	Not achieved	Poor attendance on the 07/ Feb/2018 as the program was not properly communicated	To be conducted in the next quarter May	Invitations and attendance registers

INSTITUTIONAL CAPACITY/BUILDING AND TRANSFORMATION

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarter Reporting		Reasons of Variance	Remedial Action	Portfolio of Evidence
							3 rd Quarter Target	3 rd Quarter Actual Performance			
Information and Communication Technology (ICT)	To ensure adequate availability of critical ICT Infrastructure in line with the ICT strategy and Governance policies by 30 June 2021.	ICT Innovation and information management	No. of Integrated Management Systems	ICT Governance Framework Policy	R 2 186 740	Progress report signed by Hod reflecting implemented wellness progress, supporting evidence relevant to the wellness programmes implemented	Progress report signed by Hod reflecting implemented wellness progress, supporting evidence relevant to the wellness programmes implemented	 Not Achieved	There were no new constructions for the term	To be conducted in the next quarter	N/A
						Proof of site visits signed by site representative, site visit report	Proof of site visits signed by site representative, site visit report	 Not achieved			
Information and Communication Technology (ICT)	To ensure adequate availability of critical ICT Infrastructure in line with the ICT strategy and Governance policies by 30 June 2021.	ICT Innovation and information management	No. of Integrated Management Systems	ICT Governance Framework Policy	R 2 186 740	Review and Implement Information Systems Management Strategy.	Review IT systems management strategy with evidence of review	 Achieved			Policy Review Attendance Regist Reviewed Policies
						Review IT systems management strategy, signed minutes and attendance register of council structures	Scanning of all institutional documents submitted to Registry	Scanning of all institutional documents submitted to Registry	 Not Achieved	Awaiting finalization of the Refurbishment of the old Qumbu Town Hall offices	To fast track the finalization of the Refurbishment	N/A




INSTITUTIONAL CAPACITY BUILDING AND TRANSFORMATION

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets		3 rd Quarter Reporting		Reasons of Variance	Remedial Action	Portfolio of Evidence
						3 rd Quarter Target	3 rd Quarter Actual Performance	3 rd Quarter Target	3 rd Quarter Actual Performance			
						Signed proof of submission to register	Signed proof of submission to register					
						Collection of all documents from two departments for filling and disposal	Collection of documents from 1 department for filling and disposal	Not Achieved		Awaiting finalization of the Refurbishment of the old Qumbu Town Hall offices	To fast track the finalization of the Refurbishment	N/A
						Proof of receipt of documents from two departments, filling checklist signed by responsible official	Proof of receipt of documents from two departments, filling checklist signed by responsible official					
						Review and implement IT Governance Policy	Review and implement IT Governance Policy	Achieved		N/A	N/A	Policy Review Attendance Register Reviewed Policies
						Reviewed IT Governance Policy, signed minutes and attendance register of council structures	Reviewed IT Governance Policy					
Labour relations	To strengthen and maintain good relations within the workplace	Strengthening of labour relations	No of successful LLF meetings	Functioning Local Labour Forum	NIL	12 LLF meetings	3 LLF meetings	Not achieved		Meeting could not commence due to union instabilities	To be conducted in the next quarter	N/A
						Signed minutes and attendance registers	Signed minutes and attendance registers					

INSTITUTIONAL CAPACITY BUILDING AND TRANSFORMATION

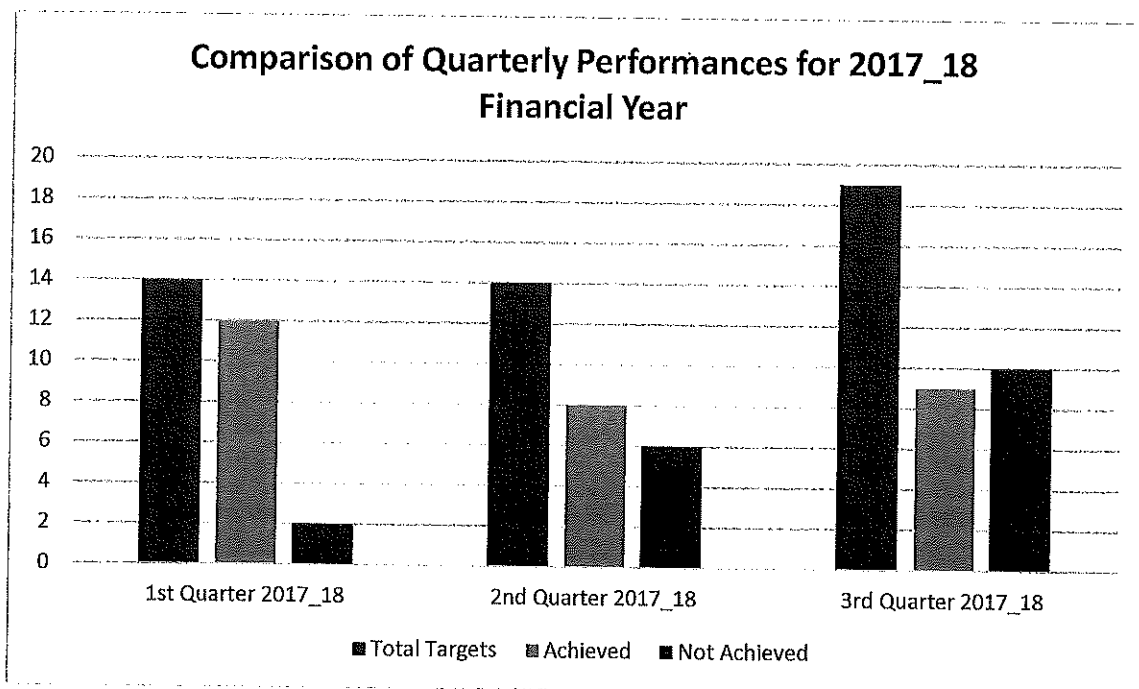
Priority Area	Municipal Objective	Programme/ Project	Key Performance Indicator	Baseline	Budget	Annual Targets		Reasons of Variance	Remedial Action	Portfolio of Evidence	
						3 rd Quarter Reporting Target	3 rd Quarter Actual Performance				
Performance Management	To review current and implement a fully cascaded municipal-wide performance management system by 30 June 2021.	Performance Management	Progress with implementation	PMS policy and framework in place	NIL	Review and update PMS policy and framework.	Conduct performance reviews for the second quarter	Not Achieved			
M/SCOA	To be a financially viable municipality.	Comply with MFMA Regulations on M/SCOA	Full compliance with MFMA prescripts.	Approved M/SCOA budget	NIL	Signed evaluation register, performance evaluation report Comply with all municipal budget, expenditure & SCM policies.	Signed evaluation register, performance evaluation report Monitor departmental Management Accounts.	Achieved	N/A	N/A	Expenditure report for the Dept
Good Governance	To achieve a responsive, accountable, inclusive municipal governance and administrative capacity	Comply with all Municipal policies and by-laws	Full compliance with all Municipal policies and by-laws	Municipal policies and by-laws	NIL	M/SCOA compliance checklist signed by Hod and CFO Gazetting of all council approved by-laws and implementation of municipal policies.	M/SCOA compliance checklist signed by Hod and CFO Quarterly report prepared on implementation of policies and by-laws, transgressions, disciplinary, grievance and unresolved disputes	Not achieved	No report was prepared	To be prepared in the next quarter	
						Quarterly reports signed by Hod and reflecting implemented activities in relation to policies and by-laws, transgressions,	Quarterly report signed by Hod and reflecting implemented activities in relation to policies and by-laws, transgressions, disciplinary,				

INSTITUTIONAL CAPACITY BUILDING AND TRANSFORMATION

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarter Target	3 rd Quarter Actual Performance	Reasons of Variance	Remedial Action	Portfolio of Evidence
Skills development	To be a thriving economy that creates wealth, employment, and sustainable livelihoods for all.	Extend skills development beyond municipal employees	Extended skills development beyond municipal employees	Learnerships and internship programmes	NIL	disciplinary, grievance and unresolved disputes	grievance and unresolved disputes		N/A	N/A	Attendance Registers Quarterly reports signed by Hod in relation to implementation of learnerships
Public Participation	Ensure meaningful and effective stakeholder participation in municipal IDP and Budget processes by 30 June 2021.	Conduct public participation meetings	Meaningful involvement of communities in municipal decision making..	Public Participation Policy	R 610 608	Quarterly reports signed by Hod in relation to implementation of learnerships	Quarterly reports signed by Hod in relation to implementation of learnerships		Conducted at Ward 10, 05, 22, 13, and ward 11		Attendance Registers Signed minutes an attendance register reflecting dates an ward numbers
		Training and capacitation of Ward Committee members	Number of trained Ward Committee members	Established Ward Committees	R 1 165 225	Signed minutes and attendance registers reflecting dates and ward numbers	Signed minutes and attendance registers reflecting dates and ward numbers		Procurement processes delayed	To be conducted in the next quarter	N/A
						Signed minutes and attendance register reflecting ward nos	Signed minutes and attendance register reflecting ward nos				


Corporate Services

The above summary illustrates the significant strides and advances that were made by the Department of Corporate Services on its quest to attain the predetermined objectives set by the department for the third quarter of 2017/18 financial year as encapsulated in the Service Delivery and Budget Implementation Plan (SDBIP). For the quarter under review, the department of corporate services had about nineteen (19) indicators on their scorecard. From the nineteen (19) indicators, the department was able to deliver positive results to nine (09) of these, whilst ten (10) indicators were not achieved. The departments overall performance for the quarter under review was at 47.3% a significant decline when compared to 57.1 %, achievement in the second quarter.





BASIC SERVICES DELIVERY												
Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarterly Targets	3 rd Quarter Actual Performance	Reasons of Variance	Remedial Action	Portfolio of Evidence	
Roads and storm water	To construct and maintain 100kms of access roads with storm water management by 30 June 2021	Maintenance of 25 km access roads	Number of kms of road maintenance (patching and re-gravelling) completed in Mhlontlo wards by 30 June 2018.	Existing roads	R3 964 827	25km of road maintenance (patching and re-gravelling) completed in Mhlontlo wards by 30 June 2018.	6.25km of road maintenance (patching and re-gravelling) completed in Mhlontlo wards (per maintenance plan?)	Not Achieved	Delayed by heavy rains and the communities refusing with quarry.	Ward 26 Councillor dealing with the matter	Road Inspection and completion form	
		PREDETERMINED PORTFOLIO OF EVIDENCE					Approved maintenance plan reflecting road name and kms, dated photos (before and after), expenditure report, internal completion certificate	Approved maintenance plan reflecting road name and kms, dated photos (before and after), expenditure report, internal completion certificate				
		Ngcakagani Bridge and 15km access road.	Assembled and installed the steel bridge and 15km access road completed by 30 June 2018- Yes/no.	Gravel Road	R5 849 000	Yes-Assembled and installed the steel bridge and 15km access road completed by 30 June 2018	Construction of concrete bases on the river bed completed.	Clearing site and excavations.	Not Achieved	Delayed due to heavy rains whole month of March no production achieved.	Contractor to revise working program and cash flow adjustments.	Progress report
						Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report	Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report					

BASIC SERVICES DELIVERY

Priority Area	Municipal Objective	Programme/Project	Key/Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarterly Reporting		Reasons of Variance	Remedial Action	Portfolio of Evidence
							3 rd Quarterly Targets	3 rd Quarter Actual Performance			
	To construct 7.68km surfaced roads by 30 June 2018	Qumbu Street Surfacing Phase 2 (2.78km)	Number of KMs of street surfacing completed (Qumbu Street Surfacing Phase 2) by 30 June 2018.	400 metres Street Surfacing	R2 146 235	2.78km of street surfacing completed (Qumbu Street Surfacing Phase 2) by 30 June 2018. Rev Mcapazeli Ave, M Sejosing St, Xatula St, S Coliciza Ave, Rev Mheno Ave, T Tonjeni St, Hope St, Matiwane St, Kobus St	N/A	N/A			
		Tsolo Street Surfacing Phase 2 (4.9km)	Number of KMs of street surfacing completed (Tsolo Street Surfacing Phase 2) by 30 June 2018.	kerbing of 1 KM Completed	R18 039 000	4.9km of street surfacing completed (Tsolo Street Surfacing Phase 2) by 30 June 2018.	Surfacing of 1.70km for all the streets completed (street names?).	 Achieved	N/A	N/A	Progress Report

BASIC SERVICES DELIVERY

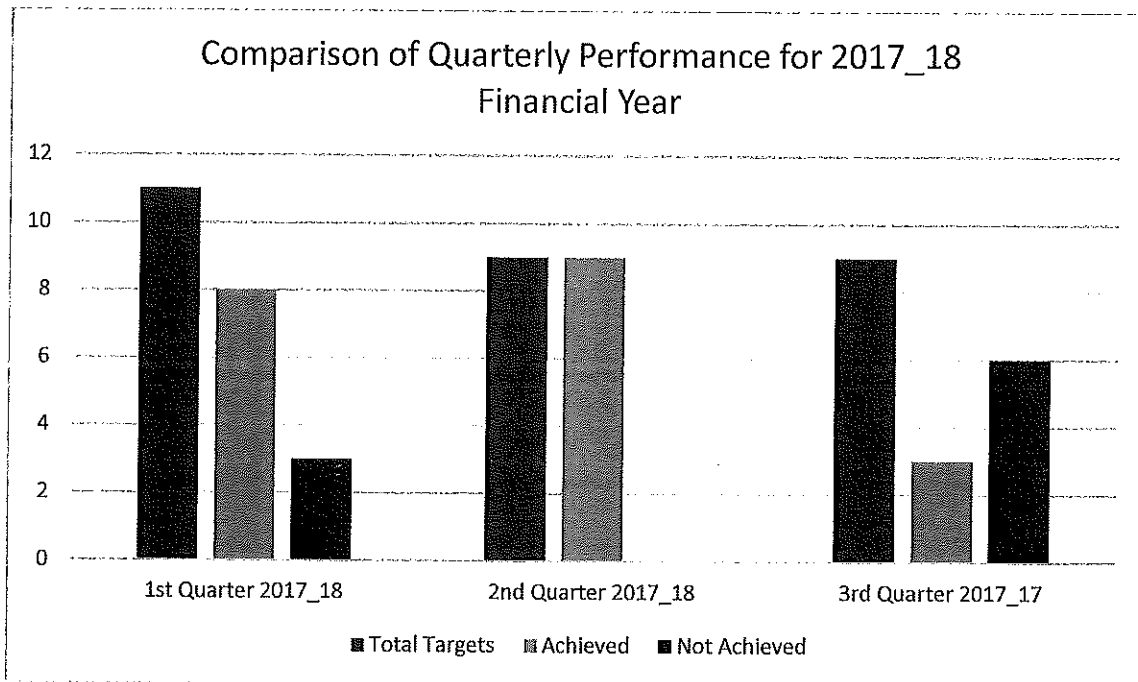
Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarterly Reporting		Reasons of Variance	Remedial Action	Portfolio of Evidence
							3 rd Quarterly Targets	3 rd Quarter Actual Performance			
						Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report	Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report		Waiting for Eskom to energise two remaining high mast lights	Presursing Eskom to come and connect remaining highmast	Progress Report
	To construct 15 high mast and street lights by 30 June 2018	Tsolo High mast Light (15 No.)	Number of high mast lights connected to Eskom kiosk by 30 June 2018.	Existing high mast lights	R3 866 865	Connection of 15 high mast lights to Eskom kiosk by 30 June 2018.	Connections to Eskom kiosk and energising the 15 high mast lights.	Not Achieved			
	Maintenance of streets and high mast lights by 30 June 2018 and beyond.	Qumbu and Tsolo high mast lights and street lights maintenance	Number of high mast lights and street lights maintained in Qumbu and Tsolo, as per need by 30 June 2018.	Existing High mast and streetlights	R744 192	Maintenance of 45 Street lights and high mast lights in Qumbu and Tsolo as per need by 30 June 2018.	Maintenance of 45 Street lights and high mast lights in Qumbu as per need.	 Achieved	N/A	N/A	Completion Report

BASIC SERVICES DELIVERY											
Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd Quarterly Reporting Targets	3 rd Quarter Actual Performance	Reasons of Variance	Remedial Action	Portfolio of Evidence
Sporting Facilities	To construct and maintain arts, culture and sporting facilities in 6 wards by 30 June 2021	Promotion and development of sport, arts and culture activities.	Rehabilitation of Mvumelwano Sports Field completed by 30 June 2018 – Yes/no.	Dilapidated sports field	R11 512 000	Rehabilitation of Mvumelwano Sports Field completed by 30 June 2018.	Needs report reflecting faults in relation to the 45 street lights in Qumbu and Tsolo with date reported and date repaired, expenditure report	N/A	Delayed due to heavy rains whole month of March no production achieved.	Contractor to revise working program and cash flow adjustments.	Progress Report
						Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report	Project plan, progress report reflecting status of the project from consultant/contractor, dated photos, completion certificate signed by consultant/contractor and Hod, expenditure report	Not Achieved			

Infrastructure:




For the quarter under review, nine (9) targets were set in the department of Infrastructure Development Services. The department managed to achieve three indicators and six (06) of these were not achieved.

The department's overall performance for the third quarter was at **33.3%** a significant decline when compared to **100%** achievement of the second quarter.



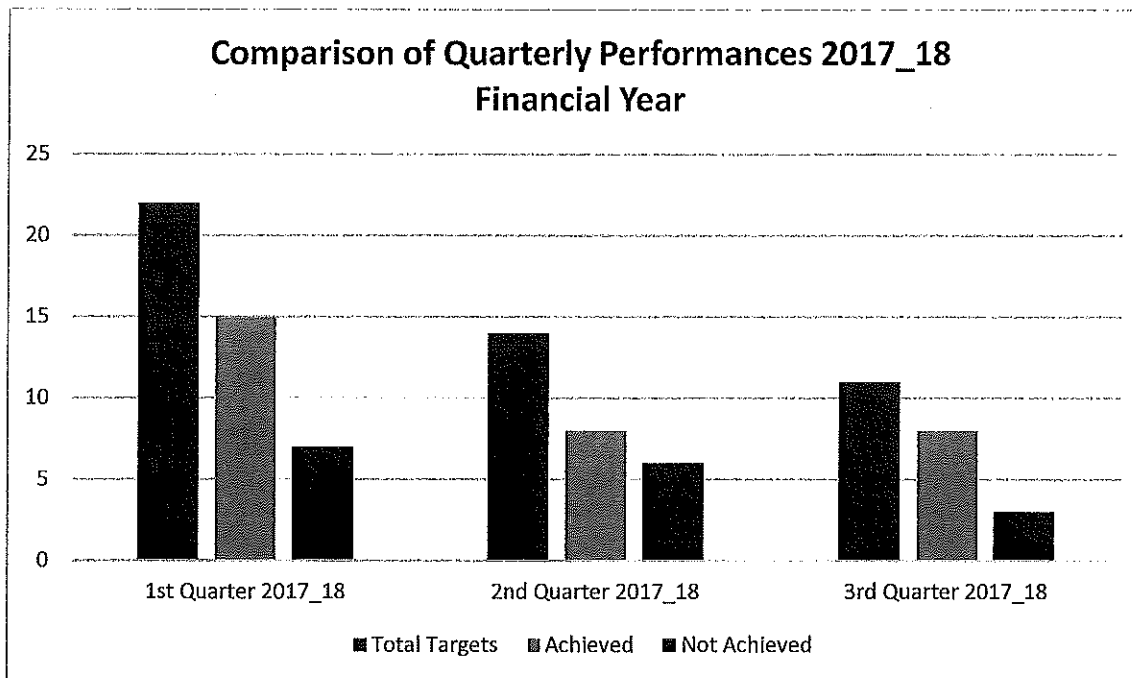
LOCAL ECONOMIC DEVELOPMENT, PLANNING AND RURAL DEVELOPMENT

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3 rd QUARTER REPORTING			Remedial Action	Portfolio of Evidence	
							3 rd Quarter Targets	3 rd Quarter Actual Performance	Reasons of Variance			
Strategic economic sector growth and development	Ensure rapid growth and development of strategic economic sectors by 30 June 2018 and beyond.	Cropping Programme	No. of cultivated hectares by 30 June 2017.	961 hectares have been planted by DRDAR	N/A	70 cultivated hectares by 30 June 2017.	N/A					
						Progress report signed by Hod Dated photos (before and after)						
						Feasibility study and business planning completed for ?? by 30 June 2018 – Yes/no	N/A	Feasibility study and business planning conducted for ?? by 30 June 2018	N/A			
								Feasibility study report signed by Hod Business plan				
								Ntshongweni Irrigation Scheme revitalised (provided assistance in securing machinery, equipment and inputs)	N/A			
		Irrigation Schemes	No of Vaccines supplied to Mhlotlo wool growers	Shearing sheds and wool processing equipment available	N/A	Supply and delivery of 500ml by 320 of vaccines to Mhlotlo wool	Appointment of service provider	Not Achieved	Delayed procurement processes	To make a follow up so as to ensure the appointment of a service provider in the next quarter	N/A	

Investment retention and attraction	Retain, grow and attract new investments linked to the strategic economic sectors by 30 June 2018 and beyond.	Commercial Property Development	Completed Layout plan for both ERF 102 Qumbu and ERF 42 Tsolo	Remainder of ERF 102 (Qumbu Commonage) ERF 42 (Tsolo Commonage)	R600 000	Completed Layout plan	Progress report for a General Plan for Qumbu Ext 6 Prepare a Layout Plan for ERF 102 Qumbu and ERF 42 Tsolo	 Achieved	Copy of the report and the Layout
Strategic economic sector growth and development	Ensure rapid growth and development of strategic economic sectors by 30 June 2018 and beyond.	Review of Tourism Master Plan	Reviewed Tourism Master Plan - by 30 June 2018-	Tourism Master Plan		Completed layout plan	Layout Plan for ERF 102 Qumbu and ERF 42 Tsolo	 Achieved	Copy of the report and the Layout
Employment creation and poverty alleviation	Reduce by a quarter the unemployment rate and the number of people living in poverty by 2020	(Youth and Women) Food gardens	Draft business plan for food gardens submitted to the standing committee by 31 March 2018. (	Household gardens in place	R350 000	Reviewed Tourism Master Plan (with evidence of review)	Proof of submission to the standing committee Completion of the business plan for food gardens	 Achieved	Proof of submission to the standing committee Copy of the business plan




LED:

The Local Economic Development and Planning and Rural Development Department consist of the following units, (Agriculture, Tourism, and SMME, Planning and Rural Development). This department has since been amalgamated with the Planning Unit and it plays a twofold role, that of being a supporting department within the institution, and also, having service delivery orientated function. The department set itself eleven (11) key performance indicators for the third quarter of 2017/18 financial year, and the department managed to achieve eight (08) of those and the other three (03) indicators were not met. The department's overall performance for the quarter was at **72.72 %** another significant improvement when compared to **42.85 %**, achievement in the second quarter.



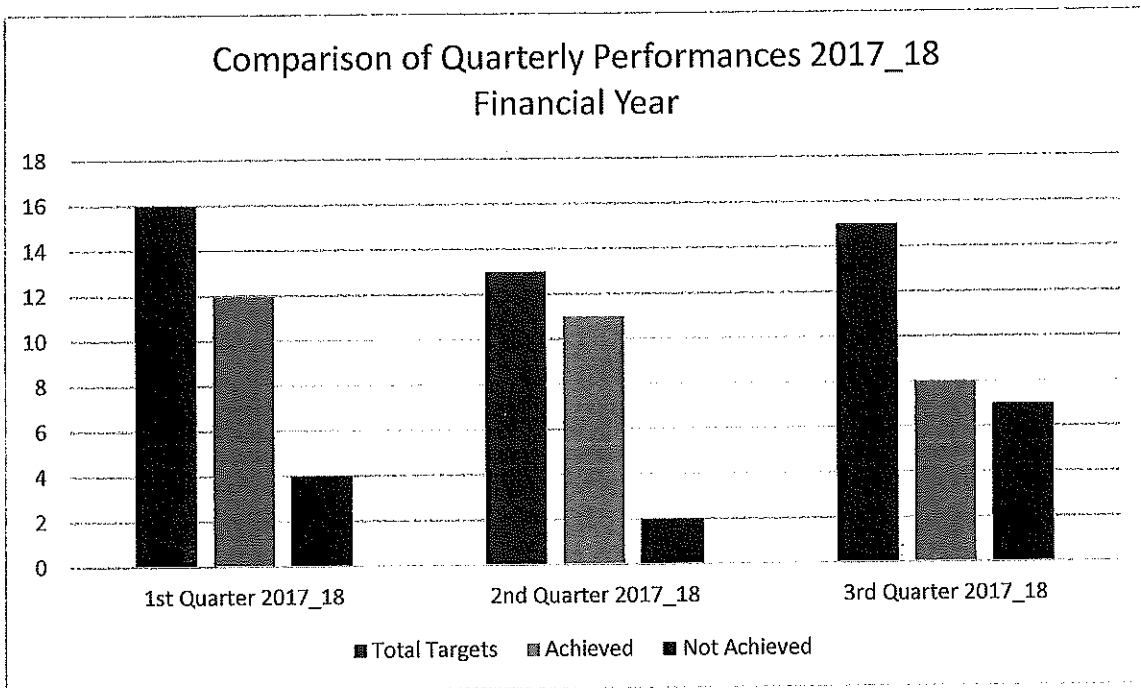
COMMUNITY SERVICES

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3rd QUARTER REPORTING				
							3rd Quarter Targets	3rd Quarter Actual Performance	Reasons of Variance	Remedial Action	Portfolio of Evidence
Waste Management	To ensure full compliance with waste management law and regulations by 30 June 2018 and beyond.	Implementation of integrated waste management plan	Completion of Tsoilo Waste Transfer station by 30 June 2018-	Approved IWMP	R1000 000	Establishment of Tsoilo Waste Transfer station completed by 30 June 2018	Monitoring & Review of fencing and construction of Tsoilo Waste Transfer Station.	Not Achieved Fencing at the transfer station is complete	N/A	N/A	Project plan Photos, expenditure report
			Number of reports prepared on cleaning, recycling of waste and compaction of Qumbu land fill site per activity/implementation plan by 30 June 2018.	Landfill Site	R168 857	Maintenance of Qumbu Landfill site	Cleaning, recycling of waste and compaction of Qumbu Landfill site.	Achieved	N/A	N/A	Reports signed by Hod on cleaning, recycling of waste and by compaction of Qumbu land fill site, dated photos, revenue/recycling report signed by Hod




Social Services and Infrastructure	To revitalise the urban centres of Tsolo and Qumbu towns	Revitalisation of urban centres	No. of successfully completed projects.	Revitalisation projects	N/A	Provision of cleaning and greening urban centres.	Cleaning of Qumbu and Tsolo Town drains and grass cutting.	 Achieved		Report signed by Hod for the cleaning and greening of urban centres in Qumbu and Tsolo town, approved cleaning and greening schedule, dated photos	
Social Services and Infrastructure	To ensure construction of 4 new libraries, promotion of learning and educational activities and maintenance	Promotion of culture of life-long learning	No. of successfully completed services.	Promotional activities currently undertaken	R334 279	Promotion of education and learning activities.	Co-ordinate one library activity	 Achieved	N/A	Register	
						Signed attendance registers (for the literacy day, library week and World book day event), signed report on examination support programme with evidence as proof of examination support	Attendance register Program				
Social Services and Infrastructure	To provide integrated transport management services	Transport Management Services	Final designs for Vehicle Testing Centre completed by 30 June 2018 –	Registering Authority office	R 1000 DBP	Final designs for Vehicle Testing Centre completed by 31 March 2018.	Final designs for Vehicle Testing Centre completed by 31 March 2018.	 Not Achieved	Limited Budget	To be done in	N/A
						Final designs for Vehicle Testing Centre signed-off by consultant and Hod	Final designs for Vehicle Testing Centre signed-off by consultant and Hod				





Community Services:




For the second quarter of 2017/18 financial year, the Department of Community Services Department set itself fifteen (15) targets. The department managed to achieve eight (08) of those, whilst seven (07) were not achieved. The departments overall performance for the quarter was at **53.3 %** again a slight decline when compared to **69.23 %** achievement of the second quarter.











Budget and Treasury Office

Priority Area	Municipal Objective	Programme/Project	Key Performance Indicator	Baseline	Budget	Annual Targets	3RD QUARTERLY REPORTING			Reasons of Variance	Remedial Action	Portfolio of Evidence
							3rd Quarter Targets	3rd Quarter Actual Performance				
Revenue Collection	To Ensure monthly collection rate of 50% of billed revenue by 2021	Revenue collection	Amount of debt Reduced by set date Debtor's reduction by 5% as at 30 June 2018 (R51 618 892.68* 5% = 3 037 461.96)	R 51 618 892.68 M as at 30 June 2017	N/A	Reduction of the debt of R3 037 461.96 by 30 June 2018	Reduce debt by RR759 365.49	 Achieved	N/A	N/A	Revenue Collection Report, debtors age report	
		Development of revenue management enhancement strategy	Date by which the draft revenue Management Strategy plan submitted to the office of the MM	Revenue management strategy developed and council approved	R315 000	Formulate Municipal Wide Plan.	N/A	 Not Achieved	Quotation's prices too high	Request assistance from treasuries	Communication letter or email requesting assistance from provincial treasury	
		General valuation roll	Valuation Roll approved by 30 June 2018	2013 General valuation roll General valuation roll	R1 279 462	Procurement of services from service provider and production of a General Valuation Roll to be implemented by 1 st July 2018.	Draft valuation roll by 31 January 2018	 Not Achieved	N/A	N/A	Draft valuation roll by 31 March 2018	




Revenue Management	To Develop and fully implement Revenue Enhancement and Management Strategy	Debtors Reconciliations	Number of monthly debtor's Reconciliations prepared and signed-off by the CFO	Debtors Reconciliations are done Monthly.	N/A	Reconciliations prepared on a monthly basis and signed-off by CFO	3 Monthly debtors reconciliation from the billing system to the General Ledger and signed off by the Chief Financial Officer by the following dates: 14 February 2018 14 March 2018 15 April 2018	 Achieved	N/A	N/A	Monthly Debtors Reconciliations (January – March)
		Debtors Reconciliations	11700 to be approved by 30 June 2018.	10000 beneficiaries currently receiving the support through Grid and Non-Grid Energies.		12 Monthly Supply of registered and approved indigent Beneficiaries	provision of services to indigent beneficiaries as follows: Electricity 3 453 Refuse and Rates: 1.074 Alternative energy: Paraffin 200	 Not Achieved	Bid non-responsive	Re-advertisement	N/A
	To ensure that all indigent people have access to free basic electricity (FBE)	Free basic electricity (FBE)	No. of indigent households receiving FBE.	indigent Register	R5 070 282	update of the indigent register and provisioning of free basic electricity	update of indigent register and provisioning of free basic electricity	 Achieved	N/A	N/A	Indigent Register
Expenditure Management		Credit Payments	Percentage of received invoices per month against number of payments made within 30 days	Creditors all paid within days	N/A	100% payment for creditors and other service providers to be done within 30 days as per MFMA requirements	100% payment for creditors and other service providers to be done within 30 days as per MFMA requirements	 Achieved	N/A	N/A	System proof of payments report, invoices with received stamp/register of received invoices with date of receipt

	Creditors Reconciliations	One (1) Quarterly Creditors reconciliation submitted.	Monthly submission of Reconciliations	N/A	Creditors Reconciliations Done on a monthly basis	3 Monthly creditors reconciliation from the billing system to the General Ledger and signed off by the Chief Financial Officer by the following dates: 14 February 2018 14 March 2018 16 April 2018	 Achieved	N/A	N/A	Dated Creditors Reconciliations signed and dated by CFO
	Payroll Reconciliations	One (1) Quarterly Payroll reconciliation submitted.	Monthly submission of Reconciliations	N/A	12 Monthly Payroll Reconciliations Done on a monthly basis (	3 Monthly Payroll reconciliation from the billing system to the General Ledger and signed off by the Chief Financial Officer by the following dates: 14 February 2018 14 March 2018 16 April 2018	 Achieved	N/A	N/A	Dated Payroll Reconciliations signed and dated by CFO
To develop, review and implement expenditure management policy	Petty Cash Processing and Reconciliation	One (1) Quarterly petty cash reconciliation submitted.	Monthly submission of Reconciliations	N/A	Reconciliations done on a monthly basis (	3 Monthly Petty cash reconciliation from the billing system to the General Ledger and signed off by the Chief Financial Officer by the following dates: 14 February 2018 14 March 2018 16 April 2018	 Achieved	N/A	N/A	Dated Petty Cash Reconciliations signed and dated by CFO

		VAT Processing and Reconciliation	Preparation of VAT input and output schedules. Number of petty cash reconciliation from the billing system to the GL and signed off by the CFO	Monthly submission of Reconciliations	Submission of VAT Returns and Reconciliation of VAT 201's	Submission of 3 Monthly VAT 201's to SARS	 Achieved	N/A	N/A	VAT returns, proof of submission from eFiling.
		Document Management and Record Keeping	Backup Reports submitted.	Scanning of documents for safekeeping	Safe-keeping of records and backing up of documents	3 Monthly Backup Reports submitted to the Chief Financial Officer for sign off	 Achieved	N/A	N/A	Dated backup Reports signed-off and dated by CFO
		12 reports per year submitted	No. of reports submitted within 10 working days.	12 reports per year submitted	Submission of monthly budget statements (sec 71 report) to National and Provincial Treasury, and Mayor within 10 working days	Submission of monthly budget statement (sec 71 report) to National and Provincial Treasury, and Mayor within 10 working days of the following month as follows: 14 February 2018 14 March 2018	 Achieved	N/A	N/A	Proof of submission to Provincial and National Treasury
		Reports submitted To National and Provincial Treasury i.e. quarterly reports section		4 reports per year submitted to Management Team	Submission on of quarterly reports (sec 52d reports and withdrawal report) National Treasury, Provincial	Submission on of quarterly reports to National Treasury, Provincial Treasury by 14 April 2018	 Achieved	N/A	N/A	Proof of submission to Provincial and National Treasury
Budgeting and Financial Reporting	To ensure credible budgeting	Preparation of Bank reconciliations	No. of submitted monthly recons	Submitted Bank reconciliation	12 monthly bank reconciliations to the General Ledger and	3 monthly bank reconciliations to the General Ledger and		N/A	N/A	Monthly bank reconciliations to the General Ledger

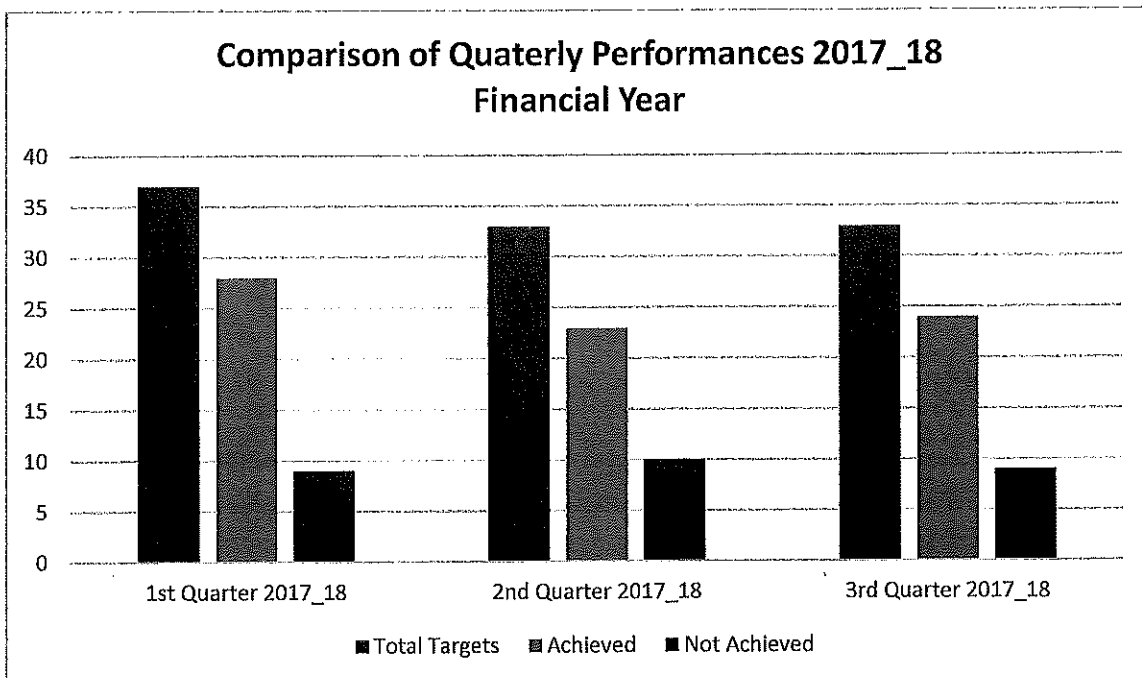
	and proper financial reporting in line with relevant legislation		by set time frames.	monthly basis to MTM, Standing Committee, EXCO, Council.		signed-off by the Chief Financial Officer by 30 June 2018.	signed-off by the Chief Financial Officer by the following dates: 14 February 2018; 14 March 2018; 14 April 2018	 Achieved				signed and dated by CFO
	Cash Investment Register reconciles to General Ledger	Number of Monthly investment registers submitted by set time frames.	Submitted investment register to MTM, standing committee, EXCO, and Council.	N/A	12 Monthly investment registers reconciled to the General Ledger and signed-off by the Chief Financial Officer per specified dates by	3 Monthly investment register reconciled to the General Ledger and signed-off by the Chief Financial Officer by the following dates: 14 February 2018; 14 March 2018; 14 April 2018.	 Achieved	N/A	N/A		Dated Monthly investment registers reconciled to the General Ledger and signed-off and dated by the Chief Financial Officer	
	Budget related management policies	Number of developed and reviewed policies	Submitted and reviewed policies to National Treasury	R15 000	Annual review of 8 policies within the legislative prescripts of MEMA, MSA, MPRA and NT Guidelines by 30 June 2018	N/A						
	Monthly Interim Financial Statements	Number of monthly interim financial statements submitted to Management Team, Standing Committee, EXCO, Council, National and Provincial Treasury	12 reports for financial year 17-18	N/A	12 Monthly interim financial statements prepared and submitted to Management Team, Standing Committee, EXCO, and Council by the 10 th working day of the following month.	3 Monthly interim financial statements prepared and submitted to Management Team, Standing Committee, EXCO, Council on the following dates: 14 February 2018; 14 March 2018; 14 April 2018.	 Achieved	N/A	N/A		Dated monthly interim financial statements prepared and signed-off by CFO and NM, signed minutes and attendance registers of the management team, Standing Committee, EXCO, and Council	
	Submission of adjusted budget	adjusted budget is submitted to the Management Team, Standing Committee, EXCO, and Council by set date	2016/17 approved Budget	N/A	Prepare and Submit adjusted budget to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury by the 28th February 2018.	Prepare and Submit adjusted budget to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury by the 28th February 2018.	 Achieved	N/A	N/A		Adjusted budget Proof of submission	

			the approved budget is submitted to Management Team, Standing Committee, EXCO, Council, National and Provincial Treasury by set date	Submitted 2017/18 budget to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury	Submit the approved budget that is aligned to the IDP to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury by 30 June 2018.	N/A				
	Consultations on tabled budget	Number of Community Outreach s held	Budget Community Outreach held on 12 – 16 September 2017 and 11 – 15 April 2018	2 Budget Community Outreach held by 30 April 2018	N/A					
	Budget preparation	Tabled tariffs of charges by set date.	Submitted tariff of charges to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury.	Submit the tariff setting 30 days before the start of the new financial year to Management Team, Standing Committee, EXCO, Council and National and Provincial Treasury.	N/A					

	by 30 June 2021.	Fixed Assets	Number of quarterly Asset reconciliations to General Ledger and reports on Updated Asset Registers submitted to MTM, STANCO, EXCO, and Council	There is an Updated Fixed Asset Register for 2015/16	N/A	4 Quarterly Asset reconciliation to General Ledger and 4 reports on Updated Assets Register submitted to MTM, STANCO, EXCO and Council	One quarterly Assets reconciliation (Movable and Immovable Assets) to General Ledger and 1 report on Updated Asset Register submitted to MTM, STANCO, EXCO and Council	 Achieved	N/A	N/A		3 Quarterly Asset reconciliations to General Ledger signed-off by CFO, reports on updated asset register signed by CFO, signed minutes of the Management Team, Standing Committee, EXCO and Council
		Logistics Management	Number of stock counts, reconciliations, investigations, report	Stores management procedures in place	N/A	Quarterly Stock counts, Reconciliation of stock counts to General Ledger, investigations and report on discrepancies	1 Stock count, 1 Reconciliation of stock counts to General Ledger, 1 Investigation and report on discrepancies	 Achieved	N/A	N/A		Quarterly Stock counts, Reconciliation of stock counts to General Ledger, investigations and report signed-off by CFO
		Fleet Management	Progress towards establishment of the Fleet Management Unit	Fleet management Unit not in existence	N/A	1 annual stock count by 30 June 2018 Establishment of Fleet Management Unit by 2020	N/A					
Supply Chain Management	To ensure that supply chain policies comply with MFMMA and all relevant regulations	Procurement Plan Implementation 2017/18	Procurement Plan	Ineffective procurement plan- 2016/17	N/A	Approved Procurement Plan by 31 July 2017 100% Implementation of the approved procurement Plan by 30 June 2018	N/A 100% Implementation of approved procurement plan by 30 March 2018	 Not Achieved	Bids non-responsible	Re-advert	Re-advert	

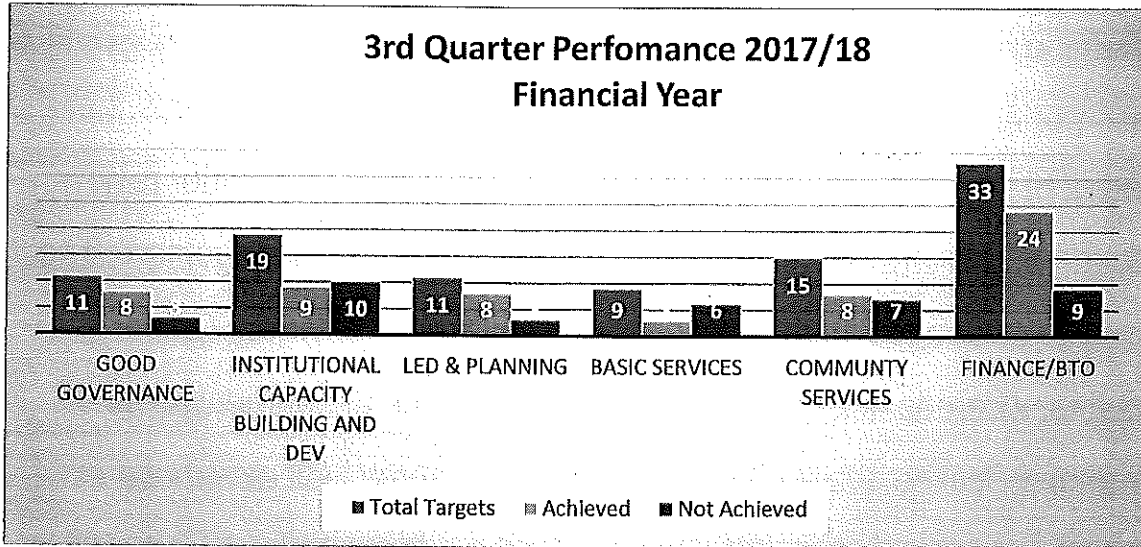
Budget and Treasury Office

The finance department plays a supporting function to other departments within the institution. It is not a service delivery orientated department – however it plays a pivotal function in Mhlontlo Local Municipality and ensuring that the municipality becomes self-sufficient and continues to meet the needs [and expectations] of the rate payers. The summary above demonstrates that the department has been performing very well during the quarter under review. Thirty-three (33) targets were set in financial viability and management. The department managed to produce positive results on twenty-four (24) indicators, whereas nine (09) were not achieved. The departments overall performance for the quarter was at **72.72 %** with some indicators not met against the predetermined objectives set for the quarter under review, this is a slight improvement from **69.69%** performance of the 2nd Quarter.

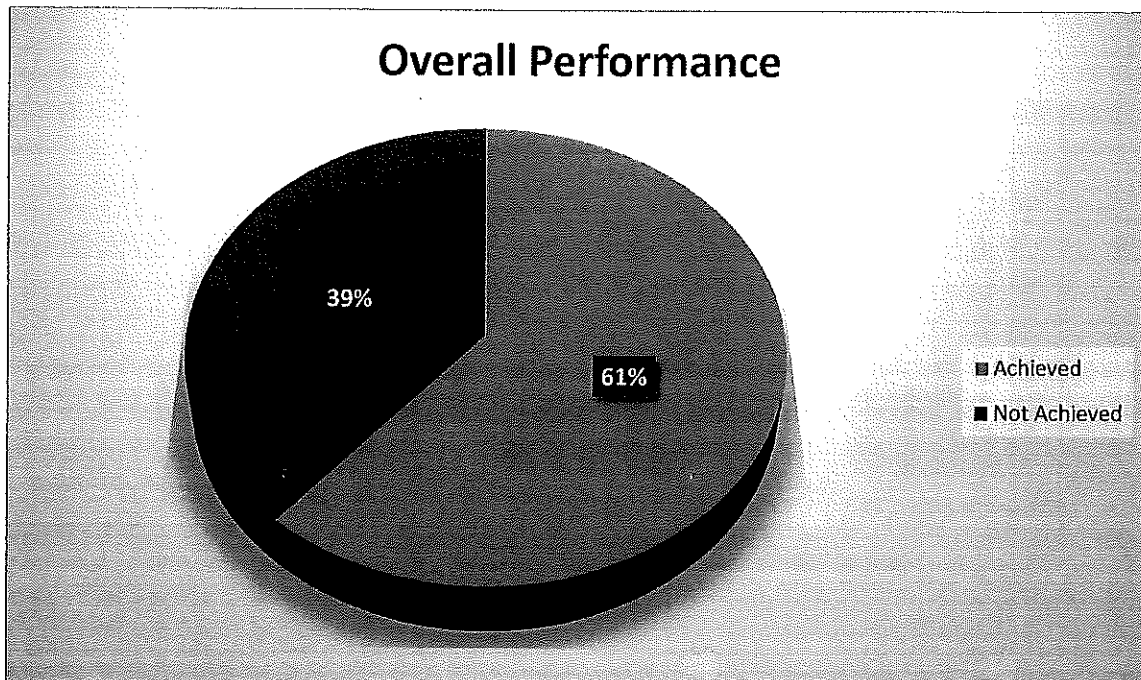


Section 3

Third Quarter performance of all departments in the 2017_18 financial year can be summarised as follows;



The institutions overall performance was at **61.22 %** for the third quarter under review, a slight decline compared to **69%** achievement of the second quarter and can be summarized as follows;



This is indeed a significant decline when compared to achievement for the third quarter performance of the last financial year which was at 73,12%. For the third quarter of the 2017_18 financial year the institution managed to deliver positive results on 60 key performance indicators and 38 were not achieved during the quarter under review.

Lastly, this document represents the Mhlontlo Local Municipality's detailed report back to citizens and stakeholders on the municipality's performance over the third quarter of the 2017_18 financial year. Moreover, it provides a lens through which scrutiny of the progress and performance of the municipality can be made in terms of assessing achievements in efforts to realize the objectives as set by Council. As such, this report not only reflects on milestones and challenges experienced, but also ongoing commitment to progressively deepen accountability to citizens of the whole Mhlontlo Municipal Area.

