

1st QUARTER SDBIP REPORT

(July – September 2019)

2019/20 FINANCIAL YEAR

**JOE GQABI
DISTRICT
MUNICIPALITY**

October 2019

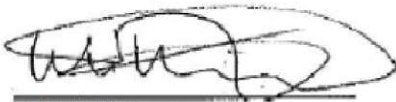
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MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, **ZA Williams**, the Municipal Manager of the Joe Gqabi District Municipality, hereby certify that this FIRST QUARTER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN REPORT for the 2019/20 FINANCIAL YEAR has been prepared in accordance with the Municipal Finance Management Act of 2003 and regulations made under the Act.



ZA Williams
Municipal Manager

Date: 31 October 2019

EXECUTIVE MAYOR'S APPROVAL

I, **ZI Dumzela**, the Executive Mayor of the Joe Gqabi District Municipality, hereby accept the FIRST QUARTER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN Report for the 2019/20 FINANCIAL YEAR as prepared in accordance with the Municipal Finance Management Act of 2003 and regulations made under the Act.



Cllr. ZI Dumzela
Executive Mayor

Date: 31 October 2019

PART 1: INTRODUCTION

1.1 Executive Mayor's Report

The 2019/20 FY Service Delivery and Budget Implementation Plan (SDBIP) represents a delivery path set by the new administration for the 2019/20 financial year and sets the direction for the term of office from 2017 – 2022. The SDBIP sets the scene for the implementation of proposals put forward in the Joe Gqabi District municipality Integrated Development Plan (IDP) which was approved by the Council in May 2019. The Council of the Joe Gqabi District Municipality remains committed to the objectives and priorities that were crafted to guide this Council in its pursuit of an improved quality of life for all residents.

As clearly depicted in the financial tables and non-financial performance report contained in this first quarter SDBIP report, the District municipality has managed to deliver services and implement its programmes in terms of the Council approved budget. The limited cashflow and the constantly declining infrastructure grants, especially the Municipal Infrastructure Grant (MIG), which is the main funding sources for our key projects, continues to pose a serious challenge for the District. Within these constraints, the District continues to focus on the delivery of services in key areas such as water and sanitation and has increased its efforts to bring about quality services to the people of the District.

1.2 Legislative Imperative

In terms of Section 53 (1) of the Municipal Finance Management Act of 2003 (MFMA), the Mayor of a municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget.

Annual performance agreements as required in terms of section 57(1)(6) of the Municipal Systems Act for the Municipal Manager and all senior managers must also be concluded and they must be linked to the measurable performance objectives approved with the budget and to the SDBIP. The SDBIP and these performance agreements therefore give effect to the Integrated Development Plan (IDP) and budget of the municipality in ensuring that the execution of the budget, performance of senior management and achievement of the strategic objectives set by the Council are monitored.

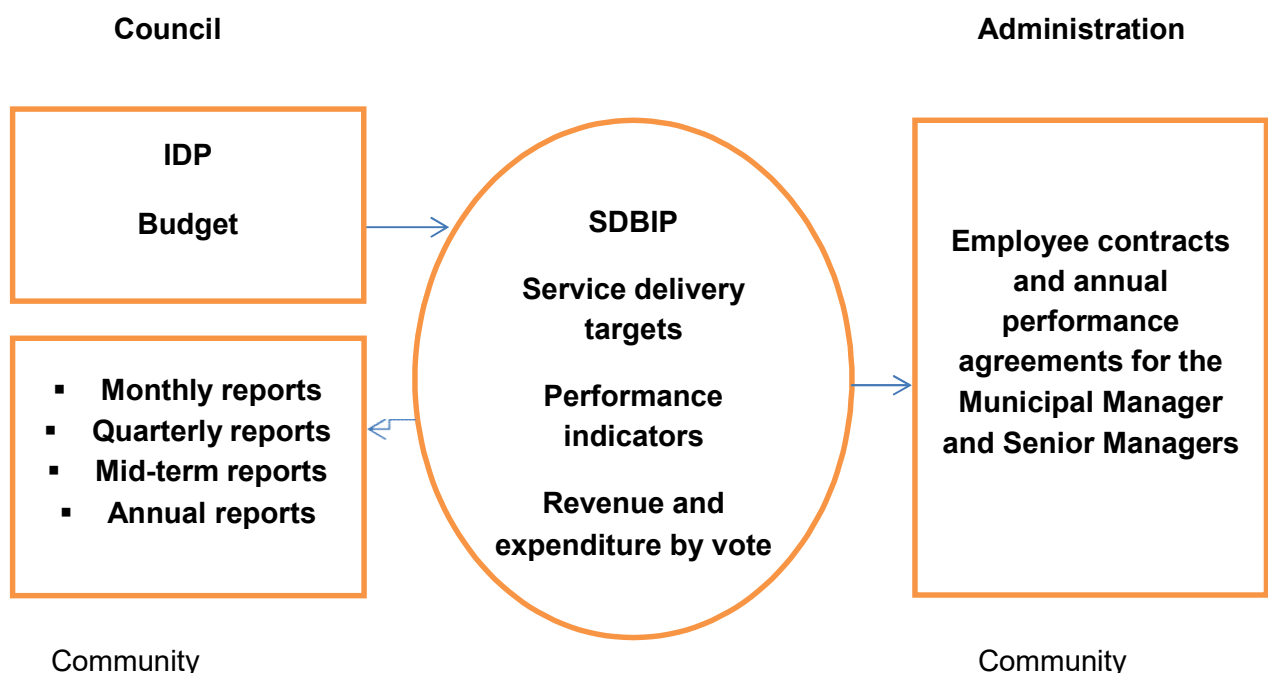
The MFMA stipulates general responsibilities of Mayors. Section 52 (d) of the Act requires that a Mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality.

1.3 Resolutions

That the report on the SDBIP report on the implementation of the budget and the financial affairs of the Joe Gqabi District municipality for the first quarter of the 2019/20 financial year be noted.

That the SDBIP report on the implementation of the budget and the financial affairs of the Joe Gqabi District municipality for the first quarter of the 2019/20 financial year be approved.

1.4 SDBIP Cycle



1.5 Executive summary

1.5.1 Overall performance of the Municipality

The table below illustrates the summary of overall performance of the District Municipality for the quarter ending September 2019. It is a tabulation of the total number of targets set by all directorates combined, which then gives a picture of how the municipality has performed. *NB:* Analysis report of the Quarter is based on seven Directorates, that is, Technical Services, WSP, Community Services, Office of the Municipal Manager, Institutional Support & Advancement, Finance and Corporate Services.

Key Performance Areas	No. of Targets set for the quarter	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	No. information	Achievement per PKA
Service Delivery and Infrastructure Provision	3	3	0	0	0	100%
Local Economic Development	1	0	0	0	1	0%
Financial Management and Viability	2	2	0	0	0	100%
Institutional Development and Municipal Transformation	1	1	0	0	0	100%
Good Governance and Public participation	5	3	0	2	0	60%
Total	12	9	0	2	1	75%

The tabulation above shows that the average municipal performance for all KPAs is sitting at **75%**.

1.5.2 Overall performance of the Municipality per Directorate

The tables below show the summary of performance of the each Directorate. This part is derived from the performance agreements that were signed by each Director at the start of the financial year. This means that it is a tabulation of the total number of targets set by all directorates combined, which then gives a picture of how the municipality has performed. *NB:* Analysis report of the Quarter is based on seven Directorates, that is, Technical Services, including WSP, Community Services, Office of the Municipal Manager, Institutional Support & Advancement, Finance and Corporate Services.

1.5.2.1 OFFICE OF THE MUNICIPAL MANAGER

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	N/A	N/A	N/A	N/A	N/A
<i>Local Economic Development</i>	1	1	0	0	0
<i>Financial Management and Viability</i>	1	1	0	0	0
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	9	9	0	0	0
Total	12	12	0	0	0

The table above shows that the average directorate performance for all KPAs is sitting at **100%**

1.5.2.2 CORPORATE SERVICES

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	N/A	N/A	N/A	N/A	N/A
<i>Local Economic Development</i>	N/A	N/A	N/A	N/A	N/A
<i>Financial Management and Viability</i>	2	2	0	0	0
<i>Institutional Development and Municipal Transformation</i>	3	3	0	0	0
<i>Good Governance and Public participation</i>	7	6	0	1	0
Total	12	11	0	1	0

The table above shows that the average directorate performance for all KPAs is sitting at **92%**.

1.5.2.3 FINANCIAL SERVICES

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	1	1	0	0	0
<i>Local Economic Development</i>	N/A	N/A	N/A	N/A	N/A
<i>Financial Management and Viability</i>	5	4	0	1	0
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	6	6	0	0	0
Total	13	12	0	1	0

The table above shows that the average directorate performance for all KPAs is sitting at **92%**

1.5.2.4 INSTITUTIONAL SUPPORT AND ADVANCEMENT

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	N/A	N/A	N/A	N/A	N/A
<i>Local Economic Development</i>	1	1	0	0	0
<i>Financial Management and Viability</i>	1	1	0	0	0
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	10	9	0	1	0

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
Total	13	12	0	1	0

The table above shows that the average directorate performance for all KPAs is sitting at **92%**.

1.5.2.5 TECHNICAL SERVICES

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	4	4	0	0	0
<i>Local Economic Development</i>	1	0	0	0	1
<i>Financial Management and Viability</i>	3	2	0	1	0
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	6	6	0	0	0
Total	15	13	0	1	1

The table above shows that the average directorate performance for all KPAs is sitting at **87%**.

1.5.2.6 WATER SERVICES PROVISION

Analysis Results					
KPA	No. of Targets set	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	N/A	N/A	N/A	N/A	N/A
<i>Local Economic Development</i>	N/A	N/A	N/A	N/A	N/A
<i>Financial Management and Viability</i>	2	2	0	0	0
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	5	5	0	0	0
Total	8	8	0	0	0

The table above shows that the average directorate performance for all KPAs is sitting at **100%**

1.5.2.7 COMMUNITY SERVICES

Analysis Results					
KPA	No. of Targets set for the quarter	No. of Targets achieved	No. of Targets partially achieved	No. of Targets not achieved	Information not available
<i>Service Delivery and Infrastructure Provision</i>	5	5	0	0	0
<i>Local Economic Development</i>	N/A	N/A	N/A	N/A	N/A
<i>Financial Management and Viability</i>	N/A	N/A	N/A	N/A	N/A
<i>Institutional Development and Municipal Transformation</i>	1	1	0	0	0
<i>Good Governance and Public participation</i>	6	6	0	0	0
Total	12	12	0	0	0

The table above shows that the average directorate performance for all KPAs is sitting at **100%**

PART 2: FINANCIAL PERFORMANCE

DC14 Joe Gqabi - Table C1 Consolidated Monthly Budget Statement Summary - Q1 First Quarter

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	167 059	167 059	11 420	36 646	41 765	(5 118)	-12%	167 059
Investment revenue	-	6 720	6 720	153	438	1 680	(1 242)	-74%	6 720
Transfers and subsidies	-	450 219	450 219	3 347	117 515	112 555	4 960	4%	450 219
Other own revenue	-	38 285	38 285	3 145	9 381	9 571	(190)	-2%	38 285
Total Revenue (excluding capital transfers and contributions)	-	662 284	662 284	18 065	163 980	165 571	(1 591)	-1%	662 284
Employee costs	-	226 046	226 046	17 248	51 759	56 511	(4 753)	-8%	226 046
Remuneration of Councillors	-	6 062	6 062	488	1 464	1 516	(52)	-3%	6 062
Depreciation & asset impairment	-	49 957	49 957	-	-	12 489	(12 489)	-100%	49 957
Finance charges	-	7 561	7 561	-	0	1 890	(1 890)	-100%	7 561
Materials and bulk purchases	-	22 364	22 364	3 227	5 680	5 591	89	2%	22 364
Transfers and subsidies	-	11 715	11 715	930	1 819	2 929	(1 109)	-38%	11 715
Other expenditure	-	285 119	285 119	31 301	49 313	71 280	(21 967)	-31%	285 119
Total Expenditure	-	608 824	608 824	53 194	110 035	152 206	(42 171)	-28%	608 824
Surplus/(Deficit)	-	53 460	53 460	(35 129)	53 945	13 365	40 580	304%	53 460
Transfers and subsidies - capital (monetary alloc	-	165 025	165 025	8 176	57 162	41 256	15 906	39%	165 025
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	218 485	218 485	(26 952)	111 108	54 621	56 487	103%	218 485
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	218 485	218 485	(26 952)	111 108	54 621	56 487	103%	218 485
Capital expenditure & funds sources									
Capital expenditure	-	241 934	241 934	9 024	17 680	60 484	(42 803)	-71%	241 934
Capital transfers recognised	-	169 434	169 434	9 024	17 680	42 359	(24 678)	-58%	169 434
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	72 500	72 500	-	-	18 125	(18 125)	-100%	72 500
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	241 934	241 934	9 024	17 680	60 484	(42 803)	-71%	241 934
Financial position									
Total current assets	358 973	246 604	246 604	-	202 928	-	-	-	246 604
Total non current assets	-	2 024 258	2 024 258	-	1 851 053	-	-	-	2 024 258
Total current liabilities	-	109 097	109 097	-	60 170	-	-	-	109 097
Total non current liabilities	-	127 846	127 846	-	60 038	-	-	-	127 846
Community wealth/Equity	-	2 033 919	2 033 919	-	1 933 773	-	-	-	2 033 919
Cash flows									
Net cash from (used) operating	-	205 042	205 042	(34 491)	25 016	51 261	26 244	51%	205 042
Net cash from (used) investing	-	(241 934)	(241 934)	(9 024)	(17 680)	(60 484)	(42 803)	71%	(241 934)
Net cash from (used) financing	-	69 630	69 630	(1 147)	(1 147)	17 408	18 555	107%	69 630
Cash/cash equivalents at the month/year end	-	33 059	33 059	-	6 883	8 506	1 623	19%	33 432
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	18 438	17 132	16 247	14 854	14 742	16 334	84 635	306 718	489 099
Creditors Age Analysis									
Total Creditors	14 424	-	-	-	-	-	-	-	14 424

DC14 Joe Gqabi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		–	238 588	238 588	199	114 653	59 647	55 006	92%	238 588
Executive and council		–	20 697	20 697	–	–	5 174	(5 174)	-100%	20 697
Finance and administration		–	214 590	214 590	199	114 653	53 648	61 006	114%	214 590
Internal audit		–	3 301	3 301	–	–	825	(825)	-100%	3 301
<i>Community and public safety</i>		–	32 488	32 488	–	–	8 122	(8 122)	-100%	32 488
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	16 163	16 163	–	–	4 041	(4 041)	-100%	16 163
Housing		–	–	–	–	–	–	–	–	–
Health		–	16 325	16 325	–	–	4 081	(4 081)	-100%	16 325
<i>Economic and environmental services</i>		–	281 155	281 155	8 392	48 954	70 289	(21 335)	-30%	281 155
Planning and development		–	238 954	238 954	5 162	45 724	59 738	(14 015)	-23%	238 954
Road transport		–	29 515	29 515	3 230	3 230	7 379	(4 149)	-56%	29 515
Environmental protection		–	12 686	12 686	–	–	3 171	(3 171)	-100%	12 686
<i>Trading services</i>		–	275 077	275 077	17 651	57 536	68 769	(11 233)	-16%	275 077
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	135 743	135 743	12 232	38 968	33 936	5 033	15%	135 743
Waste water management		–	139 335	139 335	5 419	18 568	34 834	(16 266)	-47%	139 335
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	–	827 308	827 308	26 241	221 143	206 827	14 316	7%	827 308
Expenditure - Functional										
<i>Governance and administration</i>		–	121 529	121 529	9 290	26 214	30 382	(4 168)	-14%	121 529
Executive and council		–	20 697	20 697	1 988	5 798	5 174	624	12%	20 697
Finance and administration		–	97 531	97 531	6 999	19 534	24 383	(4 848)	-20%	97 531
Internal audit		–	3 301	3 301	302	882	825	56	7%	3 301
<i>Community and public safety</i>		–	32 488	32 488	2 271	6 818	8 122	(1 304)	-16%	32 488
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	16 163	16 163	1 089	3 200	4 041	(840)	-21%	16 163
Housing		–	–	–	–	–	–	–	–	–
Health		–	16 325	16 325	1 182	3 617	4 081	(464)	-11%	16 325
<i>Economic and environmental services</i>		–	198 534	198 534	28 206	36 899	49 634	(12 735)	-26%	198 534
Planning and development		–	157 929	157 929	26 235	30 571	39 482	(8 911)	-23%	157 929
Road transport		–	29 515	29 515	1 880	5 988	7 379	(1 391)	-19%	29 515
Environmental protection		–	11 090	11 090	91	340	2 773	(2 433)	-88%	11 090
<i>Trading services</i>		–	256 273	256 273	13 427	40 104	64 068	(23 964)	-37%	256 273
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	220 320	220 320	9 115	28 043	55 080	(27 037)	-49%	220 320
Waste water management		–	35 953	35 953	4 312	12 062	8 988	3 073	34%	35 953
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>		–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	–	608 824	608 824	53 194	110 035	152 206	(42 171)	-28%	608 824
Surplus/ (Deficit) for the year		–	218 485	218 485	(26 952)	111 108	54 621	56 487	103%	218 485

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	14 404	13 380	12 643	11 441	11 422	13 108	67 180	217 869	361 446	321 020		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-		
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Waste Water Management	1500	4 034	3 748	3 604	3 413	3 320	3 226	17 452	88 852	127 649	116 263		
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	0	4	-	-	-	-	4	(3)	4	0		
Total By Income Source	2000	18 438	17 132	16 247	14 854	14 742	16 334	84 635	306 718	489 099	437 283	-	-
2018/19 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 110	1 090	901	634	590	640	5 055	10 951	20 970	17 869		
Commercial	2300	2 150	1 138	1 142	871	858	1 303	5 513	19 653	32 628	28 197		
Households	2400	15 136	14 866	14 170	13 321	13 266	14 363	73 883	274 861	433 866	389 694		
Other	2500	42	37	34	28	28	29	184	1 253	1 635	1 522		
Total By Customer Group	2600	18 438	17 132	16 247	14 854	14 742	16 334	84 635	306 718	489 099	437 283	-	-

Notes

Material increases in value of debtors' categories compared to previous month to be explained

Bad debts = amounts actually written off in the month

Total by Income Source must reconcile with Total by Customer Group

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2019/20									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	482									482	
Bulk Water	0200	998									998	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	11 243									11 243	
Auditor General	0800	580									580	
Other	0900	1 122									1 122	
Total By Customer Type	1000	14 424	-	-	-	-	-	-	-	-	14 424	-

Notes

Material increases in value of creditors' categories compared to previous month to be explained

DC14 Joe Qqabi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q1 First Quarter

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Management Services		-	-	-	-	-	-	-	-	-
Vote 2 - Institutional Support Advancement		-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services		-	153 524	153 524	9 024	16 890	38 381	(21 491)	-56%	153 524
Vote 7 - Water Services Provision		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	153 524	153 524	9 024	16 890	38 381	(21 491)	-56%	153 524
Single Year expenditure appropriation	2									
Vote 1 - Management Services		-	-	-	-	-	-	-	-	-
Vote 2 - Institutional Support Advancement		-	1 210	1 210	-	1	303	(301)	-100%	1 210
Vote 3 - Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services		-	2 200	2 200	-	-	550	(550)	-100%	2 200
Vote 5 - Community Services		-	1 000	1 000	-	-	250	(250)	-100%	1 000
Vote 6 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 7 - Water Services Provision		-	84 000	84 000	-	788	21 000	(20 212)	-96%	84 000
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	88 410	88 410	-	790	22 103	(21 313)	-96%	88 410
Total Capital Expenditure		-	241 934	241 934	9 024	17 680	60 484	(42 803)	-71%	241 934
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		-	3 410	3 410	-	1	853	(851)	-100%	3 410
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	3 410	3 410	-	1	853	(851)	-100%	3 410
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	154 524	154 524	9 024	16 890	38 631	(21 741)	-56%	154 524
Planning and development		-	153 524	153 524	9 024	16 890	38 381	(21 491)	-56%	153 524
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	1 000	1 000	-	-	250	(250)	-100%	1 000
<i>Trading services</i>		-	84 000	84 000	-	788	21 000	(20 212)	-96%	84 000
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	84 000	84 000	-	788	21 000	(20 212)	-96%	84 000
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	241 934	241 934	9 024	17 680	60 484	(42 803)	-71%	241 934
Funded by:										
National Government		-	169 434	169 434	9 024	17 680	42 359	(24 678)	-58%	169 434
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	169 434	169 434	9 024	17 680	42 359	(24 678)	-58%	169 434
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	72 500	72 500	-	-	18 125	(18 125)	-100%	72 500
Internally generated funds		-	-	-	-	-	-	-	-	-
Total Capital Funding		-	241 934	241 934	9 024	17 680	60 484	(42 803)	-71%	241 934

DC14 Joe Gqabi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:	1,2	-	355 244	355 244	-	143 056	143 056	-		355 244
Local Government Equitable Share			273 796	273 796		114 082	114 082	-		273 796
Finance Management			1 785	1 785		1 785	1 785	-		1 785
EPWP Incentive			1 504	1 504		376	376	-		1 504
Rural Roads Asset Management Systems Grant			2 315	2 315		1 621	1 621	-		2 315
Rural Households Infrastructure Grant	3							-		
Municipal Infrastructure Grant (MIG)			75 844	75 844	-	25 192	25 192	-		75 844
Provincial Government:		-	89 975	89 975	-	3 395	3 395	-		89 975
Department of Roads and Public Works			26 667	26 667	-	3 395	3 395	-		26 667
Department of Environmental Affairs								-		-
LG SETA			2 575	2 575				-		2 575
Department of Environmental Affairs								-		-
Municipal District recovery Grant								-		-
Municipal District recovery Grant	4		60 733	60 733				-		60 733
District Municipality:		-	4 000	4 000	-	-	-	-		4 000
Local Municipalities Fire Services			4 000	4 000				-		4 000
Other grant providers:		-	1 000	1 000	-	-	-	-		1 000
Private Enterprise			1 000	1 000				-		1 000
Total Operating Transfers and Grants	5	-	450 219	450 219	-	146 450	146 450	-		450 219
Capital Transfers and Grants										
National Government:		-	165 025	165 025	-	36 912	36 912	-		165 025
Municipal Infrastructure Grant (MIG)			81 025	81 025		26 912	26 912	-		81 025
Regional Bulk Infrastructure								-		
Water Services Infrastructure Grant			84 000	84 000		10 000	10 000	-		84 000
Housing Settlement								-		
Local Government Equitable Share								-		
Provincial Government:		-	-	-	6 335	10 318	10 318	-		-
Emergency Drought Relief					6 335	10 318	10 318	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Capital Transfers and Grants	5	-	165 025	165 025	6 335	47 230	47 230	-		165 025
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	615 243	615 243	6 335	193 680	193 680	-		615 243

DC14 Joe Gqabi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	350 835	350 835	22 931	89 090	89 867	(777)	-0,9%	350 835
Local Government Equitable Share			269 387	269 387	22 816	68 449	68 449	–		269 387
Finance Management			1 785	1 785	43	129	149	(20)	-13,6%	1 785
EPWP Incentive			1 504	1 504	72	72	251	(178)	-71,2%	1 504
Rural Roads Asset Management Systems Grant			2 315	2 315			579	(579)	-100,0%	2 315
Municipal Infrastructure Grant (MIG)			75 844	75 844	–	20 440	20 440	–		75 844
Provincial Government:		–	89 975	89 975	3 230	7 107	22 494	(15 387)	-68,4%	89 975
Department of Roads and Public Works			26 667	26 667	3 230	7 107	6 667	440	6,6%	26 667
LG SETA			2 575	2 575	–	–	644	(644)	-100,0%	2 575
Department of Environmental Affairs										
Municipal District recovery Grant										
Municipal District recovery Grant			60 733	60 733	–	–	15 183	(15 183)	-100,0%	60 733
District Municipality:		–	4 000	4 000	–	–	1 000	(1 000)	-100,0%	4 000
Local Municipalities Fire Services			4 000	4 000			1 000	(1 000)	-100,0%	4 000
Other grant providers:		–	1 000	1 000	–	–	250	(250)	-100,0%	1 000
Private Enterprise			1 000	1 000			250	(250)	-100,0%	1 000
Total operating expenditure of Transfers and Grants:		–	445 809	445 809	26 161	96 197	113 611	(17 414)	-15,3%	445 809
Capital expenditure of Transfers and Grants										
National Government:		–	169 434	169 434	6 990	26 571	42 359	(15 787)	-37,3%	169 434
Municipal Infrastructure Grant (MIG)			81 025	81 025	3 904	9 223	20 256	(11 033)	-54,5%	81 025
Regional Bulk Infrastructure			–	–			–	–		
Water Services Infrastructure Grant			84 000	84 000	3 086	17 348	21 000	(3 652)	-17,4%	84 000
Housing Settlement										
Local Government Equitable Share			4 410	4 410			1 102	(1 102)	-100,0%	4 410
Provincial Government:		–	–	–	1 186	7 681	–	7 681	#DIV/0!	–
Emergency Drought Relief					1 186	7 681		7 681	#DIV/0!	–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	169 434	169 434	8 176	34 252	42 359	(8 106)	-19,1%	169 434
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	615 243	615 243	34 338	130 449	155 969	(25 521)	-16,4%	615 243

PART 3


Quarterly projections of service delivery targets and performance indicators for each vote

KPA 1: Service Delivery and Infrastructure provision

STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE (Baseline)		CURRENT PERIOD	QUARTERLY TARGETS (2019/20FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Target)	2019/20 FY Target	Qtr. 1	Qtr. 1 Actual					
Provide access to basic services	SD01: Develop and maintain water and sanitation infrastructure	SD01-01	% compliance with SANS 241 for drinking water quality	94.5%	97%	95%	N/A	N/A	N/A	N/A	N/A	IRIS report	WSP
	SD02: Provide effective and efficient disaster risk management, fire and rescue services	SD01-02	Ratio of fire incidents timely responded to as a proportion of entries in the Occurrence Book.	01:01	01:01	01:01	01:01	01:01	👍	None	None	Report of fire incidents responded to	Community Services
	SD03: Expand and fast-track provision of universal access to basic services	SD03-01	% of households earning less than R1100 (national indigent declaration) per month with access to free basic services (water and sanitation)The Municipality is providing more than threshold	100% of registered households (indigents)	100% of registered households (indigents)	100% of registered households (indigents)	100% of registered households (indigents)	100% of registered households (indigents)	100% of registered households (indigents)	👍	None	None	1.Billing report


STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE (Baseline)		CURRENT PERIOD	QUARTERLY TARGETS (2019/20FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Target)	2019/20 FY Target	Qtr. 1	Qtr. 1 Actual					
		SD03-02	% of households with access to basic level of water	74%	74%	75%	N/A	N/A	N/A	N/A	N/A	1.Calculation Report	Community Services
		SD03-03	% of households with access to a basic level of sanitation	84%	84%	87%	N/A	N/A	N/A	N/A	N/A	1. Calculation Report	Community Services
	SD04: Render effective municipal health services	SD04-01	Number of inspections on health establishment premises	N/A	New Indicator	2 inspections of 95 health establishment premises	N/A	N/A	N/A	N/A	N/A	Inspection reports	Community Services
	SD05: Support maintenance of road networks in the District	SD05-01	Number of kilometers of gravel roads graded	2158km	2800km	2000km	500 km	748km	👍	Good wet conditions allowed more grading to be done.	None. More km's graded means good performance on the SLA. This will also lead to the DM being able to spend the full DOT allocation without a need for re-allocation	1. Report to Standing Committee. 2.DPW MIS Report	Technical Services


KPA 2: Local Economic Development

STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE (Baseline)		CURRENT PERIOD 2019/20 FY Target	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Target)		Qrt. 1	Qrt. Actual					
Facilitate and implement job creation and poverty alleviation initiatives	LED01: Implement and expand implementation of EPWP and other job creation initiatives	LED01-01	Number of jobs created through local economic-development initiatives including capital projects.	655	2020	650	150	Information not yet available		EPWP MIS to be published by end of October	To be reported as soon as the report is available	1. List of participants 2. Report from DPW 3. Report to MayCo	Technical Services & WSP
	LED02: Support and facilitate rural development and poverty alleviation programmes	LED02-01	Number of hectares cultivated on the RAFI programme	N/A	New Indicator	50 Hectares	N/A	N/A	N/A	N/A	N/A	1. Implementation Plan 2. Report to MayCo	OMM
	LED03: Facilitate and actively participate in youth, women and people with disability development programmes	LED03-01	Number of capacity building workshops for youth, women and people with disabilities	1	3	3	N/A	N/A	N/A	N/A	N/A	1. Attendance Registers 2. Training programme 3. Training Report Report to MayCo	OMM


STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE (Baseline)		CURRENT PERIOD 2019/20 FY Target	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Target)		Qrt. 1	Qrt. Actual					
Facilitate and support regional economic development initiatives	LED04: Facilitate and support local economic development initiatives	LED04-01	Number of SMMEs trained	New Indicator	27	23	N/A	N/A	N/A	N/A	N/A	1.Attendance Registers Training programme 2. Training Report 3. Report to MayCo	JoGEDA

KPA 3: Financial Viability and Management



STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE BASELINE		CURRENT PERIOD	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action Qrt.4	EVIDENCE	DIRECTORATE
				2017/18FY (Actual Audited)	2018/19FY (Target)	2019/20 FY Target	Qtr. 1	Qtr. 1 Actual					
Ensure sound and effective financial management and reporting	FM01: Comply with all statutory financial management and reporting requirements	FM01-01	% of capital budget actually spent on capital projects identified in the IDP	64%	100%	100%	15%	18.6%		Budget was overspent due to the DORA requirement with MIG expenditure. MIG must be at 40% end December to avoid stopping of allocation.	Ensure that MIG expenditure is at 40% at end of December 2019 to avoid stopping of the allocation	Income and expenditure report	Technical Services
		FM01-02	Improvement in financial viability ratios	N/A	New Indicator	Cost coverage ratio: 2.02 Debt coverage ratio: 2.03 Outstanding service debtors to revenue ratio: 1.8	N/A	N/A	N/A	N/A	N/A	S71 Report to Council	Finance
		FM01-03	% of budget actually spent on implementing workplace skills plan	75%	100%	100%	N/A	N/A	N/A	N/A	N/A	N/A	Income and Expenditure report


STRATEGIC OBJECTIVE	PROGRAMME / STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE BASELINE		CURRENT PERIOD	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action Qrt.4	EVIDENCE	DIRECTORATE
				2017/18FY (Actual Audited)	2018/19FY (Target)	2019/20 FY Target	Qtr. 1	Qtr. 1 Actual					
		FM01-04	% of operational budget allocated for repairs and maintenance	New Indicator	8%	8%	N/A	N/A	N/A	N/A		1. Approved budgeted allocation	Finance & WSP
	FM02: Implement revenue collection and enhancement strategy initiatives	FM02-01	% of billed revenue collected	30%	40%	30%	N/A	N/A	N/A	N/A	N/A	1. Billing report 2. Report to MayCo	Finance
	FM03: Implement anti-fraud and anti-corruption measures	FM03-01	Ratio of identified cases of fraud and corruption acted on	N/A	New Indicator	01:01	01:01	01:01		None	None	1. Case number 2. Report to MayCo	Corporate Services

KPA 4: Institutional Development and Transformation

STRATEGIC OBJECTIVE	PROGRAMME STRATEGY	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE Baseline		CURRENT PERIOD 2019/20 FY Target	QUARTERLY TARGETS (2018/19 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	RESPONSIBLE DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Unaudited)		Qtr. 1	Qtr. 1 Actual					
Improve human resource capacity and potential	ID01: Effectively empower and develop skills base within the District	ID01-01	Number of people from employment equity target groups employed in the three highest levels of management in compliance with EEP	23	11	11	N/A	N/A	N/A	N/A	N/A	Report to Mayco	Corporate Services
		ID01-02	Number of internships & learnership opportunities created	53	48	48	N/A	N/A	N/A	N/A	N/A	1. Report to Mayco	Corporate Services
		ID01-03	Fill all budgeted and funded vacant posts	Not Achieved	Not Achieved	All vacant budgeted posts filled	N/A	N/A	N/A	N/A	N/A	1. Report to management	Corporate Services
	ID02: Maintain conducive working conditions for staff	ID02-01	Number of LLF meetings held	3	4	4	1	1		None	None	1. Minutes 2. Attendance Registers	Corporate Services

KPA 5: Good Governance and Public Participation

STRATEGIC OBJECTIVE	PROGRAMME	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE Baseline		CURRENT PERIOD 2019/20 FY (Target)	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Unaudited)		Qtr. 1	Qtr. 1 Actual					
Facilitate intergovernmental cooperation and coordination	GG01: Support and facilitate in intergovernmental cooperation initiatives	GG01-01	Number of DIMAFO meetings held	2	4	4	1	0		Due to the busy schedule of the District and Local Municipalities. In trying to arrange EXCO visit and NCOP the meeting then could not sit	To be arranged for the 23 October 2019	1. Minutes 2. Attendance Registers	Institutional Support & Advancement
	GG02: Establish and maintain stakeholder engagement initiatives	GG02-01	Number of Council meetings held	11	11	11	3	2		One(1) meeting postponed	To assemble on 03.10.2019	1. Minutes 2. Attendance Register	Corporate Services
		GG02-02	Number of Mayoral outreach programs held in each Local Municipality	1 Mayoral outreach held in each Local Municipality	1 Mayoral outreach held in each Local Municipality	1 Mayoral outreach held in each Local Municipality	N/A	N/A	N/A	N/A	N/A	1. Attendance Registers 2. Outreach report	Institutional Support & Advancement
GG03: Provide support to local municipalities	GG03-01	Number of IDP/PMS and Internal Audit support initiatives for local municipalities	New Indicator	3	3	N/A	N/A	N/A	N/A	N/A	1. Report to Mayco 2. Attendance Registers	Institutional Support and Advancement & OMM	

STRATEGIC OBJECTIVE	PROGRAMME	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE Baseline		CURRENT PERIOD	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Unaudited)		2019/20 FY (Target)	Qtr. 1					
<ul style="list-style-type: none"> Establish and support municipal oversight systems, mechanisms and processes 	GG04: Ensure and maintain corporate governance	GG04-01	Compile 2017/18FY annual report	2016/17 FY Annual Report approved by Council	Annual Report approved by Council	Annual Report approved by Council	N/A	N/A	N/A	N/A	N/A	1. Approved Annual Report. 2. Council Resolution	OMM
		GG04-02	Compile 2019/20 FY MTEF Budget	2017/18 FY MTEF Budget approved by Council	2018/19 FY MTEF Budget approved by Council	2019/20 FY MTEF Budget approved by Council	N/A	N/A	N/A	N/A	N/A	1. Approved Budget 2. Council Resolution adopting the budget	Finance
		GG04-03	Compile 2019/20 FY IDP	2017/18 FY final reviewed IDP approved by Council	2018/19 reviewed IDP approved by Council	2019/20 FY IDP compiled and approved by Council	N/A	N/A	N/A	N/A	N/A	1. 2019/2020 FY IDP 2. Council resolution	OMM
		GG04-04	Number of signed performance agreements for Directors & Managers directly reporting to the Municipal Manager including the Municipal Manager	7	8	8	8	8		None	None	8 signed performance agreements	OMM

STRATEGIC OBJECTIVE	PROGRAMME	KPI NUMBER	KEY PERFORMANCE INDICATOR	PAST PERFORMANCE Baseline		CURRENT PERIOD 2019/20 FY (Target)	QUARTERLY TARGETS (2019/20 FY)		Snapshot	Variance	Corrective Action	EVIDENCE	DIRECTORATE
				2017/18 FY (Actual Audited)	2018/19 FY (Unaudited)		Qtr. 1	Qtr. 1 Actual					
		GG04-05	Clean audit outcomes achieved	2016/17 FY Unqualified Audit opinion	2017/18 FY Clean audit outcomes achieved	2018/19 FY Clean audit outcomes achieved	N/A	N/A	N/A	N/A	N/A	Audit report	All Directors
		GG04-06	Number of MPAC meetings held	4	4	4	1	1	👍	None	None	1. Minutes 2. Attendance Register	OMM
		GG04-07	Number of Audit and Performance Committee meetings held	5	5	5	1	1	👍	None	None	1. Minutes 2. Attendance Register	OMM
Facilitate the development of a healthy and inclusive society	GG05: Facilitate Implementation of programmes supporting special groups	GG05-01	Hold District Mayor's Cup	New Indicator	District Mayoral Cup held	District Mayoral Cup held	N/A	N/A	N/A	N/A	N/A	1. Report to Mayco	OMM
		GG05-02	Hold District Sondela Youth Festival	New Indicator	District Sondela Youth Festival held	District Sondela Youth Festival held	N/A	N/A	N/A	N/A	N/A	1. Report to Mayco	OMM

PART 4: CAPITAL PROJECTS PERFORMANCE

The capital projects that are managed by the Project Management Unit (PMU), which is situated at the Technical services Directorate are as follows:

- (1) MIG
- (2) DBSA FRONTLOADING
- (3) ECPT
- (5) Drought Relief Mitigation Grant
- (4) EPWPIG

Note: The municipality has no allocation for the RBIG this financial year as the approval of funding for the two projects that have completed their Implementation Ready Studies (IRS) is outstanding. The approval was granted by the province and now awaiting national response.

4.1 Municipal Infrastructure Grant (MIG)

The allocation for JGDM for 2019/20 financial year is **R 156 868 000.00**. The expenditure to date is **R 29 203 831 (18.6%)**

The municipality is implementing eleven (11) projects across the district; distributed as follows:

- Elundini LM - 4 Projects
- Senqu LM - 4 Projects
- Walter Sisulu LM - 3 Project

The projects are detailed on **table 1** below

Month	Transfers due from Treasury	Cumulative transfers received	Transfers received as a % of total allocation	Planned monthly expenditure (cumulative)	Planned monthly expenditure (% cumulative)	Actual monthly expenditure	Actual expenditure (cumulative)	Actual % expenditure (cumulative)
Jul-19	R 52 104 000	R 52 104 000	33%	R 9 505 863,67	6%	R 352 193	R 352 193	0,2%
Aug-19				R 17 586 747,34	11%	R 25 119 752	R 25 471 944	16,2%
Sep-19				R 29 224 767,01	19%	R 3 731 886	R 29 203 831	18,6%
Oct-19	R 33 612 000	R 85 716 000	55%	R 44 184 806,68	28%		R 29 203 831	18,6%
Nov-19				R 62 104 176,35	40%		R 29 203 831	18,6%
Dec-19	R 30 576 000	R 116 292 000	74%	R 74 302 435,02	47%		R 29 203 831	18,6%
Jan-20				R 77 790 605,69	50%		R 29 203 831	18,6%
Feb-20				R 95 715 976,36	61%		R 29 203 831	18,6%
Mar-20	R 40 576 000	R 156 868 000	100%	R 108 916 061,03	69%		R 29 203 831	18,6%
Apr-20				R 122 539 954,70	78%		R 29 203 831	18,6%
May-20				R 136 580 546,37	87%		R 29 203 831	18,6%
Jun-20				R 156 868 000	100%		R 29 203 831	18,6%
TOTAL	R 156 868 000							

Figure 1: Expenditure Report to Date

4.2 MIG Funded project details 2019/20 Financial Year

Project Name	Project Description	LM	Allocation	Expenditure	Progress to date	Challenges	Mitigation plans
Sterkspruit: Upgrading of WTW and Bulk Lines	The construction of 9km bulk line between Herschel and Sterkspruit	Senqu LM, Sterkspruit	R 12 000 000.0	R 0	75% Complete – A new contractor has been appointed to replace the one that was terminated. The introduction of the contractor was done on the 13 th of September 2019	None at this stage, as the major issue was to get the contractor appointed which has been done.	None
Ugie Bulk Water Infrastructure Phase 2	This is Phase B of the project. Moving of the abstraction point to where the river is not contaminated	Elundini, Ugie	R 4 000 000.00	R 0	30% Complete – The project is Design and procurement stage	The PSP has failed completely to deliver as required. Meetings have been schedule and plans laid out, however they never seem to be able to deliver	The municipality is the process of terminating the services of the PSP and appoint a new one which will be appointed in 2019/20 financial year
Jamestown Bucket Eradication and Sanitation - Phase 2	Construction of two pump stations and reticulation pipelines	Walter Sisulu LM, Jamestown	R 10 000 000.00	R 0	Pipeline contract –50% Pump Stations – 100% The project was completed at the end of November 2018. The tender for the Pipeline contract has gone out to tender and closed on the 25 th of March 2019. Still yet to appoint as the process is at BEC & BAC stage	The SCA had instructed the municipality to re-advertise the Pipeline tender This process has taken longer than anticipated.	The Tender for the project has been advertised and closed, the BEC and BAC have concluded their work and now awaiting the approval of recommendation by the MM
Senqu Rural Sanitation VIP Toilet Programme	Construction of VIP toilets in Sterkspruit using SMMEs	Senqu LM, Sterkspruit	R 25 000 000.00	R 10 374 128	The IA is finalising the intake of new SMMEs	Appointments of SMMEs taking longer than it was planned	Engage the IA to fast track the appointment of SMMEs
Elundini Rural Water	Construction of water supply infrastructure in 109 villages in Maclear including reservoir, pipelines, pressure tanks, standpipes, etc	Elundini LM, Maclear	R 10 024 600.00	R 0	20% Complete – The project is at Design Stage and Tender stage. The procurement of Sub-Consultants have been evaluated and adjudicated, and now the BEC & BAC reports have been	Awaiting for ORIO to approve the Request for Quotation (RFQ) before they are sent to appointed Service Providers	Orio was given 14 days to finalise the evaluation of RFQ documents

Project Name	Project Description	LM	Allocation	Expenditure	Progress to date	Challenges	Mitigation plans
					sent to ORIO and once ORIO gives a go ahead, the Consultant will be able to complete the designs		
Elundini Rural Sanitation Programme	Construction of VIP toilets in Elundini using local SMMEs	Elundini LM,	R 25 000 000.00	R 10 065 793.92	The IA is busy finalising the intake of new SMMEs	Appointments of SMMEs taking longer than it was planned	Engage the IA to fast track the appointment of SMMEs
Senqu Rural Water Supply: Network Extension	The project seeks to provide quick water supply to Senqu villages and entails, Boreholes, Spring protection, pipelines, storage tanks, fittings, etc	Senqu LM, Sterkspruit	R 25 000 000.00	R 5 342 360,14	Two PSP out of four are currently on site, the other two will be appointed in August 2019	There are two PSPs that have not yet been appointed correctly by JOGEDA from those that were appointed by the previous IA	Engagements with JOGEDA are on going to ensure that all PSP are appointed as resolved
Upscaling of Barkly East Bulk Water Infrastructure	The project is about upgrading bulk water infrastructure in Barkly East to accommodate the new 298 housing units that will be built by DoHS	Senqu LM, Barkly East	R 20 000 000.0	R 2 207 692.87	70% Complete, The project is divided into two; phase 1 and phase 2. Phase 1 is construction from the raw water P/S to the WTW, and Phase 2 is the upgrade at the WTW and pipeline to the reservoir. Phase 1: 90% & Phase 2: 50%	None	None
Aliwal North WTP Off-Channel Dam	Construction of Two off-channel dam at the Aliwal North WTP for raw water storage	Walter Sisulu LM, Aliwal North,	R 10 000 000.00	R 0	The project not yet been registered for funding, was be presented to Eastern Cape Technical Appraising Committee (ECTAC) on 19 August 2019 and was recommended by ECTAC for funding. Will be presented to the Pre District Appraisal Committee (DAC) on the 14 October 2019	None	None
Upgrading of	Upgrading of Ugie internal	Elundini LM,	R 5 000 000.00	R 0	The project not yet been	None	None

Project Name	Project Description	LM	Allocation	Expenditure	Progress to date	Challenges	Mitigation plans
Sanitation Services for Ugie	sewer line, construction of two new pump stations and waste water treatment works	Ugie			registered for funding, was be presented to Eastern Cape Technical Appraising Committee (ECTAC) on 19 August 2019 and was recommended by ECTAC for funding. Will be presented to the Pre District Appraisal Committee (DAC) on the 14 October 2019		
Venterstad Water Services	Venterstad Water Services	WSLM, Venterstad	R 3 000 000.00	R 0	The project will be recommended to be removed from the 3 year capital plan, as the project need could not be confirmed. When TS visited Venterstad to assess the project need, it was discovered that there was no capital project need but maintenance of existing infrastructure.	None	None
PMU Top Slice	Management of the PMU office	JGDM	R 7 843 400	R 721 057.78			
TOTALS			R 156 686 000	R 25 351 356.61			

4.3 DBSA FRONLOADING LOAN WITH MIG FUNDS

The loan secured for JGDM for 2019/20 and 2020/21 financial years is **R 145 002 404.00**. The allocation for the current financial year is R 72 501 201.50 as distributed in the table below. The expenditure to date is **R 2 270 162.35 (3.1%)**

The municipality is implementing two (2) projects across the district; distributed as follows:

- Elundini LM - 2 Projects

Project Name	Project Description	LM	Allocation	Expenditure	Progress to date	Challenges	Mitigation plans
Bulk Sanitation Infrastructure Upgrade For Maclear: Phase 3B	The Works comprises of the construction of a bulk gravity collector sewer which will gravitate to the new Brickfield's Pump Station, from where the wastewater is pumped to the existing Wastewater Treatment Works via a new 350mm Ø rising main.	Elundini LM, Maclear	R 24 503 384.50	R 1 568 935.38	25% Complete – The project designs have been completed and now the project is on tender stage. Tender has closed on 25 th March 2019, and JGDM is busy with Evaluation of Tenders	The delays on finalising the procurement of contractors is starting to delay the planned progress in the project.	None
Maclear Water Treatment and Distribution Upgrade	Civil Engineering Services for Maclear Water Treatment and Distribution Upgrade in the town of Maclear and surrounding townships	Elundini LM, Maclear	R 47 997 817.50	R 701 226.97	25% Complete – The project designs have been completed and now the project is on tender stage. Tender has closed on 25 th March 2019, and JGDM is busy with Evaluation of Tenders	The delays on finalising the procurement of contractors is starting to delay the planned progress in the project.	None
TOTALS			R 72 501 202	R 2 270 162.35			

4.4 Cape Provincial Treasury (ECPT)

The municipality does not have any allocation for 2019/20 on the ECPT Drought Relief grant. The municipality was allocated R 40 000 000.00 in 2018/19 FY, and because the grant is a schedule 6, it is transferred to the ECPT, and therefore implemented according to government departments' financial year cycle. ECPT applied for a roll-over of R 14 000 000.00 to 2019/20 financial year, hence the municipality is still reporting on the grant this financial year, which will end in March 2020.

The expenditure in this report is reflected in two (2) phases, i.e. expenditure as per the funder's financial year and municipal financial year.

The expenditure to date is as follows:

- **Department's FY (April to June 2019):** **R 43 205 104.72 (108%)**
- **Municipal FY (July – June 2019):** **R 35 929 814.36 (89.8%)**

There are currently three (3) projects that are being implemented this financial year, and these projects are reflected in the table below.

Project Name	Project Description	LM	Allocation	Expenditure	Progress to date	Challenges	Mitigation plans
Burgersdorp Plantation Sump and Boreholes	Construction of plantation sump, pump station and boreholes and access paved road to the WTW	Walter Sisulu	R 8 708 192.95	R 8 070 553.34	100% <ul style="list-style-type: none"> Project is practically complete, 	None	None
6ML Storage Reservoir at Burgersdorp WTW	Construction of 6ML storage concrete reservoir	Walter Sisulu	R 26,667,014.80	R 23 999 306.30	99% <ul style="list-style-type: none"> Project is practically complete 	The reservoir was found to be leaking after tests were done, and the Consultant and the Contractor are busy sorting the leak out	None
Lady Grey- Sub-Project 4/ Additional storage and ground water supply	Construction of boreholes with pump houses, connected pipelines and three storage reservoirs	Senqu, Lady Grey	R 51 979 345.80	R 46 000 468.94	100% complete <ul style="list-style-type: none"> There was just a snag on the reservoirs, which were leaking, and the contractor was attending to that 	None	None
TOTALS			R 87 354 553.60	R 78 070 328.58			

Table 1: ECPT Funded Projects 2019/20 Financial Year

4.5 Water Services Infrastructure Grant: Drought Relief Mitigation

The municipality was allocated late in 2018/19 financial year a drought relief mitigation grant as part of averting drought disaster within the district. The municipality was allocated R 7 673 000.00 for 2018/19 financial year. The municipality only managed to spend R 371 679.30 by the end of June 2019, and this was due to the fact that the grant was confirmed late in the financial year. This meant that the municipality had to apply for roll-over for the unspent portion of the grant. The unspent portion is R 7 301 320.70, which if the roll-over application is approved will be the budget for 2019/20 financial year.

The expenditure to date on the project is **R3 673 402**

The project is implemented at Elundini LM, and the table below provides progress and areas where the project is being implemented on:

No.	Village Name	Scope of work	Budget	Expenditure
1.			R 3 569 197.00	R 554 481.24
1.1	Swazini/Mdeni	Testing of existing borehole equipment, yield and water quality. Reticulation pipeline, valves and standpipe.		
1.2	Mgcantsini	Testing of existing borehole equipment, yield and water quality. Geohydrological investigation, drilling, testing and equipping of new borehole. Pipeline for connecting new borehole to existing infrastructure (500m)		
1.3	Luzi	Testing of 2 existing boreholes equipment, yield and water quality Equipping borehole EC-T34_501 with a diesel generator Refurbishment of pump and engine of borehole Rising main and reticulation pipeline, valves and standpipes for additional households (1700m)		
1.4	Sekoteng	Testing of existing borehole equipment, yield and water quality. Geohydrological investigation, drilling, testing and equipping of new borehole. Pipeline for connecting new borehole to existing infrastructure (870m) Reticulation pipeline including standpipes for additional households.		
1.5	Setaka	Testing of existing borehole equipment, yield and water quality. Reticulation pipeline including standpipes for additional households. Gravity reticulation main pipeline		
2			R 3 569 197.00	R 306 837.44
2.1	Ncembu	Reconstruction of damaged weir and increase its existing capacity. Refurbish the damaged existing pump, Backfill exposed pipelines with suitable material, and Replace damaged taps		
2.2	Mtshezi	The village does not have any proper water infrastructure, and therefore a new infrastructure is proposed		
2.3	Siqungqwini	Testing of the existing B/H and new generator to ascertain the fault and replace whichever is faulty.		
2.4	Goji	Existing B/H not working and therefore a new fully equipped B/H with a pump and a pump house to be developed		
2.5	Etyeni	The existing reservoir is leaving and therefore requires refurbishment.		
R 861 318,68				

4.6 Expanded Public Works Programme Incentive Grant (EPWPIG)

The municipality is committed to job creation, and therefore participate in Expanded Public Works Programme (EPWP). Municipalities are receiving incentives in this programme by just making sure that jobs that are created in municipal projects are reported on the EPWP reporting system. The municipality has received an incentive allocation of **R 1 504 000** for 2019/20

The expenditure to date is **R264 655 (20%)**. The expenditure includes labour costs, equipment, tools and PPE). The section is finalising the recruitment of labourers and procurement of tools and PPE.

The allocation for the next financial year is dependent on the number of jobs created by the municipality and reported to the EPWP MIS.

The following **table 4** shows the projects that are currently reporting on the system.

Table 2: EPWP reporting projects 2019/20 Financial Year

Project Name		Budget	Source of Funding	Project Status	Number of jobs Opportunities
Bulk Sanitation Infrastructure Upgrade For Maclear: Phase 3B	Elundini LM, Maclear	R 24 503 384	DBSA	Procurement Stage	30
Maclear Water Treatment and Distribution Upgrade	Elundini LM, Maclear	R 47 997 817	DBSA	Procurement Stage	40
Elundini rural sanitation phase 4	Elundini LM	R 34 000 000	MIG	On Construction – Reporting	50
Jamestown Bucket Eradication and Sanitation	Jamestown, WSLM	R 10 000 000	MIG	Procurement Stage	25
Senqu Rural Sanitation phase 4	Sterkspruit, Senqu LM	R 34 000 000	MIG	On Construction – Reporting	50
Sterkspruit Bulk Water infrastructure upgrade phase 2	Sterkspruit, Senqu LM	R 12 000 000	MIG	Procurement stage	38
Massive Job Creation	JGDM	R2 254 000	EPWPIG	Recruitment stage	90
Elundini Rural Water	Mt. Fletcher, Elundini LM	R 35 815 345	MIG	Procurement Stage	25
Upscaling of Barkly East Bulk Water Infrastructure	Barkly East, Senqu LM	R 20 000 000	MIG	On Construction – Reporting	30

PART 5: CONCLUSION

5.1 Conclusion

This document represents the Joe Gqabi District Municipality's detailed report back to citizens and stakeholders on the municipality's performance over the first quarter of the 2019/20 financial year. This report therefore 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 realise the objectives as set by Council. As such, this report not only reflects on milestones and challenges experienced, but also on the on-going commitment to progressively deepen accountability to the citizens of the Joe Gqabi District municipality area.