ZULULAND DISTRICT MUNICIPALITY

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

2013/14 FINANCIAL YEAR

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1. BACKGROUND TO THE MID-YEAR ASSESSMENT

In terms of Section *72(1) of the* Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the Accounting Officer of a municipality must, by 25 January of each year, assess the performance of the municipality during the first half of the financial year and submit a report on such assessment to the Mayor of the municipality, the National Treasury and the relevant Provincial Treasury. The Mayor must, in turn, comply with the provisions of Section 54(f), which includes submitting the report to council by 31 January of each year.

In performing this assessment, the Accounting Officer must take into account the following:

1. The monthly budget statements required in terms S71 for the first half of the year;
2. The municipality's SDBIP ; and
3. The past year's Annual Report.

2. MAYOR'S REPORT

MID-TERM DRAFT REPORT FOR THE HONOURABLE MAYOR OF ZULULAND DISTRICT MUNICIPALITY, CLLR VZ KAMAGWAZA MSIBI

The past six months have been hard and strenuous one as we were preparing for a number of functions/events in the Zululand District Municipality's yearly calendar.

To mention a few, the Youth Summit, the women's Summit, the IDP and Disaster Roadshows, the world Aids and Disabled Days, Christmas function for the Children as well for the Elderly as well as the ZDM Music Festival. We also hosted the ZDM Mayoral Awards which are aimed at acknowledging achievements in different categories by people who are originally coming from the district of Zululand.

The programme was first held in 2012 but it was only confined to Maskandi Musicians coming from our district. During 2013 we honoured people from sports, music, television and radio personalities.

We intend to continue with these honours as we want our achievers to be recognised here at home first before they get recognition somewhere else.

Allow me to assure everybody that our focus as the District Municipality has not shifted an inch in the past years. Producing potable water and sanitation for all our citizens remains the core function of ZDM. The total budget for the 2013/2014 financial year is R839 855 420 and to show our total commitment to our core function, a large chunk of the Capital Budget of R387 428 402 will be utilized for the provision of water and sanitation. This proves our seriousness about changing the lives of about one million residents of this district for the better.

Our operating budget is R452 427 018 and this year, despite not having been given the R30million special grant for the airport which was the case during the last financial year, our budget increased from last financial year's R829 648 886 to R839 855 420.

Although everybody is still fresh from the Festive Season, we have started working at ZDM. We are already allocating bursaries to 50 needy students (10 from each of our five local municipalities) who did well in their matric and are determined to continue with their studies at tertiary level. As part of our school programme, we will also be giving full school uniforms to 500 needy learners (100 from each of our five local municipalities).

As you are all aware, our district is grossly affected by draught and to show our commitment in solving water-related problems, the construction of 10 regional water supply schemes is continuing with the aim of rolling-out our water supply to the whole district. The regional water schems are:

- Coronation
- Hlahlindlela
- Khambi
- Mandlakazi
- Nkonjeni
- Simdlangentsha Central
- Simdlangentsha East
- Simdlangentsha West
- Usuthu and
- Candover

Although we are facing numerous, challenges one being the huge backlogs in the provision of water and sanitation that requires more than R3 billion, we are determined to eradicate water-related problems in our district and we are doing all we can to achieve that. However, lack of adequate funding from MIG delays the eradication of these backlogs. With God on our side will not tire out, but will complete what we have started.

As we have done in the past, we will continue to do our best with the little that we have and I want to assure all residents of our district that by the end of this financial year, we would have spent our entire budget on improving their lives for the better.

In conclusion I want to promise that we will continue with our good financial control systems which have earned us 13 consecutive unqualified audit opinions from the office of the Auditor-General.

I wish to thank all our EXCO and all ZDM Councillors and the ZDM Management and staff for their uncompromising commitment for all that we have achieved thus far.

Thank you!

3. ASSESSMENT OF MID-YEAR PERFORMANCE

EXUCUTIVE SUMMARY

72. (1) The accounting officer of a municipality must by 25 January of each year—

(a) assess the performance of the municipality during the first half of the financial year, taking into account—

(i) the monthly statements referred to in section 71 for the first half of the financial year;

(ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;

(iii) the past year's annual report, and progress on resolving problems identified in the annual report; and

(iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and

(b) submit a report on such assessment to—

(i) the mayor of the municipality;

(ii) the National Treasury; and

(iii) the relevant provincial treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)*(b)* of this section.

(3) The accounting officer must, as part of the review—

(a) make recommendations as to whether an adjustments budget is necessary; and

(b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Implementation of the municipality's budget in accordance with service delivery and budget implementation plan

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budget implementation

	budget	adjusted budget	total budget	YTD Actual	% spent
operating expenditure	R 449 212 547.00	R 0.00	R 449 212 547.00	R 215 679 275.00	48.01
capital expenditure	R 384 928 401.00	R 0.00	R 384 928 401.00	R 163 057 162.00	42.36
total budget	R 834 140 948.00	0	R 834 140 948.00	R 378 736 437.00	45.40

OPERATING EXPENDITURE

The municipality has of the approved Budget including operating commitments during the first half of the 2012/13 financial year.

Analysis of the different expenditure categories:

DETAILS	ANALYSIS
Employee cost	Year to date variance is less than 1%
Remuneration of Councillors	Year to date variance is favourable at -1%
Bad Debts and Depreciation	Year to date variance is favourable at -7%
Repairs & Maintenance	Though the Year to date variance is favourable at -26%, the expenditure will be accelerated during the latter 6 months of the year.
Grants & Subsidies paid	Year to date variance is favourable.

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CAPITAL PROGRAMME EXPENDITURE

The progress of Capital Expenditure is indicated below:

CAPITAL PROGRAMME	REASON FOR THE VARIANCE
Capital expenditure	
MIG	MIG expenditure is on target to be fully spent by 30 June 2014
DWAF	Expenditure is below expectations due to the fact that the ductile iron pipes have been ordered from China and upon arrival the expenditure will substantially increase.
MSIG	Due to the procurement processes, the expenditure will only accelerate in the last 6months.
FMG	Expenditure on FMG is on course to be fully spent by 30 June 2014.

Revenue analysis

DETAILS	REASON FOR THE VARIANCE
Service charges	Water Services Revenue is less than budgeted for due to the fact that the electronic meters have now been implemented and the water leaks inside consumers premises that inflated the billing have been installed. As a result, the actual amount for six months budgeted for water services will be extrapolated to a full 12 months.
Investment income	Due to the fact that it is mid-year, actual transactions for revenue receivable but not yet received have not been processed but after processing of all accruals, all budget revenue from investment income should be realised by 30 June 2014.
Grants	Year to date grants actually received exceed the year to date budget.
Other own revenue	This was based on the appropriation reserves and is therefore revenue already realised, however in terms of GRAP Framework such revenue is not reflected in the statement of financial performance thus causing a variance.

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4. MONTHLY BUDGET STATEMENTS

S72(a) of the Municipal Finance Management Act require the Accounting Officer to include also the Budget Statements for the first half of the financial year.

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Monthly Budget Statement for the month ended 31 December 2013

ZULULAND DISTRICT MUNICIPALITY
UMKHANDLU WESIFUNDA SASE ZULULAND

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M06 Decembei

Description	2012/13	Budget Year 2013/14							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	23 915	34 574	34 574	1 974	13 376	17 287	(3 911)	-23%	34 574
Investment revenue	11 829	13 981	13 981	862	4 103	6 991	(2 888)	-41%	13 981
Transfers recognised - operational	266 112	292 472	292 472	92 310	223 480	146 236	77 244	53%	292 472
Other own revenue	2 386	139 797	139 797	18	946	69 898	(68 951)	-99%	139 797
Total Revenue (excluding capital transfers and contributions)	304 242	480 824	480 824	95 163	241 906	240 412	1 494	1%	480 824
Employee costs	113 005	129 968	129 968	11 104	65 013	64 984	28	0%	129 968
Remuneration of Councillors	6 064	6 272	6 272	566	3 090	3 136	(46)	-1%	6 272
Depreciation & asset impairment	30 074	35 280	35 280	16 464	16 464	17 640	(1 176)	-7%	35 280
Finance charges	11	11	11	–	–	5	(5)	-100%	11
Materials and bulk purchases	67 096	75 575	75 575	5 202	28 073	37 787	(9 715)	-26%	75 575
Transfers and grants	1 042	1 939	1 939	–	150	970	(820)		1 939
Other expenditure	238 482	203 381	203 381	30 351	116 152	101 691	14 462	14%	203 381
Total Expenditure	455 774	452 427	452 427	63 748	228 942	226 214	2 728	1%	452 427
Surplus/(Deficit)	(151 532)	28 397	28 397	31 415	12 965	14 199	(1 234)	-9%	28 397
Transfers recognised - capital	384 548	359 031	359 031	–	261 638	179 516	82 122	46%	359 031
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	233 016	387 428	387 428	31 415	274 603	193 714	80 888	42%	387 428
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	233 016	387 428	387 428	31 415	274 603	193 714	80 888	42%	387 428
Capital expenditure & funds sources									
Capital expenditure	–	387 428	387 428	30 361	155 435	32 286	123 150	381%	387 428
Capital transfers recognised	293 607	359 031	359 031	30 132	157 084	149 596	7 488	5%	359 031
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	480	28 397	28 397	281	694	11 832	(11 138)	-94%	28 397
Total sources of capital funds	294 087	387 428	387 428	30 413	157 778	161 429	(3 650)	-2%	387 428
Financial position									
Total current assets	125 487	263 242	263 242		(20 455)				263 242
Total non current assets	1 765 209	2 312 791	2 312 791		1 890 639				2 312 791
Total current liabilities	93 955	77 454	77 454		(23 471)				77 454
Total non current liabilities	5	–	–		–				–
Community wealth/Equity	1 796 736	2 498 579	2 498 579		132 458				2 498 579
Cash flows									
Net cash from (used) operating	–	287 526	287 526	47 879	291 067	95 842	195 225	204%	287 526
Net cash from (used) investing	–	(388 190)	(388 190)	(30 413)	(163 057)	(129 397)	(33 660)	26%	(388 190)
Net cash from (used) financing	–	(43)	(43)	–	–	(11)	11	-100%	(43)
Cash/cash equivalents at the month/year end	–	159 072	159 072	–	128 010	226 214	(98 204)	-43%	(100 707)

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	9 932	2 046	58 158	–	–	–	–	–	70 135
Creditors Age Analysis									
Total Creditors	11 062	937	10 385	–	–	–	–	–	22 385

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Standard										
Governance and administration		–	431 958	431 958	93 174	213 848	107 990	105 858	98%	431 958
Executive and council		–	35 280	35 280	–	–	8 820	(8 820)	-100%	35 280
Budget and treasury office		–	396 678	396 678	93 174	213 755	99 170	114 585	116%	396 678
Corporate services		–	–	–	–	93	–	93	#DIV/0!	–
Community and public safety		–	4 108	4 108	1	1 643	1 027	616	60%	4 108
Community and social services		–	4 108	4 108	1	1 643	1 027	616	60%	4 108
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	2 756	2 756	–	4 660	689	3 971	576%	2 756
Planning and development		–	2 756	2 756	–	4 600	689	3 971	576%	2 756
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	401 033	401 033	1 989	283 394	100 258	183 136	183%	401 033
Electricity		–	–	–	–	–	–	–		–
Water		–	400 514	400 514	1 365	279 876	100 128	179 748	180%	400 514
Waste water management		–	520	520	624	3 518	130	3 388	2609%	520
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Standard	2	–	839 855	839 855	95 163	503 544	209 964	293 580	140%	839 855
Expenditure - Standard										
Governance and administration		–	166 850	166 850	29 399	77 048	41 712	35 336	85%	166 850
Executive and council		–	87 981	87 981	23 682	43 647	21 995	21 652	98%	87 981
Budget and treasury office		–	30 174	30 174	2 167	11 811	7 543	4 268	57%	30 174
Corporate services		–	48 695	48 695	3 550	21 590	12 174	9 416	77%	48 695
Community and public safety		–	50 092	50 092	5 918	21 308	12 523	8 785	70%	50 092
Community and social services		–	50 092	50 092	5 918	21 308	12 523	8 785	70%	50 092
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		–	14 716	14 716	1 356	8 303	3 679	4 624	126%	14 716
Planning and development		–	14 716	14 716	1 356	8 303	3 679	4 624	126%	14 716
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	220 776	220 770	27 075	122 282	55 192	67 089	122%	34 857
Electricity		–	–	–	–	–	–	–		–
Water		–	212 304	212 304	26 392	119 080	53 076	66 004	124%	26 392
Waste water management		–	8 465	8 465	683	3 202	2 116	1 086	51%	8 465
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Standard	3	–	452 427	452 427	63 748	228 942	113 107	115 835	102%	266 514
Surplus/ (Deficit) for the year		–	387 428	387 428	31 415	274 603	96 857	177 745	184%	573 341

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2012/13	Budget Year 2013/14							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - COUNCIL		–	35 280	35 280	–	–	8 820	(8 820)	-100.0%	35 280
Vote 2 - CORPORATE SERVICES		–	–	–	–	93	–	93	#DIV/0!	–
Vote 3 - FINANCE		–	396 678	396 678	93 174	213 755	99 170	114 585	115.5%	396 678
Vote 4 - PLANNING & WSA		–	2 756	2 756	–	4 660	689	3 971	576.3%	2 756
Vote 5 - COMMUNITY DEVELOPMENT		–	4 108	4 108	1	1 643	1 027	616	59.9%	4 108
Vote 6 - TECHNICAL SERVICES		–	–	–	–	–	–	–		–
Vote 7 - WATER PURIFICATION		–	–	–	–	–	–	–		–
Vote 8 - WATER DISTRIBUTION		–	400 514	400 514	1 365	279 876	100 128	179 748	179.5%	400 514
Vote 9 - WASTE WATER		–	520	520	624	3 518	130	3 388	2606.0%	520
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	–	**839 855**	**839 855**	**95 163**	**503 544**	**209 964**	**293 580**	**139.8%**	**839 855**
Expenditure by Vote	1									
Vote 1 - COUNCIL		–	87 981	87 981	7 218	27 183	21 995	5 188	23.6%	87 981
Vote 2 - CORPORATE SERVICES		–	48 695	48 695	3 550	21 590	12 174	9 416	77.3%	48 695
Vote 3 - FINANCE		–	30 174	30 174	2 167	11 811	7 543	4 268	56.6%	30 174
Vote 4 - PLANNING & WSA		–	14 716	14 716	1 350	8 303	3 679	4 624	125.7%	14 716
Vote 5 - COMMUNITY DEVELOPMENT		–	50 092	50 092	5 714	21 104	20 872	232	1.1%	50 092
Vote 6 - TECHNICAL SERVICES		–	13 614	13 614	13 246	52 376	3 403	48 972	1408.9%	13 614
Vote 7 - WATER PURIFICATION		–	99 467	99 467	7 574	40 174	24 867	15 306	61.6%	99 467
Vote 8 - WATER DISTRIBUTION		–	99 224	99 224	5 572	26 530	24 806	1 724	6.9%	99 224
Vote 9 - WASTE WATER		–	8 465	8 465	10	74	2 116	(2 042)	-96.5%	8 465
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	–	**452 427**	**452 427**	**46 407**	**209 145**	**121 455**	**87 690**	**72.2%**	**452 427**
Surplus/ (Deficit) for the year	2	–	**387 428**	**387 428**	**48 756**	**294 399**	**88 509**	**205 890**	**232.6%**	**387 428**

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates								–		
Property rates - penalties & collection charges								–		
Service charges - electricity revenue								–		
Service charges - water revenue		17 460	26 324	26 324	1 350	9 864	13 162	(3 298)	-25%	26 324
Service charges - sanitation revenue		6 455	8 250	8 250	624	3 612	4 125	(513)	-12%	8 250
Service charges - refuse revenue				–	–	–	–	–		–
Service charges - other				–	–	–	–	–		–
Rental of facilities and equipment		106	104	104	–	38	52	(14)	-27%	104
Interest earned - external investments		11 829	13 981	13 981	862	4 103	6 991	(2 888)	-41%	13 981
Interest earned - outstanding debtors		445		–	–	–	–	–		–
Dividends received				–	–	–	–	–		–
Fines				–	–	–	–	–		–
Licences and permits				–	–	–	–	–		–
Agency services				–	–	–	–	–		–
Transfers recognised - operational		266 112	292 472	292 472	92 310	223 480	146 236	77 244	53%	292 472
Other revenue		1 834	139 693	139 693	10	910	69 847	(68 936)	-99%	139 693
Gains on disposal of PPE					–	–	–	–		
Total Revenue (excluding capital transfers and contributions)		304 242	480 824	480 824	95 153	241 906	240 412	1 494	1%	480 824
Expenditure By Type										
Employee related costs		113 005	129 968	129 968	11 164	65 013	64 984	28	0%	129 968
Remuneration of councillors		6 054	6 272	6 272	606	3 090	3 136	(46)	-1%	6 272
Debt impairment		2 536	3 404	3 404	–	–	1 702	(1 702)	-100%	3 404
Depreciation & asset impairment		30 074	35 280	35 280	16 464	16 464	17 640	(1 176)	-7%	35 280
Finance charges		11	11	11	–	–	5	(5)	-100%	11
Bulk purchases		67 096	75 575	75 575	8 202	28 073	37 787	(9 714)	-26%	75 575
Other materials							–	–		
Contracted services		48 949	62 040	62 040	4 408	15 943	31 020	(15 077)	-49%	62 040
Transfers and grants		1 042	1 939	1 939	–	150	970	(820)	-85%	1 939
Other expenditure		187 017	137 938	137 938	25 944	100 210	68 969	31 241	45%	137 938
Loss on disposal of PPE							–	–		
Total Expenditure		455 774	452 427	452 427	63 748	228 942	226 214	2 728	1%	452 427
Surplus/(Deficit)		(151 532)	28 397	28 397	31 415	12 965	14 198	(1 234)	(0)	28 397
Transfers recognised - capital		384 548	359 031	359 031	–	261 638	179 516	82 122	0	359 031
Contributions recognised - capital								–		
Contributed assets								–		
Surplus/(Deficit) after capital transfers & contributions		233 016	387 428	387 428	31 415	274 603	193 714			387 428
Taxation								–		
Surplus/(Deficit) after taxation		233 016	387 428	387 428	31 415	274 603	193 714			387 428
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		233 016	387 428	387 428	31 415	274 603	193 714			387 428
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		233 016	387 428	387 428	31 415	274 603	193 714			387 428

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	Ref	2012/13	Budget Year 2013/14							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - COUNCIL		–	–	–	–	–	–	–		–
Vote 2 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 3 - FINANCE		–	–	–	–	–	–	–		–
Vote 4 - PLANNING & WSA		–	–	–	–	–	–	–		–
Vote 5 - COMMUNITY DEVELOPMENT		–	–	–	–	–	–	–		–
Vote 6 - TECHNICAL SERVICES		–	–	–	–	–	–	–		–
Vote 7 - WATER PURIFICATION		–	–	–	–	–	–	–		–
Vote 8 - WATER DISTRIBUTION		–	–	–	–	–	–	–		–
Vote 9 - WASTE WATER		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - COUNCIL		–	10 500	10 500	–	–	875	(875)	-100%	10 500
Vote 2 - CORPORATE SERVICES		–	6 433	6 433	124	504	536	(32)	-6%	6 433
Vote 3 - FINANCE		–	4 495	4 495	157	190	375	(184)	-49%	4 495
Vote 4 - PLANNING & WSA		–	1 604	1 604	124	504	161	343	213%	1 604
Vote 5 - COMMUNITY DEVELOPMENT		–	2 624	2 624	–	–	219	(219)	-100%	2 624
Vote 6 - TECHNICAL SERVICES		–	358 038	358 038	29 959	154 237	29 837	124 400	417%	358 038
Vote 7 - WATER PURIFICATION		–	250	250	–	–	21	(21)	-100%	250
Vote 8 - WATER DISTRIBUTION		–	3 155	3 155	–	–	263	(263)	-100%	3 155
Vote 9 - WASTE WATER		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	387 428	387 428	30 381	155 435	32 286	123 150	381%	387 428
Total Capital Expenditure		–	387 428	387 428	30 381	155 435	32 286	123 150	381%	387 428
Capital Expenditure - Standard Classification										
Governance and administration		294 087	27 665	27 665	333	3 637	11 527	(8 890)	-78%	27 665
Executive and council		294 087	10 500	10 500	–	–	4 375	(4 375)	-100%	10 500
Budget and treasury office			4 495	4 495	157	190	1 873	(1 683)	-90%	4 495
Corporate services			12 670	12 670	176	2 947	5 279	(2 432)	-46%	12 670
Community and public safety		–	2 624	2 624	–	–	1 093	(1 093)	-100%	2 624
Community and social services			2 624	2 624	–	–	1 093	(1 093)	-100%	2 624
Sport and recreation								–		
Public safety								–		
Housing								–		
Health								–		
Economic and environmental services		–	1 604	1 604	124	504	806	(302)	-37%	1 604
Planning and development			1 604	1 604	124	504	806	(302)	-37%	1 604
Road transport								–		
Environmental protection								–		
Trading services		–	351 443	351 443	29 956	154 237	150 601	3 636	2%	351 443
Electricity								–		
Water			351 443	351 443	29 956	154 237	150 601	3 636	2%	351 443
Waste water management								–		
Waste management								–		
Other								–		
Total Capital Expenditure - Standard Classification	3	294 087	393 665	393 665	30 413	157 778	164 027	(6 249)	-4%	393 665
Funded by:										
National Government		293 627	356 552	356 552	29 956	154 237	148 558	5 669	4%	356 552
Provincial Government			2 480	2 480	176	2 847	1 029	1 818	177%	2 480
District Municipality								–		
Other transfers and grants								–		
Transfers recognised - capital		293 627	359 031	359 031	30 132	157 084	149 596	7 488	5%	359 031
Public contributions & donations	5							–		
Borrowing	6							–		
Internally generated funds		460	28 397	28 397	281	694	11 832	(11 138)	-94%	28 397
Total Capital Funding		294 087	387 428	387 428	30 413	157 778	161 428	(3 650)	-2%	387 428

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by standard classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets
5. Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description R thousands	Ref 1	2012/13 Audited Outcome	Budget Year 2013/14 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash		89 551			26 088	
Call investment deposits			217 246	217 246	536	217 246
Consumer debtors		9 959	19 337	19 337	9 106	19 337
Other debtors		4 479	4 303	4 303	(4 013)	4 303
Current portion of long-term receivables		18 147	15 896	15 896		15 896
Inventory		3 351	6 460	6 460		6 460
Total current assets		125 487	263 242	263 242	31 717	263 242
Non current assets						
Long-term receivables		4 008	4 117	4 117	(7)	4 117
Investments			–	–	125 000	–
Investment property			–	–		–
Investments in Associate			–	–		–
Property, plant and equipment		1 759 833	2 308 363	2 308 363	1 765 646	2 308 363
Agricultural			–	–		–
Biological assets			–	–		–
Intangible assets		378	311	311		311
Other non-current assets		988	–	–		–
Total non current assets		1 765 209	2 312 791	2 312 791	1 890 639	2 312 791
TOTAL ASSETS		1 890 696	2 576 033	2 576 033	1 922 356	2 576 033
LIABILITIES						
Current liabilities						
Bank overdraft			–	–		–
Borrowing			–	–		–
Consumer deposits		3 218	3 276	3 276	6 063	3 276
Trade and other payables		72 181	74 178	74 178	(27 473)	74 178
Provisions		18 556			(2 062)	
Total current liabilities		93 955	77 454	77 454	(23 471)	77 454
Non current liabilities						
Borrowing						
Provisions		5				
Total non current liabilities		5	–	–	–	–
TOTAL LIABILITIES		93 960	77 454	77 454	(23 471)	77 454
NET ASSETS	2	1 796 736	2 498 579	2 498 579	1 945 827	2 498 579
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 796 736	2 498 579	2 498 579	132 458	2 498 579
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	1 796 736	2 498 579	2 498 579	132 458	2 498 579

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other			27 549	27 549	1 932	14 324	9 183	5 141	56%	27 549
Government - operating			292 472	292 472	59 310	223 480	97 491	125 989	129%	292 472
Government - capital			359 031	359 031	–	261 638	119 677	141 961	119%	359 031
Interest			13 981	13 981	662	4 103	4 660	(558)	-12%	13 981
Dividends								–		
Payments										
Suppliers and employees			(403 557)	(403 557)	(47 284)	(212 327)	(134 519)	77 808	-58%	(403 557)
Finance charges			(11)	(11)	–	–	(4)	(4)	100%	(11)
Transfers and Grants			(1 939)	(1 939)	–	(150)	(846)	(696)	77%	(1 939)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	287 526	287 526	47 879	291 067	95 842	195 225	204%	287 526
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (Increase) in non-current debtors			(762)	(762)	–	–	(254)	254	-100%	(762)
Decrease (increase) other non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets			(387 428)	(387 428)	(30 413)	(163 057)	(129 143)	33 914	-26%	(387 428)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(388 190)	(388 190)	(30 413)	(163 057)	(129 397)	33 660	-26%	(388 190)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits			(43)	(43)	–	–	(11)	11	-100%	(43)
Payments										
Repayment of borrowing								–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	(43)	(43)	–	–	(11)	(11)	100%	(43)
NET INCREASE/ (DECREASE) IN CASH HELD		–	(100 707)	(100 707)	17 466	128 010	(33 585)			(100 707)
Cash/cash equivalents at beginning:			259 779	259 779			259 779			–
Cash/cash equivalents at month/year end:		–	159 072	159 072		128 010	226 214			(100 707)

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DC26 Zululand - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	**Revenue By Source**			
	service charges		service charges is less than budgeted for due to the fact that the electronic meters have now been implemented and the water leaks insid	
	investment income		due the fact that it is mid-year , actual transactions for revenue receivable but not yet received have not been processed but after process	
	grants		year to date grants actually received exceed the year to date budget	
	other own revenue		this was based on the appropriation reserves and is therefore revenue already realised , however in terms of Grap Framework such rever	
2	**Expenditure By Type**			
	employee cost		year to date variance is less than 1%	
	remuneration of councillors		year to date is -1%	
	depreciation		year to date variance is -7%	
	other expenditure		year to date expenditure is 14% more	
3	**Capital Expenditure**			
	capital expenditure		the year to date is favourable by 5 %	
4	**Financial Position**			
5	**Cash Flow**			
6	**Measureable performance**			
7	**Municipal Entities**			

DC26 Zululand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2012/13	Budget Year 2013/14			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	7.8%	7.8%	0.0%	1.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		4.0%	3.0%	3.0%	-20.7%	3.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	133.6%	339.9%	339.9%	-136.1%	339.9%
Liquidity Ratio	Monetary Assets/Current Liabilities		93.2%	280.5%	280.5%	-113.4%	280.5%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		12.0%	9.1%	9.1%	2.1%	9.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		37.1%	27.0%	27.0%	26.9%	27.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	10.5%	0.0%	0.0%	10.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		9.9%	7.3%	7.3%	0.0%	1.3%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description R thousands	NT Code	Budget Year 2013/14 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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	3 519	1 604	43 978						49 101	–		
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	6 412	442	14 180						21 035	–		
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									–	–		
Total By Income Source	2000	9 932	2 046	58 158	–	–	–	–	–	70 135	–	–	–
2012/13 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 086	364	1 651						4 101	–		
Commercial	2300	1 972	379	4 740						7 091	–		
Households	2400	5 872	1 303	51 767						58 942	–		
Other	2500	1	–	–						1	–		
Total By Customer Group	2600	9 932	2 046	58 158	–	–	–	–	–	70 135	–	–	–

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DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2013/14								
		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									–
Bulk Water	0200									–
PAYE deductions	0300									–
VAT (output less input)	0400									–
Pensions / Retirement deductions	0500									–
Loan repayments	0600									–
Trade Creditors	0700	11 062	937	10 386						22 385
Auditor General	0800									–
Other	0900									–
Total By Customer Type	1000	11 062	937	10 386	–	–	–	–	–	22 385

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality									
ABSA (2072939439-9100045000802)		MONTHS	CALL ALC	17/01/2014	113	0.5%	25 000	–	25 000
ABSA (2072936439-9100045000802)		MONTHS	CALL ALC	06/01/2014	271	0.5%	60 000	–	60 000
ABSA (2072936439-9100045060802)		MONTHS	CALL ALC	14/01/2014	181	0.5%	40 000	–	40 000
FNB (506190116740)		MONTHS	CALL ALC	07/01/2014	87	0.5%	10 000	–	10 000
ABSA (2072936439-9100045060802)		MONTHS	CALL ALC	19/01/2014	724	0.5%	40 000		40 000
Municipality sub-total					1 375		175 000	–	175 000
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				1 375		175 000	–	175 000

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	290 833	290 833	92 310	318 071	145 417	69 232	47.6%	290 833
Local Government Equitable Share			276 930	276 930	92 310	307 697	138 465	69 232	50.0%	276 930
Finance Management			1 250	1 250	–	1 250	625			1 250
Municipal Systems Improvement			890	890	–	890	445			890
Water Services Operating Subsidy			8 821	8 821	–	6 174	4 411			8 821
EPWP Incentive			2 942	2 942	–	2 060	1 471			2 942
	3		–					–		
								–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		–	1 639	1 639	–	1 639	820	820	100.0%	1 639
								–		
DEVELOPMENT PLANNING SHARED SERVICES										
DISTRICT GROWTH DEVELOPMENT SUMMIT								–		
INDONSA GRANT	4		1 639	1 639	–	1 639	820	820	100.0%	1 639
								–		
Other transfers/grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Operating Transfers and Grants	5	–	292 472	292 472	92 310	219 710	146 236	70 052	47.9%	292 472
Capital Transfers and Grants										
National Government:		–	355 922	355 922	–	264 299	177 961	84 092	52.9%	355 922
Municipal Infrastructure Grant (MIG)			261 545	261 545	–	224 894	130 773	84 092	72.0%	261 545
Regional Bulk Infrastructure			55 341	55 341	–	13 729	27 671			55 341
Rural Transport Services and Infrastructure			1 866	1 866	–	1 890	933			1 866
Municipal Water Infrastructure Grant			37 170	37 170	–	23 840	18 585			37 170
Other capital transfers/grants [insert desc]										
								–		
								–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	3 109	3 109	–	–	1 555	(1 555)	-100.0%	3 109
Infrastructure Sport Facilities			2 469	2 469			1 235	(1 235)	-100.0%	2 469
ACIP			640	640			320			640
								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Total Capital Transfers and Grants	5	–	359 031	359 031	–	264 299	179 516	92 537	51.5%	359 031
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	651 503	651 503	92 310	484 009	325 752	162 589	49.9%	651 503

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	290 833	290 833	93 332	215 636	145 417	70 219	48.3%	290 833
Local Government Equitable Share			276 930	276 930	92 310	207 697	138 465	69 232	50.0%	276 930
Finance Management			1 250	1 250	119	663	625	38	6.1%	1 250
Municipal Systems Improvement			890	890	–	120	445	(325)	-73.1%	890
Water Services Operating Subsidy			8 821	8 821	384	4 494	4 411	84	1.9%	8 821
EPWP Incentive			2 942	2 942	519	2 662	1 471	1 191	81.0%	2 942
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		–	1 639	1 639	285	1 231	820	412	50.3%	1 639
								–		
DISTRICT GROWTH DEVELOPMENT SUMMIT								–		
INDONSA GRANT			1 639	1 639	285	1 231	820	412	50.3%	1 639
								–		
Other transfers/grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		–	292 472	292 472	93 617	216 867	146 236	70 631	48.3%	292 472
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	21 579	159 967	–	159 967	#DIV/0!	–
Municipal Infrastructure Grant (MIG)					21 579	159 967		159 967	#DIV/0!	
								–		
								–		
								–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
								–		
Total capital expenditure of Transfers and Grants		–	–	–	21 579	159 967	–	159 967	#DIV/0!	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	292 472	292 472	115 196	376 833	146 236	230 597	157.7%	292 472

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2013/14												2013/14 Medium Term Revenue & Expenditure Framework		
R thousands	1	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts By Source																
Property rates													–			
Property rates - penalties & collection charges													–			
Service charges - electricity revenue													–			
Service charges - water revenue		1 450	1 732	1 687	1 807	1 808	1 358						(9 884)			
Service charges - sanitation revenue		388	611	630	565	674	624						(3 512)			
Service charges - refuse													–			
Service charges - other													–			
Rental of facilities and equipment		–	20	–	–	18	–						(38)			
Interest earned - external investments		233	680	1 077	855	598	862						(4 153)			
Interest earned - outstanding debtors													–			
Dividends received													–			
Fines													–			
Licences and permits													–			
Agency services													–			
Transfer receipts - operating		121 969	2 097	1 894	3 528	1 703	92 310						(223 480)			
Other revenue		125	153	58	481	94	18						(910)			
Cash Receipts by Source		124 264	5 370	5 355	7 066	4 847	95 163	–	–	–	–	–	(241 906)	–	–	–
Other Cash Flows by Source													–			
Transfer receipts - capital													–			
Contributions & Contributed assets													–			
Proceeds on disposal of PPE													–			
Short term loans													–			
Borrowing long term/refinancing													–			
Increase in consumer deposits													–			
Receipt of non-current debtors													–			
Receipt of non-current receivables		–	128	127	46	99	127						(518)			
Change in non-current investments													–			
Total Cash Receipts by Source		124 264	5 998	5 482	7 112	4 946	95 291	–	–	–	–	–	(240 425)	–	–	–
Cash Payments by Type													–			
Employee related costs		10 481	13 776	10 747	10 025	10 030	11 184						(66 013)			
Remuneration of councillors		507	488	507	507	515	566						(3 090)			
Interest paid													–			
Bulk purchases - Electricity		1 326	4 806	1 551	2 442	2 600	2 393						(14 917)			
Bulk purchases - Water & Sewer		566	609	3 835	4 831	518	2 809						(13 156)			
Other materials													–			
Contracted services		830	1 771	2 878	3 108	3 075	4 408						(15 871)			
Grants and subsidies paid - other municipalities		–	–	108	50	–	–						(158)			
Grants and subsidies paid - other													–			
General expenses		11 902	14 428	16 401	15 027	16 522	25 944						(100 282)			
Cash Payments by Type		25 674	32 878	35 811	36 888	34 143	47 284	–	–	–	–	–	(212 478)	–	–	–
Other Cash Flows/Payments by Type																
Capital assets													–			
Repayment of borrowing													–			
Other Cash Flows/Payments													–			
Total Cash Payments by Type		25 674	32 878	35 811	36 888	34 143	47 284	–	–	–	–	–	(212 478)	–	–	–
NET INCREASE/(DECREASE) IN CASH HELD		98 530	(27 286)	(30 329)	(29 776)	(29 196)	48 007	–	–	–	–	–	(28 947)	–	–	–
Cash/cash equivalents at the month/year beginning:		89 551	188 081	160 794	130 465	100 687	71 491	119 497	119 497	119 497	119 497	119 497	119 497	88 551	88 551	88 551
Cash/cash equivalents at the month/year end:		188 081	160 794	130 465	100 687	71 491	119 497	119 497	119 497	119 497	119 497	119 497	88 551	88 551	88 551	88 551

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DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July		25 094	25 094	18 678	18 678	25 094	6 416	25.6%	6%
August		25 094	25 094	21 760	40 439	50 189	9 750	19.4%	13%
September		25 094	25 094	38 583	79 021	75 283	(3 738)	-5.0%	26%
October		25 094	25 094	25 940	104 961	100 377	(4 584)	-4.6%	35%
November		25 094	25 094	27 683	132 644	125 472	(7 172)	-5.7%	44%
December		25 094	25 094	30 413	163 057	150 566	(12 491)	-8.3%	54%
January		25 094	25 094			175 660	–		
February		25 094	25 094			200 755	–		
March		25 094	25 094			225 849	–		
April		25 094	25 094			250 943	–		
May		25 094	25 094			276 038	–		
June		25 094	25 094			301 132	–		
Total Capital expenditure	–	301 132	301 132	163 057					

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DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		–	46 083	46 083	3 078	8 657	23 041	14 385	62.4%	46 083
Infrastructure - Road transport		–	–	–	–	–	–	–		–
Roads, Pavements & Bridges								–		
Storm water								–		
Infrastructure - Electricity		–	–	–	–	–	–	–		–
Generation								–		
Transmission & Reticulation								–		
Street Lighting								–		
Infrastructure - Water		–	46 083	46 083	3 078	8 657	23 041	14 385	62.4%	46 083
Dams & Reservoirs			–					–		
Water purification								–		
Reticulation			46 083	46 083	3 078	8 657	23 041	14 385	62.4%	46 083
Infrastructure - Sanitation		–	–	–	–	–	–	–		–
Reticulation								–		
Sewerage purification								–		
Infrastructure - Other		–	–	–	–	–	–	–		–
Waste Management								–		
Transportation								–		
Gas								–		
Other								–		
Community		–	–	–	–	–	–	–		–
Parks & gardens								–		
Sportsfields & stadia								–		
Swimming pools								–		
Community halls								–		
Libraries								–		
Recreational facilities								–		
Fire, safety & emergency								–		
Security and policing								–		
Buses								–		
Clinics								–		
Museums & Art Galleries								–		
Cemeteries								–		
Social rental housing								–		
Other								–		
Heritage assets		–	–	–	–	–	–	–		–
Buildings								–		
Other								–		
Investment properties		–	–	–	–	–	–	–		–
Housing development								–		
Other								–		
Other assets		–	5 658	5 658	342	1 529	2 829	1 299	45.9%	5 658
General vehicles			3 044	3 044	215	1 032	1 522	490	32.2%	3 044
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment								–		
Computers - hardware/equipment			211	211	16	18	105	88	83.7%	211
Furniture and other office equipment			106	106	–	2	53	51	96.0%	106
Abattoirs							–	–		
Markets							–	–		
Civic Land and Buildings							–	–		
Other Buildings			2 135	2 135	111	489	1 067	578	54.1%	2 135
Other Land							–	–		
Surplus Assets - (Investment or Inventory)							–	–		
Other			163	163	–	–	81	81	100.0%	163
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class								–		
								–		
Biological assets		–	–	–	–	–	–	–		–
List sub-class								–		
								–		
Intangibles		–	–	–	–	–	–	–		–
Computers - software & programming								–		
Other								–		
Total Repairs and Maintenance Expenditure		–	51 741	51 741	3 420	10 186	25 871	15 675	60.6%	51 741

Specialised vehicles		–	–	–	–	–	–	–		–
Refuse								–		
Fire								–		
Conservancy								–		
Ambulances								–		

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5. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan for the first six months has been reviewed as said in S54 (1) (c) and S72 (1) (a).

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR THE QUARTER ENDED 31 DECEMBER 2013

ZULULAND DISTRICT MUNICIPALITY
UMKHANDLU WESIFUNDA SASE ZULULAND

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CONTENTS

1. Introduction

1.1. Background to the SDBIP

In terms of Section 69 (3) (a) of the Municipal Finance Management Act, the Municipal Manager must submit the SDBIP to the Mayor within 14 days after the approval of the Budget. The Mayor must subsequently approve the SDBIP within 28 days after the approval of the Budget in terms of Section 53 (1) (c) (ii) of the Municipal Finance Management Act. The Annual Budget for the 2013/14 financial year was approved by Council on 29 May 2013. The SDBIP for the Zululand District Municipality was approved by the Mayor within 28 days after approval of budget as stated in S53 (1) (c) (ii) and it will be monitored and revised quarterly.

1.2. Purpose of the SDBIP

The purpose of the SDBIP can be summarized as follows:

1. It is a vital link between the Mayor and the administration of the municipality;
2. It facilitates the process for holding management accountable for its performance;
3. It is a tool for implementation, management and monitoring; and
4. It further serves as the basis for the performance measurement in service delivery against the year-end targets and the implementation of the budget.

1.3. Importance of the SDBIP

A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, and it:

- *Enables the Mayor to monitor the performance of the Municipal Manager,*

-*Municipal Manager to monitor the performance of the senior managers; and*

-*The community to monitor the performance of the municipality.*

It is the excellent mechanism that produces quarterly targets that are reported to ensure implementation of the IDP. The SDBIP will also empower all councilors specifically facilitating engagement at ward level and allow them to undertake the appropriate oversight and monitoring of programs. The SDBIP will also measure in-year progress in the implementation of the budget; under spending of budget will be dealt with at early stages because it is reviewed quarterly.

1.4. The Role of Council with regards to the SDBIP

It is vitally important for Council to note that the components of the SDBIP are primary indicators of the municipality's performance on the annual Budget. In this regard, Councilors are encouraged to scrutinize the various components of the SDBIP and to pose questions where it is deemed necessary. This form of in-year reporting should uncover major problems and is aimed at ensuring that the Mayor and the Municipal Manager take the corrective steps when any unanticipated problems arise.

1.5. Role of the Accounting Officer in respect of the SDBIP

The Accounting Officer must:

1. Implement the Budget;
2. Ensure that spending is in accordance with the Budget and ensure that the expenditure is reduced when revenue is anticipated to be less than projected in the Budget or the SDBIP
3. Ensure that revenue and expenditure is properly monitored;
4. Prepare an adjustments Budget when necessary; and
5. Submit the draft SDBIP and draft annual performance agreements for the Municipal Manager and all senior managers.

1.6. The key components of the 2013/14 SDBIP

In terms of Circular No. 13 of the MFMA No. 56 of 2003, the SDBIP must contain:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure by source (not required in terms of this Act);
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators of each vote;
- Detailed capital works plan broken down by ward over three years
  (Capital Plan – MIG)

These components of the SDBIP are discussed below.

2. MONTHLY PROJECTIONS OF REVENUE PER SOURCE

In terms of Section 15 of the MFMA, a municipality may, except where otherwise provided in this Act,

- incur expenditure only in terms of the approved Budget; and
- within the limits of the amounts appropriated for the different votes in the approved Budget.

One of the most important and basic priorities of a municipality is to collect all it's revenue as budgeted for, failure to collect the revenue will undermine the municipality's ability to deliver services. The SDBIP contains the monthly projections of revenue to be collected per source for the 2013/14 financial year. The reason for the inclusion of this component of the SDBIP is to ensure that the municipality monitors revenue collected during the quarter as all expenditure to be incurred in terms of the approved Budget must be financed from realistically anticipated revenues to be collected.

The Accounting Officer must monitor the actual revenues received against those projected in the SDBIP and submit explanations of any remedial action to be taken to ensure that projected revenue and expenditure remain within the municipality's approved Budget. This type of information requires the municipality to take urgent remedial steps to ensure it improves on its revenue-collection capacity if it wants to maintain its levels of service delivery and expenditure.

The revenue for the quarter ended 31 December 2013 is indicated below as follows:

<u>Monthly projections of total Revenue per Source</u>

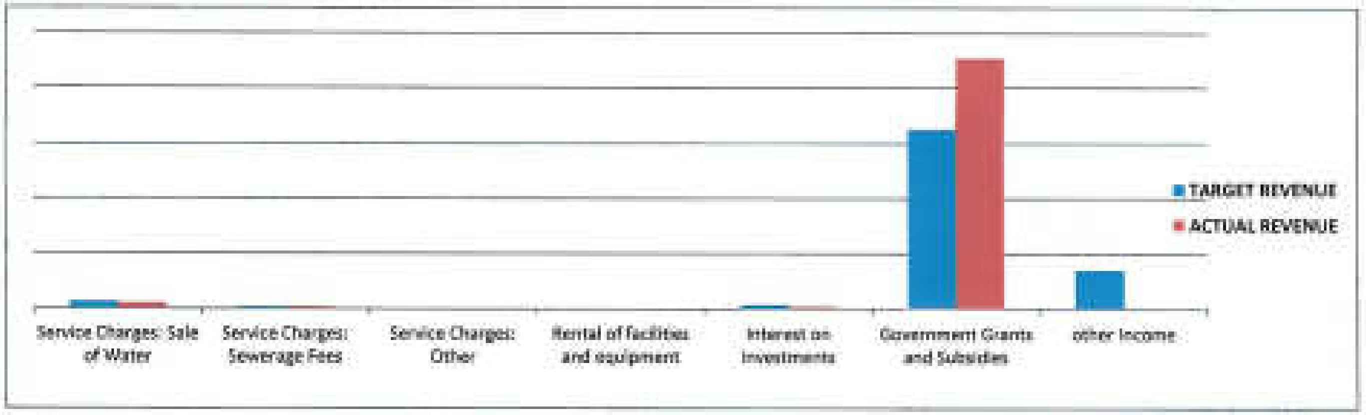
The municipality must ensure that it has instituted measures to achieve monthly revenue targets for each revenue source. In order to ensure realistic revenue projections and ultimately balanced budgets, the Zululand District Municipality has to have comprehensive, coherent revenue policies that take into account appropriate service delivery levels, standards, ability to pay and collection efforts.

Monthly projections of Revenue by Source of Zululand District Municipality for the Quarter ended 31 December 2013

Monthly Projections of Revenue by Source

Revenue by Source	OCTOBER		NOVEMBER		DECEMBER		Totals for Q2		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Variance
Service Charges: Sale of Water	2 193 659	1 807 134	2 193 659	1 706 578	2 193 659	1 349 969	6 580 977	4 856 681	1 624 296
Service Charges: Sewerage Fees	687 511	584 950	687 511	674 214	687 511	623 697	2 062 534	1 882 861	179 673
Service Charges: Other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	8 651	-	8 651	18 044	8 651	-	25 953	18 044	7 909
Interest on Investments	1 166 116	656 281	1 165 116	588 441	1 165 116	861 590	3 495 347	2 106 312	1 390 035
Government Grants and Subsidies : Operating and capital	54 291 917	127 015 086	54 291 917	7 705 450	54 291 917	92 310 000	162 875 750	227 030 536	-64 154 785
Other Income	11 641 098	491 074	11 641 098	64 251	11 641 098	18 225	34 923 294	573 550	34 349 744
Accumulated Surplus									
TOTALS	69 987 952	130 553 524	69 987 952	10 849 978	69 987 952	95 163 481	209 963 855	236 566 983	-26 603 128

Q2 Chart - Monthly Projections of Revenue by Source



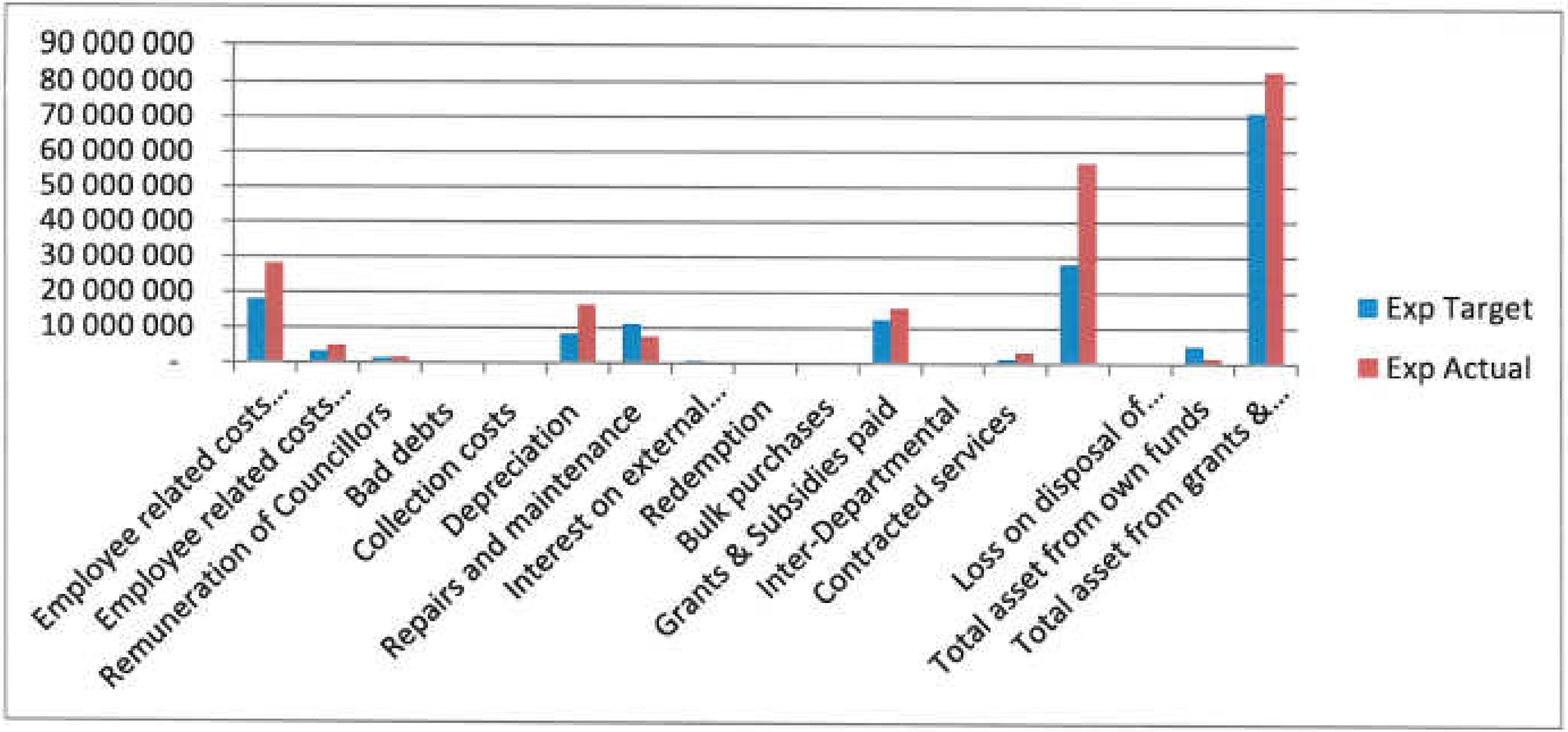
3. MONTHLY PROJECTIONS OF EXPENDITURE PER SOURCE

The monthly projections of expenditure per source is not included in terms of circular No 13 of the MFMA, but we as Zululand District Municipality have decided to add this component in order to see the movement of expenditure per source on monthly basis to be able to respond promptly and to initiate any remedial steps when necessary.

Monthly Projections of Expenditure by Source of
Zululand District Municipality for the Quarter ended 31 DECEMBER 2013

Monthly Projections of Expenditure by Source

Expenditure by Source	OCTOBER		NOVEMBER		DECEMBER		Totals for Q2		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Variance
Operating Expenditure									
Employee related costs wages and salaries	8 042 483	9 315 150	8 042 483	9 281 019	8 042 483	9 541 447	24 127 448	28 137 566	-4 010 118
Employee related costs social contribution	2 788 222	1 609 745	2 788 222	1 638 992	2 788 222	1 622 912	8 364 666	4 871 649	3 493 016
Remuneration of Councillors	522 696	506 877	522 696	514 810	522 696	566 088	1 568 088	1 587 875	-19 786
Bad debts	283 643	-	283 643	-	283 643	-	850 928	-	850 928
Collection costs	109 734	45 525	109 734	99 150	109 734	127 340	329 202	272 015	57 187
Depreciation	2 940 022	-	2 940 022	-	2 940 022	16 464 161	8 820 065	16 464 161	-7 644 096
Repairs and maintenance	4 326 772	2 012 565	4 326 772	1 996 286	4 326 772	3 420 016	12 980 316	7 428 867	5 551 449
Inter-Departmental Charges	909	186 646	909	159 245	909	56 091	2 728	432 882	-430 157
Interest on external borrowings	-		-		-	-	-	-	-
Redemption	-		-		-	-	-	-	-
Bulk purchases	6 297 884	7 273 018	6 297 884	3 110 933	6 297 884	5 202 208	18 893 653	15 586 159	3 307 494
Grants & Subsidies paid	161 603	50 000	161 603	-	161 603	-	484 810	50 000	434 810
Contracted services	840 294	1 085 202	840 294	1 076 605	840 294	587 869	2 520 881	3 161 676	-640 795
General expenses - other (including abnormal expenses)	11 387 991	14 785 096	11 387 991	16 263 481	11 387 991	25 729 225	34 163 974	56 787 802	-22 623 828
Loss on disposal of property, plant and equipment							-	-	
Total Operating Expenditure	37 702 252	36 669 874	37 702 252	34 142 521	37 702 252	63 748 257	113 106 755	134 780 652	-21 673 898
Capital Expenditure									
Total asset from own funds	2 366 450	1 175 569	2 366 450	33 340	2 366 450	159 369	7 099 350	1 368 278	5 731 072
Total asset from grants & subsidies	29 919 250	24 764 618	29 919 250	27 649 229	29 919 250	30 254 014	89 757 750	82 667 861	7 089 889
Total Operating Expenditure	32 285 700	25 940 187	32 285 700	27 682 569	32 285 700	30 413 383	96 857 100	84 036 139	12 820 961
TOTAL EXPENDITURE	69 987 952	62 630 061	69 987 952	61 825 090	69 987 952	94 161 640	209 963 855	218 816 791	-8 852 936


90 000 000
80 000 000
70 000 000
60 000 000
50 000 000
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-
Employee related costs...
Employee related costs...
Remuneration of Councillors
Bad debts
Collection costs
Depreciation
Repairs and maintenance
Interest on external...
Redemption
Bulk purchases
Grants & Subsidies paid
Inter-Departmental
Contracted services
Loss on disposal of...
Total asset from own funds
Total asset from grants &...
Exp Target
Exp Actual

4. PROJECTIONS OF REVENUE & EXPENDITURE PER VOTE

It is important to view expenditure in relation the revenue used to finance it. In this context, it is easy to see when expenditure exceeds Revenue and the necessary remedial steps can then be taken to correct this situation. Failure to monitor expenditure in relation to Revenue will seriously hamper the municipality's ability to achieve its strategic goals for the year.

Projections of Expenditure and Revenue per Vote

Compares the planned revenue and expenditure for the quarter ended 31 December 2013. It is clear that Zululand District Municipality will spend a lot in the provision of water to the community that it serves.

Monthly Projections of Expenditure & Revenue by Vote for Zululand District Municipality for the Quarter ended 31 December 2013

Monthly Projections for expenditure and revenue by vo	OCTOBER						NOVEMBER						DECEMBER					
Department	OPEX	Actual	CAPEX	Actual	Revenue	Actual	OPEX	Actual	CAPEX	Actual	Revenue	Actual	OPEX	Actual	CAPEX	Actual	Revenue	Actual
Executive and Council	7 331 756	5 431 800	870 000	-	2 848 022	-	7 331 756	5 963 514	870 000	-	2 848 022	-	7 331 756	7 218 220	870 000	-	2 848 022	-
Finance	2 814 497	1 788 203	374 556	-	30 558 010	1 112 198	2 814 497	1 833 685	374 564	33 540	33 058 538	851 107	2 814 497	2 167 030	374 556	166 770	30 558 010	50 173 660
Corporate Services	4 037 900	3 017 526	558 070	669 077	-	-	4 037 900	2 850 107	558 070	1 513 848	-	-	4 037 900	3 048 671	558 070	115 004	-	-
Community Development	4 174 309	3 718 632	219 630	-	340 333	900	4 174 309	4 862 022	219 630	-	340 333	618 000	4 174 309	3 918 068	219 630	-	340 333	900
Planning &WSA	1 328 327	1 744 761	161 187	-	229 887	-	1 328 327	1 209 229	161 187	379 898	229 887	-	1 328 327	1 368 829	161 187	131 183	229 887	-
Water	17 693 033	20 675 627	30 109 270	22 642 369	33 326 128	128 953 887	17 693 033	17 330 378	30 120 270	23 968 063	33 316 128	8 687 865	17 693 033	26 391 708	30 109 270	25 845 576	33 335 128	1 980 222
Waste Water Management	769 427	700 272	-		43 294	380 004	920 427	330 000	-		43 294	675 000	769 427	860 000	-		43 294	631 000
Total	37 750 233	34 999 673	33 285 700	23 298 448	66 667 663	130 454 529	37 700 752	34 141 521	33 285 700	23 852 846	66 667 663	10 846 875	37 753 233	47 284 888	33 288 700	26 277 228	66 667 663	55 183 443

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Monthly Projections of Expenditure & Re
for Zululand District Municipality for the
ended 31 December 2013

Monthly Projections for expenditure and revenue by v	TOTALS			Q2					
Department	OPEX	ACTUAL	VARIANCE	CAPEX	ACTUAL	VARIANCE	REVENUE	ACTUAL	VARIANCE
Executive and Council	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	-	[illegible]
Finance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Corporate Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	-	-
Community Development	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]
Planning &WSA	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	-	[illegible]
Water	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Waste Water Management	[illegible]	[illegible]	[illegible]	-	-	-	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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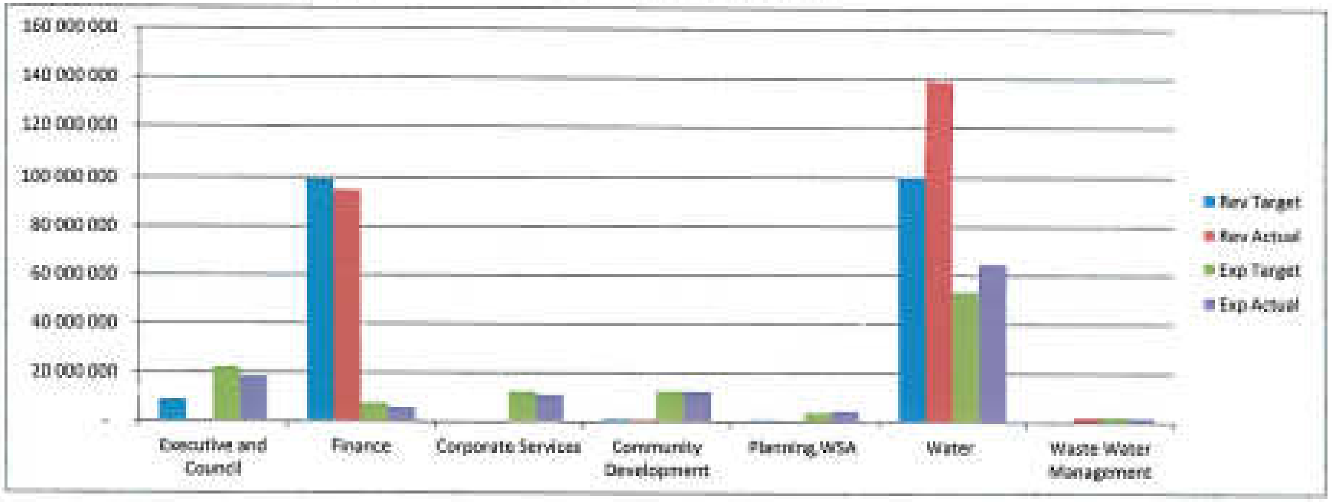
Q2 Chart - Monthly Projections of Revenue and Expenditure by Vote



5. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS OF EACH VOTE

In terms of the SDBIP, Zululand District Municipality is required to provide non-financial measurable performance objectives in the form of service delivery targets and other performance indicators. Service delivery targets relate to the level and standards of service being provided to the community, and include targets for the reductions in backlogs of basic services.

The goals and objectives set by Council as quantifiable outcomes that should be implemented by the administration over the next financial year are indicated on the sheet below.

National KPA: Local Economic Development

Balance Scorecard Perspective: Learning and growth

[illegible]	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	Annual Target: 2 (Not Fully Effective)	Annual Target: 3 (Fully Effective)	Annual Target: 4 (Performance Significantly above expectations)	Annual Target: 5 (Outstanding Performance)	Project	GFS Vote	Evidence reference
ED	Co-Ordinated and Integrated Regional Economic Development	Approved LED Strategy	Output	34	[illegible]	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	ZDM 13/07/2011	Community Services	Approved LED strategy, Certified Council Minutes
ED	Co-Ordinated and Integrated Regional Economic Development	Number of tourism awareness and training workshops held	Output	35	-	2	3	4	5	6	8	8	10	11	None	Community Services	Tourism portfolio committee approved minutes and awareness and training reports
MM	Co-Ordinated and Integrated Regional Economic Development	Number of jobs created through LED initiatives and capital projects	Outputs	36	[illegible]	60		120	782	180	200	280	250	300	Annexure I	Community Services	Monthly progress reports and minutes to meetings, request from community and
ED	Increase implementation capacity	Number of submitted LED business plans	Outputs	37	11	1	1	2	2	3	3	4	5	6	None	Community Services	Receipt of BP from funder, signage or mail
ED	Effectively co-ordinate LED in the District	Number of LED ward projects implemented	Outputs	38	-	-	149	-	119	100	150	180	230	260	LED ward projects	Community Services	Annual Ward Builder, Annual expenditure report

Program driver	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)	Project	Evidence reference
	Plan and implement institutional measures that would reduce the impact of HIV/AIDS	Approved HIV/AIDS Strategy	Outputs	39	30-Jun	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Approved strategy and minutes to the meeting
C4	Create HIV/AIDS awareness and education	Number of HIV/AIDS awareness campaigns held	Outputs	40	11	4	2	4	4	10	15	16	18	20	None	Attendance register, certified pictures and reports
C3	Access sufficient resources to implement Youth and Gender Programmes	Number of submitted Youth & Quality of life business plans	Outputs	41	6	2	2	4	3	2	4	8	10	12	None	Signage due to response mail
C3	Strategically plan development and empowerment initiatives for youth and gender	Approved youth and strategy	Outputs	42	30-Jun	-	-	-	-	30 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Approved strategy and minutes to the meeting
C3	Strategically plan development and empowerment initiatives for youth and gender	Quality of the strategy submitted to MM	Outputs	43		-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014		
C3	Enable participation and create awareness of Council's Youth and Gender Programmes	Number of District Youth Council Meetings held	Outputs	44	1	2	2	4	5	4	6	8	10	12	None	Minutes of meetings
C3	Enable participation and create awareness of Council's Youth and Gender Programmes	Number of quality of the Council Meetings held	Outputs	45		2	2	4	5	4	6	8	10	12		
C3/MS	Reduce poverty by implementing Community Development Projects	Number of people participating in Joint Community Capacity Building Programmes	Outputs	46	220	225	220	115	180	225	225	125	155	165	None	Monthly signed registers and reports
C3	Implement food production compliance	Number of food production site inspection reports	Outputs	47	-	22	20	18	24	22	20	48	50	60	Agriculture - LED	Approved inspection reports
C3	Enhance Stockfarm compliance	Number of Stockfarm inspection reports	Outputs	48	-	3	6	6	7	6	10	22	44	33	None	Approved inspection reports

Community Services

Financial implication

1 000 000

1 000 000

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National KPA: Good Governance & Public Participation

Balance Scorecard Perspective: Learning and growth

R 1 340 000

R5 000 000

Program driver	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	Annual Target: 2 (Not Fully Effective)	Annual Target: 3 (Fully Effective)	Annual Target: 4 (Performance Significantly above expectations)	Annual Target: 5 (Outstanding Performance)	Project	IDS Vote	Evidence reference
MM	Enhance community and stakeholder participation	Approved communication strategy	Outputs	49	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Executive and Council	Council minutes
ALL	Spend grant funding	Percentage of allocated grant funds spent	Outputs	50	100%	30%	35%	60%	72%	85%	90%	100%	-	-	None	Finance	Financial Statements
F	Improve governance	Approved fraud prevention strategy	Outputs	51	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Executive and Council	Council minutes
MM	Manage performance effectively	Number of signed S57 performance agreements	Outputs	52	-	8	8	8	8	-	-	8	-	-	None	Executive and Council	Signed performance agreements, Council resolution
MM	Maximize institutional capacity to render municipal services	Number of critical posts filled in relation to organogram	Outputs	53	-	60%		70%	78%	87%	93%	100%	-	-	None	Executive and Council	Human resources reports
F	Mitigate risks	Approved risk management plan	Outputs	54	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Finance	Minutes to meeting

National KPA: Municipal transformation and institutional development

Balance Scorecard Perspective: Internal Processes

Program driver	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)	Project	KPA Role	Evidence reference
FS&AA	Encourage participation in IDP process, ensure alignment with Local Municipalities	Number of district IDP alignment meetings	Outputs	35	11	2	2	4	8	4	6	8	10	12	None	Planning	Minutes of meeting
"	Encourage participation in IDP process, ensure alignment with Local Municipalities	Date of submission of IDP Framework Plan to Council for adoption	Outputs	36	30 Sep	30 Sep 2013	29-Nov-13	-	-	30-Oct-13	15-Oct-13	30 Sep 2013	15 Sep 2013	01 Sep 2013	None	Planning	Council Resolution, Minutes of meeting
P/MM	Effective spatial development	Date of submission of reviewed Spatial Development Framework to Council	Outputs	37	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Planning	Council Resolution, Minutes of meeting
"	Encourage participation in IDP process, ensure alignment with Local Municipalities	Adopted Integrated Development plan	Outputs	38	31 May	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Planning	Council resolution
"	To secure documentation and update of PMS processes and procedures	PMS Framework Policy submitted to MM	Outputs	39		Identify areas for review by 30 Sept 2013	Areas identified by 19 Sept	Comments from identified stakeholders incorporated by 20 Dec 2013	30-Jan-14	PMS Framework policy tabled to Council by 30 Jul 2014	PMS Framework policy tabled to Council by 15 Jul 2014	PMS Framework policy tabled to Council by 30 June 2014	PMS Framework policy tabled to Council by 15 June 2014	PMS Framework policy tabled to Council by 30 May 2014	None	Planning	Proof of receipt by MM office, Council resolution
"	To effectively deal with development and environmental applications in line with legislation	% of environmental applications dealt with within 20 days	Outputs	40	[illegible]	100% of received applications dealt within 20 days	80% of received applications dealt within 20 days	100% of received applications dealt within 20 days	85%	60% of received applications dealt within 20 days	70% of received applications dealt within 20 days	80% of received applications dealt within 20 days	90% of received applications dealt within 20 days	100% of received applications dealt within 20 days	None	Planning	Letters of response from [illegible] to applicant
CS	Application of Policies & Bylaws	Employee Assistance Programme submitted to MM	Outputs	41	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Planning	Minutes of meeting, approved programme
CS	Application of Policies & bylaws	Corporate service related policies submitted to MM	Outputs	42	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None	Planning	Approved policies and minutes to meeting

Program driver	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)	Project	CSS Role	Evidence reference
HRM	Implement and Manage Employment Equity	Number of people from employment equity target groups employed in three highest levels of Management	Outputs	43	1	20%		40%	7%	80%	90%	100%	-	-	None		EE report and minutes to meeting

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ZULULAND DISTRICT MUNICIPALITY SDBIP FOR 2013/14

[illegible]	Maintain Institutional Capacity to render Municipal Services	Workplace skills plan submitted to Local Government Seta	Outcome	64	-	-	-	-	-	31 July 2013	15 July 2014	30 June 2014	15 June 2014	01 June 2013	[illegible]	[illegible] Resolution, Signed Minutes
[illegible]	Maintain Institutional Capacity to render Municipal Services	[illegible] budget spent on Skills Development Plan	Output	65	100%	20%	45%	60%	85%	95%	85%	100%			[illegible]	Ledger certified by CFO or Financial Statements
[illegible]	Maintain Institutional Capacity to render Municipal Services	Implemented budgeted activities in the Workplace skills plan	Output	66	[illegible]	20%	40%	60%	77%	90%	95%	100%			[illegible]	Ledger certified by CFO or Financial Statements

ZULULAND DISTRICT MUNICIPALITY SDBIP FOR 2013/14

Program Area	Objective	Indicator	Ind. Type	No	Baseline	Quarter 2 Target	Quarter 2 Actual	Quarter 3 Target	Quarter 3 Actual	Annual Target 2013/14: 1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)	Project	Timeline	Evidence reference
[illegible]	Review and facilitate the Municipal airport management plan	Airport plan submitted to MM by specified date	Output	13	-	-	-	-	-	31 July 2014	15 July 2014	30 June 2014	22 June 2014	01 June 2014	None		Certified council resolution and plan
Cs	Review and facilitate the Municipal airport management plan	Implement identified activities from the airport plan	Output	14	110%	15%	10%	50%	51%	80%	90%	100%	-	-			Implementation report and minutes
																[illegible]	

National KPA: Municipal Financial viability and management

Balance Scorecard Perspective: Finances

Program Area	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1 Target	Quarter 1 Actual	Quarter 2 Target	Quarter 2 Actual	Annual Target: 1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)	Project	KPA Area	Evidence reference
F	Improve revenue collection	Outstanding service debtors recovery rate to revenue	Output	17	0.8	0.23	1.5	0.23	1.2	0.44	0.33	0.28	0.25	0.2	None		Annual Financial Statements & Sec 71 Reports
F	Improve supply chain application	Number of successful appeals	Process	18	[illegible]	0	0	0	0	8	[illegible]	6	5	4	None		Supply chain management report
F	Process payments in time	Processing time of invoices	Process	19	7	30	30	30	30	40	45	30	25	7	None		Creditors report
F/Man	Complete and submit accurate annual financial statements	Review and submit Financial Statements	Process	20	31 Aug	31 Aug 2013	31 Aug 2013		-	30-Oct-13	15-Oct-13	31-Aug	24-Aug-13	15-Aug-13	None		AG receipt
FDSM	Complete and submit accurate annual financial statements within the specified time period	Unqualified audit opinion	Process	21	Unqualified	-	not yet communicated	Unqualified	Unqualified Audit Report	Disclaimer	Qualified	Unqualified	Clean Audit	-	None		AG audit report
F/Mm	Budget for 2014 annually	Approved final budget	Process	22	31-May	-	29-May-13	-	-	31 July 2014	15 July 2014	30 June 2014	22 June 2014	01 June 2014	None		Council resolution and final budget approval
F	Have an effective Auditing Function	Audit committee meetings scheduled	Output	23	4	30-Sep-13	3	30-Dec-13	1	30-Jul-14	15-Jul-14	28-Jun-14	25-Jun-14	20-Jun-14	None	Finances	Approved Minutes to meetings
MM	Report timely and accurately	SDBIP reports approved by specified date	Outputs	24	-	30-Sep-13		31-Dec-13	TBC	31 July 2014	15 July 2014	30 June 2014	15 June 2014	01 June 2014	None		Council Resolution

Programme phase	Objective	Indicator	Ind. Type	No	Baseline	Quarter 1		Quarter 2		Annual Target					Project		Evidence reference
						Target	Actual	Target	Actual	1 (Unacceptable Performance)	2 (Not Fully Effective)	3 (Fully Effective)	4 (Performance Significantly above expectations)	5 (Outstanding Performance)			
F/MM	Have an effective Auditing Function	% of audit queries addressed from the AG report	Outcome	32	100%	75%	not yet commenced	75%	1%	33%	66%	75%	90%	100%	None	Finance	Internal and external report
F/MM	Develop a Financial Plan (i.e. Budget Process and Time Table)	Approved financial plan	Process	35	25 May	-		-	—	31 July 2014	15 July 2014	30 June 2014	10 June 2014	05 June 2014	None	Finance	IDP resolution
F	Increase the cost coverage ratio	Cost Coverage ratio	Output	37	11.11	3	11	3	TBC	1	2	3	4	5	None	Finance	Annual Financial Statements &
F	Increase the debt coverage ratio	Debt Coverage Ratio	Output	38	18	3	3	3	TBC	1	2	3	4	5	None	Finance	Annual Financial Statements & Sec 71 Reports
F/MM	Provide sufficient cash resources	% operating budget funded from cash	Output	39	100%	90%	100%	90%	100%	87%	94%	96%	98%	100%	None	Finance	Investments and monthly operating expenditure
F/MM	Report timely and accurately	Approved annual report	Process	40		-	not yet commenced	-	not yet commenced	30-Mar-15	15-Apr-15	28 March 2014	15-Mar-14	01-Mar-14	None	Finance	Certified council minutes and annual report
F	Produce accurate statements	% of accounts adjustments effected	Output	41	-	3%	0%	3%	TBC	7%	7%	5%	4%	3%	None	Finance	Financial report
F	Keep a minimum cash balance to cover average monthly expenditure	Number of days with necessary funds in current account in relation to strategy	Output	43	60	60	2	60	10	40	50	60	65	70	None	Finance	Investments report
F	Align Capital Programme and IDP	% of capital projects budgeted for in accordance with the IDP	Output	44	100%	100	100%	95%	44%	90%	95%	100%			None	Finance	Budget report

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6. DETAILED CAPITAL WORKS PLAN

ZULULAND District Municipality
IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow
Financial year: 2013/14
Reporting Month: December 2013
Compiled by: Gugu Nene

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2013/14	2014/15	2015/16
Total MIG Allocation	261 545 000.00	221 622 000.00	230 580 000.00
Total Committed	274 578 787.75	255 778 000.00	0.00
Total Variance	-13 033 787.75	-34 156 000.00	230 580 000.00

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (as per MIG 1 form)	Project Status	Approved MIG Funding [=MOR + AFAs]	Actual Project Cost [Tender sum + fees]	Potential Savings	Total Previous MIG Expenditure	Jul (Certified)	Aug (Certified)	Sep (Certified)	Oct (Certified)	Nov (Certified)	Dec (Certified)
DC26	DC26 PMU	PMU		0.00	0.00	0.00	0.00						
DC26	2008MIGFDC265325	Usuthu RWSS Phase 3	Construction	59 093 840.00	8 971 048.00	50 122 904.00	2 421 380.00						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2008MIGFDC265326	Usuthu RWSS Phase 2	Construction	32 493 514.00	31 398 139.40	1 095 374.60	5 213 824.01						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2008MIGFDC265329	Usuthu RWSS Phase 1	Construction	99 260 093.00	98 843 896.74	416 196.26	96 879 231.68						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2008MIGFDC265332	Sizalabangasheka Central RWSS Ph 2 AFA	Construction	50 000 493.76	34 799 434.61	201 059.15	35 782 490.21	0.00					
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule							
DC26	2008MIGFDC265333	Khambi RWSS Water Supply AFA	Construction	74 785 687.00	3 761 511.00	71 024 176.00	27 684 785.30	0.00		878 424.40	0.00	1 695 244.57	475 921.54
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule					Contr. On Site	Contr. On Site	
DC26	2008MIGFDC265334	Hlahlindlela/ Mondlo Regional Water Supply	Construction	167 878 680.00	76 853 107.30	91 028 573.87	77 238 480.28	3 026 263.25	1 149 210.80	4 848 178.25	0.00	2 496 446.22	375 557.84
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule					Construct. 40%	Construct. 20%	
DC26	2008MIGFDC265339	Simdlangentsha East RWSS Phase 1	Construction	25 693 733.70	23 503 394.47	2 190 439.23	14 686 826.47						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2008MIGFDC265330	Simdlangentsha West RWSS Phase 2.1 (AFA) MIS 210576	Construction	229 829 490.00	279 828 906.20	0.00	98 848 180.18	3 741 527.00	1 600 848.36	1 645 906.71	0.00	3 375 186.48	0.00
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. Award	Contr. On Site
						Actual / Revised Schedule					Construct. 40%	Contr. On Site	
DC26	2008MIGFDC265341	Mona Sports Field	Construction	19 500 000.00	4 696 246.30	14 803 756.70	6 661 681.03						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2008MIGFDC265391	Coronation RWSS Enyati (AFA) MIS 159308	Construction	34 927 055.46	9 590 881.70	25 336 673.76	32 403 387.13	0.00	0.00	68 357.23	0.00	8 747.00	0.00
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule					Practical Comp.		
DC26	2009MIGFDC20105878	ZDM Rural Sanitation Phase 01	Construction	185 081 411.08	184 226 395.07	1 085 015.69	196 111 063.18	114 741.91	73 571.04	392 116.86			
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule					Construct. 40%		
DC26	2009MIGFDC20162204	Mandlakazi Regional Water Supply Scheme (Ph 4)	Construction	125 793 218.00	117 469 977.91	8 323 240.09	100 057 227.18	1 499 255.77	0.00	724 501.00	0.00	1 142 011.01	737 830.66
						Baseline Schedule							
						Actual / Revised Schedule					Construct. 20%	Construct. 80%	
DC26	2009MIGFDC20166309	Emondlo sports field	Construction	13 280 314.00	9 630 597.64	3 709 716.36	9 030 597.64						
						Baseline Schedule							
						Actual / Revised Schedule							
DC26	2009MIGFDC20166901	Gumbi Emergency Water Supply	Construction	20 496 380.00	24 818 504.26	1 641 387.74	19 681 066.15	382 711.01	0.00	303 666.50	0.00	180 455.30	46 152.06
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule				Construct. 90%	Construct. 80%	Practical Comp.	
DC26	2009MIGFDC20171058	Usuthu Regional Water Supply Scheme Phase 5E	Construction	680 547 000.98	73 246 552.49	332 202 347.47	82 086 086.03	10 178 481.26	2 541 436.58	5 908 784.10	0.00	5 669 684.77	5 035 475.70
						Baseline Schedule		Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule				Construct. 20%	Construct. 40%	Construct. 40%	
DC26	2009MIGFDC20171057	Nkonjeni Regional Water Supply Scheme Phase 04	Construction	310 103 585.01	7 985 690.00	302 117 872.01	89 080 927.38	5 501 287.86	1 841 234.08	8 221 603.10	0.00	8 147 825.57	3 582 634.63
						Baseline Schedule		Contr. On Site	Contr. On Site		Contr. On Site	Contr. On Site	Contr. On Site
						Actual / Revised Schedule				Construct. 30%	Construct. 40%	Construct. 40%	
DC26	2011MIGFDC20202976	ZDM Rudimentary Water Supply Programme Phase 3	Construction	86 302 945.21	82 311 220.61	3 981 723.00	80 107 478.32	2 904 008.40	0.00	4 350 676.03	0.00	2 842 878.00	423 014.01

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						Baseline Schedule			Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
						Actual / Revised Schedule					Construct. 20%	Construct. 40%		
DC26	2012MIGFDC26207802	Simdlangentsha East Water Supply - Phase 3	Registered	97 162 185.86	97 162 185.86		0.00	12 708 478.81	5 478 811.[illegible]	0.00	5 347 616.4[illegible]	0.00	3 103 300.7[illegible]	2 294 4[illegible]
						Baseline Schedule			Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
						Actual / Revised Schedule					Construct. 20%	Construct. 20%	Construct. 40%	
DC26	2008MIGFDC26112020	Hlobane Sports Field	Completed	18 270 000.00	18 270 000.00		0.00	9 731 075.42						
						Baseline Schedule								
						Actual / Revised Schedule								
DC26	2013MIGFDC26201784	ZDM Rural Sanitation Project: Phase 2 - Feasibility	Registered	7 070 130.88	7 070 130.88		0.00	0.00						
						Baseline Schedule								
						Actual / Revised Schedule					Cont. Award			
DC26	2013MIGFDC26213010	ZDM Rural Sanitation Phase 3A	Registered	79 698 029.00	79 698 029.00		0.00	8 174 878.88	10 295 690.[illegible]	3 406 836.10	10 662 162.47	0.00	6 157 695.19	8 308 037.[illegible]
						Baseline Schedule					Construct. 20%	Construct. 40%	Construct. 40%	Construct. 40%
						Actual / Revised Schedule					Construct. 40%	Construct. 40%		
DC26	2013MIGFDC26213505	Simdlangentsha Central Water Supply Project: Phase 3	Registered	148 506 806.34	148 506 806.34		0.00	402 195.00	5 362 010.51	860 577.22	3 252 972.51	0.00	1 846 430.20	0.00
						Baseline Schedule					Construct. 20%	Construct. 40%	Construct. 40%	Construct. 40%
						Actual / Revised Schedule					Construct. 40%	Construct. 40%		
DC26	2013MIGFDC26211763	Coronation Regional water Supply Scheme: Planning Phase	Registered	2 884 800.00	2 884 800.00		0.00	0.00						
						Baseline Schedule								
						Actual / Revised Schedule								
DC26							0.00	0.00						
						Baseline Schedule								
						Actual / Revised Schedule								
Insert new rows here ONLY														
Sub Total - Projects				2 610 138 036.28	1 416 271 836.46	1 300 367 898.74		646 435 887.66	48 782 818.66	11 368 298.84	44 281 715.42	0.00	33 828 898.61	21 578 707.86
						MONTHLY DORA TRANSFER PAYMENT (DRAWDOWN) SCHEDULE:			171 432 000.00			183 432 000.00		
						PROVINCIAL ACCUMULATIVE EXPENDITURE TARGET (%):			8%	13.47%	18%	38%	32%	41%
						MUNICIPAL ACCUMULATIVE CERTIFIED EXPENDITURE (%):			100%	27%	40%	40%	53%	61%

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6. APPROVAL OF THE ZULULAND DISTRICT MUNICIPALITY'S SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR THE QUARTER ENDED 31 December 2013.

The Zululand District Municipality's SDBIP for the quarter ended 31 December 2013 has been reviewed and approved by the Honorable Mayor: Cllr. V.Z KaMagwaza Msibi as said in S69 (3) (a) and S54 (3) of the Municipal Finance Management Act.

Date Approved: 23.01.2014

The Honorable Mayor VZ MSIBI

Signature:

6. APPROVAL BY THE HONORABLE MAYOR

I, the Mayor of the Zululand District Municipality, have reviewed the Mid-Year assessment.

I have ascertained that:

(a) The budget of the municipality is being implemented in terms of the municipality's SDBIP;
(b) Monthly Budget Statement (S71) has been reviewed.
(c) The municipality is not facing any financial problems.

I further request the Accounting Officer, in terms of S 54(d) of the MFMA, to ensure that the following is done:

(a) The Adjustments Budget for the 2013/14 financial year is tabled for approval before the end of January 2014;
(b) Ensure that the necessary reports are submitted to the Provincial and National Treasuries;
(c) Ensure that the 2013/14 SDBIP is revised in order to take the Budget Adjustments into account;
(d) Take all necessary steps to ensure that the variances revealed by the Mid-Year assessment are addressed and that overall performance is improved during the second half of the financial year.

Signature: **Date:** 23rd of January 2014

HON. MAYOR: V.Z KaMagwaza Msibi

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