ZULULAND DISTRICT MUNICIPALITY

SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2011/12 FINANCIAL YEAR

QUARTER 3

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 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 2012/13 financial year was approved by Council on 31 May 2012. 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 2012/13 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 2012/13 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 year ended 30 June 2013 is indicated below as follows:

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

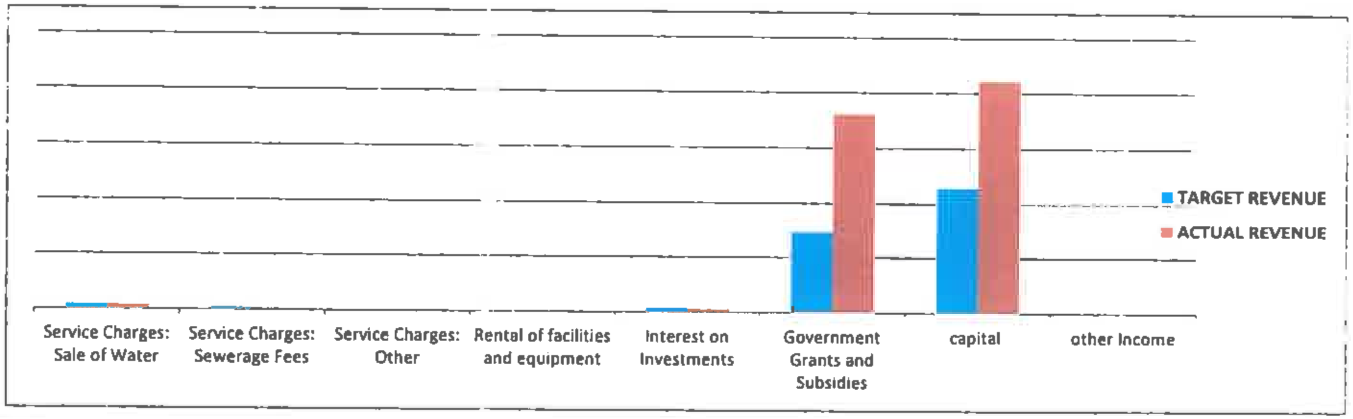
The municipality must ensure that it has instituted measures to achieve monthly revenue targets for each revenue source. In order to ensure realistic revenue projections and ultimately balanced budgets, the Zululand District Municipality has to have comprehensive, coherent revenue policies that take 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 March 2012

Monthly Projections of Revenue by Source

Revenue by Source	January		February		March		Totals for Q3		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	VARIANCE
Service Charges: Sale of Water	1 258 781	1 130 417	1 258 781	1 130 417	1 258 781	1 757 634	3 776 342	4 018 468	-242 126
Service Charges: Sewerage Fees	399 660	647 266	399 660	647 266	399 660	468 838	1 198 981	1 763 370	-564 390
Service Charges: Other	-	-	-	-			-	-	-
Rental of facilities and equipment	-	8 091	-	16 507	-		-	24 598	-24 598
Interest on Investments	1 005 566	1 307 172	1 005 566	1 132 147	1 005 566	934 160	3 016 698	3 373 479	-356 781
Government Grants and Subsidies : Operating	60 187 750	296 000	60 187 750	1 890 577	60 187 750	71 117 848	180 563 250	73 304 425	107 258 825
Government Grants and Subsidies : Capital	70 525 000	-	70 525 000	6 451 900	70 525 000	107 449 496	211 575 000	113 901 396	97 673 604
Other Income	-	63 522	-	257 433	-	75 389	-	396 344	-396 344
Accumulated Surplus									
TOTALS	133 376 757	3 452 468	133 376 757	11 526 247	133 376 757	181 803 365	400 130 271	196 782 080	203 348 191

Q3 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 March 2012

Monthly Projections of Expenditure by Source

Expenditure by Source	January		february		march		Totals for Q3		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Viarance
Operating Expenditure									
Employee related costs wages and salaries	6 024 491	6 324 994	6 024 491	6 683 919	6 024 491	7 242 188	18 073 473	20 251 101	-2 177 629
Employee related costs social contribution	1 084 179	1 184 354	1 084 179	1 193 741	1 084 179	1 202 541	3 252 538	3 580 636	-328 098
Remuneration of Councillors	455 557	632 203	455 557	553 348	455 557	468 406	1 366 670	1 653 957	-287 287
Bad debts	-	-	-	-	-	-	-	-	-
Collection costs	16 667	-	16 667	-	16 667	-	50 000	-	50 000
Depreciation	2 759 000	-	2 759 000	-	2 759 000	-	8 277 000	-	8 277 000
Repairs and maintenance	3 658 526	1 444 053	3 658 526	2 290 579	3 658 526	5 176 471	10 975 579	8 911 103	2 064 476
Inter-Departmental Charges	200 992	813 226	200 992	-20 729	200 992	150 929	602 977	943 426	-340 449
Interest on external borrowings	25 868	-	25 868	-	25 868		77 603	-	77 603
Redemption	-	-	-	-	-		-	-	-
Bulk purchases	4 160 742	3 815 829	4 160 742	5 320 176	4 160 742	2 292 517	12 482 227	11 428 522	1 053 705
Grants & Subsidies paid	85 907	-	85 907	-	85 907		257 720	-	257 720
Contracted services	399 830	538 874	399 830	432 822	399 830	539 151	1 199 489	1 510 847	-311 358
General expenses - other (including abnormal expenses)	9 383 366	5 536 357	9 383 366	7 452 095	9 383 366	12 871 008	28 150 099	25 859 460	2 290 639
Loss on disposal of property, plant and equipment							-	-	
Total Operating Expenditure	**28 255 125**	**20 289 890**	**28 255 125**	**23 905 951**	**28 255 125**	**29 943 211**	**84 765 374**	**74 139 052**	**10 626 322**
Capital Expenditure									
Total asset from own funds	1 673 614	77 458	1 673 614	288 610	1 673 614	111 310	5 020 842	477 378	4 543 464
Total asset from grants & subsidies	23 700 663	3 031 192	23 700 663	14 980 794	23 700 663	20 193 982	71 101 989	38 205 968	32 896 021
Total Operating Expenditure	**25 374 277**	**3 108 650**	**25 374 277**	**15 269 404**	**25 374 277**	**20 305 292**	**76 122 830**	**38 683 346**	**37 439 484**
TOTAL EXPENDITURE	**53 629 401**	**23 398 540**	**53 629 401**	**39 175 355**	**53 629 401**	**50 248 503**	**160 888 204**	**112 822 398**	**48 065 806**

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 year ended 30 June 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 March 2012

Monthly Projections for expenditure and revenue by vote	JANUARY					
Department	OPEX	ACTUAL	CAPEX	ACTUAL	REVENUE	ACTUAL
Executive and Council	4 935 433	1 807 818	318 667	-	-	
Finance	1 504 198	1 518 777	180 454	-	20 636 699	1 389 416
Corporate Services	3 247 705	2 657 580	253 118		1 868 667	-
Community Development	5 598 082	2 153 689	15 226	-	1 373 917	-
Planning &WSA	2 152 991	1 567 112	395 907	77 458	224 000	-
Water	12 908 004	10 183 143	24 363 738	-	25 188 774	16 877 818
Waste Water Management	698 685	411 873	-		38 861	1 196 789
Total	31 043 306	20 [illegible]	25 525 110	77 458	49 107 118	19 444 823

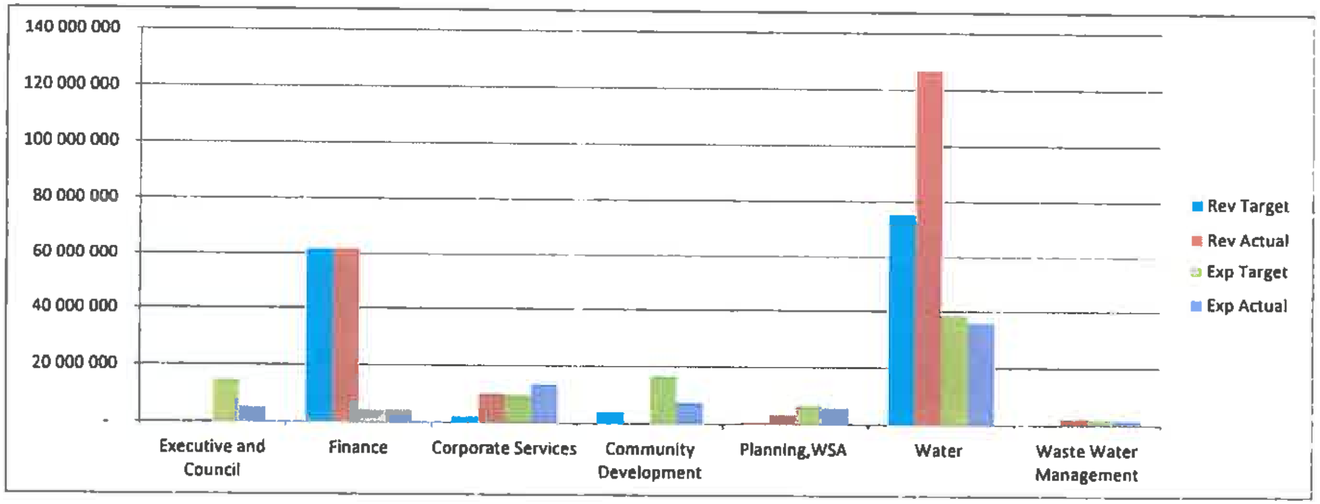
Monthly Projections for expenditure and revenue by vote	FEBRUARY					
Department	OPEX	ACTUAL	CAPEX	ACTUAL	REVENUE	ACTUAL
Executive and Council	4 935 433	1 [illegible] 012	318 667	-	-	-
Finance	1 504 198	1 268 347	180 454	280 238	20 636 699	1 229 268
Corporate Services	3 247 705	2 291 347	253 118		253 118	1 937 581
Community Development	5 598 082	2 204 404	15 226	-	1 373 917	140
Planning &WSA	2 152 991	2 177 735	395 907	2 371	224 000	-
Water	12 908 004	13 348 212	24 363 738	-	25 188 774	-
Waste Water Management	698 685	751 693	-	-	38 861	648 920
Total	31 043 306	23 [illegible]	25 525 110	[illegible]	47 [illegible] 579	3 815 [illegible]

Monthly Projections for expenditure and revenue by vote	MARCH					
Department	OPEX	ACTUAL	CAPEX	ACTUAL	REVENUE	ACTUAL
Executive and Council	4 935 433	1 635 840	318 667	-	-	-
Finance	1 504 198	1 849 861	180 454	9 245	20 636 699	59 548 483
Corporate Services	3 247 705	8 585 415	253 118		253 118	8 180 848
Community Development	5 598 082	3 085 679	15 226	-	1 373 917	29 766
Planning &WSA	2 152 991	2 088 521	395 907	102 085	224 000	3 500 000
Water	12 908 004	12 420 673	24 363 738	-	25 188 774	110 075 430
Waste Water Management	698 685	498 271	-	-	38 861	498 838
Total	31 043 306	29 843 210	25 525 110	111 310	47 883 579	181 803 348

Monthly Projections of Expenditure & Revenue by Vote for Zululand District Municipality for the Quarter ended 31 March 2012

Monthly Projections for expenditure and revenue by vote	TOTALS								
Department	OPEX	ACTUAL	VARIANCE	CAPEX	ACTUAL	VARIANCE	REVENUE	ACTUAL	VARIANCE
Executive and Council	14 808 300	5 309 470	9 498 830	950 000	-	950 000	-	-	-
Finance	4 512 589	4 436 985	75 604	541 363	295 483	245 880	81 910 698	82 147 167	-236 469
Corporate Services	9 743 115	13 534 342	-3 791 227	759 355	-	759 355	2 172 904	10 118 409	-7 945 506
Community Development	16 794 276	7 423 672	9 370 604	45 677	-	45 677	4 121 750	29 906	4 091 844
Planning &WSA	6 458 973	5 821 368	637 605	1 187 720	181 894	1 005 826	672 000	3 500 000	-2 828 000
Water	38 718 011	35 949 978	2 768 033	73 091 214	-	73 091 214	75 500 323	126 953 248	-51 452 925
Waste Water Management	2 096 654	1 663 037	433 617	-	-	-	116 582	2 314 547	-2 197 965
Total	93 129 917	74 139 052	18 990 865	76 575 329	477 377	76 097 952	144 494 257	205 063 277	-60 569 020

Q3 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.

						Quarter 2					
Indicator	Indicator Type	KPI No	Indicator/KPI measurement Frequency	Responsibility	MM	unacceptable performance (1)	performance not fully effective (2)	fully effective (3)	performance significantly above expectations (4)	outstanding performance (5)	Annual target (2011/2012)
Number of planned awareness campaigns held	output	12	Quarterly	HOD CS		0 campaigns by 31 Dec	2 campaigns by 31 Dec	4 campaigns by 31 Dec	6 campaigns by 29 Dec	[illegible]	12 campaigns by 30 June
Updated plan that complies with sections 52, 53 of the Disaster management act 57 of 2002, submitted to council by a specified date	Process	12 1	Annually	HOD CS		29-Jan	15-Jan	Status quo Analysis, Conduct workshops by 31 Dec	15-Nov	[illegible]	Submit final disaster plan by 30 June
Percentage progress of airport implementation plan for 2011/2012 fin year	output	12 2	Annually	HOD CS		25%	30%	35% progress by 31 Dec	[illegible]	45%	100% progress by 30 June
To submit SDBIP reports to CFO	Process	24	Quarterly	HOD's (excluding CFO)		1 report by 15 Jan	1 report by 31 Dec	2 reports 2 weeks after quarter end	2 reports 1 week after quarterend	2 reports by 1 Dec	4 reports 2 weeks after quarter end
Revision of Policies & by specified date	process	41	annually	HOD.CS	MM	31-Jan	15-Jan	Submit proposal to MM by 31 Dec	15-Dec	01-Dec	Reviewed policies relevant to CS by 30 June
Date of submission for Bylaws for Promulgation	process	41 1	annually	HOD CS		120	90	[illegible] days after final adoption by Council	30	15	60days after final adoption by Council
Date of submission of reviewed Employee Assistance Programme	process	41 2	quarterly	HOD CS		31-Jan	15-Jan	Workshop with HOD	15-Dec	01-Dec	Submit reviewed programme 30 June
Percentage of department allocated grant funds received (prior to approval of adjustment budget) spent	input	43	Quarterly	HOD's excluding technical services		10%	25%	50% spent by 31 Dec	75%	[illegible]	100% spent by 30 June
Sec 43 (Reg 10 (f)) % of Municipal Budget actually spent on Skills Development Plan	input	44	quarterly	HOD CS		10%	20%	30% expenditure by 31 Dec	40%	[illegible]	90% spent by 30 June
Sec 43 (Reg 10[e]) The number of people from employment equity target groups employed in three highest levels of Management in compliance with a Municipality approved employment equity plan.		45	Quarterly	HOD.CS				1	2	[illegible]	1

							Quarter 2						
Indicator	Indicator Type	KPI No	Indicator/KPI measurement frequency	National KPI	Responsibility	[illegible]	unacceptable performance (1)	performance not fully effective (2)	fully effective (3)	performance significantly above expectations (4)	outstanding performance (5)	Actual Value Achieved	Annual target (2011/2012)
Sec 43 (Reg 10 (a)) Percentage of households with access to basic level of water	output	1	Annually	y	HOD TS		180	[illegible]	360	450	540		1523
Sec 43(Reg 10 (b)) Percentage of households earning less than R1100 pm with access to free water (Note Rudimentary LOS included)	output	2	Quarterly	Y	HOD TS		[illegible]	50	60	78	89		821
Number of required tests conducted (samples) as per approved strategy	output	3	monthly		HOD TS		560	594	[illegible]	990	1188		1584
Cumulative water supply interruption time per plant less than specified target	output	4	Quarterly		HOD TS		9.5	8.5	≤7.5	6.5	[illegible]		≤15
Sec 43(Reg 10 (a)) Percentage of households with access to basic level of sanitation	output	6	Quarterly	y	HOD TS		1250	1875	2500	2900	[illegible]		5245
Sec 43(Reg 10 (b)) Percentage of households earning less than R1100 pm with access to free sanitation	output	6 2	Quarterly	y	HOD TS		1250	1875	2500	2900	[illegible]		5245
Average time of notification to community prior to planned interruptions	output	9	Quarterly		HOD TS		72 Hrs	[illegible]	24 Hrs	4 Hrs	12 Hrs		24 Hrs
MIG grant funds spent on approved projects by the prescribed date	input	10	Quarterly		HOD TS		10% spent by 31 December	[illegible]	35% spent by 31 December	45% spent by 29 December	55% spent by 31 December		100 % spent by 30 June
Sec 43 (Reg 10 (c)) Percentage of capital budget actually spent on projects identified in IDP	input	11	Quarterly		HOD TS	MM	80% quarterly budget spent by 31 December	90% quarterly budget spent by 31 December	[illegible]	100% quarterly budget spent by 15 Nov	100% quarterly budget spent by 1 Nov		100% quarterly budget spent by 30 June
To submit SDBIP reports to CFO	Process	24	Quarterly		HODs (excluding CFO)		1 report by 15 Jan	1 report by 31 Dec	[illegible]	2 reports 1 week after quarterend	2 reports by 1 Dec		4 reports 2 weeks after quarter end

Indicator	Indicator Type	KPI No	Indicator/KPI measurement Frequency	National KPI	Responsibility	MM	Quarter 1						Annual target (2011/2012)
							unacceptable performance (1)	performance not fully effective (2)	fully effective (3)	performance significantly above expectations (4)	outstanding performance (5)	Actual Value Achieved	
Sec 43 (Reg 10 (a)) Percentage of households with access to basic level of water	output	1	Annually	y	HOD TS		180	[illegible]	360	450	540		1823
Sec 43(Reg 10 (b)) Percentage of households earning less than R1100 pm with access to free water (Note Rudimentary LOS included)	output	2	Quarterly	Y	HOD TS		[illegible]	50	60	78	89		821
Number of required tests conducted (samples) as per approved strategy	output	3	monthly		HOD TS		560	594	[illegible]	990	1188		1594
Cumulative water supply interruption time per plant less than specified target	output	4	Quarterly		HOD TS		9.5	8.5	≤7.5	6.5	[illegible]		≤15
Sec 43(Reg 10 (a)) Percentage of households with access to basic level of sanitation	output	6	Quarterly	y	HOD TS		1250	1875	2500	2900	[illegible]		5245
Sec 43(Reg 10 (b)) Percentage of households earning less than R1100 pm with access to free sanitation	output	6.2	Quarterly	y	HOD TS		1250	1875	2500	2900	[illegible]		5245
Average time of notification to community prior to planned interuptions	output	9	Quarterly		HOD TS		72 Hrs	[illegible]	24 Hrs	4 Hrs	12 Hrs		24 Hrs
MIG grant funds spent on approved projects by the prescribed date	input	10	Quarterly		HOD TS		10% spent by 31 December	[illegible]	35% spent by 31 December	45% spent by 29 December	55% spent by 31 December		100% spent by 30 June
Sec 43 (Reg 10 (c)) Percentage of capital budget actually spent on projects identified in IDP	input	11	Quarterly		HOD TS	MM	80% quarterly budget spent by 31 December	90% quarterly budget spent by 31 December	[illegible]	100% quarterly budget spent by 15 Nov	100% quarterly budget spent by 1 Nov		100% quarterly budget spent by 30 June
To submit SDBIP reports to CFO	Process	24	Quarterly		HOD's (excluding CFO)		1 report by 15 Jan	1 report by 31 Dec	[illegible]	2 reports 1 week after quarterend	2 reports by 1 Dec		4 reports 2 weeks after quarter end

Indicator	Indicator Type	KPI No	Indicator/KPI measurement Frequency	Responsibility	MM	Baseline Mun	Quarter 2: unacceptable performance (1)	performance not fully effective (2)	fully effective (3)	performance significantly above expectations (4)	outstanding performance (5)	Annual target (2011/2012)
Draft WSDP submitted for consideration by council by target date	Process	5	Quarterly	HOD P			29-Jan	15-Jan	[illegible]	15-Dec	01-Dec	WSDP plan submitted for Council by 30 June
Water policies and bylaws revisions submitted for consideration by council by target date	process	7	annually	MM	MM		[illegible]	15-Jan	Submit proposal to MM (including union involvement) by 31 Dec	15-Dec	01-Dec	Policies and bylaws submitted by 30 June
Number of reports considered by WSA	output	8	quarterly	HOD P			10 reports by 31 December	11 reports by 31 December	[illegible]	12 reports by 15 November	12 reports by 1 November	24 reports by 30 June
To submit SDBIP reports to CFO	Process	24	Quarterly	HOD's (excluding CFO)		2 SDBIP reports submitted to CFO	[illegible]	1 report by 31 Dec	2 reports 2 weeks after quarter end	2 reports 1 week after quarterend	2 reports by 1 Dec	4 reports 2 weeks after quarter end
Percentage of department allocated grant funds received (prior to approval of adjustment budget) spent	input	43	Quarterly	HOD's excluding technical services		100% allocated grant funds that were received were spent(prior to approval of adjustment budget)	[illegible]	25%	50% spent by 31 Dec	75%	85%	100% spent by 30 June
Number of Alignment meetings held	ouput	46	Quarterly	HOD P		20 alignment meetings were held	2	4	[illegible]	8	10	5 quarterly meetings by 30 June
Date of adoption of 2011/2012 Process Plan	ouput	47	Quarterly	HOD P		Process plan was adopted by 30 July 2010			Target achieved			Target achieved
Date of adoption of 2011/2012 Framework Plan	output	47 1	Quarterly	HOD P		Framework plan was adopted by 30 July 2010			Target achieved			Target achieved

												Quarter 1					
National General Key Performance Areas	Strategic Focus Area	Focus Area or CSF	Key Objective	Objective	Lead/Lag Indicator	Indicator	Indicator Type	Old KPI	New KPI	KPI No	Indicator/KPI measurement Frequency	unacceptable performance (1)	performance not fully effective (2)	fully effective (3)	performance significantly above expectations (4)	outstanding performance (5)	Actual Value Achieved
2. Financial management	2. Financial management	2.1 Sound Financial Management	To promote good financial practices	To improve revenue collection	Lag	Sec 43 (Reg 10 (g(ii))) Outstanding Service Debtors to Revenue	output	Y		13	Quarterly	0 48	0 32	0.25	0 23	0 2	
			To promote good financial practices	To produce accurate statements	Lag	Number of adjustments effected in relation to the number of accounts issued	output	Y		14	Quarterly	75%	70%	50%	40%	25%	
			To promote good financial practices	To process payments in time	Lag	Average processing time for invoices of approved work/services	output	Y		15	Quarterly	60	45	30 days	15	7	
			To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Lag	Submission date of Financial Statements to the office of AG	Process	Y		16	Annually						
			To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Lag	Nature of Audit Opinion	outcome	Y		16 1	Annually	Disclaimer	Qualified	Unqualified	Unqualified	Unqualified	
			To promote good financial practices	To complete and submit accurate annual financial statements within the specified time period	Lag	Number of matters of concern reported	output	Y		16 2	Annually	Less than 15 matters of concern	Less than 10 matters of concern	Less than 8 matters of concern by 31 March	Less than 6 matters of concern	Less than 4 matters of concern	
			To promote good financial practices	To complete a budget within the specified time period	Lag	Date of approval of Tabled Budget	Process	Y		17	annually	30-Apr	15-Apr	Budget tabled by 31 March	15 Feb	1-Feb	
			To promote good financial practices	To complete a budget within the specified time period	Lag	Date of approval of Final Budget	Process	Y		17 1							
			To promote good financial practices	To have an effective Auditing Function	Lag	Percentage of Planned Audit Meetings held	output	Y		18	Quarterly	3 meetings by 30 April	3 meetings by 15 april	3 meetings by 31 March	3 meetings by 15 Feb	3 meetings by 1 feb	
			To promote good financial practices	To have an effective Auditing Function	Lag	Percentage of Audit queries cleared within the next financial year	output	Y		18 1	Annually	40% implemented by 31 March	50% implemented by 31 March	60% implemented by 31 March	75% implemented by 31 March	85% implemented by 31 March	
			To promote good financial practices	To develop a Financial Plan (i.e. Budget Process and Time Table)	Lag	Date for approval of Financial Plan	process	Y		19	Annually						
			To be a financially viable municipality	To increase the cost coverage ratio	Lag	Sec 43 (Reg 10 (g(iii))) Cost Coverage	outcome	Y		20	Quarterly	Ratio of 2 by 31 March	Ratio of 4 by 31 March	Ratio of 6 by 31 March	Ratio of 8 by 31 March	Ratio of 10 by 31 March	
			To be financially viable municipality	To increase the dept coverage ration	10	Sec 43 (Reg 10 (g(i))) Debt Coverage Ratio	outcome	Y		20 1	Quarterly	Ratio of 1 by 31 March	Ratio of 3 by 31 March	Ratio of 4 by 31 March	Ratio of 6 by 31 March	Ratio of 10 by 31 March	

			To be a financially viable municipality	To provide sufficient cash resources	Lag	DTLGA % operating budget funded from cash	input	Y		21	Quarterly	92%	94%	96%	98%	100%	
			To be a financially viable municipality	To keep a minimum cash balance to cover average monthly expenditure	Lag	Number of days with excessive funds in current account in relation to the strategy	output	Y		22	Quarterly	180	120	60	30	15	
			To be a financially viable municipality	To report timely and accurately	Lag	Date of approval of Annual Report	Process	Y		23	Annually	Annual report approved by 30 April	Annual report approved by 15 April	Annual report approved by 31 March	Annual report approved by 15 Feb	Annual report approved by 1 Feb	
			To be a financially viable municipality	To report timely and accurately	Lag	Date of receipt of SDBIP by Mayor	Process	Y		23 1	quarterly						
			To be a financially viable municipality	To report timely and accurately	Lag	Number of SDBIP reports considered	output	Y		23 2	quarterly	1 report by 31 March	2 reports by 31 March	3 reports by 31 March	5 reports by 31 March	7 reports by 31 March	
			To be a financially viable municipality	To report timely and accurately	Lead	To submit SDBIP reports to CFO	Process	N	Y	24	Quarterly	1 report by 31 March	2 reports by 31 March	3 reports 2 weeks after quarter end	3 reports by 15 Feb	3 reports by 1 feb	
			To be a financially viable municipality	To align Capital Programme and IDP	Lag	% of capital projects budgeted for in accordance with the IDP	Input	Y		25	Annually	80%	95%	100%			
			To be a financially viable municipality	To be a financially viable municipality		Sec 43 (Reg 10(g)) Financial viability as expressed by the ratios in Gazette				26							
			To promote good governance, accountability & transparency	To spend grant funding	Lag	Percentage of department allocated grant funds received (prior to approval of adjustment budget) spent	input	Y	Y	43	Quarterly	25%	50%	75% spent by 30 March	85%	95%	
		5.2 Integrated & Co-ordinated Development	To promote Integrated & co-ordinated development within the District	To encourage participation in IDP process, ensure alignment with Local Municipalities		Number of Alignment meetings held	ouput			46	Quarterly	2	4	6 quarterly meetings by 30 March	8	10	

6. DETAILED CAPITAL WORKS PLAN

DC26 ZULULAND District Municipality
IMPLEMENTATION OF MIG PROJECTS
Financial year 2011/12
Reporting M: April 2012
Compiled by: Gugu Nene

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2011/12	2012/13	2013/14
Total MIG Allocation	227 100 000.00	275 487 000.00	290 606 000.00
Total Committed	227 164 723.36	276 132 000.00	0.00
Total Variance	64 723.36	-645 000.00	290 606 000.00

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ALLOCATION CARRIED OVER	
2011/12 Allocation (Current + Carried over)	
Certified Expenditure Year to Date	
AMOUNT LEFT TO SPEND - 2011/12	
Total Commitment for 2011/12	

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (as per MIG 1 form)	Project Status	Approved MIG Funding (MIOE + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings	Total Previous MIG Expenditure
DC26	DC26 PMU	DC26 PMU		7 406 500.00	0.00		0.00
DC26	2004MIGFDC260007	Nkonjeni Regional Wat	Completed	39 003 681.00	38 802 185.27	201 495.73	38 802 185.27
							Baseline Schedule Actual / Revised Schedule
DC26	2005MIGFDC260003	ZDM Civic Services F	Completed	6 217 716.00	4 854 805.09	1 362 910.91	4 854 805.09
							Baseline Schedule Actual / Revised Schedule
DC26	2003MIGFDC260005	Rudimentary Water Sup	Completed	85 753 900.00	85 753 900.00	0.00	80 514 8[illegible]
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC26102044	Nkonjeni Regional Wat	Completed	75 296 408.93	75 296 408.88	0.05	58 921 14[illegible]
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC26113033	Hlobane Sports Field	Completed	16 572 000.00	3 728 057.77	12 843 942.23	3 028 012.27
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265318	Usuthu RWSS Phase 4	Completed	25 039 986.00	24 373 987.60	665 998.40	24 373 987.60
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265325	Usuthu RWSS Phase 3	Construction	89 093 640.00	2 421 350.00	86 672 290.00	2 421 350.00
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265328	Usuthu RWSS Phase 2	Construction	32 483 514.00	5 213 824.01	27 269 689.99	5 213 824.01
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265329	Usuthu RWSS Phase 1	Construction	[illegible]	81 486 285.47	14 722 768.52	49 051 083.76
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265332	Simdlangentsha Central	Construction	56 000 492.76	48 328 534.26	7 671 958.50	41 828 534.20
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265333	Khambi RWSS Water S	Construction	74 785 587.00	3 761 411.00	71 024 176.00	28 833 245.22
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265334	Hlahlindlela Mandla Ra	Construction	187 379 680.00	85 094 588.42	102 285 091.58	43 843 987.75
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265336	Simdlangentsha East RW	Construction	25 683 733.70	18 831 453.10	6 852 280.60	12 833 120.33
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265339	Simdlangentsha West RW	Construction	59 477 291.00	61 248 983.61	-1 771 692.61	46 946 289.24
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC265341	Mona Sports Field	Construction	19 500 000.00	4 896 240.30	14 603 759.70	7 841 388.[illegible]
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC266391	Coronation RWSS Exp	Construction	34 837 055.48	9 588 381.70	25 248 673.78	27 646 750.34
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC26133676	Emergency Alleviation	Completed	1 298 504.00	1 178 103.69	120 400.31	1 178 103.69
							Baseline Schedule Actual / Revised Schedule
DC26	2009MIGFDC26150878	ZDM Rural Sanitation P	Construction	195 891 411.00	81 509 013.61	114 382 397.39	89 812 544.88

2011/12

Project	Jul (Certified)	Aug (Certified)	Sep (Certified)	Oct (Certified)	Nov (Certified)	Dec (Certified)	Jan (Certified)	Feb (Certified)	Mar (Certified)	Apr (Certified)	May (Projected)	Jun (Projected)
DC26 PMU				0.00								
Nkonjeni Regional Wat (C260007)				0.00								
ZDM Civic Services F				0.00								
Rudimentary Water Sup			474 232.[illegible]		0.00	1 510 603.34		755 818.80				
				Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
Nkonjeni Regional Wat (C26102044)	0.00	3 305 987.42	1 341 485.[illegible]	4 080 666.41	0.00	1 665 929.76	0.00	4 641 511.38	0.00	0.00	0.00	0.00
	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
Hlobane Sports Field								282 785.78				
Usuthu RWSS Phase 4				0.00				3 011.80				
								Practical Comp				
Usuthu RWSS Phase 3				0.00								
Usuthu RWSS Phase 2				0.00								
Usuthu RWSS Phase 1	0.00	981 713.[illegible]	727 752.62	2 130 270.90	0.00	1 955 834.29	0.00	3 372 331.76	45 574.00	1 698 882.68	3 234 000.00	5 828 171.88
	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Practical Comp
Simdlangentsha Central		202 968.82	267 481.53			1 587 987.15	0.00	663 308.23		0.00	797 437.00	
		Final Design	Final Design	Tender adv	Cont. Award	Cont. Award	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	
Khambi RWSS Water S	0.00	382 695.75	71 474.33	1 084 114.08	0.00	0.00	0.00	77 813.04	0.00	0.00	0.00	0.00
	Final Design	Final Design	Tender adv	Cont. Award	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Practical Comp	
Hlahlindlela Mandla Ra	0.00	8 097 557.67		0.00	0.00	0.00	0.00			888 300.00	5 200 000.00	8 384 951.00
	Final Design	Final Design	Tender adv	Cont. Award	Cont. Award	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
Simdlangentsha East RW		16 587.40	181 [illegible]	0.00		0.00	0.00	78 459.88			852 414.00	4 522 870.50
	Final Design		Tender adv	Cont. Award	Cont. Award	Cont. Award	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Practical Comp
Simdlangentsha West RW		1 801 154.54		0.00		0.00	0.00				2 200 000.00	4 715 288.18
	EIA Appr	EIA Appr	Final Design	Tender adv	Tender adv	Cont. Award	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site
Mona Sports Field	0.00	0.00		424 512.75	0.00	12 281.17	0.00	370 803.42	0.00			
			Practical Comp	Practical Comp	Practical Comp							
Coronation RWSS Exp	[illegible]	271 [illegible]	[illegible]	1 117 961.98		0.00	0.00	150 606.77	0.00	84 587.61	2 798 400.00	2 300 000.00
	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Cont. On Site	Practical Comp	Practical Comp
Emergency Alleviation												
ZDM Rural Sanitation P	0.00	2 187 042.24	1 121 339.31	8 385 957.57	0.00	3 792 528.95	0.00	8 390 306.25	3 513 726.48	4 454 008.00	5 310 881.00	7 837 810.00

									M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
								Baseline Schedule Actual / Revised Schedule	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
DC26	2009MIGFD C26182234	Mandlakazi Regional W	Construction	125 783 218.[illegible]	98 275 357 84	29 517 880 16	93 283 786 34		0.00				0.00	0.00	0.00	25 501 546.21	245 321.16	7 520 788.38	1 542 020.00	3 116 450.00
								Baseline Schedule Actual / Revised Schedule	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
DC26	2009MIGFD C26165666	[illegible] sports field	Construction	[illegible]	8 472 689 42	[illegible]	8 058 393 43					413 398.00	0.00							
								Baseline Schedule Actual / Revised Schedule												
DC26	2009MIGFD C26[illegible]	[illegible] RHSS MIG P	Completed	27 715 450.00	wip	#VALUE!	34 332 315.07					0.00								
								Baseline Schedule Actual / Revised Schedule												
DC26	2008MIGFD C26166801	Gumbi Emergency Wat	Construction	28 464 382.00	15 240 780 08	11 323 571.80	11 446 875.81		0.00			201 998.75	0.00	237 985.80	0.00	1 671 162.80	276 657.38	493 074.43		
								Baseline Schedule Actual / Revised Schedule	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Practical Comp			Cont: On Site	Cont: On Site		
DC26	2009MIGFD C26171658	Usuthu Regional Water	Design & Tender	865 947 909.96	32 950 040 73	832 997 869.23	4 785 175 41				[illegible]			0.00	0.00	2 481 000.41	1 240 881.44	15 574 062.81	2 341 270.20	1 341 832.30
								Baseline Schedule Actual / Revised Schedule	Cont. Award	Cont. Award	Cont. Award	Cont. Award	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	
DC26	2009MIGFD C26171057	[illegible] Regional Wat	Construction	210 103 585.31	7 965 693 00	202 137 872.91	18 105 116.14			3 072 289.43		1 156 661.88	0.00	676 557.75	0.00	418 259.40	2 678 849.28	1 408 886.27	5 132 038.00	4 432 039.00
								Baseline Schedule Actual / Revised Schedule	Final Design	Tender/Adv	Cont. Award	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Practical Comp		
DC26	2011MIGFD C26203878	2014 Rudimentary Wat	Registered	95 902 946 81	95 902 948 81	0.00	0.00				0.00	0.00			0.00		87 880.06	681 461.80	5 954 476.00	5 061 618.00
								Baseline Schedule Actual / Revised Schedule										Cont: On Site		
DC26			Registered			0.00	0.00				0.00	0.00								
								Baseline Schedule Actual / Revised Schedule												
Insert new rows here ONLY																				
Sub Total - Projects				2 348 815 061.15	660 883 142.66	#VALUE!	478 233 614.06		0.00	19 108 335.06	4 565 807.53	18 149 264.97	0.00	12 241 721.06	0.00	53 848 656.91	8 087 843.81	29 530 898.91	36 513 008.20	43 321 381.86
								MONTHLY DORA TRANSFER PAYMENT (DRAWDOWN) SCHEDULE:	[illegible]	0.00	1.00	0.00	[illegible]	0.00	0.00	[illegible]	45 072 000.00	0.00	0.00	[illegible]
								PROVINCIAL ACCUMULATIVE EXPENDITURE TARGET (%)	0%	13.47%	18%	75%	[illegible]	11%	47%	[illegible]	[illegible]	77%	84%	100%
								MUNICIPAL ACCUMULATIVE CERTIFIED EXPENDITURE (%):	0%	8%	16%	18%	14%	24%	24%	47%	51%	64%		

0.00
227 160 082.00
145 329 832.37
81 770 487.73
227 164 723.36

2011/12 Total (Certified + Projected)	Balance against Actual Project cost	Jul (Projected)	Aug (Projected)	Sep (Projected)	Oct (Projected)	Nov (Projected)	Dec (Projected)	Jan (Projected)
0.00	0.00							
0.00	0.00							
0.00	0.00							
2 238 972.45	0.00	450 000.00 Cont: Award	363 828.00 Cont: On Site	1 783 028.00 Cont: On Site	2 120 260.00 Cont: On Site	1 260 320.00 Cont: On Site	[illegible] Cont: On Site	3 282 096.00 Cont: On Site
18 375 288.34	0.05	358 719.00 Cont: On Site	465 718.00 Cont: On Site	782 351.00 Cont: On Site	897 652.00 Cont: On Site	1 020 987.00 Cont: On Site	920 738.00 Practical Comp	0.00
202 763.76	250.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 011.88	882 988.52							
0.00	0.00	350 000.00 Cont: Award	450 000.00 Cont: On Site	585 380.00 Cont: On Site	656 238.00 Cont: On Site	754 837.00 Cont: On Site	1 720 281.00 Cont: On Site	1 323 711.00 Cont: On Site
0.00	0.00	1 245 000.00 Cont: On Site	1 785 000.00 Cont: On Site	2 450 000.00 Cont: On Site	2 887 611.00 Cont: On Site	3 785 846.00 Cont: On Site	3 580 700.00 Cont: On Site	3 121 880.00 Cont: On Site
23 049 839.00	8 465 384.13							
7 623 236.73	2 876 762.27	1 256 000.00 Cont: On Site	1 564 321.00 Cont: On Site	1 438 000.00 Cont: On Site	1 760 318.00 Cont: On Site	1 879 870.00 Cont: On Site	Cont: On Site	Cont: On Site
1 804 198.82	47 158 241.18	323 679.00 Tender adv	432 000.00 Cont: Award	437 888.00 Cont: On Site	500 000.00 Cont: On Site	1 854 175.00 Cont: On Site	1 011 435.00 Cont: On Site	1 459 585.00 Cont: On Site
21 350 617.67	200 009.00	894 785.00 Cont: On Site	1 878 000.00 Cont: On Site	1 788 578.00 Cont: On Site	2 087 880.00 Cont: On Site	2 987 648.00 Cont: On Site	2 011 987.00 Cont: On Site	2 121 452.00 Cont: On Site
5 830 012.34	566 320.44	255 098.00 Tender adv	320 190.00 Cont: Award	423 810.00 Cont: On Site	987 480.00 Cont: On Site	1 078 542.00 Cont: On Site	1 857 640.00 Cont: On Site	1 028 345.00 Cont: On Site
8 845 450.56	5 657 263.81	382 371.00 Cont: On Site	423 141.00 Cont: On Site	1 587 414.00 Cont: On Site	1 075 431.00 Cont: On Site	1 188 782.00 Cont: On Site	894 287.00 Cont: On Site	1 020 186.00 Cont: On Site
1 882 797.29	10 795 504.71	0.00	0.00 Retention Pay	0.00	0.00	0.00	0.00	0.00
6 893 856.12	283 433.02							
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43 050 775.29	63 028 090.85	4 349 277.00	4 483 827.00	4 291 838.00	4 878 000.00	4 783 521.00	4 587 825.00	4 452 010.00

		Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
32 936 955.76	84 813.74	1 879 000.00	2 280 000.00	2 426 700.00	1 562 900.00	1 300 000.00	2 175 900.00	2 350 900.00
		Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
413 298.00	0.00							
0.00	#VALUE!							
2 846 887.72	848 247.05	330 066.00	278 819.00	1 342 571.00	1 343 362.00	1 148 854.00	1 302 181.00	887 782.00
		Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
26 012 855.10	2 674 010.13	800 000.00	1 100 000.00	1 578 880.00	2 783 000.00	2 534 000.00	2 113 000.00	3 470 800.00
		Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
78 836 250.26	271 140 008.17	873 321.00	873 821.00	1 882 721.00	[illegible]	[illegible]	[illegible]	2 296 711.00
		Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site	Cont: On Site
12 265 476.00	83 837 471.95							
0.00	0.00							
227 184 723.38	#VALUE!	13 387 226.00	18 586 365.00	22 330 066.00	27 117 314.00	32 181 488.00	31 043 535.00	27 235 185.00
227 108 007.00	81 779 467.73							

6. APPROVAL OF THE ZULULAND DISTRICT MUNICIPALITY'S SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR THE QUARTER ENDED 31 March 2011.

The Zululand District Municipality's SDBIP for the 3rd quarter ended 31 March 2012 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 received: 31. 05. 2012

Date Approved: 31. 05. 2012

Signature: ____________________