DR. AB XUMA LOCAL MUNICIPALITY

(S72) Mid-year Budget
Assessment Report
For
2023/24

1. PURPOSE:

The purpose of the report is for the Mayor to consider and note the mid-year budget and performance assessment for the 2023/24 financial year.

2. BACKGROUND AND INTRODUCTION

In terms of Section 72, of the Municipal Finance Management Act No. 56, 2003, Chapter 8, the accounting officer of the 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—

- The monthly statements referred to in section 71 for the first half of the financial year.
- 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.
- The past year's annual report, and progress on resolving problems identified in the annual report; and
- the performance of the municipality and submit a report on such assessment to -

1. The mayor of the municipality;
2. The National Treasury; and
3. The relevant provincial treasury.

b) According to the Municipal Budget Reporting and Regulations (MBRR), 2009, "the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of S168(1) of the Act" (MFMA).

3. EXPOSITION OF FACTS

In this report a financial snapshot was conducted to assess the financial performance of the midterm (1 July 2023 – 31 December 2023). The matters as highlighted here within are to be adjusted or rectified within the adjustment budget.

The actual organizational performance will be measured within the SDBIP midterm report where performance is to be examined against the defined key performance areas.

FINANCIAL INFORMATION

3.1 The monthly statements of the first half of the year:

The monthly statements consist of seven Section 71 reports, which are submitted to National and Provincial Treasury namely:

- Statement of Financial Position
- Statement of Financial Performance
- Cash Flow statement
- Repairs and Maintenance
- Debtors Age Analysis
- Creditors Age Analysis
- Capital Expenditure

Mid-Term Financial Performance Information Assessment

Financial Summary			
Description	**Annual Budget R'000**	**YTD Actual R'000**	**YTD Actual %**
Operating Revenue	59 807	29 203	49%
Operating Grants	195 758	147 640	75%
Capital Grants	129 421	73 831	57%
Total Revenue	**384 986**	**250 674**	**65%**
Operating Expenditure	273 170	118 294	43%
Capital Expenditure	155 876	93 832	43%
Total Expenditure	**429 046**	**212 126**	**48%**

FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE):

Description R thousands	Ref	2022/23 Audited Outcome	Budget Year 2023/24 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–		–	–	–	–		–
Service charges - Water		–	–		–	–	–	–		–
Service charges - Waste Water Management		–	–		–	–	–	–		–
Service charges - Waste management		1 139	1 071		101	594	536	58	11%	1 071
Sale of Goods and Rendering of Services		617	628		–	187	314	(127)	-41%	628
Agency services		–	–		–	–	–	–		–
Interest		–	–		–	–	–	–		–
Interest earned from Receivables		1 200	1 396		173	843	698	145	21%	1 396
Interest from Current and Non-Current Assets		5 672	6 185		198	2 319	3 092	(774)	-25%	6 185
Dividends		–	–		–	–	–	–		–
Rent on Land		–	–		–	–	–	–		–
Rental from Fixed Assets		361	485		11	173	243	(70)	-29%	485
Licence and permits		2 723	2 435		226	1 522	1 218	305	25%	2 435
Operational Revenue		3 768	1 160		77	627	580	47	8%	1 160
Non-Exchange Revenue								–		
Property rates		7 128	7 529		–	7 529	7 529	–		7 529
Surcharges and Taxes		11 576	38 848		4 638	15 389	19 424	(4 035)	-21%	38 848
Fines, penalties and forfeits		68	70		6	21	35	(14)	-41%	70

Licence and permits		–	–		–	–	–	–		–
Transfers and subsidies - Operational		188 187	195 758		61 535	147 640	147 640	–		195 758
Interest		–	–		–	–	–	–		–
Fuel Levy		–	–		–	–	–	–		–
Operational Revenue		–	–		–	–	–	–		–
Gains on disposal of Assets		–	–		–	–	–	–		–
Other Gains		–	–		–	–	–	–		–
Discontinued Operations		–	–		–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**222 439**	**255 565**	**–**	**66 966**	**176 843**	**181 309**	**(4 466)**	**-2%**	**255 565**
Expenditure By Type	-									
Employee related costs		96 668	106 601		8 564	50 852	53 300	(2 448)	-5%	106 571
Remuneration of councillors		16 052	18 560		1 340	8 575	9 280	(705)	-8%	18 560
Bulk purchases - electricity		–	–		–	–	–	–		–
Inventory consumed		4 034	6 502		213	2 041	3 251	(1 210)		6 502
Debt impairment		65 765	1 020		–	–	510	(510)	-100%	1 020
Depreciation and amortisation		114 029	38 484		–	9 278	19 242	(9 964)	-52%	38 484
Interest		–	–		–	–	–	–		–
Contracted services		29 446	39 722		4 546	19 907	19 861	46	0%	39 562
Transfers and subsidies		5 655	4 226		234	1 277	2 113	(835)	-40%	4 226
Irrecoverable debts written off		3 708	4 500		–	–	2 250	(2 250)		4 500
Operational costs		57 883	53 557		2 006	26 364	26 778	(414)	-2%	53 747
Losses on Disposal of Assets		–	–		–	–	–	–		–
Other Losses		–	–		–	–	–	–		–
Total Expenditure		**393 242**	**273 170**	**–**	**16 902**	**118 294**	**136 585**	**(18 291)**	**-13%**	**273 170**
Surplus/(Deficit)		**(183 416)**	**(17 605)**	**–**	**50 064**	**58 549**	**44 723**	**13 825**	**0**	**(17 605)**
Transfers and subsidies - capital (monetary allocations)		75 460	129 421		13 958	73 831	14 414	59 416	**0**	129 421

Transfers and subsidies - capital (in-kind)		–	–				–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(107 956)**	**111 816**	**–**	**64 021**	**132 379**	**59 138**			**111 816**
Income Tax		–	–		–	–	–			–
Surplus/(Deficit) after income tax		**(107 956)**	**111 816**	**–**	**64 021**	**132 379**	**59 138**			**111 816**
Share of Surplus/Deficit attributable to Joint Venture		–	–		–	–	–			–
Share of Surplus/Deficit attributable to Minorities		–	–		–	–	–			–
Surplus/(Deficit) attributable to municipality		**(107 956)**	**111 816**	**–**	**64 021**	**132 379**	**59 138**			**111 816**
Share of Surplus/Deficit attributable to Associate		–	–		–	–	–			–
Intercompany/Parent subsidiary transactions		–	–		–	–	–			–
Surplus/ (Deficit) for the year		**(107 956)**	**111 816**	**–**	**64 021**	**132 379**	**59 138**			**111 816**

Revenue Variance explanations (Year to Date (YTD) Actual Vs Year to date Budget)

- **Service charges - Waste management –** The YTD billing is R 593 993 and we have collected R 130 787 which is 22% of the billed amount.
- **Sale of Goods and Rendering of Services (Tender fees, Agricultural fees & Auction fees) –** The YTD actual is more than the YTD budget by 11%.
- **Interest earned from Receivables –** The YTD actual is more than the YTD budget by 21% as interest has been billed in line with credit control policy.
- **Interest from Current and Non-Current Assets -** we have received R 2 318 809 which is less than the YTD budget by 25% due to applicable interest rates and increase in spending for conditional grants.

- **Rental from Fixed Assets -** The municipality has under-collected by 29% on the YTD budget. It should be noted that this is a seasonal project and income is generated when a facility is booked'.
- **Licence and permits –** The YTD actual is more than the YTD budget by 25%.
- **Operational Revenue -** The YTD actual is more than the YTD budget by 8%.
- **Property rates -** The billing for property rates is R 7 529 359 which equates to the budgeted amount. The municipality has managed to collect R 531 761 of the billed amount, which is 7% of the billed amount. It should be noted that, this is an annual billing, some debtors are paying their bill on a monthly basis.
- **Fines, penalties and forfeits -** The YTD collection is below the YTD budget amount by 41% budget due to traffic unit being not fully functional.
- **Transfers and subsidies Operational -** We have received the first trench and second trench of grants allocations as per the payment schedule.
- **Transfers and subsidies capital -** We have received the first trench of grants except the human settlement grant.
- **Surcharges and Taxes (Withdrawal form investment and VAT refunds) -** The YTD actual is less than the YTD budget by 21% and we have received **R 15 388 619 for** VAT refunds, it should be noted that there will be no cash inflow for projects funded by withdrawals from investment

Expenditure Variance explanations (YTD Actual Vs Year to date Budget)

- **Employee related costs** – YTD actual is less by 5% compared to YTD budget due to reduction in travel re-imbursive claims and vacant post not yet filled.
- **Remuneration of councillors** –YTD actual is less by 8% compared to YTD budget due to reduction in travel re-imbursive claims and increment not yet implemented.
- **Inventory consumed –** The YTD actual is less than the YTD budget by 37% due to internal controls implemented.
- **Debt impairment & Depreciation and amortisation -** will be calculated when preparing AFS.
- **Transfers and subsidies -** The YTD actual is less by 40% compared to YTD budget
- **Operational costs** – The YTD actual is less by 2% compared to YTD budget.

Table below is a detailed table for repairs & maintenance:

DESCRIPTION	YTD BUDGET	YTD ACTUAL	UNSPENT R	UNSPENT %
TOOLS EQUIPMENT	1 460 000	2 248 777	-631 670	-87%
ROADS STORM WATER	250 000	-	125 000	100%
ROADS RE-SEALING	250 000	147 150	125 000	100%
STREETLIGHTS	250 000	-	125 000	100%
BUILDINGS	500 000	397 063	224 124	90%
ELECTRICITY REPAIRS	100 000	-	50 000	100%
VEHICLES	250 000	217 711	-26 158	-21%
MAINTANANCE OF POUND	50 000	-	25 000	100%
HEREOS PARK	50 000	-	25 000	100%
SWIMMING POOL	100 000	-	50 000	100%
REFUSE TRUCKS	125 000	-	62 500	100%
WORKSHOP	200 000	-	100 000	100%
TOTAL	**3 585 000**	**3 010 702**	**253 796**	**14%**

Repairs & Maintenance expenditure: The spending for tools & equipment and vehicles is with the approved budget there is no unauthorised expenditure.

Capital Expenditure:

Vote Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>**Capital Expenditure - Functional Classification**</u>										
Governance and administration		**16 418**	**3 600**	–	–	**1 686**	**1 800**	(114)	-6%	**3 600**
Executive and council		1 385	550			361	275	86	31%	550
Finance and administration		15 009	3 050		–	1 325	1 525	(200)	-13%	3 050
Internal audit		25	–		–	–	–	–		–
Community and public safety		**1 261**	**37 367**	–	–	–	**18 683**	(18 683)	-100%	**37 367**
Community and social services		833	–		–	–	–	–		–
Sport and recreation		–	–		–	–	–	–		–
Public safety		428	–		–	–	–	–		–
Housing		–	37 367		–	–	18 683	(18 683)	-100%	37 367
Health		–	–		–	–	–	–		–
Economic and environmental services		**88 222**	**93 823**	–	**9 388**	**78 536**	**46 912**	31 625	67%	**93 823**
Planning and development		2 334	150		–	53	75	(22)	-29%	150
Road transport		85 888	93 673		9 388	78 483	46 837	31 646	68%	93 673
Environmental protection		–	–		–	–	–	–		–
Trading services		**17 144**	**21 086**	–	**725**	**13 610**	**10 543**	3 067	29%	**21 086**
Energy sources		17 101	18 381		593	12 539	9 191	3 348	36%	18 381

Water management		–	–		–	–	–	–		–
Waste water management		–	–		–	–	–	–		–
Waste management		43	2 705		133	1 071	1 353	(281)	-21%	2 705
Other		–	–		–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**123 046**	**155 876**	**–**	**10 113**	**93 832**	**77 938**	**15 894**	**20%**	**155 876**
Funded by:										
National Government		68 414	73 764		5 144	46 198	36 882	9 316	25%	73 764
Provincial Government		20 826	30 000		4 244	21 727	15 000	6 727	45%	30 000
District Municipality		–	–		–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–		–	–	–	–		–
Transfers recognised - capital		**(4 899)**	**103 764**	**–**	**9 388**	**67 925**	**51 882**	**16 043**	**31%**	**103 764**
Borrowing	6	–	–		–	–	–	–		–
Internally generated funds		33 806	52 112		725	25 907	26 056	(149)	-1%	52 112
Total Capital Funding		**123 046**	**155 876**	**–**	**10 113**	**93 832**	**77 938**	**15 894**	**20%**	**155 876**

- The YTD expenditure for projects funded by National Governments Grants is **R 46 198 million**.
- The YTD expenditure for projects funded by Provincial government is **R 21 727 million.**
- The YTD expenditure is **R 25 907 million** on projects funded by internal generated funds

Statement of Financial Position:

Description	Ref	2022/23	Budget Year 2023/24			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		41 790	93 320		67 850	93 320
Trade and other receivables from exchange transactions		267	1 452		2 440	1 452
Receivables from non-exchange transactions		4 061	2 763		8 022	2 763
Current portion of non-current receivables		–	–		–	–
Inventory		–	–		–	–
VAT		7 915	1 739		9 502	1 739
Total current assets		**54 033**	**93 748**	**–**	**87 814**	**93 748**
Non-current assets						
Investments		–	–		–	–
Investment property		8 872	9 826		9 098	9 826
Property, plant and equipment		564 198	616 387		630 000	616 387
Biological assets		–	–		–	–
Living and non-living resources		–	–		–	–
Heritage assets		2 407	2 407		2 407	2 407
Intangible assets		2 671	264		840	264
Trade and other receivables from exchange transactions		–	–		–	–
Non-current receivables from non-exchange transactions		–	–		–	–
Other non-current assets		–	–		–	–

Total non-current assets		**578 148**	**628 883**	**–**	**642 345**	**628 883**
TOTAL ASSETS		**632 181**	**722 631**	**–**	**730 159**	**722 631**
LIABILITIES						
Current liabilities	-					
Bank overdraft		–	–		–	–
Financial liabilities		–	–		–	–
Consumer deposits		–	–		–	–
Trade and other payables from exchange transactions		16 684	7 501		25 206	7 501
Trade and other payables from non-exchange transactions		6 251	13 795		16 003	13 795
Provision		10 637	31 694		33 726	31 694
VAT		-	2 036		1 776	2 036
Other current liabilities		5 833	116		360	116
Total current liabilities		**39 405**	**55 142**	**–**	**77 072**	**55 142**
Non-current liabilities						
Financial liabilities		4 851	0		–	0
Provision		27 207	8 636		8 968	8 636
Long term portion of trade payables		–	–		–	–
Other non-current liabilities		–	–		–	–
Total non-current liabilities		**32 058**	**8 636**	**–**	**8 968**	**8 636**
TOTAL LIABILITIES		**71 463**	**63 779**	**–**	**86 040**	**63 779**
NET ASSETS	2	**560 718**	**658 852**	**–**	**644 119**	**658 852**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		560 718	658 852		644 119	658 852
Reserves and funds		–	–		–	–
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**560 718**	**658 852**	**–**	**644 119**	**658 852**

CASH FLOW STATEMENT

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		2 169	6 942		212	532	3 471	(2 939)	-85%	6 942
Service charges		793	732		81	411	366	45	12%	732
Other revenue		4 052	42 263		5 671	21 080	21 132	(52)	0%	42 263
Transfers and Subsidies - Operational		163 828	197 121		35	147 640	49 481	98 159	198%	197 121
Transfers and Subsidies - Capital		22 226	129 421		–	73 831	55 590	18 241	33%	129 421
Interest		–	–		–	–	–	–		–
Dividends		–	–		–	–	–	–		–
Payments										
Suppliers and employees		(189 738)	(213 523)		(16 902)	(118 294)	(106 761)	11 533	-11%	(213 523)
Interest		–	–		–	–	–	–		–
Transfers and Subsidies		–	–		–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**3 329**	**162 956**	**–**	**(10 903)**	**125 199**	**23 278**	**(101 921)**	**-438%**	**162 956**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–		–	–	–	-		–
Decrease (increase) in non-current receivables	-	–	–		–	–	–	–		–

Decrease (increase) in non-current investments		–	–		–	–	–	–		–
Payments										
Capital assets		(118 616)	(155 876)		(10 113)	(93 832)	(77 938)	15 894	-20%	(155 876)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(118 616)**	**(155 876)**	**–**	**(10 113)**	**(93 312)**	**(77 938)**	**15 374**	**-20%**	**(155 876)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–		–	–	–	–		–
Borrowing long term/refinancing		–	–		–	–	–	–		–
Increase (decrease) in consumer deposits		–	–		–	–	–	–		–
Payments										
Repayment of borrowing		–	–		–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		**(115 287)**	**7 081**	**–**	**(21 016)**	**31 888**	**(54 659)**			**7 081**
Cash/cash equivalents at beginning:		157 077	86 239		83 481	30 577	86 239			(9 825)
Cash/cash equivalents at month/year end:		41 790	93 320	–	62 465	62 465	93 986			–

- On YTD actual column the table net cash from/(used) operating activities of R 125 199 337 before capital assets and after capital asset we have a cash & cash equivalent of R 62 465 137.

Statement of Financial Position

This statement lists all Council's '**Current and Non-Current Assets**' and '**Liabilities**' together with their financial values.

o Current Assets

Current Assets refer to cash or resources that have cash value and are owned by Council. All other assets expected to provide financial benefit to Council within one financial year also fall under the category of 'Current Assets'.

Largest current asset is cash. This asset is highly liquid, meaning that cash is readily available when required. For period ending 31 December 2023 the cash balance is **R 62 465 137**.

Grants income and expenditure as at 31 December 2023 can be summarized as follows:

Current Liabilities

Current Assets refer to cash or resources that have cash value and are owned by Council. All other assets expected to provide financial benefit to Council within one financial year also fall under the category of

'Current Assets'.

Largest current asset is cash. This asset is highly liquid, meaning that cash is readily available when required. For period ending 31 December 2023 the cash balance is **R 62 465 137**.

Grants income and expenditure as at 31 December 2023 can be summarized as follows:

Grants	Budgeted amount	Allocation received	Amount not yet received	Spending R	Spending %
EQUITABLE SHARE	184 604 000	70 931 000	113 673 000	87 505 672	47%
EPWP	1 927 000	481 000	1 446 000	925 076	48%
LIBRARY FEES	700 000	700 000	-	418 945	60%
WATTLE ERADICATION	3 000 000	3 000 000	-	1 580 989	53%

FINANCIAL MANAGEMENT GRANT	1 700 000	1 700 000	-	1 023 292	60%
Total Operating Grant	**191 931 000**	**76 812 000**	**115 119 000**	**91 453 974**	**48%**
ELECTRIFICATION (INEP)	18 381 000	3 600 000	14 781 000	10 488 537	57%
DISASTER GRANT	-	5 832 825	5 832 825	2 982 236	51%
HUMAL SETTLEMENT GRANT	39 333 333	-	-	-	0%
MIG	45 533 000	15 706 000	29 827 000	32 726 794	72%
SMALL TOWN REVATALISATION	30 000 000	23 342 031	6 657 969	23 342 031	78%
Total Capital Grant	**133 247 333**	**48 480 856**	**57 098 794**	**69 539 598**	**13%**

Current Liabilities refer to trade and other payables (creditors), provisions and accruals that are due/owed by Council.

The municipality pays its creditors on time within 30 days upon receipt of a valid invoice.
As at 31 December 2023, the municipality's current liabilities are as follows

- **Creditors** **5 566 233**
- **Unspent Conditional Grants CAPITAL** **2 850 589**
- **Retentions** **8 597 450**

Trade Debtors:

Description	Budget Year 2023/24								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	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	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	281	115	6 660	92	14 438	21 586	14 530	–	–
Receivables from Exchange Transactions - Waste Water Management	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	268	114	107	104	3 651	4 243	3 755	–	–
Receivables from Exchange Transactions - Property Rental Debtors	13	13	13	12	90	142	102	–	–
Interest on Arrear Debtor Accounts	–	–	–	–	–	–	–	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Total By Income Source	**562**	**242**	**6 780**	**208**	**18 179**	**25 971**	**18 387**	–	–
Debtors Age Analysis By Customer Group									

Organs of State	95	24	2 722	23	2 428	5 293	2 452	–	–
Commercial	234	114	2 082	86	5 732	8 249	5 819	–	–
Households	233	103	1 976	98	10 018	12 429	10 117	–	–
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**562**	**242**	**6 780**	**208**	**18 179**	**25 971**	**18 387**	–	–

- Debtors sitting at 90- 150 days consists of the debtors that are long and outstanding. Letter of reminders have been issued to all the ratepayers with long outstanding amounts and have been handed over to legal unit for collection.
- Organs of State are paying their accounts except provincial public works that will pay when starting new financial year. National public works made arrangement to pay monthly and they are adhering to that arrangement.

Creditors:

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
R thousands		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	1 389	–	–	–	–	–	–	–	**1 389**	
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	
Pensions / Retirement deductions	0500	2 472	–	–	–	–	–	–	–	**2 472**	
Loan repayments	0600	–	–	–	–	–	–	–	–	–	

Trade Creditors	0700	1 705	–	–	–	–	–	–	–	**1 705**	
Auditor General	0800	–	–	–	–	–	–	–	–	–	
Other	0900	–	–	–	–	–	–	–	–	–	
Total By Customer Type	**1000**	**5 566**	–	–	–	–	–	–	–	**5 566**	–

- SARS PAYE, SDL, UIF accounts are up to date and paid on a monthly basis.
- On a monthly basis, the municipality receives VAT refunds from SARS as Input VAT is always more than Output VAT.
- The municipality does not have loans.
- Creditors are paid on time within 30 days upon receipt of a valid invoice.

Ratios:

Financial Ratios	
Cash Coverage	6 Months
Spending of Operating Budget(OPEX)Including noncash items	40%
Spending of Capital Budget (CAPEX)	60%
Spending on Repairs and Maintenance	42%
Fruitless, Wasteful, Irregular ,expenditure (Previous years)	30%
Current Ratio	1.30
Current Debtors Collection rate	69%
Spending on Staff wages and salaries (Operational Budget vs Actuals)	45%
Spending on Councillors allowances (Operational Budget Vs Actuals)	42%

- Cash coverage ratio – The norm is for the municipality to have at least cash coverage of 6 months. The ratio is above the norm of 1-3 months which is a good indicator that the municipality's.
- Operating Budget- The spending as at the end of 31 December 2023 is 40%. The spending is within the approved budget and there is no unauthorised expenditure and debt impairment that will be calculated at year when preparing AFS.
- Capital budget as at the end of 31 December 2023 is 60%. The spending is within the approved budget and there is no possibility for unauthorised expenditure.
- Spending on repairs as at end of 31 December 2023 is 42%. The spending is within the approved budget and there is no unauthorised expenditure.
- Irregular expenditure is 30% as a result of awards made to service providers within the panel without requesting 3 quotes.
- The spending on staff wages and salaries is 45%, more controls are implemented to reduce staff costs as the municipality's employee costs threshold is 47%.
- The spending on councillor's allowances is 42%.

3.2 NON-FINANCIAL PERFORMANCE INFORMATION

3.2.1 EXECUTIVE SUMMARY ON PERFORMANCE REPORTING

DR AB Xuma Local Municipality has prepared this Mid-Year Performance Assessment Report starting from 1st July 2023 to 31 December 2023. The Mid-Year Report is done in order in comply with Section 72 of the Municipal Finance Management Act, 2003. It is then submitted to the Mayor, Executive Committee and the Council for consideration and adoption.

This Mid-Year Report is based on evaluated, audited information by internal auditors and includes preliminary assessment on the Organizational Service Delivery Budget and Implementation Plan Detailed assessment of the Mid-Year Report is available for inspection with the Portfolio of Evidence (POE).

3.1.2 Organizational Performance

The Strategic Organizational Scorecard reflecting the following: -

- National Key Performance Area
- Strategic Objective,
- Project Name,
- Performance Indicator Number,
- Annual Target

The performance of the organization is indicated per department and key performance area (Annexure A) indicates organizational performance. The preliminary assessment is done on reported Actual where applicable, with the portfolio of evidence being subjected to auditing and verification process. This report is also subjected to a formal evaluation process being conducted by the Municipal Manager pending an internal audit process.

3.1.3 Organizational and Departmental Performance

Variance on SDBIP is analysed on all departmental scorecards and organizational scorecards with corrective measures where necessary. Total KPIs is the number of Key Performance Indicators (KPI) under each Key Performance Area (KPA). KPIs met is total numbers of key performance indicators that were achieved as planned. KPI’s not met is total number of KPIs that were projected for the mid-term period but were not achieved

3.1.4 Summary of Mid-Year Performance against targets set in the Service Delivery and Budget Implementation Plan (SDBIP)

DEPARTMENT	TOTAL TARGETS FOR THE Q1 PERIOD	ACHIEVED	NOT ACHIEVED	PERCENTAGE	TOTAL TARGETS FOR THE Q2 PERIOD	ACHIEVED	NOT ACHIEVED	PERCENTAGE	MID-TERM
Corporate Services	3	3	0	100%	3	3	0	100%	100%
MM's Office	7	6	1	86%	7	6	1	86%	86%
Budget & Treasury Office	4	4	0	100%	4	4	0	100%	100%
Technical Services	8	8	0	100%	8	7	1	88%	94%
Community Services	7	7	0	100%	7	7	0	100%	100%
IPED	3	3	0	100%	3	3	0	100%	100%
TOTAL	32	31	1	97%	32	30	2	94%	95%

The overall performance recorded during the **2022/23 Mid-Year reveals a 95%** which is a very good performance**.** The challenges and action plans for the non-achievement have been outlined in the departmental performance reports.

3.1.5 SUMMARY OF PAST YEAR ANNUAL REPORT AND PROGRESS ON RESOLVING PROBLEMS IDENTIFIED IN 2022/2023 ANNUAL AUDIT REPORTS

The Management Action Plan has been developed that will serve as a tool to monitor all the issues raised on the 2022/2023 Annual Report, the municipality has captured all the issues with progress report in the Management/Audit Action Plan. Municipal Managers office and Internal Auditor will monitor the implementation of the Management Action Plan.

3.1.6 ANNEXURE A ORGAZINAL PERFORMANCE SCORECARD FOR THE MID-YEAR 2023/2024

Key Performance Area	idp code	STRATEGIC OBJECTIVE	initiatives	Description	Activity Description	Ward no	UNIT MEASURE	Baseline 2022-2023	2023 - 2024 Period	Q1		Q1	Q2		Q2	Reasons for non-achievement and remedial action	KPI weighting	custodian
									Annual Target	Target	Actual	Evidence	Target	Actual	Evidence			
Municipal Transformation and Organisational Development																		
Municipal Transformation and Organisational Development	**2324. 1.2.1**	**To provide a registry facility that is compliant with the National Records Management Act by 2024**	**Procure an Electronic Records Management System**	Number of ICT initiatives implemented by 30 June 2024.	Weekly backups which amount to 12 weeks per quarter	Nil	Number	**48**	48	12	**Achieved,** 12 Backups completed	1. Screen Print	12	**Achieved,** 12 Backups completed	1. Screen Print	N/A	**1**	**HOD: Corporate Services**

Municipal Transformation and Organisational Development	**2324. 1.5.1**	**To ensure capacitation of employees as derived in the institutional WSP that is in line with the IDP by 2024**	**Training and skills development**	Number of Skills Development initiatives implemented by 30 June 2024	Submission of Work Skills Plan WSP report by 30 April 2024 Report on Bursaries (internal and external) by 30 June 2024(Quarterly Reports on bursaries) Training on skills for staff and councillors by 30 June 2024(Quarterly training and skills development programs)	Nil	Number	9	9	(2) 1. Internal and external bursary report prepared 2. Training reports prepared	**Achieved**, 2 Skills initiatives completed, 1 for Internal and External Bursaries and 1 Training Report	1. Progress Report on Bursaries 2. Pogress Report on Trainings	(2) 1. Internal and external bursary report prepared 2. Training reports prepared	**Achieved, 2** Reports prepared, one on Bursaries and one on Trainings	(2) 1. Progress Report on Bursaries 2. Pogress Report on Trainings	N/A	**2**	**HOD: Corporate Services**
Municipal Transformation and Organisational Development	**2324. 1.6.1**	**To ensure compliance with the occupational health and safety Act by 30 June 2024**	**occupational health and safety**	Number of EHW initiatives implemented by 30 June 2024	EHW initiatives coordinated by 30 June 2024 (4) (Q1 -1, Q2 - 1, Q3 -1 Q4 1)	Nil	Number	4	4	(1) 1 x wellness program coordinated	**Achieved**, 2 Wellness Events coordinated	1. Signed EHW Plan 2.Progress Report	(1) 1 x wellness program coordinated	**Achieved, 2** Events coordinated, 29th November 2023 and 5th December 2023	1. Progress Report	N/A	**2**	**HOD: Corporate Services**
Key Performance Area	**IDP Code**	**STRATEGIC OBJECTIVE**	**initiatives**	**Description**	**Activity Description**	**Ward no**	**UNIT MEASURE**	**Baseline 2022-2023**	**2023 - 2024 Period**	**Q1**		**Q1**	**Q2**		**Q2**	**Reasons for non-achievement and reme**	**KPI weighting**	**Custodian**
									Annual Target	**Target**	**Actual**	**Evidence**	**Target**	**Actual**	**Evidence**			

																dial action		
Basic Service Delivery 2.1																		
Basic Service Delivery	**2324.2.2.6**	**To ensure provision of adequate and sustainable Project Management services by 30 June 2024**	**Effective, efficient and economical provision of adequate road infrastructure**	Number of bridges to be registered by 30 June 2024	2 Bridges registered by 30 June 2024 Registration of Bulawayo to Ndulini bridge by 30 June 2024 Registration of Nonyentu bridge by 30 June 2024	13 and 15	Number	Nil	2 Bridges registered by 30 June 2024 Registration of Bulawayo to Ndulini bridge by 30 June 2024 Registration of Nonyentu bridge by 30 June 2024	Pre-DAC Meeting	**Achieved,** Pre-DAC Meeting held on the 21st September 2023	1. Pre DAC Invitation 2. Presentation	2 Bridges Projects registered	**Achieved,** The 2 bridges Bulawayo to Ndulini and Nonyentu have been registered	Approval letter	**N/A**	**2**	**HOD: Technical Services**
Basic Service Delivery	**2324.2.2.3**		**Effective, efficient and economical provision of adequate road infrastructure**	Number of Community Hall constructed by 30 June 2024	Construction of 200 sqm All Saints Community Hall by 30 June 2024	10	Number	Nil	Construction of 200 sqm All Saints Community Hall by 30 June 2024	1.completion of plastering 2. Painting	**Achieved,** The project has been completed and handover from the contractor to the municipality	1.Progress report 2. Work plan	practical completion	**Achieved,** The All Saints Community Hall has been completed.	1. Practical completion 2. Close-out report	**N/A**	**2**	**HOD: Technical Services**

Basic Service Delivery	**2324. 2.2.4**		**Effective, efficient and economical provision of adequate road infrastructure**	Number of kilometers of access roads completed by 30 June 2024	09 Access Roads constructed by 30 June 2024 1. Ngxingweni Access Road Phase 2 (5.5km)(11) 2. Yawa Access Road (7.6km)(18) 3. R61 Maqamkazini Access Road (6.7km)(17) 4. R408 Eluxeni via Siganeni Access Road (5.2km)(9) 5. Qengqeleka to Ekunene Access Road (5.9km)(3) 6. Maxesibeni Access Road (5.2km)(12) 7. Smith-Qhaziyana Access Road (5km)(14) 8. Mkhanzi Access Road (5.5km) (12) 9. Mangwevini - Lumlela Access Road (4km)(8)	11, 18,12,17,09,03,12,14 &08	Number	Nil	50,6	1. Appointment of 6 Contractors 2. Gravel wearing coarse 3. Storm water installation	**Achieved,** 1. Six Contractors appointed, Ngxingweni, Yawa, R61-Maqamkazini, R408 Eluxeni via Siganeni, Qengqeleka to Ekunene, Maxesibeni Access Roads Respectively. 2. Smith-Qhaziyana has been completed and handover, Mkhanzi is at 91% completion, Mangwevini-	1. Appointment letters 2. Tender advert 3. Monthly progress report (Smith - Qhaziyana Access Road, Mkhanzi, Mangwevini - Lumlela Access Roads)	1. Site establishment 2.Road bed formation	**Achieved, 1.** Ngxingweni Access Road – Site Establishment Completed, Roadbed completed, Tipping and stormwater installation in progress. 2. Yawa Access Road – Establishment completed, clearing completed, roadbed completed, tipping completed, stormwater installation completed and processi	1.Progress report 2. Work plan	**N/A**	**3**	**HOD: Technical Services**

											Lumlela is at 95% completion , Storm water and gravel wearing coarse have been constructed			ng of gravel is in progress. 3. R61 – Maqamkazini Access Road - Establishment completed, clearing completed, roadbed completed, tipping completed, stormwater installation completed and processing of gravel is in progress. 4. R408 – Eluxeni via Sigageni Access Road - Establishment completed,				

														clearing completed, roadbed completed, tipping completed, stormwater installation is in progress and processing of gravel is completed. 5. Qengqeleka – Ekunene Access Road - Establishment completed, clearing completed, roadbed completed, tipping completed, stormwater installation in progres				

														s and processing of gravel is completed. 6. Maxesibeni Access Road - Establishment completed, clearing completed, roadbed completed, tipping completed, stormwater installation completed and processing of gravel is in progress. 7. Smith to Qhaziyana Access Road has been completed.				

														8. Mkhanzi Access Road – Completed. 9. Mangwevini – Lumela Access Road – Completed.				

Basic Service Delivery	**2324.2.2.2**		**Effective, efficient and economical provision of adequate road infrastructure**	Number of Bridges to be constructed by 30 June 2024	Construction of Nogqala bridge by 30 June 2024	20	Number	Nil	Construction of 50m long by 5m wide Nogqala bridge by 30 June 2024	Appointment	**Achieved,** Contractor has been appointed	Appointment letter	1.Site establishment 2. Base/pile cap construction	**Achieved,** Actual Progress is as follows 1. Site Establishment has been completed. 2. Pile testing has been completed. 3. Base and pile caps are under construction.	1. Progress report 2. Work plan		**2**	**HOD: Technical Services**
Basic Service Delivery	**2324.2.2.5**		**Effective, efficient and economical provision of adequate road infrastructure**	Number of Tarred surface road to be constructed by 30 June 2024	Upgrading of 3.3 km Primary relief road project from access to surface road to be constructed by 30 June 2024	09 & 10	Number	Nil	Upgrading of 3.3km Primary refiel road project from access to surface road to be constructed by 30 June 2024	1. Appointment 2. Site establishment 3. Clearing and Grubbing 4. Road alignment	**Achieved,** 1. Contractor has been appointed. 2. Site Establishment is at 90% completion. 3.Clear and grubbing is at 100% completion.	1. Appointment letters 2. Monthly progress report 3. Work plan	1. Mass Earthworks 2. Roadbed formation 3. Pavement layer of gravel material	**Achieved,** The progress on Primary Relief Road is as follows 1. Mass earthworks has been completed. 2. Roadbed formation has been complet	1. Progress report 2. Work plan	**N/A**	**2**	**HOD: Technical Services**

											4. Setting out is at 85% comple tion.			ed. 3. Paveme nt gravel layer is under constru ction				

Basic Service Delivery	**2324. 2.3.1**	**To ensure effective provision of electrification to communities by 30 June 2024**	**Electrification of rural areas**	Number of Households Energisable by 30 June 2024	Energisable households 1.Vetyu (ward 5, 65 households) 2. Sandile Phase 2(ward 18, 110 Households) 3. Qota Ward 5(25 households) 4. Zone 14(ward 13, 25 Households) 5. Tshapile(ward 18, 70 Households) 6. Nkwenkwana (ward 5, 48 Households) 7. Nxamagela (ward 1,43 Households) 8. Lower Mnyolo (ward 19,60 Households) 9. Ndungwane (ward 16, 45 Households) 10. Chaba(ward 1, 40 Households) 11. Cwecweni/Ngwevana (ward 2, 29 Households) 12. Deberha	01, 02, 05, 06, 13, 16, 17, 18 & 19	Number	Nil	777	1.Eskom MOU 2. Eskom Planning Report 3. Appointment	**Achieved,** 1. Eskom MOU has been received and signed. 2. Eskom Network Planning Report has been received from Eskom	1. Allocation Letters 2. Eskom Planning Report 3. Signed Eskom MOU	Eskom Approved designs	**Achieved,** Designs for All Projects have been completed and approved by Eskom with the exclusion of Vetyu, Qota, KwaGcina and Nkwenkwana due to dependencies that Eskom requires before the households are constructed and energized.	Design	**N/A**	**3**	**HOD: Technical Services**

					Phase 3 (Ntwashini) Electrification (Ward 6, 140 households) 13. KwaGcina Electrification (Ward 17, 27 Households)														

Basic Service Delivery	**2324.2.3.2**	**To ensure effective provision of electrification to communities by 30 June 2024**	**Electrification of rural areas**	Number of Villages designed by 30 June 2024	Pre-Engineering for Mbabakazi and Ngqaba/Ngxebe Electrification	07 & 19	Number	Nil	Number of Villages designed by 30 June 2024	1. Eskom MOU 2. Eskom Planning Report	**Achiieved,** 1. Eskom MOU has been received and signed. 2. Eskom Network Planning Report has been received from Eskom.	1. Allocation Letters 2. Eskom Planning Report 3. Signed Eskom MOU	Eskom Approved designs	**Achieved,** Pre-Engineering for Mbabakazi, Ngqaba/Ngxebe Electrification have been approved.	Design	**N/A**		**HOD: Technical Services**

Basic Service Delivery	**2324.2.4.2**	**To ensure the effective provision of RDP housing to communities by 30 June 2024**	**Provision of RDP housing**	Number of RDP houses constructed by 30 June 2024	600/100 RDP Houses constructed in the following areas by 30 June 2024 (30 Per Ward)	All wards	Number	Nil	600/100 RDP Houses constructed in the following areas (30 Per Ward)	Submission and Approval of designs	**Achieved,** One Service Provider has been appointed	1. Signed designs 2.Signed Approval Letters	1	**Not Achieved,** The project is still in the planning phases as the Department of Human Settlements has not yet signed the MOU (memorandum of understanding) with the municipality. The	1. Project Plan 2. Progress Report	**There is no MOU in place, no transfer of funds has been effected, the Department of Human Settlements has not issued us with the Passwords to capture persons on the Human Settlements Systems. Follow up will be made**	**3**	**HOD: Technical Services**

														MOU has been submitted to the department we awaiting their approval processes.		with the Department of Human Settlements for the signing of the MOU. The third quarter will be used to ensure that all the prerequisites are completed with the Department of Human Settlements.		
Key Performance Area	**idp code**	**STRATEGIC OBJECTIVE**	**initiatives**	**Description**	**Activity Description**	**Ward Info**	**UNIT ME**	**Baseline 2022-2023**	**2023-2024 Period**	**Q1**		**Q1 Evidence**	**Q2**		**Q2 Evidence**	**Reasons for non-**	**KPI weighting**	**Custodian**

							ASU RE		**Annua l Target**	**Targ et**	**Actu al**		**Targe t**	**Actual**		**achie veme nt and reme dial actio n**		
Basic Service Delivery 2.2																		

Basic Service Delivery	**232 4.3. 2.1**	**To ensure the protection of environment through effective waste management practices by 30 June 2024**	**effective, efficient and economical waste management services**	Number of areas where refuse is collected by 30 June 2024	7 areas where refuse is collected by 30 June 2024 (Town(Daily), All Saints Hospital (Monday and Thursday) , Time Housing(Monday, Wednesday and Friday), Donville (Tuesday and Friday), Extension 5&9(Daily), Masonwabe Clinic (Fridays) and Greenland Farm (Monday, Wednesday and Friday)	9, 10 and 11	Number	Nil	7	7	**Achieved,** Refuse Collected in all 7 areas	1, Refuse Collection Register per area of Collection 2. Land fill site register	7	**Achieved,** Refuse Collected in all 7 areas	1, Refuse Collection Register per area of Collection 2. Landfill site register	**N/A**	3	HOD : Community Services

Basic Service Delivery	**232 4.3. 2.2**	**To ensure the protection of environment through effective waste management practices by 30 June 2024**	**Implementation greening programms**	Number of environmental strategies implemented by 30 June 2024	4 Education, awareness and Clean up campaigns conducted on solid waste and environmental management for 4 wards	NIl	Number	Nil	4	1	**Achieved,** 1 Educational awareness campaign conducted on the 14th September 2023	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	1	**Achieved,** 1 Education and awareness Campaign conducted 12th December 2023	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	2	HOD: Community Services

Basic Service Delivery	**232 4.3. 3.1**	**To reduce road accidents and carnages through promotion of road and public safety regulations and enforcement of by-laws**	**to ensure participation and coodination of transport stakeholders in traffic services**	Number of traffic and law enforcement strategies implemented by 30 June 2024	Conducting of 12 Local Vehicle Stop and checks (Traffic and Law enforcement)(Nkondlo, Kwa Gcina R61, Masonwabe R61 and R408/R61) by 30 June 2024	Nil	Number	Nil	12	3	**Achieved,** 3 Roadblocks conducted	1. Stop and Check Reegister 2. Photos	3	**Achieved,** 3 Roadblocks conducted	1. Stop and Check Reegister 2. Photos	**N/A**	2	HOD : Community Services
Basic Service Delivery	**232 4.3. 3.2**	**Maximize Revenue Generation from Vehicle/Driver/Learner's Licenses**	**To Enhance Licensing Process Efficiency and Compliance**	Amount collected from vehicle/ driver / learners licenses	collection of license fees for vehicles registration/ Vehicle testing/ traffic fines/ drivers licenses	Nil	Amount	R2,500,000.00	R2,600,000.00	R650,000.00	**Achieved,** 2 241 344.85	Analysis from finance system on the relevant votes	R650,000.00	**Achieved,** R700 000	Analysis from finance system on the relevant votes	**N/A**	3	HOD : Community Services

Basic Service Delivery	**232 4.3. 4.1**	**To ensure public and road safety, and also to prevent nuisance caused by stray animals in the jurisdiction area by 30 June 2024**	**Effective and efficient stray animal management**	Number of animal welfare strategies implemented by 30 June 2024	Quarterly patrols of stray animals conducted by 30 June 2024. Conducting of Pound and Animal Welfare awareness Campaigns by 30 June 2024 .	Nil	Number	Nil	8	2	**Achieved,** 2 Reports prepared and submitted	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	2	**Achieved,** 2 Reports prepared, 1 on Patrols of stray animals and 1 on Pound and animal welfare	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	1	HOD : Community Services

Basic Service Delivery	**232 4.3. 5.1**	**To enhance and promote literacy and disseminate useful daily information to the people by 30 June 2024**	**Provision of effective and efficient library & Information services**	Number of library strategies by 30 June 2024	16 Library Events Coordinated by 30 June 2024 (Career Exhibition, National Book Week, 10 holiday programs, Excellence Awards, world play day, Library week and read aloud day) Conducting of Library for the blind awareness campaigns	Nil	Number	Nil	17	1	**Achieved,** Literacy day conducted on the 7th September 2023	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	6	**Achieved, 6** Events coordinated	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	1	HOD: Community Services

Basic Service Delivery	**232 4.3. 6.1**	**To continuously reduce and mitigate effects of disaster**	**effective, effient & economical disaster management services**	Number of fire and disaster management strategies implemented by 30 June 2024	4 Disaster Management Awareness campaigns by 30 June 2024 4 Awareness campigns on Fire drills and Fire belts by 30 June 2024	Nil	Number	Nil	8	2	**Achieved,** Disaster Awareness campaign conducted on the 08th August 2023 and Fire belt and fire drill conducted on the 08th August 2023	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	2	**Achieved, 2** Fire and disaster management awareness campaigns	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	2	HOD : Community Services
Key Performance Area	**idp code**	**STRATEGIC OBJECTIVE**	**initiatives**	**Description**	**Activity Description**	**Ward no**	**UNIT MEASURE**	**Baseline 2022-2023**	**2023 - 2024 Period**	**Q1**		**Q1**	**Q2**		**Q2**	**Reasons for non-achievement and**	**KPI weighting**	**Custodian**
									Annual Target	**Target**	**Actual**	**Evidence**	**Target**	**Actual**	**Evidence**			

																remedial action		
3. Local Economic Development																		
Local Economic Development	**232 4.4. 2.2**	**To enhance inclusive local economic development through support of SMMEs' by 30 June 2024**	**Effective and sustainable local economic development programs**	Number of SMME initiatives by 30 June 2024	3 Initiatives : 1 SPAZA shop support (fund SPAZA shops) 2 Capacity training for SMMEs (for 20 wards) 3 Transido Electrification	All wards	Number	Nil	3	(3) 1. Procurement of service provider for Spaza shop vouchers 2. Training coordinated 3. Renovations on Transido	**Achieved,** Terms of reference in Place, Training has been done on the 25th August 2023 and Progress Report for Transido Electrification has been	1. Terms of Refference *Spaza Shops *Trainings SMMEs * Progress report on Renovations of Transido	(3) 1. Training coordinated 2. Appointment of service provider for Spaza shops 3. Renovations of Transido	**Achieved,** 3 initiatives completed, Delivery of Vouchers for spaza shops, Training for SMMEs and Transido renovations	1. Appointment letter for Spaza shops 2. Signed register and report for Trainings 3. Progress Report on Transido renovations	**N/A**	2	**HOD : IPED**

											prepa red							

Local Economic Development	**232 4.4. 3.1**	**To enhance inclusive local economic development through support of SMME's, Tourism and Agricultural sectors by 30 June 2024**	**Effective and sustainable local economic development programs**	Number of Agricultural initiatives by 30 June 2024	5 initiatives: 1. Maize Production(Hala, Jumba and Amaqwathi) Inputs 2 - Vegetable Production(Buyanezwe Agric Co-op Ward 5) Inputs, Water Pump engine and medication 3. Livestock Improvement (EWEs) 4.Piggery Production (Okuhlakanye Ward 08) Feed 5. -	All wards	Number	NIl	5	5	**Achieved,** 5 Specifications submitted	1. Signed specification	4	**Achieved,** 4 Projects have been appointed	1. 4 x Appointmnet letters	**N/A**	2	**HOD : IPED**

					Poultry Production (Ward 06)														

Local Economic Development	**232 4.4. 6.1**	**To develop spatial development framework, local area plans, policies, strategies to guide and manage development and growth for the municipal area by June 2024**	**Spatial Planning and Land use management**	Number of Spatial Planning awareness campaigns by 30 June 2024	3 initiatives: 1. 4 Awareness Campaigns - 1 per quarter 2. Clarkebury LSDF 3. Subdivision of Municipal Land	All Wards	Number	Nil	3	2	**Achieved,** 3 Reports prepared	1. Terms of Refference 2. Signed Report 3. Signed attendance register	2	**Achieved,** 2 initiatives completed, Urban design and Clarkebury LSDF	1. Inception Report 2. Signed Report 3. Signed attendance register	**N/A**	2	**HOD : IPED**
Key Performance Area	**idp code**	**STRATEGIC OBJECTIVE**	**initiatives**	**Description**	**Activity Description**	**Ward no**	**UNIT MEASURE**	**Baseline 2022-2023**	**2023 - 2024 Period**	**Q1**		**Q1**	**Q2**		**Q2**	**Reasons for non-achievement and remedial action**	**KPI weighting**	**Custodian**
									Annual Target	**Target**	**Actual**	**Evidence**	**Target**	**Actual**	**Evidence**			
Municipal Financial viability Management																		

Municipal Financial viability Management	**2324.5.2.3**	**To increase municipal own revenue base by 2% by June 2024**	**Revenue Management**	Number of quarterly reports on indigent verification	4 Quarterly updated reports on indigent register	N/A	Number	Nil	4	1	**Achieved**, Indigent register has been updated with data collected in Q1. Debtors have been subsidised on a monthly basis	1. Signed Report	1	**Achieved**, Indigent register has been updated with data collected in Q2. Debtors have been subsidised on a monthly basis	1. Signed Report	**N/A**	**2**	**HOD: BTO**

Municipal Financial viability Management	**2324.5.3.1**	**To ensure effective, compliant and credible financial planning, management and reporting by 2024**	**Effective Supply Chain Management processes**	Number of SCM reports and activities	4 Quarterly SCM management reports prepared by 30 June 2024.	N/A	Number	Nil	4	1	**Achieved,** Procurement plan is monitored and updated on a regular basis Quotations, RFQs & Tenders are awarded within turnaround time Registers are updated on a regular basis. Supplier performance assessed on a monthly basis	1. Signed Report	1	**Achieved,** Procurement plan is monitored and updated on a regular basis Quotations, RFQs & Tenders are awarded within turnaround time Registers are updated on a regular basis. Supplier performance assessed on a monthly basis	1. Signed Report	**N/A**	**3**	**HOD: BTO**

Municipal Financial viability Management	**2324.5.4.1**	**To ensure effective, compliant and credible financial planning, management and reporting by 2024**	**Compliance with MFMA calendar checklist**	Number of compliance reports submitted by 30 June 2024	s71 reports - Each Month section 52 D - every quarter section 72 reports - once And Pre Audit Annual Financial Statements Q1 Post Audit Annual Financial Statements Q2 interim AFS in Q3	N/A	Number	Nil	20	5	**Acheived,** 3*s71 reports have been prepared & submitted Q2 s52D report have been prepared and submitted S72 report has been prepared and submitted. AFS have been audited.	1. 3x S71 Reports 2.1x S52 3. AFS(Pre-Audit)	5	**Acheived,** 3*s71 reports have been prepared & submitted Q2 s52D report have been prepared and submitted S72 report has been prepared and submitted. AFS have been audited.	1. 3x S71 Reports 2.1x S52 3. AFS (Interim)	**N/A**	**3**	**HOD: BTO**
Municipal Financial viability Management	**2324.5.5.1**		**Effective expenditure management**	Percentage of creditos paid within 30 days	Percentage of creditos paid within 30 days by 30 June 2024	N/A	Percentage	Nil	100	100	**Achieved,** 100%	1. Debtors age analysis	100	**Achieved**, 100%	1. Debtors age analysis	**N/A**	**1**	**HOD: BTO**

Key Performance Area		OBJECTIVE	initiatives	Description	Activity Description	WARD NO	UNIT MEASURE	Baseline 2022-2023	2023 - 2024 PERIOD Annual Target	Q1 Target	Q1 Actual	Q1 Evidence	Q2 Target	Q2 Actual	Q2 Evidence	Reasons for non-achievement and remedial action	KPI Weighting	Custodian
GOOD GOVERNANCE AND PUBLIC PARTICIPATION																		
Good Governance and Public Participation	**2324. 6.2.4**	**To ensure mainstreaming, recognition and development of designated groups by 30 June 2024**	**SPU implementation plan developed and approved**	Number of SPU initiatives by 30 June 2024	SPU initiatives such as Number of Quarterly awareness campaigns conducted (STI, HIV/AIDS, TB and GBV) 15 Designated groups supported (Older persons (6), Women (7), People living with Disabilities (4)	N/A	Number	Nil	19	6 (Appointment of service provider for 5 women projects)	**Achieved,** 5 Appointments have been made and 1 Awareness campaign conducted	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register 5. Advert Spec Appointment letter	6 (Delivery of input for women projects)	**Achieved**, 6 Projects delivred for women projects	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register Confirmation from beneficiaries Delivery note	**N/A**	**1**	**Mr Songca**

Good Governance and Public Participation	**2324.6.3.1**	**To provide competent, independent assurance and consulting services through internal audit and/or investigative review of the effectiveness of controls, risk, performance and governance processes**	**Audit Committee Support and Oversight**	Number of internal audit initiatives implemented by 30 June 2024	1. Review and Implementation of IA strategic documents(IA Charter, AC Charter, IA Methodology, IA Plan) 2. Implementation of the Training Plan for IA and Risk Management Personnel 3. Submission of Audit Committee Reports to Council 4. Strategic risk assessment/ Operational risk assessment 5. Quarterly risk management reports	N/A	Number	Nil	6	3	**Achieved,** 3 Reports completed and submitted	1.Reviewed Reports 2. Signed Report AFS 3. Signed Report for FCMM 4. Attendance Register	1	**Achieved,** 1 Report prepared and submitted	1. Signed Report	**N/A**	**1**	**Mr. Mbangi**

Good Governance and Public Participation	**2324. 6.5.2**	**To encourage community involvement in affairs of the municipality and promote transparency Rebrandinmg of the Municipality**	**Public Participation**	Number of public participation and communication strategies implemented by 30 June 2024	Conducting of IGR Quarterly meetings Q1-Q4 Voter Education in high Schools in 20 wards Q1-1, Q2-2, Q3-17 Quarterly Moral Regeneration Program. done through holding community meetings Q1-2, Q2-2	N/A	Number	Nil	28	4	**Achieved,** 3 Events coordinated 10th August 2023, 5th September 2023 and 08th August 2023	1. Notice , Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	5	**Achieved, 5** Programs Coordinated	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	**1**	**Mr Songca**
Good Governance and Public Participation	**2324. 6.6.1**	**To ensure effective coordination of monitoring, evaluation and credible reporting by June 2024**	**Through implementation of approved Municipal Public Accounts Committee (MPAC) plan to strengthen oversight role within the municipality**	Number of MPAC Inittiatives implemented by 30 June 2024	MPAC initiatives implemented Q1-Q4 MPAC Minutes Q1-Q4 MPAC Site Visits Report	N/A	Number	Nil	8	2	**Achieved,** 2 Initiatives implemented	1. Signed Report 2. Signed Minutes	2	**Achieved,** 2 Initiatives implemented	1. Signed Report 2. Signed Minutes	**N/A**	**1**	**Ms Tasana**

Good Governance and Public Participation	**2324.6.7.1**	**To ensure effective coordination of an integrated planning, Implementation, Monitoring, Evaluation and credible reporting by 30 June 2024**	**Effective integrated planning that is comliant with legislations**	Number of IDP initiatives by 30 June 2024	45 IDP Initiatives: Coordinating of IDP Rep forum meetings (4) Coordinating of IDP Roadshows in 20 wards(24 to 26 October) Date by which the 2024/2025 IDP document submitted to council for adoption	N/A	Number	NIl	44	1	**Achieved, 1** IDP initiative implemented	1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	21	**Achieved, 21** Initiatives conducted	1. Signed Report 2. Signed Attendance 3. 1. Notice, Invite 2. Photos 3. Signed Report 4. Signed Attendance Register	**N/A**	**3**	**Ms Nkepu**
Good Governance and Public Participation	**2324.6.7.2**	**To ensure effective coordination of an integrated planning, Implementation, Monitoring, Evaluation and credible reporting by 30 June 2024**	**Effective integrated planning that is comliant with legislations**	Number of quarterly performance reports prepared and Submitted to council support by 30 June 2024	4 quarterly performance reports prepared and Submitted to council support by 30 June 2024	N/A	Number	Nil	4	1	**Achieved, 1** Annual Performance report prepared	1. Signed Report	1	**Achieved,** Q1 Report prepared and Submitted	1. Signed Report	**N/A**	**2**	**Ms Nkepu**

Good Governance and Public Participation	**2324.6.8.1**	**To ensure mainstreaming, recognition and development of designated groups by 30 June 2024**	**Implementation of Youth Projects**	Number of youth/designated i+E5nitiatives assisted with inputs	40 Initiatives assisted: 2 youth/initiatives per ward(from Ward 1 to Ward 20)	All wards	Number	Nil	40/ 13	10	**Not Achieved, 0** Projects assisted	1. Spec 2. Advert 3. Appointment Letter 4. Delivery Note 5. Confirmation from Beneficiaries	10	**Not Achieved, 3** Projects assited instead of 10	1. Spec 2. Advert 3. Appointment Letter 4. Delivery Note 5. Confirmation from Beneficiaries	**N/A**	**1**	**MR NTSHINKA**

4 **LEGISLATIVE FRAMEWORK**

Municipal Finance Management Act, No.56 of 2003

5 **OTHER PARTIES CONSULTED.**

None

6 **FINANCIAL IMPLICATIONS.**

Spending is in line with Capital and Operational budget.

7 **RECOMMENDATIONS**

EXCO recommends that:

7.1 The municipality prepares the adjustments for 2023/24 financial year based on performance of the municipality for the 1st six months.

7.2 The municipality commence with the process of preparing budget adjustment.

7.3 The Accounting Officer to submit the mid-year and budget assessment by 25 January 2024 to the Mayor, Provincial and National Treasury.

7.4 The municipality to table the adjustment budget to council before the end of February 2024 for approval.

Municipal Mangers certificate:

I K. L Mulaudzi municipal manager of DR. AB XUMA Local Municipality hereby certify that the Mid-Year budget assessment report have been prepared in accordance with the municipal Finance Management Act and regulation made under the act.

Yours faithfully

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Mr. K.L MULAUDZI
MUNICIPAL MANAGER