

TOKOLOGO LOCAL MUNICIPALITY



**SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN
(SDBIP)**

2008/2009

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

LEGAL REQUIREMENTS CONSIDERED WITH THE DEVELOPMENT / DESIGN OF A SDBIP

In terms of Section 53(1)(c)(ii) of the Municipal Management Act (MFMA) No. 56 of 2003, the "service delivery and budget implementation plan" is defined as a detailed plan approved by the mayor of the municipality for implementing the municipality's delivery of municipal services and its annual budget and which must include :

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

The SDBIP therefore seeks to focus the municipality on both financial and non-financial outcomes in order to ensure effective and efficient service delivery. In terms of (c) above National Treasury has prescribed in terms of MFMA Circular No. 13 that ward information for expenditure and service delivery and a detailed capital works plan also be included as part of a municipality's SDBIP.

The Local Government Municipal Systems Act 32 of 2000, and Local Government Municipal Planning and Performance Regulations, requires Local Government to:

- Develop performance management system;
- Set targets, monitor and review performance based on indicators linked to the IDP ;
- Publish an annual report on performance management for the Councillors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for Local Government;
- Conduct an internal audit on performance before tabling the report;
- Have the annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

SECTION 1: LINK WITH THE IDP AND PERFORMANCE MANAGEMENT SYSTEM/SCORECARD

1.1 Description of the core functions of the municipality, based on its legislative mandate.

The municipality performs the following core functions:

Category B functions	Category C functions	Provincial & National Competencies
A	B	C
Air pollution Building regulations Bill boards and display of advertisements Storm water Trading regulations Cleansing Facilities, accommodation and burial of animals Fencing and fences Local sport facilities Municipal parks and recreation Municipal planning Municipal public transport Municipal roads Public places Street lighting	Refuse removal, dumps and solid waste Municipal roads Municipal airports Fire fighting Markets Cemeteries Municipal public works Electricity regulation Municipal health Storm water Potable water Sanitation Licensing/control of undertakings that sell food to the public	Libraries Housing

Category B functions	Category C functions	Provincial & National Competencies
A	B	C
Traffic and parking Licensing of dogs Local amenities		

All of the above functions are dispersed within the existing structure of the Tokologo Local Municipality.

The functions indicated under column B are functions which are legislatively allocated to a district municipality, but which may be adjusted in terms of the Municipal Systems Act. The functions indicated under column C are functions which are national and provincial competencies.

1.2 Summary of the core contents of the IDP.

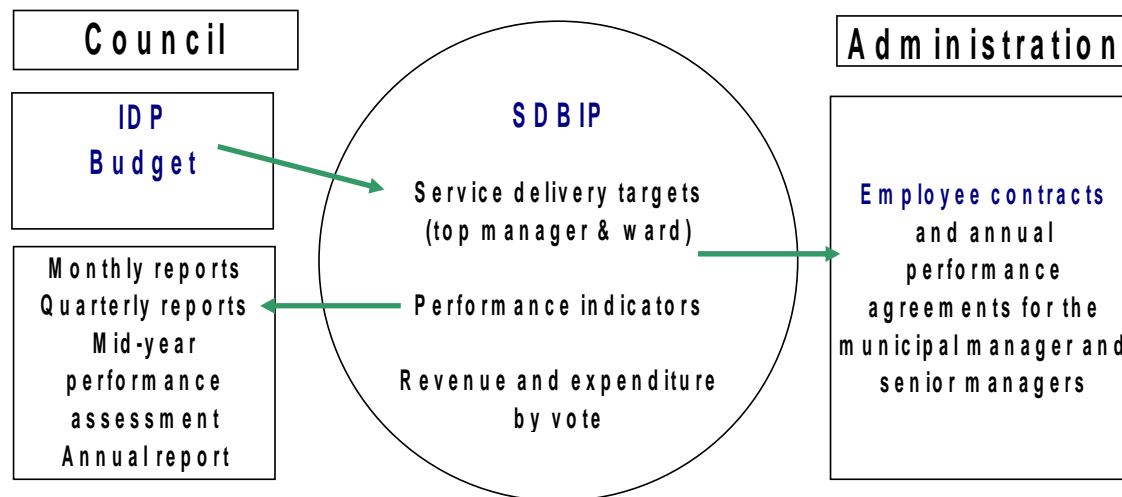
The IDP has the following core contents contain:

- Vision for the municipality;
- Strategic focus areas;
- Long-term goals or outcomes for the community;
- Reference to alignment with national, provincial and district plans;
- Consideration of service delivery and funding of housing, health and transport, etc;
- Summary of the medium-term objectives or outputs;
- Reference to measurable performance objectives;
- Description of prioritization systems used for allocating resources to objectives;
- Amendments to the IDP;
- Reference to the consultative process undertaken to review the IDP; and Tables showing the link between the IDP and Budget”.

1.3 Link between the IDP & the SDBIP.

- The Integrated Development Plan (IDP) outlines how the challenges of sustainable development in a municipality are to be met through strategic interventions and service delivery over the five year period.
- The IDP is developed by the municipality in conjunction with the community, and a credible IDP must be supported by the realistic budget. The actual implementation of the IDP over a single financial year is given effect through the performance contracts of the Municipal Manager and Section 57 Managers.
- The performance management system monitors actual performance against contractual obligations. The effective service delivery relies upon the IDP, the budget and the performance management system being closely integrated

1.4 Explanation of the structure of the SDBIP, based on an analysis of the structure of the IDP.



- What the above diagram illustrates is that the SDBIP contains information in regard to service delivery targets, performance indicators and revenue and expenditure.

- It is also important to note that the SDBIP is firstly informed by the IDP and Budget, secondly that the annual performance agreements/contracts of the Municipal Manager and Section 57 Managers must be influenced by the SDBIP and thirdly that in-year reporting (monthly and quarterly), and annual reporting should be done against the information contained in the approved SDBIP.

1.3.1 Institutional Scorecard

- The process of developing the SDBIP will be followed by the development of the Institutional Scorecard.
- The scorecard will measure performance on 8 National Key Performance Areas which are derived from DPLG Regulations as well as the Municipal priorities.
- The Five Years Local Government Strategic Agenda will also be integrated into the scorecard.

1.4 Strategic Key Performance Areas

- **Service Delivery and Infrastructure**
- **Local Economic Development**
- **Municipal Financial Viability**
- **Municipal Transformation and Institutional Development**
- **Good Governance**

1.4.1 Each Strategic Key Performance Area will be delivered upon by various directorates.

1.4.2 The scorecard will represent the consolidation of service delivery targets and performance indicators in a more detailed Directorate and Departmental SDBIP's.

1.4.3 The focus in this SDBIP is both financial and non-financial measurable performance objectives in the form of service delivery targets and other performance indicators.

The municipal scorecard will be structured in terms of the Balanced Scorecard approach that incorporates the following perspectives:

- Customer Perspective : This perspective has Key Performance Areas that are externally focused and relate to service delivery to the community
- Internal Business Perspective: The Balanced Scorecard approach recognizes that for the municipality to achieve its targets in the Customer Perspective internal business process must be improved to ensure that the municipality also continues adding value to the community as its customers.
- Learning and Growth : This perspective is the enabler of all perspectives as it is meant to ensure that the organisational infrastructure is geared towards assisting the municipality to achieve its objectives as contained in the other perspectives
- Financial Perspective: Given the scarce resources at the disposal of the municipality, this perspective ensures that the municipality achieves results in an efficient manner through the minimization of costs as well as the maximum collection of revenue due to it.

1.5 The following are the main focus points for delivery prioritization

• Water Services and Sanitation	• Housing	• Job Creation
• Electricity and Energy	• Urban Efficiency and Spatial Planning	• Financial Management
• Solid Waste Management	• Community Parks, Sports and Recreation	• Internal Audit procedures
• Environmental health Management	• Economic Growth	• Organisational Development
• Roads, Rails Stormwater and Buildings	• Poverty Alleviation	• Employment Equity
• Skills Development	• Performance Management System	• Co-operative Governance
• Integrated Development Planning	• Public Participation and oversight	• Ward System
		• Corporate Governance

SECTION 2: INSTITUTIONAL BALANCE SCORE CARD

The following sections will highlight the institutional balance score card and municipal wide budget plan per department:

Key Performance Areas (KPA's)

The following Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

- Municipal Transformation and Organisational Development.
- Infrastructure Development and Service Delivery.
- Local Economic Development (LED).
- Municipal Financial Viability and Management.
- Good Governance and Public Participation.

Municipal Balance Score Card

The municipal score card is developed in line with the abovementioned key performance areas as outline in the Tokologo Local Municipality Integrated Development Planning (IDP).

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Municipal Transformation and Organisational Development	15	<ul style="list-style-type: none"> Performance Management System (PMS) aligned to the IDP, developed and implemented. 	100%	25%	25%	0%	0%
		<ul style="list-style-type: none"> An organisational structure aligned to the IDP established and operationalises 	70%	15%	15%	20%	20%
		<ul style="list-style-type: none"> Effective administrative and institutional systems, structures and procedures including: human resources, financial policies, by-laws and communication systems established and implemented 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> The interface between Management and Council to align administrative and political priorities of Council 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Integrated human resource management systems introduced and operationalised 	65%	15%	15%	15%	20%
		<ul style="list-style-type: none"> Customers service systems implemented. 	70%	15%	15%	15%	20%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Infrastructure Development and Service Delivery	30	<ul style="list-style-type: none"> Infrastructure development and investment model implemented (there should be dynamic relationship between population growth projections, services delivery backlogs, revenue generation capacity and institutional capacity) 	60%	20%	20%	15%	15%
		<ul style="list-style-type: none"> Reduction in reticulation losses for water and electricity (Rand-Value) 	70%	40%	20%	5%	5%
		<ul style="list-style-type: none"> Reduction in number of complaints from residents 	80%	20%	40%	10%	10%
		<ul style="list-style-type: none"> % increase in response time and resolution of complaints 	80%	20%	40%	10%	10%
		<ul style="list-style-type: none"> % increase in payment of municipal services 	70%	30%	20%	10%	10%
		<ul style="list-style-type: none"> Asset register for all infrastructure and municipal property rehabilitated periodically and maintained 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Infrastructure Development and Service Delivery	30	<ul style="list-style-type: none"> The provision of basic municipal services to the satisfaction of residents (that is, clear delivery programmes and projects to progressively achieve national service delivery targets in terms of): 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Water 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Sanitation 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Electricity 	70%	20%	20%	15%	15%
		<ul style="list-style-type: none"> Refuse Removal 	80%	15%	20%	25	20%
		<ul style="list-style-type: none"> Municipal access roads and public transport 	70%	20%	20%	15%	15%
		<ul style="list-style-type: none"> Municipal health services, etc. 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Sustainable human settlement development facilitated through engagement with sector departments in line with the IDP and through IGR structures 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Infrastructure Development and Service Delivery	30	<ul style="list-style-type: none"> IDP integrates sector plans including Housing, Health, Social Development, Home Affairs, DME, DWAF, DTI, DEAT, Education, Land Affairs, etc. 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Spatial Development Framework in IDP includes spatial reconstruction policies, environmental, social and demographic trends, land-use policies and representation of sustainable human settlement vision. 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Local Economic Development	20	<ul style="list-style-type: none"> Analysis of the local economy is undertaken and review the current LED strategy. 	70%	20%	15%	15%	15%
		<ul style="list-style-type: none"> Comparative and competitive advantage of the municipality identified and incorporated into credible LED strategy and programmes. 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Spatial Development Framework in IDP includes economic development analysis, land-use policies and spatial representation of local economic development vision. 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Institutional capacity to implement LED programmes established and a conducive environment for shared growth created to ensure that: 	80%	20%	20%	20%	20%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Local Economic Development	20	<ul style="list-style-type: none"> Market and public confidence in municipal functioning, infrastructure development and service delivery is improved 	80%	25%	25%	15%	15%
		<ul style="list-style-type: none"> Existing public and private resources to intensify enterprise support to local communities utilized. 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Sustainable community investment programmes introduced and implemented. 	80%	25%	25%	15%	15%
		<ul style="list-style-type: none"> Knowledge sharing networks and social partnerships facilitated 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Municipal Financial Viability and Management	20	<ul style="list-style-type: none"> Sound financial management practices implemented in terms of the MFMA priorities and timeframes, including but not limited to: 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Budget aligned to development and service delivery targets that municipalities are accountable for as set out in the adopted IDPs. 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Budget and treasury office established. 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Budget and revenue management is effective 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Financial reporting and auditing is performed 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Financial management policies and by-laws developed, including but not limited to: supply chain management, credit control, tariff and investment policies. 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Municipal Financial Viability and Management	20	<ul style="list-style-type: none"> Integrated financial management systems introduced and operationalised. 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Municipal financial viability targets set and achieved which will ensure that: 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Growth in service debtors is reduced 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Consumer debt exceeding 90 days is recovered. 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> % Reduction in grant dependency rate. 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Turn around time for creditor payment improved 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> % Personnel cost over the total operational budget is in line with regulatory framework. 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Provision for bad debts 	60%	15%	15%	15%	15%
		<ul style="list-style-type: none"> Financial legislation is implemented and complied with, including the Property Rate Act and Division of Revenue Act. 	100%	25%	25%	25%	25%
		<ul style="list-style-type: none"> Facilitate/sources external funding for projects that are not covered by Municipal Budget 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Good Governance and Public Participation	15	<ul style="list-style-type: none"> Procedures for community participation processes as set out in legislation adhered to in terms of: 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Planning 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Budgeting 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Implementation 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Monitoring and reporting 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Regular communication with communities on the achievement of targets set out in IDPs is carried out. 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Functioning of ward committees directly supported where applicable 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Capacity building of community-based organisation, ward committees to enhance effective participation is facilitated. 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Ensure community-based planning (CBP) is implemented. 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Develop policies, by-laws programmes and internal systems (Integrated Operational, HR & Financial systems). 	100%	25%	25%	25%	25%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Good Governance and Public Participation	15	<ul style="list-style-type: none"> Ensure IDP is implemented and projects that are not budgeted, external funding is sourced for them. 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Relationship with organised business, labour and civil society built through transparent and accountable 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> An anti-corruption strategy in terms of national strategy for the municipality is developed and implemented to address: 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Prevention 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Detection 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Awareness/Communication 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Financial and performance audit committee established and functional. 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Mechanisms to ensure disclosure of financial interest in place. 	70%	17,5%	17,5%	17,5%	17,5%

Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Good Governance and Public Participation	15	<ul style="list-style-type: none"> An effective communication strategy to promote transparency, public accountability, access to complaints are dealt with in terms of the relevant legislation, developed and implemented 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Unqualified audit report achieved and implemented 	70%	17,5%	17,5%	17,5%	17,5%
		<ul style="list-style-type: none"> Community satisfaction survey conducted. 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Develop Council implementation with set targets 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Ensure there's monthly performance review meeting between Municipal Manager and the Mayor 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Installation of tracking devices to all Municipal assets and offices 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Establishment of a call centre 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> Instill discipline within the institution 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> To ensure ultimate accountability and record management practice 	80%	20%	20%	20%	20%
		<ul style="list-style-type: none"> All unit should be physically visited at least twice quarterly 	80%	20%	20%	20%	20%

SECTION 3: INSTITUTIONAL-WIDE BUDGET PLAN

- Monthly projections revenue by source
- Monthly projections expenditure by source

Monthly Projections Revenue by Source

SOURCE	Jul-08 R'000	Aug-08 R'000	Sep-08 R'000	Oct-08 R'000	Nov-08 R'000	Dec-08 R'000	Jan-09 R'000	Feb-09 R'000	Mar-09 R'000	Apr-09 R'000	May-09 R'000	Jun-09 R'000	Annual Budget 2008/09
Electricity tariffs	593 167	593 167	593 167	593 167	593 167	593 167	593 167	593 167	593 167	593 167	593 167	593 167	7,118 000
Property rates	167 000	167 000	167 000	167 000	167 000	167 000	167 000	167 000	167 000	167 000	167 000	167 000	2 004 000
Grants & Subsidies	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	6 620 083	79 441 000
Water Tariffs	49 417	49 417	49 417	49 417	49 417	49 417	49 417	49 417	49 417	49 417	49 417	49 417	593 000
Other	161 250	161 250	161 250	161 250	161 250	161 250	161 250	161 250	161 250	161 250	161 250	161 250	1 935 000
Regional Services Levies	0	0	0	0	0	0	0	0	0	0	0	0	0
Fines	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	1 917	23 000
Rental of facilities and Equipment	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	40 000
Interest Earned-External Investments	10 583	10 583	10 583	10 583	10 583	10 583	10 583	10 583	10 583	10 583	10 583	10 583	127 000
Refuse tariffs	38 583	38 583	38 583	38 583	38 583	38 583	38 583	38 583	38 583	38 583	38 583	38 583	463 000
Sanitation tariffs	65 167	65 167	65 167	65 167	65 167	65 167	65 167	65 167	65 167	65 167	65 167	65 167	782 000
Other service charges	21 250	21 250	21 250	21 250	21 250	21 250	21 250	21 250	21 250	21 250	21 250	21 250	255 000
Interest earned-outstanding debtors	20 417	20 417	20 417	20 417	20 417	20 417	20 417	20 417	20 417	20 417	20 417	20 417	245 000

Monthly Projections Expenditure by Source

SOURCE	Jul-08 R'000	Aug-08 R'000	Sep-08 R'000	Oct-08 R'000	Nov-08 R'000	Dec-08 R'000	Jan-09 R'000	Feb-09 R'000	Mar-09 R'000	Apr-09 R'000	May-09 R'000	Jun-09 R'000	Annual Budget 2008/09
Electricity	571 500	571 500	571 500	571 500	571 500	571 500	571 500	571 500	571 500	571 500	571 500	571 500	6 858 000
Water	107 487	107 487	107 487	107 487	107 487	107 487	107 487	107 487	107 487	107 487	107 487	107 487	1 289 840
Community & Social Services	315 861	315 861	315 861	315 861	315 861	315 861	315 861	315 861	315 861	315 861	315 861	315 861	3 790 337
Finance & Admin	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	6 621 246
Public Safety	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	1 667	20 000
Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Health	0	0	0	0	0	0	0	0	0	0	0	0	0
Executive & Council	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	551 771	6 621 246
Sports and Recreation	45 606	45 606	45 606	45 606	45 606	45 606	45 606	45 606	45 606	45 606	45 606	45 606	547 277
Housing	7 958	7 958	7 958	7 958	7 958	7 958	7 958	7 958	7 958	7 958	7 958	7 958	95 500
Waste Management	176 762	176 762	176 762	176 762	176 762	176 762	176 762	176 762	176 762	176 762	176 762	176 762	2 121 147
Planning & Development	61 250	61 250	61 250	61 250	61 250	61 250	61 250	61 250	61 250	61 250	61 250	61 250	735 000
Waste Water Management	400 019	400 019	400 019	400 019	400 019	400 019	400 019	400 019	400 019	400 019	400 019	400 019	4 800 224
Road Transport	24 143	24 143	24 143	24 143	24 143	24 143	24 143	24 143	24 143	24 143	24 143	24 143	289 717
Environmental Protection	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	16 667	200 000

SECTION 4: PERFORMANCE ASSESSMENT

The Planning and Performance Regulations, 2001 requires quarterly performance assessment through the PMS of municipalities. The following performance assessment template has been developed to match the requirements of MFMA Circulars Nos. 13 and 12 with that requirement of the Regulations.

3.1 SERVICE DELIVERY PERFORMANCE

- MFMA Circular No. 13 describes the SDBIP as "... a management, implementation and monitoring tool". The Circular emphasizes the fact that the SDBIP must be used as a monitoring tool and that quarterly performance reviews must be done to enable quarterly and mid-year reporting regarding operational performance of the municipality, and also as a tool to assess the performance of senior managers on a quarterly basis.
- **The format from Page 23;24..... will therefore be used to quarterly and annually review performance in terms of the key performance indicators and key performance targets exposed above:**

ANNUAL MEASURABLE PERFORMANCE OBJECTIVES (EXECUTIVE SUMMARY)

Department	Unit of Measurement	Annual Target 2008/09
Department: Municipal Manager's Office Vote: Executive and Council <ul style="list-style-type: none"> Budget consultation and meeting held Produce municipal booklet Performance agreements and contracts signed General ward meetings per ward Vote: Planning & Local Economic Development (LED) <ul style="list-style-type: none"> Review LED Strategy and implemented City plan is reviewed and published Building inspections conducted 	<ul style="list-style-type: none"> Number of meetings Booklet produced in September Number of contracts signed Number of meetings Completed by October 2008 & projects implemented To be completed by October 2008 Number of building inspection 	12 1 4 4 5 1 25
Department: Corporate Service Vote: Finance & Administration <ul style="list-style-type: none"> All policies, plans, programmes, by-laws & internal systems are developed and implemented Employee reward system is developed and Performance Management System Job Descriptions are developed for all employees Vote: Community Services <ul style="list-style-type: none"> New Libraries built 	Completed before December 2008 To be completed by November 2008 To be completed by December 2008 <ul style="list-style-type: none"> Number of new libraries built 	1 1 1
Department: Chief Finance Officer Vote: Finance and Administration <ul style="list-style-type: none"> Integrated Financial Management System is installed and Payroll audit is done and implemented together with clocking system Percentage of property valuations disputed Percentage of creditors payments on time 	<ul style="list-style-type: none"> To be done before December 2008 To be done before December 2008 Number of disputed/Total number Number paid on time/total number 	1 1 5% 95%

Department	Unit of Measurement	Annual Target 2008/09
<p>Department: Technical Services</p> <p>Vote: Electricity</p> <ul style="list-style-type: none"> • New Electricity connections • Percentage of Households that meet agreed service levels • Percentage Households that meet agreed service standards • Percentage of electricity losses • Employment through job creation schemes <p>Vote: Water</p> <ul style="list-style-type: none"> • New water connections • Percentage of water losses • Percentage of households that meet agreed service levels • Percentage of households that meet agreed services standards 	<ul style="list-style-type: none"> • Number of new electricity connections • Households achieving agreed levels/total • Households achieving agreed standards/total • KW billed/KW used by municipality • Number of temporary and permanent jobs created • Number of permanent job created <ul style="list-style-type: none"> • Number of new water connections • KL Billed/KL used by municipal • Households achieving agreed levels/total • Households achieving agreed standards/total 	<p>0</p> <p>95%</p> <p>100%</p> <p>15%</p> <p>50</p> <p>10</p> <p>0</p> <p>20%</p> <p>95%</p> <p>100%</p>
<p>Vote: Road Transport</p> <ul style="list-style-type: none"> • Km of new road for previous un-serviced areas <p>Vote: Waste Management</p> <ul style="list-style-type: none"> • Percentage of household with no rubbish disposal <p>Vote: Waste Water Management</p> <ul style="list-style-type: none"> • Percentage of households with no toilet provision 	<ul style="list-style-type: none"> • Number of kilometres • Number of households without/total households • Number of households paid on time/total number 	<p>0</p> <p>5%</p> <p>95%</p>

QUATERLY PROJECTIONS FOR SERVICE DELIVERY TARGETS AND OTHER PERFORMANCE INDICATORS STRATEGIC OBJECTIVE

Strategic Objective	Project/Details	Budget	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
<u>Social & Human Development</u>						
Sustainable Services	Water	1 289 840	322 460	322 460	322 460	322 460
	Electricity	6 858 000	1 714 500	1 714 500	1 714 500	1 714 500
	Sanitation	4 800 224	1 200 056	1 200 056	1 200 056	1 200 056
	Waste Management	2 121 147	5 302 286	5 302 286	5 302 286	5 302 286
	Community	383 900	95 975	95 975	95 975	95 975
Infrastructure Development	Municipal Building	753 072	188 268	188 268	188 268	188 268
	Camps	95 500	23 875	23 875	23 875	23 875
	Cemeteries	262 021	65 505	65 505	65 505	65 505
	Rental	40 000	10 000	10 000	10 000	10 000
	Sports Stadium	0	0	0	0	0
	Open Space	0	0	0	0	0
	Public Amenities	2 829 416	707 354	707 354	707 354	707 354
Good Governance	Equitable Share	20 408 000	5 102 000	5 102 000	5 102 000	5 102 000
	Integrated Planning	735 000	183 750	183 750	183 750	183 750
	Financial Management	3 862 454	965 613	965 613	965 613	965 613
	Interest Earned	372 000	93 000	93 000	93 000	93 000
	Human Resources Management	2 558 792	639 698	639 698	639 698	639 698
	Executive and Council	5 226 557	1 306 639	1 306 639	1 306 639	1 306 639
Economic Development and Environmental Management	Land & Environmental Management	0	0	0	0	0
	LED Strategy Review & Implementation	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000
Social Development	Culture and Sport	547 277	136 819	136 819	136 819	136 819
	Public Participation		0	0	0	0
	Grants and Donation	70 000	17 500	17 500	17 500	17 500
Safety and Security	Fines	20 000	5 000	5 000	5 000	5 000
	Fire and Rescue	13 000	13 000	13 000	13 000	13 000
	Disaster Management	58 375	14 593	14 593	14 593	14 593
	Road Safety	289 717	72 429	72 429	72 429	72 429
	Security	0	0	0	0	0

DEPARTMENT: Municipal Manager (LED & Planning)

External Funding & Internal Budget			1 st Quarter			2 nd Quarter			3rd Quarter			4 Quarter		
Vote	Project	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
CBP	Community Based Planning	1 000 000 (external funding)		500 000	250 000	250 000	0	0	0	0	0	0	0	0
IDP	IDP Review	250 000		100 000		100 000			0	50 000	0	0	0	0
Integrated Dev & Planning	Implementation	500 000 (external funding)	0	125 000	0	125 000	0	0	125 000	0	0	125 000	0	0
Capacity Building/ Develop	IDP, Sector Plans/ Programmes	600 000 (external funding)	0	150 000	0	150 000	0	0	0	150 000	0	150 000	0	0
IDP Facilitation	Donor Funding Facilitation for IDP Projects	5 000 000 (external funding)	0	1 250 000	0	0	1 250 000	0	0	1 250 000	0	1 250 000	0	0
Local Economic Dev (LED)	LED Strategy Review & Implementation	2 000 000	0	0	0	0	0	0	0	0	0	0	0	0

DEPARTMENT: Municipal Manager (Institutional Development)

External Funding & Internal Budget			1 st Quarter 2008/09			2 nd Quarter 2008/09			3 rd Quarter 2008/09			4 Quarter 2008/09		
Vote	Project	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Effective Admin	Developing systems	600 000	0	0	0	0	0	0	0	0	0	0	0	0
Capacity Building	Training	450 000	0	0	0	0	0	0	0	0	0	0	0	0
Annual Report	Development of Annual Report	300 000	0	0	0	0	0	0	0	0	0	0	0	0
Public Relations & Branding	Branding	400 000	0	0	0	0	0	0	0	0	0	0	0	0
Internal Audit	Internal Audit	250 000	0	0	0	0	0	0	0	0	0	0	0	0
Institutional Development	Organisational Audit & Development	180 000	0	0	0	0	0	0	0	0	0	0	0	0

DEPARTMENT: CORPORATE SERVICES

External Funding & Internal Budget			1 st Quarter			2 nd Quarter			3 rd Quarter			4 Quarter		
Vote	Project	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Organisational Efficiency (External & Internal funding)	Performance Management System	500 000	0	0	0	0	0	0	0	0	0	0	0	0
	PMS Software	800 000												
External Funding	Corporate Communication	500 000	0	0	0	0	0	0	0	0	0	0	0	0
External & Internal Funding	Policy, Plans, Programmes & Systems Development	3 000 000	0	0	0	0	0	0	0	0	0	0	0	0
External Funding	By-Laws Development	1 000 000	0	0	0	0	0	0	0	0	0	0	0	0
External & Internal Funding	Payroll Audit and Clocking System	750 000	0	0	0	0	0	0	0	0	0	0	0	0
Corporate Support	Council Admin	500 000	0	0	0	0	0	0	0	0	0	0	0	0

DEPARTMENT: Finance Services

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3 rd Quarter	4 Quarter
MFMA	Financial Management Reforms	500 000	125 000	125 000	125 000	125 000
	Financial Systems Changes	472 670	118 178	118 178	118 178	118 178
Financial Accounting	Compile Annual Financial Statements			31/10/2008		
Financial Reporting	Management Responses to Audit Queries	Annual Report	30/09/2008			
	Auditor General Report	Management Letter	30/09/2008			
	Corrected Journal Misallocation		30/09/2008			
	Annual Report (Financial Statements)	Annual report at the end of financial year			31/01/2009	

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3 rd Quarter	4 Quarter
Financial Reporting	Implementation of GAMAP	50%	20%	10%	10%	10%
	All related policies	80%	20%	20%	20%	20%
	Investment Reconciliation	Monthly	Monthly	Monthly	Monthly	Monthly
	Insurance Claims	Daily	Daily	Daily	Daily	Daily
Cost, Capital & Management Accounting	Review of established treasury budget office	Restructuring Process				
Budgeting and Budget Control	Compile municipal budget document aligned to IDP submitted to Council	December-May			31/03/2009	
	Compile Revised Budget	December 2007			16/01/2009	
	Report on budget performance	Monthly	Monthly	Monthly	Monthly	Monthly

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3rd Quarter	4 Quarter
Cost, Capital & Management Accounting	Draft Adjustment Budget	December 2008			31/01/2009	
	Draft new budget action plan	August	31/08/2008			
	Evaluated daily income and expenditure	Daily	Daily	Daily	Daily	Daily
	Submit new budget to Council	31/03/2009			31/03/2009	
	Section 71 monthly financial reports submitted to the Mayor	Monthly Reports	Monthly	Monthly	Monthly	Monthly
Cash Flow Management	Monthly cash flow projections inputs from Directorates	Monthly	Monthly	Monthly	Monthly	Monthly
	Monthly cash flow variance reports per department	Monthly	Monthly	Monthly	Monthly	Monthly

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Cash Flow Management	Control of cash flow	Daily	Daily	Daily	Daily	Daily
Project Cost Accounting	Controlled expenditure on MIG projects and submitted reports to DPLG	Monthly	Monthly	Monthly	Monthly	Monthly
Grant Management	Financial System implemented	Once off				
	Internships employed			31/10/2008		
Compensation of employees	Processed salaries on financial system and payroll system	Monthly	Monthly	Monthly	Monthly	Monthly
	Accounts Payable to creditors/service providers	Monthly	Monthly	Monthly	Monthly	Monthly

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3rd Quarter	4 Quarter
Supply Chain Management	Revised current Supply Chain policy submitted to Council	31/10/2008		31/10/2008		
	Asset Register updated and compiled	100%	25%	25%	25%	25%
	Established Supply Chain committees	30/11/2008			30/11/2008	
	Updated database for service providers	100%	50%	50%	0	0
	No. filled vacant post, officers, clerks	100%	0	50%	25%	25%
	Number of in-house trained officials	2 x in-house training workshops		31/10/2008		
	Number of externally trained officials	2 x external training workshops		31/10/2008		

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4 Quarter
Submission of reports	Weekly reports to be compiled	Monthly report	Thursday/Week	Thursday/Week	Thursday/Week	Thursday/Week
	Compiled monthly, quarterly and annual report to the Municipal Manager and Treasury.	End month	End month	End month	End month	End month
Asset registration management Submission of requisition books	Updated asset register report	End quarter	End quarter	End quarter	End quarter	End quarter
Fixed Asset Management System	Recorded condition and value of fixed assets					

DEPARTMENT: Finance (Continue....)

Strategic Objective	Measurable Objective	Annual Target	1 st Quarter	2 nd Quarter	3rd Quarter	4 Quarter
Debt and Revenue Management	Accurate and optimum revenue collected	Weekly	Weekly	Weekly	Weekly	Weekly
Rates Administration	Rates policy developed	To be reviewed annually			01/11/2008	
	Optimum revenue collected	60%	15%	15%	15%	15%
Collection and management of revenue	Purified debtor data base and minimum debts in arrear	50%	10%	10%	20%	10%
Managing of Debts and collection of arrears	Letters of demand sent Cutting-Off services Hand-over to Attorneys	Monthly Monthly Quarterly	Monthly Monthly Quarterly	Monthly Monthly Quarterly	Monthly Monthly Quarterly	Monthly Monthly Quarterly
Registering of Indigents	Number of indigents registered and updated	80%	20%	20%	20%	20%

DEPARTMENT: Technical Services

Corporate Objective	Weighting		Key Performance Indicator	Annual Target	Quarterly Target			
	PO	KPI			1 st	2 nd	3 rd	4 th
Provide Water			• Number of Households provided with basic water	90%	22,5%	22,5%	22,5%	22,5%
			• Review of Water Services Development Plan (WSDP)	100%	25%	25%	25%	25%
Provide Sanitation			• Number of households provided with toilets (water borne system)	100%	65%	35%	0	0
Provide Electricity			• Number of households provided with house connections	90%	22,5%	22,5%	22,5%	22,5%
			• Number of households provided with free basic electricity	90%	22,5%	22,5%	22,5%	22,5%
			• No. of new High Mast Lights erected	100%	50%	25%	25%	0
			• Maintenance of street lights	100%	25%	25%	25%	25%
Maintainance and Upgrade Roads			• Km of roads upgraded and maintained gravel	80%	20%	20%	20%	20%
			• Km paved	0	0	0	0	0
			• New km tarred	5,5 km	0	2,75 km	2,75 km	0
			• Development of a Pavement Management System Policy	100%		50%	50%	0
Provide Storm Water Management			• Compile a Storm Water Management Plan • Develop an Integrated Traffic Plan	100%	0	50%	50%	
Provide the Project Management Assistance in implementation of all			• Implementation of 2003 Micro Software Project Management	100%	25%	25%	25%	25%
			• Attend all MIG meetings	100%	25%	25%	25%	25%

projects			<ul style="list-style-type: none"> Control and monitor all Projects – financial cash flows and progress reports 	100%	25%	25%	25%	25%
			<ul style="list-style-type: none"> Compile Business Plan to access funding from various funders 	100%	25%	25%	25%	25%
			<ul style="list-style-type: none"> Compile and submit closed out reports for all MIG funded projects 	100%	25%	25%	25%	25%
Promotion of stakeholder participation			<ul style="list-style-type: none"> Establish Technical Forums <ul style="list-style-type: none"> Energy Forum Water Forum Roads and storm water 	100%	25%	25%	25%	25%
			<ul style="list-style-type: none"> No. of Meetings with different stakeholders 	12 meetings	3 meetings	3 meetings	3 meeting	3 meetings
Invest in Infrastructure			<ul style="list-style-type: none"> % of capital budget actually spent on capital projects 	100%	25%	25%	25%	25%
			<ul style="list-style-type: none"> % of operational budget spent on maintenance 	100%	25%	25%	25%	25%
			<ul style="list-style-type: none"> % of bids awarded to BEE 	70%	17,5%	17,5%	17,5%	17,5%
			<ul style="list-style-type: none"> Report on number of jobs created through LED initiatives including capital projects 	100%	25%	25%	25%	25%
Enhance Customer Service			<ul style="list-style-type: none"> Conduct Customer Service Survey and report to Municipal Manager 	100%	25%	25%	25%	25%

DEPARTMENT: Office of the Speaker/Mayor

External Funding & Internal Budget			1 st Quarter			2 nd Quarter			3 rd Quarter			4 Quarter		
Vote	Project	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Public Participation	Ward Committee training	500 000	0	0	0	0	0	0	0	0	0	0	0	0
	Community Participation	150 000												
Capacity Building	Policy codes to be developed for councillors	120 000	0	0	0	0	0	0	0	0	0	0	0	0
Capacity Building	Community Based Planning	2 000 000	0	0	0	0	0	0	0	0	0	0	0	0
	Workshop on new Policy Development	200 000	0	0	0	0	0	0	0	0	0	0	0	0
	Women's month launch and celebration	150 000	0	0	0	0	0	0	0	0	0	0	0	0
	Councillors to be trained on Legislation matters	160 000	0	0	0	0	0	0	0	0	0	0	0	0

DEPARTMENT: Office of the Speaker/Mayor (Continue.....)

External Funding & Internal Budget			1 st Quarter			2 nd Quarter			3 rd Quarter			4 Quarter		
Vote	Project	Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Public Outreach	Community Participation	100 000	0	25 000	0	25 000	0	0	0	25 000	0	25 000	0	0
Capacity Building	Training	37 500	0	6 250	6 250	0	6 250	0	0	6 250	6 250	6 250	0	0
Special Programmes	Youth Development	540 000	0	135 000	0	0	0	135 000	0	0	135 000	0	135 000	0
	Gender	30 000	0		10 000		10 000			0	10 000	0		0
	Disability & Elderly	70 000	0	14 000	0	14 000	0	0	14 000	0	14 000	0	14 000	0
	HIV/AIDS	50 000	0	0	25 000	0	0	0	0	25 000	0	0	0	0
	Moral Regeneration	40 000	0	0	0	0	20 000	0	0	0	0	20 000	0	0
Bursaries	Bursary	1000 000	0	0	0	0	0	0	500 000	500 000	0	0	0	0

SECTION 5: CAPITAL BUDGET

CAPITAL EXPENDITURE BY VOTE	Medium Term Revenue and Expenditure Framework			
		Budget Year 2008-2009	Budget Year 2009-2010	Budget Year 2010-2011
	Vote	R'000	R'000	R'000
SOCIAL AND HUMAN DEVELOPMENT				
Infrastructure: Bucket Eradication		0	0	0
Infrastructure: Roads and Stormwater		2 000 000	1 500 000	1 500 000
Infrastructure: Bulk Water Supply/Sanitation		9 270 000	12 485 000	14 096 000
Infrastructure: Multi-Purpose Community Centre		0	5 500 000	2 500 000
Infrastructure: Cemetery Fencing/Waste Management		350 000	400 000	450 000
Infrastructure: Municipal Offices/Properties		800 000	350 000	350 000
Infrastructure: Naming of Streets		300 000	250 000	250 000
Social/ Sustainable Services-Supply of Chemicals		300 000	250 000	250 000
Infrastructure: Installation of Street Lights		0	1 200 000	0
ECONOMI DEVELOPMENT, EMPLOYMENT & INVESTMENT				
Municipal Website		300 000	140 000	150 000
Valuation Roll		0	0	0
Establishment of an LED Unit		0	0	0
GOOD GOVERNANCE				
Fleet: Mayoral/Council Car		300 000	0	0
Policies		435 000	400 000	300 000
Municipal Logo Launching		300 000	0	0
IDP Review		200 000	250 000	300 000

CAPITAL BUDGET FUNDING

CAPITAL FUNDING BY SOURCE			Medium Term Revenue and Expenditure Framework	
		Budget Year 2008-2009	Budget Year 2009-2010	Budget Year 2010-2011
NATIONAL GRANT ALLOCATION	Vote	R'000	R'000	R'000
Municipal Improvement Grant (MIG)		9 270 000	12 485 000	14 096 000
Equitable Share		20 408 000	25 444 000	31 536 000
Financial Management Grant (FMG)		500 000	750 000	1 000 000
Municipal Systems Improvement Grant (MSIG)		735 000	735 000	735 000
PROVINCIAL GRANT ALLOCATION				
Department of Provincial and Local Government (DPLG)		3 500 000	3 500 000	3 500 000
MUNICIPAL GRANT ALLOCATION				
Lejweleputswa District Municipality (DC 18)		0	0	0