

Polokwane Municipality

2020/2021

Mid-Year Budget and Performance Assessment Report

1st July 2020– 31st December 2020



The Ultimate in Innovation and Sustainable Development



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1. Purpose of the Mid-Year Report

The purpose of this report is to comply with Section 52 (d) and Section 72 of the Municipal Finance Management Act 56 of 2003, and Section 33 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32, 141 of April 2009, which requires the municipality to conduct an assessment of its performance for the first half of the financial. The assessment must include financial and non-financial affairs and report be submitted to the municipal council and to sector departments.

2. Legislative Background

Section 72 of the Local Government Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) provides that the Accounting Officer must by 25 January of each year assess the budget and performance of the municipality during the first half of the financial year. An assessment report in accordance with Section 72(1) (b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury. The assessment report must detail how the municipality has performed in terms of its revenue collection and budget implementation. Furthermore, the assessment needs to detail how the municipality has performed in terms of its service delivery targets as documented in the approved Service Delivery and Budget Implementation Plan. The Mayor needs to consider the report and submit the report to Council by 31 January in terms of Section 54 of the MFMA. The mayor's report to council must have recommendations on whether the budget adjustments will have to be tabled in council.

3. The State of the Economy at Glance

The last two quarters of the 2019/20 local government municipal financial year saw the outbreak of the Covid-19 pandemic in South Africa. This led to the President of the Republic declaring the State of Disaster in March 2020. The State of Disaster was followed by the President's announcement of the National Lockdown for the remainder of the calendar month of March and April 2020. This was unprecedented in South Africa. The lockdown meant the total shutdown of government and economic activities in the country with the exception of few essential services. Further, in continuing to fight the spread of the Covid-19 virus, the President announced a differentiated lock down levels in April 2020. The 2019/20 local government financial year was concluded under Lockdown Level 3 in June 2020. Also the beginning of 2020/21 local government financial year begun during the Lockdown Level 3.

The stated Covid-19 pandemic and the subsequent responses to it had a serious economic impact on the functioning of municipalities.

On the 15th October 2020, two weeks ahead of the Finance Minister's Medium Term Budget Speech in Parliament, National Treasury of South Africa released the Economic Outlook report on the 15th October 2020. The Economic Outlook Report stated that the economy of South Africa is expected to contract by 7.8 per cent this year in real terms. COVID-19 and measures taken to protect public health resulted in steep declines in consumption, investment and exports. GDP growth is expected to rebound to 3.3 per cent in 2021, and to average 2.1 per cent over the medium term. Based on this projection, the economy will only recover to 2019 levels in 2024. The report further said that South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining.

The Economic Outlook Report in October 2020 predicted that the second wave of COVID-19 infections, accompanied by new restrictions on economic activity, would have significant implications for the outlook. Government's fiscal position is a risk to growth: higher long-term borrowing costs and risk premiums have started to affect the broader economy. South Africa is currently in the second wave of the COVID-19 pandemic, which started sometime in December 2020.

The breakdown of municipal service customers indicates that the biggest recipients and consumers of municipal services are households. The Economic Outlook Report stated that household consumption and household expenditure has evolved in line with lockdown restrictions, with high-contact, consumer-facing sectors (retail, leisure, alcohol and tobacco) experiencing a sharp drop due to COVID-19 containment measures. Conversely, higher spending on communication, housing and utilities is consistent with increased home-based work and leisure. Aggregate household consumption is expected to remain below pre-pandemic levels for some time. Consumption will be severely constrained by record job losses, steep declines in incomes and low confidence.

The 2020/21 Mid-Year Budget and Performance Assessment Report for Polokwane Municipality is done under a very difficult economic situation as evidence by the National Treasury Economic Outlook Report that was published in October 2020.

4. Indigent Support

The municipality has made a total budget of **R250 million** as part of indigent and social package alleviation programme to the community of Polokwane Municipality who are deserving. Further to the subsidy the indigents balances prior to qualifying as indigents are written off. Indigents household meters are to be on prepaid mode to avoid over usage that cannot be paid over the subsidy.

The municipality is further reviewing the indigent register with the intention of increasing coverage to cater for significant number of indigents. This will assist the municipality to avoid having toxic debt

5. Budget Performance Analysis

5.1. Revenue

5.1.1. The Actual Performance against the forecast

The financial results for the period ending 31 December 2020 are summarised as follows:

Description	2019/20	2020/21				
	Pre-Audit outcome	Original Budget	Adjustment Budget	YTD Actual (December 2020)	% of Original Budget	% of Adjustment Budget
R thousands						
Revenue By Source						
Property rates	503 869	526 157	526 157	221 840	42%	42%
Service charges - electricity revenue	1 048 161	1 234 579	1 234 579	510 612	41%	41%
Service charges - water revenue	251 728	296 543	296 543	104 598	35%	35%
Service charges - sanitation revenue	115 610	126 897	126 897	55 411	44%	44%
Service charges - refuse revenue	110 705	122 016	122 016	63 666	52%	52%
Service charges - other					0%	0%
Rental of facilities and equipment	9 046	21 362	21 362	2 855	13%	13%
Interest earned - external investments	19 872	13 069	13 069	6 066	46%	46%
Interest earned - outstanding debtors	108 997	97 347	97 347	43 103	44%	44%
Fines, penalties and forfeits	31 584	36 673	36 673	5 301	14%	14%
Licences and permits	5 468	16 557	16 557	4 492	27%	27%
Agency services	21 214	27 798	27 798	51 106	184%	184%
Transfers and subsidies	1 027 440	1 187 428	1 342 428	969 305	82%	72%
Other revenue	390 368	100 596	100 596	10 441	10%	10%
Gains on disposal of PPE				-		
Total Revenue (excl. capital transfers and contributions)	3 644 062	3 807 023	3 962 023	2 048 796	54%	52%
Capital transfers and contributions	1 291 007	874 055	773 198	339 749	39%	44%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	1 500	1 500	-	0%	0%
Total Revenue (excl. capital transfers and contributions)	4 935 070	4 682 578	4 736 721	2 388 545	51%	50%

Actual revenue billed which includes grants and other direct income as at 31 December 2020 amounts to **R 2 388 544 956 (50%)** of the adjustments budget of R 4 736 720 911. Past performance 2019/20 **R 2 315 498 762 (46%)**.

Revenue Source	Reasons for variance
Property rates	Property rates was projected on growth and property values. After the section 78 MPRA process, some property values were adjusted downwards. The growth was straight lined and therefore will consider slight downward adjustment if necessary
Electricity Service Charges Revenue	Due to energy efficiency interventions (solar water, heating, off grid technologies and load-shedding) The economic climate has also seen a lesser demand from high power uses. Illegal connections is becoming an issue – The establishment of an RPU unit will address the matter
Water Service Charges Revenue	Water disruption from LNW and the poor economic climate was not strong as anticipated. Illegal connections is becoming an issue – The establishment of an RPU unit will address the matter
Rental of facilities	Attributable to competition and under - utilization of municipal facilities due to COVID regulations. Will be adjusted downwards.
Interest earned on investment	Lesser investments made due to high bills from Eskom in the first few months of the financial year - bill exceeded R100 million
Interest earned on outstanding debtors	Due to slower collections from consumer due to longer arrangements
Agency Fees	the liability portion of the agency fee collected has been included in revenue and will be corrected with a journal

Interest earned on outstanding debtors	Due to slower collection from consumer due to longer arrangements
Capital transfers recognized	the material variance explanation is provided on capital performance

5.2. Expenditure

5.2.1. Actual Performance Expenditure

Operating expenditure for the end of December 2020 amounts to **R 1 795 430 426 (48%)** which is reported against an adjusted budget of R 3 703 967 136. Past performance 2019/20 **R 1 647 493 486 (40%)**.

Description	2019/20	2020/21				% of Original Budget	% of Adjustment Budget
	Pre- Audit outcome	Original Budget	Adjusted Budget	YTD Actual (December 2020)			
R thousands							
Expenditure By Type							
Employee related costs	922 982	990 053	990 053	477 418	48%	48%	
Remuneration of councillors	38 522	42 511	42 511	19 324	45%	45%	
Debt impairment	153 373	250 000	250 000	125 000	50%	50%	
Depreciation & asset impairment	734 200	255 000	255 000	127 500	50%	50%	
Finance charges	69 673	97 987	97 987	4 623	5%	5%	
Bulk purchases	920 913	1 051 822	1 051 822	498 560	47%	47%	
Other materials	47 064	89 587	118 587	26 201	29%	22%	
Contracted services	759 929	682 021	668 521	426 571	63%	64%	
Transfers and subsidies	179 851	11 500	11 500	2 214	19%	19%	
Other expenditure	208 183	208 987	217 987	88 019	42%	40%	
Loss on disposal of PPE	1 433	-	-	-	0%	0%	
Total Expenditure	4 036 123	3 679 467	3 703 967	1 795 430	49%	48%	
Surplus/(Deficit)	(392 060)	127 556	258 056	253 366			
Capital transfers and contributions	1 291 007	874 055	773 198	339 749	39%	44%	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	1 500	1 500	-			
Surplus/ (Deficit) for the year	898 947	1 003 111	1 032 754	593 115			

5.2.2. Employee related cost including remuneration of councillors

No material variance

5.3. Finance charges

Payments are bi annual

5.4. Grants & Subsidies Paid

This expenditure is dependent on needs and requirements of PHA. Tranches are transferred on request

5.5. Other Materials

This expenditure is dependent on needs and requirements of departments for materials.

5.6. Contracted Services – Overspending

Contracted services remained in line with budget except for the increase in the need for water tanker rentals.

This was due to low dam levels and consistent break downs/disruptions by the water board.

The municipality has procured around 28 water tankers from the RT-57 contract and further to curve expenditure, refuse trucks were also budgeted for procurement which is in progress

Major reduction due to projects starting the implementation phase

5.7. Expenditure management

Savings in advertising, events, travel and accommodation and telecommunications were major contributors as well strict adherence to the cost containment regulations.

5.9 Capital Expenditure Programme

5.9.1 Actual Capital Performance

Approved capital budget for 2020/2021 amounts to R 1 201 498 682 which increased to R 1 231 141 682 during adjustments budget. Payments in respect of Capital Projects amounts to **R 381 089 801** as at 31 December 2020. The expenditure is currently at **31%** of the capital budget. Past performance 2019/20 **R 533 291 659 (29%)**.

The capital budget funding breakdown as at 31 December 2020 is tabulated as follows:

Vote Description	2019/20	Budget Year 2020/21							
	Pre Audit Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Funded by:									
National Government	1 027 068	874 055	773 198	91 749	339 860	386 599	(46 739)	-12%	773 198
Provincial Government				-	-		-		
District Municipality				-	-		-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	843	1 500	1 500	-	-	750	(750)	-100%	1 500
Transfers recognised - capital	1 027 911	875 555	774 698	91 749	339 860	387 349	(47 489)	-12%	774 698
Borrowing	68 562	234 923	234 923	2 392	16 487	117 461	(100 974)	-86%	234 923
Internally generated funds	96 972	91 021	221 521	1 813	24 743	110 761	(86 018)	-78%	221 521
Total Capital Funding	1 193 445	1 201 499	1 231 142	95 954	381 090	615 571	(234 481)	-38%	1 231 142

Description	2019/20	2020/21				
	Pre-Audit Outcome	Original Budget	Adjustment Budget	YTD Actual (December 2020)	% of Original	% of Adjustment
R thousands						
Capital Expenditure - Functional						
Governance and administration	21 167	32 679	83 179	6 198	19%	7%
Executive and council	-	-	-	-	0%	0%
Finance and administration	21 167	32 679	83 179	6 198	19%	7%
Internal audit	-	-	-	-	0%	0%
Community and public safety	31 526	62 861	64 361	18 347	29%	29%
Community and social services	6 536	4 422	5 922	894	20%	15%
Sport and recreation	24 990	58 439	58 439	17 416	30%	30%
Public safety	-	-	-	36	0%	0%
Housing	-	-	-	-	0%	0%
Health	-	-	-	-	0%	0%
Economic and environmental services	285 365	541 248	506 702	114 928	21%	23%
Planning and development	777	5 805	5 805	1 675	29%	29%
Road transport	284 588	535 443	500 897	113 252	21%	23%
Environmental protection	-	-	-	-	0%	0%
Trading services	855 388	564 711	576 900	241 618	43%	42%
Energy sources	33 642	20 201	85 701	14 337	71%	17%
Water management	329 555	250 087	250 087	107 710	43%	43%
Waste water management	484 406	286 157	209 846	118 271	41%	56%
Waste management	7 784	8 265	31 265	1 300	16%	4%
Other	-	-	-	-	0%	0%
Total Capital Expenditure - Functional	1 193 445	1 201 499	1 231 142	381 090	32%	31%

CAPITAL PROGRAMME

MULTI YEAR CAPITAL EXPENDITURE BUDGET Description	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Total Clusters									
Thusong Service Centre (TSC)	1 104 103	1 104 103	-	-	-	-	-	-	0%
Mobile service sites Rampheri Village	1 046 795	1 046 794	275 452	41 318	316 770	275 452	41 318	316 770	30%
Renovation of existing Cluster offices	113 920	113 920	-	-	-	-	-	-	0%
Construction of Segopje Mobile Service Centre	531 271	531 271	-	-	-	-	-	-	0%
Total Clusters -Chief Operations Office	2 796 088	2 796 088	275 452	41 318	316 770	275 452	41 318	316 770	11%
Facility Management- Corporate and Shared Services									
Civic Centre refurbishment	900 000	2 400 000	-	-	-	1 146 704	172 006	1 318 710	55%
Renovation of offices	1 220 261	720 261	576 794	86 519	663 313	576 794	86 519	663 313	92%
Construction of Mankweng Traffic and Licensing Testing Centre	3 150 000	2 465 000	-	-	-	-	-	-	0%
Fencing of Itsoseng Centre	1 000 000	-	-	-	-	-	-	-	0%
Installation of aircon	-	1 500 000	438 450	65 768	504 218	438 450	65 768	504 218	34%
Mankweng Traffic and Licensing Testing Centre	-	10 500 000	-	-	-	590 355	88 553	678 908	6%
Mankweng Traffic License Temporary office	-	500 000	-	-	-	-	-	-	0%
City Traffic License	-	9 500 000	-	-	-	-	-	-	0%
Upgrading of Traffic Logistics Offices	300 000	300 000	254 588	38 188	292 776	254 588	38 188	292 776	98%
Total Facility Management- Corporated and Shared Service	6 570 261	27 885 261	1 269 833	190 475	1 460 307	3 006 892	451 034	3 457 926	12%
Roads & Stormwater - Transport Services									
Upgrading of internal Streets in Mankweng unit E(Vukuphile)	1 500 000	1 500 000	-	-	-	-	-	-	0%
Upgrading of storm water system in municipal area (Vukuphile)	1 500 000	1 500 000	-	-	-	263 197	39 480	302 677	20%
Rehabilitation of Streets in Nirvana	700 000	700 000	-	-	-	-	-	-	0%
Rehabilitation of streets in Seshogo Cluster (Vukuphile)	1 500 000	1 500 000	-	-	-	-	-	-	0%
Upgrading of De wet Dr from Munnik Ave to R81	5 593 678	5 593 678	-	-	-	-	-	-	0%
Upgrading of internal streets in Westernburg RDP Section	700 000	700 000	-	-	-	-	-	-	0%
Traffic Lights and Signs	800 000	800 000	-	-	-	-	-	-	0%
Installation of road signage	100 000	100 000	-	-	-	-	-	-	0%
Flora Park Storm Water in Sterpark And Fauna Park	1 661 856	1 661 856	-	-	-	-	-	-	0%
Construction of NMT at Magazyn Street and Vermekuwet	1 500 000	1 500 000	-	-	-	-	-	-	0%
Upgrading of Arterial road in SDA1 (Luthuli)	1 500 000	1 500 000	-	-	-	1 310 488	196 573	1 507 061	100%
Upgrading Makanye Road (Ga-Thoka)	8 000 000	8 000 000	-	-	-	7 273 147	1 090 972	8 364 119	105%
Tarring Ntsime to Sefateng	7 500 000	7 500 000	3 048 755	457 313	3 506 068	7 255 552	1 088 333	8 343 885	111%
Upgrading of Internal Street in Seshogo zone 8	7 500 000	7 500 000	-	-	-	6 654 899	998 235	7 653 133	102%
Ntshitshane Road	5 000 000	5 000 000	367 603	55 140	422 744	1 661 140	249 171	1 910 311	38%
Upgrading of internal streets in Toronto	8 000 000	8 000 000	-	-	-	-	-	-	0%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Upgrading of internal streets linked with Excelsior Street in Mankweng unit A	8 000 000	8 000 000	587 714	88 157	675 871	3 765 629	564 844	4 330 474	54%
Upgrading of Arterial road in Ga Rampheri (Tarring of 2.1 km from gravel to tar as per RAL MOU)	8 000 000	8 000 000	329 048	49 357	378 405	3 820 203	573 030	4 393 233	55%
Upgrading of access Roads to Maja Moshate(Molepo,Chuene Maja cluster)	9 000 000	9 000 000	295 291	44 294	339 584	4 278 628	641 794	4 920 422	55%
Upgrading of internal streets in Seshego Zone 1	7 000 000	7 000 000	2 950 181	442 527	3 392 709	2 950 181	442 527	3 392 709	48%
Upgrading of internal streets in Seshego Zone 2	4 000 000	4 262 000	-	-	-	4 044 755	606 713	4 651 468	109%
Upgrading of internal streets in Seshego Zone 3	7 000 000	6 738 000	798 308	119 746	918 055	1 718 748	257 812	1 976 561	29%
Upgrading of internal streets in Seshego Zone 4	7 000 000	7 000 000	977 295	146 594	1 123 889	2 958 014	443 702	3 401 716	49%
Upgrading of internal streets in Seshego Zone 5	1 000 000	1 000 000	-	-	-	384 825	57 724	442 548	44%
Upgrading of internal streets in Seshego Zone 6	5 000 000	5 000 000	-	-	-	-	-	-	0%
Mohlolong on Kalkspruit upgrading of roads from gravel to tar	10 000 000	10 000 000	4 177 659	626 649	4 804 308	4 177 659	626 649	4 804 308	48%
Lonsdale to Percy clinic via flora upgrading of road from gravel to tar (including Monyoaneng)	7 000 000	7 000 000	-	-	-	5 782 988	867 448	6 650 436	95%
Construction of Storm Water in Ga Semanya	3 000 000	3 000 000	162 776	24 416	187 192	162 776	24 416	187 192	6%
Completion of Hospital Road in Mankweng	10 000 000	10 000 000	-	-	-	303 016	45 452	348 468	3%
Polokwane Drive- upgrade from single to dual carriage way	1 940 000	4 940 000	-	-	-	3 307 789	496 168	3 803 957	77%
Upgrading of F8 Street in Seshego	7 000 000	7 000 000	-	-	-	-	-	-	0%
Ditlou Street upgrade to dual lane	11 060 000	11 060 000	-	-	-	-	-	-	0%
Nelson Mandela Bo-okelo Crossing	6 056 813	6 056 813	-	-	-	142 943	21 442	164 385	3%
Hospital View Road 1	4 426 336	1 426 336	168 017	25 203	193 220	1 245 537	186 831	1 432 368	100%
Hospital View Road 2	4 516 851	1 016 851	136 792	20 519	157 311	136 792	20 519	157 311	15%
Upgrading of Arterial road from R37 via Thokgwane RDP to Silo school	8 633 803	8 633 802	-	-	-	128 081	19 212	147 293	2%
Upgrading of Arterial road D 4011 in Ga Thaba from D4018 Soetfontein Clinic to Ga Thaba connect D 4018	8 634 384	8 634 383	-	-	-	128 081	19 212	147 293	2%
Upgrading of Arterial road D4014 in Makgoro (Sekgweng) to Makatjane	8 633 396	8 633 395	-	-	-	128 081	19 212	147 293	2%
Upgrading of arterial road from Gravel to tar – Mountain view via Magokobung to Subiaco	8 633 013	8 633 013	-	-	-	128 081	19 212	147 293	2%
Upgrading of roads from gravel to tar Nobody traffic circle to Mothiba Mafiane	8 632 944	8 632 944	-	-	-	128 081	19 212	147 293	2%
Upgrading of road from Sengatane (D3330) to Chebeng	8 633 409	8 633 409	-	-	-	128 081	19 212	147 293	2%
Upgrading of Bloodriver main road via Mulautsi high school to agriculture houses	8 631 845	8 631 845	-	-	-	128 081	19 212	147 293	2%
Upgrading of road D3432 from Ga-Mosi(Gilead road) via Sengatane to Chebeng	8 633 511	8 633 510	-	-	-	128 081	19 212	147 293	2%
Upgrading of road from Leokama to Moshung	8 633 395	8 633 394	-	-	-	128 081	19 212	147 293	2%
Upgrading of road D3989 Ga-mamabolo to itireleng	8 632 718	8 632 718	-	-	-	-	-	-	0%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Upgrading of internal street from gravel to tar in Mankweng Unit A outline between Mamadimo Park link to Nchichane	8 633 507	8 633 507		-	-	128 081	19 212	147 293	2%
Upgrading of internal street along Dikolobe primary school	8 633 501	8 633 501		-	-	128 081	19 212	147 293	2%
Upgrading of road in ga Thoka from reservoir to Makanye 4034	8 632 014	8 632 014		-	-	128 081	19 212	147 293	2%
Upgrading of Bus road from R71 to Dinokeng between Mshongoville Gashiloane to Matshela pata	8 633 505	8 633 505		-	-	128 081	19 212	147 293	2%
Upgrading of arterial road in Tshware from Taxi rank via Tshware village to mamotshwa clinic	8 633 395	8 633 395		-	-	128 081	19 212	147 293	2%
Upgrading of road internal street in Tlhatlaganya	8 632 651	8 632 651		-	-	-	-	-	0%
Upgrading of internal street from Solomondale to D3997	8 633 531	8 633 531		-	-	128 081	19 212	147 293	2%
Upgrading of road from Ralema primary school via Krukutje , Ga Mmasehla, Ga legodi, Mokgohloa to Molepo bottle store	8 633 395	8 633 395		-	-	128 081	19 212	147 293	2%
Upgrading of arterial Road in Ga Semenya from R521 to Semenya	8 633 436	8 633 436		-	-	128 081	19 212	147 293	2%
Upgrading of Internal Street in Ga Ujane to D3363	8 594 228	8 594 228		-	-	128 081	19 212	147 293	2%
Upgrading of arterial road D3355 from Monotwane to Matlala clinic	8 633 435	8 633 435		-	-	128 081	19 212	147 293	2%
Upgrading of arterial road D3383 in Setumong via Mahoai to Kgomo school	8 634 234	8 634 234		-	-	128 081	19 212	147 293	2%
Complete the incomplete road from Kordon to Gilead road	8 703 777	8 703 777		-	-	128 081	19 212	147 293	2%
Upgrading of arterial road D3426 in Ga- Ramoshoana to Rammobola	8 633 497	8 633 497		-	-	128 081	19 212	147 293	2%
Upgrading of D1809 from Ga Maboi to Laastehoop	4 825 037	4 825 037	-	-	-	1 888 139	283 221	2 171 360	45%
Upgrading of arterial road from Phuti to Tjatjaneng	1 861 785	1 861 785		-	-	1 319 995	197 999	1 517 994	82%
Upgrading of streets in Benharris from Zebediela to D19	3 127 656	3 127 656	-	-	-	754 595	113 189	867 784	28%
Upgrading of arterial road D3472 Ga Setati to Mashobohlang D3332	1 549 882	1 549 882	668 692	100 304	768 995	668 692	100 304	768 995	50%
Upgrading of internal street in westernburg	1 718 187	1 718 187		-	-	554 608	83 191	637 799	37%
Upgrading of arterial road from Madiga to Moduane	2 708 612	2 708 612	376 599	56 490	433 088	603 335	90 500	693 835	26%
Upgrading of arterial road D3997 from GaMokgopo to Ga Makalanyane	808 734	808 734		-	-	166 500	24 975	191 475	24%
Upgrading of road from Ga Mamphaka to Spitzkop	4 448 051	4 448 051	-	-	-	1 383 922	207 588	1 591 510	36%
Upgrading of arterial road D3413 Ramakgaphola to Gilead road D3390	5 638 613	5 638 613	1 034 333	155 150	1 189 483	3 891 690	583 753	4 475 443	79%
Upgrading of arterial road in Magongwa village from road D3378 to road D19	1 005 453	1 005 453	-	-	-	287 246	43 087	330 333	33%
Construction of NMT at Magazyn Street and Vermekuwet	1 500 000	1 500 000		-	-	-	-	-	0%
Total Roads & Stormwater -Transport Services	410 478 070	406 978 063	16 079 062	2 411 859	18 490 922	77 935 414	11 690 312	89 625 726	22%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
	-								
Water Supply and reticulation - Water and Sanitation Services									
Installation of services in Municipal approved Township	4 881 482	4 881 482		-	-	-	-	-	0%
Olifantspoort RWS (Mmolong wa Perekisi) 2	10 600 000	10 600 000		-	-	-	-	-	0%
Mothapo RWS	8 000 000	12 500 000	4 133 025	619 954	4 752 979	11 987 466	1 798 120	13 785 586	110%
Moleletjie East RWS 2	11 000 000	11 000 000	5 256 156	788 423	6 044 580	10 666 113	1 599 917	12 266 030	112%
Moleletjie North RWS	1 000 000	1 000 000		-	-	-	-	-	0%
Sebayeng/Dikgale RWS 2	10 000 000	10 000 000	978 365	146 755	1 125 119	1 481 800	222 270	1 704 071	17%
Moleletjie South RWS	1 000 000	1 000 000		-	-	-	-	-	0%
Houtrive phase 10	8 000 000	8 000 000		-	-	1 781 085	267 163	2 048 247	26%
Chuene Maja RWS phase 10	10 000 000	10 000 000	438 956	65 843	504 800	4 146 242	621 936	4 768 178	48%
Molepo RWS phase 10	13 000 000	10 000 000	903 045	135 457	1 038 502	5 554 686	833 203	6 387 889	64%
Laastehoop RWS phase 10	1 000 000	1 000 000		-	-	755 673	113 351	869 023	87%
Mankweng RWS phase 10	10 000 000	8 500 000		-	-	-	-	-	0%
Boyne RWS phase 10	10 000 000	10 000 000	561 398	84 210	645 607	1 669 464	250 420	1 919 884	19%
Aganang RWS (2) (Mahoai and Rammetoana)	13 105 850	13 105 850	209 636	31 445	241 081	1 223 403	183 510	1 406 914	11%
Aganang RWS (3) (for development of technical report on outstanding villages)	1 500 000	1 500 000		-	-	-	-	-	0%
Mashashane Water Works	10 000 000	10 000 000		-	-	-	-	-	0%
Segwasi RWS	10 000 000	10 000 000	425 146	63 772	488 918	582 618	87 393	670 010	7%
Construction of Borehole Infrastructure and Pumping Mains for the Sterkloop and Sandriver South Wellfields and Polokwane Boreholes (Polokwane Groundwater Development)	10 000 000	10 000 000		-	-	-	-	-	0%
Bloodriver Wellfield (Olifantspoort) and Seshego Groundwater Development and Pumping Mains. (Polokwane Groundwater Development)	15 000 000	15 000 000		-	-	4 135 965	620 395	4 756 360	32%
Aganang RWS (3)	15 000 000	15 000 000		-	-	-	-	-	0%
AC Pipes (Installation of Scada Monitoring System)	3 000 000	3 000 000		-	-	-	-	-	0%
Construction of Borehole Infrastructure and Pumping Mains for the Sterkloop and Sandriver South Wellfields and Polokwane Boreholes (Polokwane Groundwater Development)	20 000 000	20 000 000	5 025 247	753 787	5 779 034	18 749 197	2 812 380	21 561 577	108%
Construction of Borehole Infrastructure and Pumping Mains for the Sandriver North Wellfield and Polokwane Boreholes (Polokwane Groundwater Development)	14 000 000	14 000 000	608 184	91 228	699 412	5 771 145	865 672	6 636 817	47%
Bloodriver Wellfield (Olifantspoort) and Seshego Groundwater Development and Pumping Mains. (Polokwane Groundwater Development)	30 000 000	30 000 000	4 791 259	718 689	5 509 948	24 282 676	3 642 401	27 925 077	93%
Bulk Water Supply - Dap Naude Dam (Pipeline section, booster PS and WTW Refurbishment)	5 000 000	5 000 000		-	-	873 208	130 981	1 004 189	20%
Polokwane Distribution Pressure and Flow Management	5 000 000	5 000 000		-	-	-	-	-	0%
Total Water Supply and reticulation - Water and Sanitation Services	250 087 332	250 087 332	23 330 418	3 499 563	26 829 980	93 660 740	14 049 111	107 709 852	43%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Sewer Reticulation - Water and Sanitation Service									
Plants and Equipment's	2 000 000	2 000 000				-	-	-	0%
Regional waste Water treatment plant	130 000 000	87 000 000	14 267 952	2 140 193	16 408 144	47 541 046	7 131 157	54 672 202	63%
Construction of the Sandriver North Water treatment works (Polokwane Groundwater Development)	90 000 000	90 000 000	12 073 849	1 811 077	13 884 927	29 407 262	4 411 089	33 818 351	38%
Seshego Water Treatment Works (Polokwane Groundwater Development)	64 157 000	30 846 000	744 603	111 690	856 294	25 895 872	3 884 381	29 780 252	97%
Total Sewer Reticulation - Water and Sanitation	286 157 000	209 846 000	27 086 404	4 062 961	31 149 365	102 844 179	15 426 627	118 270 806	56%
Energy Services - Energy									
Illumination of public areas (High Mast lights)	-	3 209 506	-	-	-	1 533 580	230 037	1 763 617	55%
Build 66KV/Bakone substation	10 500 000	16 500 000	-	-	-	9 020 545	1 353 082	10 373 627	63%
Electrification Of Urban Households in Extension 40	-	17 500 000				-	-	-	0%
Plants and Equipment's	-	1 500 000				-	-	-	0%
Increase license area assets	300 000	300 000				-	-	-	0%
Installation of 3x185mm ² cables from Steropark to Iota sub	5 400 867	9 691 361				-	-	-	0%
Upgrade Gamma Substation and install additional 20MVA transformer	-	10 000 000				-	-	-	0%
Installation of Check Meters		2 500 000	-	-	-	1 738 351	260 753	1 999 104	80%
Electrification Of Urban Households in Extension 78	-	10 000 000				-	-	-	0%
Replace 66kV Bus Bars & Breakers at Gamma Substation	4 000 000	10 000 000	-	-	-	174 789	26 218	201 007	2%
Total Energy Services - Energy	20 200 867	81 200 867	-	-	-	12 467 265	1 870 090	14 337 354	1
Disaster and Fire - Public Safety									
Acquisition of fire Equipment	152 893	152 893	-	-	-	-	-	-	0%
6 float pumps	17 987	17 987	-	-	-	-	-	-	0%
10 Large bore hoses with slotz coupling	38 972	38 972	-	-	-	-	-	-	0%
150X 80 Fire hoses with instantaneous couplings	96 881	96 881	-	-	-	-	-	-	0%
3 Heavy hydraulic equipment	119 916	119 916	-	-	-	-	-	-	0%
6 Electric seimisable portable pump	50 000	50 000	-	-	-	-	-	-	0%
Industrial lifting rescue equipment,	373 925	373 925	-	-	-	-	-	-	0%
Upgrading of Fire Training facility	168 035	168 035	-	-	-	-	-	-	0%
Total Disaster and Fire - Public Safety	1 018 609	1 018 609	-	-	-	-	-	-	-
Traffic & Licencing - Public Safety									
Purchase alcohol testers	197 329	197 329	-	-	-	-	-	-	0%
Procurement of AARTO equipment's	15 179	15 179	21 500	3 225	24 725	21 500	3 225	24 725	163%
Procurement of office cleaning equipment's	22 769	22 769	9 930	1 490	11 420	9 930	1 490	11 420	50%
Procurement of 7 X Pro-laser 4 Speed equipment's	637 526	637 526	-	-	-	-	-	-	0%
Total Traffic & Licencing - Public Safety	872 803	872 803	31 430	4 715	36 145	31 430	4 715	36 145	213%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Environmental Management - Community Services									
Grass cutting equipment's	900 000	900 000				777 665	116 650	894 315	99%
Upgrading of Security at Game Reserve	300 000	300 000				-	-	-	0%
Development of Ablution facilities at Various Municipal Parks	320 309	320 309				-	-	-	0%
Total Environmental Management - Community Services	1 520 309	1 520 309	-	-	-	777 665	116 650	894 315	59%
Control Centre Services -Public Safety									
Provision of access control equipment	635 249	635 249	-	-	-	-	-	-	0%
Total Control Centre - Public Safety	635 249	635 249	-	-	-	-	-	-	0%
Waste Management - Community Services									
Extension of landfill site(Weltevrede)	2 000 000	5 000 000				-	-	-	0%
6 & 9 M3 Skip containers	1 500 000	1 500 000				1 130 380	169 557	1 299 937	87%
Rural transfer Station(Molepo) (Construction, Guard house, Paving , dumping area	4 000 000	4 000 000				-	-	-	0%
Control No dumping Boards	100 000	100 000				-	-	-	0%
Building plans for Mankweng transfer station	300 000	300 000				-	-	-	0%
Purchase of Educational and Awareness equipment	365 350	365 350				-	-	-	0%
Total Waste Management - Community Services	8 265 350	11 265 350	-	-	-	1 130 380	169 557	1 299 937	12%
Sport & Recreation - Community Services									
Grass Cutting equipment	918 948	918 948	-	-	-	-	-	-	0%
EXT 44/78 Sports and Recreation Facility	5 000 000	5 000 000	-	-	-	2 518 400	377 760	2 896 160	58%
Upgrading of Mankweng Stadium	6 000 000	12 000 000	4 588 271	688 241	5 276 511	8 464 770	1 269 715	9 734 485	81%
Construction of an RDP Combo Sport Complex at Molepo Area	4 000 000	4 000 000	-	-	-	234 115	35 117	269 232	7%
Upgrading of Mhlonong stadium	5 000 000	2 000 000	-	-	-	-	-	-	0%
Construction of Sebayeng / Dikgale Sport Complex	2 000 000	2 000 000	-	-	-	948 988	142 348	1 091 336	55%
Construction of Softball stadium in City Cluster	30 000 000	27 000 000	-	-	-	-	-	-	0%
Construction of soccer field at Moletjje	4 000 000	4 000 000	1 106 661	165 999	1 272 660	2 978 248	446 737	3 424 985	86%
Total Sport & Recreation - Community Services	56 918 948	56 918 948	5 694 932	854 240	6 549 172	15 144 520	2 271 678	17 416 198	31%
Cultural Services - Community Services									
Collection development -books	100 000	100 000				-	-	-	0%
New exhibition Irish House	100 000	100 000				-	-	-	0%
Pur-chase of Art works	56 000	56 000				-	-	-	0%
Purchase of Office Furniture	100 000	100 000				-	-	-	0%
Purchase of Bakone Malapa beds for staff village	50 000	50 000				-	-	-	0%
Re- thatching of staff village at Bakone Malapa	200 978	200 978				-	-	-	0%
Total Cultural Services - Community Services	606 978	606 978	-	-	-	-	-	-	0%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Information Services - Corporate and Shared Services									
Provision of Laptops, PCs and Peripheral Devices	2 000 000	2 000 000	-	-	-	1 114 354	167 153	1 281 507	64%
Implementation of ICT Strategy	1 500 000	1 500 000				-	-	-	0%
Total Information Services - Corporate and Shared Services	3 500 000	3 500 000	-	-	-	1 114 354	167 153	1 281 507	37%
City Planning - Planning and Economic Development									
Township establishment at Farm Volgestruisfontein 667 LS	913 573	1 363 573	-	-	-	1 315 978	197 397	1 513 375	111%
Township establishment at portion 151-160 of the Farm Sterkloop 688 LS.	1 000 000	1 000 000				-	-	-	0%
Acquisition of strategically located land or erven/ Farms	500 000	50 000				-	-	-	0%
Implementation of the ICM program (IUDF) precinct plan	600 000	600 000				-	-	-	0%
Township Establishment for the Eco-estate at Game Reserve	500 000	500 000				-	-	-	0%
Establishment of Arts and Cultural HUB at Bakoni Malapa	1 000 000	1 000 000				-	-	-	0%
Upgrading of the R293 area Townships	300 000	300 000				-	-	-	0%
Total City Planning - Planning and Economic Development	4 813 573	4 813 573	-	-	-	1 315 978	197 397	1 513 375	31%
GIS - Planning and Economic Development									
Development of GIS Application	303 584	303 584				140 600	21 090	161 690	53%
Total Geo Information - Planning and Economic Development	303 584	303 584	-	-	-	140 600	21 090	161 690	53%
LED - Planning and Economic Development									
Development of the Industrial Park or Special Economic Zone	688 046	688 046				-	-	-	0%
Total Local Economic Development - Planning and Economic Development	688 046	688 046	-	-	-	-	-	-	0%
Supply Chain Management - Budget and Treasury Services									
Upgrading of stores facility	1 000 226	1 685 398	-	-	-	965 549	144 832	1 110 382	66%
Total Supply Chain Management - Budget and Treasury Services	1 000 226	1 685 398	-	-	-	965 549	144 832	1 110 382	66%

MULTI YEAR CAPITAL EXPENDITURE BUDGET	Budget Year 2020/21	Adjustment Budget 2020/21	DECEMBER			TOTAL YEAR TO DATE			PERCENTAGE
			TOTAL EXC VAT	VAT	TOTAL	TOTAL EXC VAT	VAT	YTD	
Description									
Fleet Management - Corporate and Shared Services									
Acquisition of Fleet- Water Tankers	20 000 000	50 000 000							0%
Acquisition of Fleet- Cherry Pickers	-	4 500 000							0%
Acquisition of Fleet- Refuse Tankers	-	20 000 000							0%
Total Fleet Management - Corporate and Shared Services	20 000 000	74 500 000	-	-	-	-	-	-	-
Facility Maintenance - Corporate and Shared Services									
Municipal Furniture and Office Equipment	273 225	273 225	-	-	-	27 000	4 050	31 050	11%
Facility Maintenance - Corporate and Shared Services	273 225	273 225	-	-	-	27 000	4 050	31 050	11%
Transport Operations(IPRTS)- Transport and Services									
PT facility upgrade	5 000 000	10 000 000	1 108 272	166 241	1 274 512	9 073 762	1 004 132	10 077 894	101%
Upgrad & constr of Trunk route 108/2017 WP1	11 842 000	13 546 000	1 391 690	208 754	1 600 444	1 671 986	233 350	1 905 335	14%
Construction of bus depot Civil works 108/2017 WP3	12 000 000	22 750 000	147 422	22 113	169 535	763 240	74 434	837 673	4%
Construction of bus station Civil works 108/2017 WP4	26 000 000	22 600 000	6 529 361	979 404	7 508 765	6 529 361	979 404	7 508 765	33%
Construction & provision of Station Upperstructures	31 000 000	-	-	-	-	-	-	-	0%
Environmental Management Seshego & SDA1	1 500 000	1 500 000	-	-	-	-	-	-	0%
Environmental Management in Polokwane City	1 500 000	1 500 000	-	-	-	-	-	-	0%
Refurbishment of Bus Daytime Layover Facility	2 000 000	7 850 000	493 912	74 087	567 999	3 042 458	254 645	3 297 103	42%
Upgrading of Transit Mall	4 950 000	12 000 000	-	-	-	-	-	-	0%
Construction & provision of Bus Depot Upper structure in Seshego	27 000 000	-	-	-	-	-	-	-	0%
Occupational Health & Safety(OHS) Management	2 000 000	2 000 000	-	-	-	-	-	-	0%
Total Transport Operations(IPRTS)- Transport and Services	124 792 000	93 746 000	9 670 656	1 450 598	11 121 255	21 080 805	2 545 965	23 626 771	25%
TOTAL EXPENDITURE	1 201 498 519	1 231 141 683	83 438 186	12 515 728	95 953 914	331 918 224	49 171 578	381 089 801	31%
Intergrated Urban Development Grant	303 105 850	303 105 850	31 870 143	4 780 521	36 650 664	112 913 099	16 936 965	129 850 063	43%
Public Transport Network Grant	124 792 000	93 746 000	9 670 656	1 450 598	11 121 255	21 080 805	2 545 965	23 626 771	25%
Integrated National Electrification Programme Grant	-	10 000 000							0%
Neighbourhood Development Grant	35 000 000	31 500 000	304 810	45 721	350 531	4 833 062	724 959	5 558 021	18%
Water Services Infrastructure Grant	50 000 000	50 000 000	425 146	63 772	488 918	4 718 582	707 787	5 426 370	11%
Regional Bulk Infrastructure Grant	361 157 000	284 846 000	37 511 094	5 626 664	43 137 758	152 520 405	22 878 061	175 398 466	62%
Total DoRA Allocations	874 054 850	773 197 850	79 781 849	11 967 277	91 749 126	296 065 953	43 793 737	339 859 691	44%
Road Concession	234 922 537	234 922 529	2 079 623	311 943	2 391 566	14 336 508	2 150 476	16 486 985	7%
Capital Replacement Reserve	91 021 132	221 521 304	1 576 714	236 507	1 813 222	21 515 762	3 227 364	24 743 126	11%
KFW Bank	1 500 000	1 500 000	-	-	-	-	-	-	0%
TOTAL FUNDING	1 201 498 519	1 231 141 683	83 438 186	12 515 728	95 953 914	331 918 224	49 171 578	381 089 801	31%

6 Staff Expenditure

The municipality is reporting the mid-year expenditure on staff benefits in terms of section 66 of the MFMA. The expenditure includes staff salaries, wages, allowances and benefits.

Summary of Employee and Councillor remuneration	2019/20	Budget Year 2020/21							
	Pre Audit Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C						D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	22 497	25 070	25 070	1 900	11 205	12 535	(1 330)	-11%	25 070
Pension and UIF Contributions	3 360	3 762	3 762	474	2 790	1 881	909	48%	3 762
Medical Aid Contributions	1 504	529	529	87	517	265	252	95%	529
Motor Vehicle Allowance	8 083	8 910	8 910	679	4 047	4 455	(408)	-9%	8 910
Cellphone Allowance	3 830	3 895	3 895	320	1 896	1 948	(51)	-3%	3 895
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	605	345	345	89	530	173	357	207%	345
Sub Total - Councillors	39 880	42 511	42 511	3 548	20 985	21 256	(271)	-1%	42 511
% increase		6.6%	6.6%						6.6%
Senior Managers of the Municipality									
Basic Salaries and Wages	9 380	11 038	11 038	867	5 204	5 519	(315)	-6%	11 038
Pension and UIF Contributions	1 365	1 298	1 298	130	782	649	133	21%	1 298
Medical Aid Contributions	144	122	122	14	87	61	26	42%	122
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	1 987	1 975	1 975	183	1 099	987	112	11%	1 975
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	935	-	-	187	1 122	-	1 122	#DIV/0!	-
Other benefits and allowances	1 270	3 324	3 324	12	73	1 662	(1 589)	-96%	3 324
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	15 082	17 755	17 755	1 395	8 366	8 878	(511)	-6%	17 755
% increase		17.7%	17.7%						17.7%
Other Municipal Staff									
Basic Salaries and Wages	473 982	580 556	580 506	42 915	256 917	290 253	(33 336)	-11%	580 506
Pension and UIF Contributions	97 382	122 551	122 551	8 857	52 965	61 275	(8 311)	-14%	122 551
Medical Aid Contributions	35 266	36 420	36 420	3 213	19 061	18 210	851	5%	36 420
Overtime	90 523	39 301	39 351	7 999	50 283	19 675	30 608	156%	39 351
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	50 058	68 119	68 119	4 017	23 936	34 060	(10 124)	-30%	68 119
Cellphone Allowance	111	319	319	8	49	160	(111)	-69%	319
Housing Allowances	7 711	11 040	11 040	735	4 469	5 520	(1 052)	-19%	11 040
Other benefits and allowances	27 647	81 154	81 154	2 392	15 036	40 577	(25 540)	-63%	81 154
Payments in lieu of leave	17 407	15 991	15 991	2 086	12 663	7 996	4 668	58%	15 991
Long service awards	819	7 416	7 416	32	326	3 708	(3 382)	-91%	7 416
Post-retirement benefit obligations	3 220	7 419	7 419	202	1 181	3 709	(2 529)	-68%	7 419
Sub Total - Other Municipal Staff	804 128	970 286	970 286	72 456	436 885	485 143	(48 258)	-10%	970 286
% increase		20.7%	20.7%						20.7%
Total Parent Municipality	859 089	1 030 553	1 030 553	77 399	466 236	515 276	(49 040)	-10%	1 030 553
Total Municipal Entities	-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS	859 089	1 030 553	1 030 553	77 399	466 236	515 276	(49 040)	-10%	1 030 553

7 Supply Chain Management

The Municipality has awarded contracts to the value in excess of R350 million as at 31st December 2020, which are single and multi –year Projects. These awards were mainly awarded to **level 1** BBBEEE compliant companies, which amounts to **100% of all awards**. **As** 31st December 2020, the Municipality did not enter into any contract beyond three (3) years as part of Section 33 of the MFMA.

In compliance with Circular 62 and 68 of the MFMA issued by the National Treasury, the Municipality has necessary measures to appoint service providers either on unsolicited process or Section 32 of the MFMA SCM Regulations of 2005. The Municipality has appointed **two (2)** Regulations 32 of the MFMA.

The SCM Forward Planning in terms of Demand Management has been improved. The major Projects which relate to the current year were advertised well in advance in the previous financial year.

8 Debtors Analysis

Description	NT Code	Budget Year 2020/21										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	20 725	12 151	8 212	8 096	7 821	7 315	31 706	255 636	351 661	310 573	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	55 824	13 235	8 004	7 284	5 018	3 943	18 502	91 834	203 643	126 580	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	37 994	18 111	13 160	10 551	9 899	9 339	41 926	211 802	352 781	283 516	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	9 276	4 590	3 359	2 742	2 483	2 246	9 037	34 815	68 548	51 323	-	-
Receivables from Exchange Transactions - Waste Management	1600	10 991	5 655	4 247	3 922	3 245	2 968	12 571	68 424	112 023	91 130	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	1	1	1	1	1	1	2	193	199	196	-	-
Interest on Arrear Debtor Accounts	1810	7 393	7 137	6 930	6 744	6 584	6 433	40 305	243 508	325 034	303 573	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	4 749	3 636	2 937	4 074	1 329	2 116	12 557	126 758	158 155	146 834	-	-
Total By Income Source	2000	146 953	64 516	46 851	43 412	36 379	34 360	166 606	1 032 969	1 572 045	1 313 726	-	-
2019/20 - totals only		240 646	76 740	53 876	49 750	37 770	35 252	123 913	863 267	1 481 215	1 109 952	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	10 813	5 880	4 073	4 203	3 915	3 346	12 207	41 580	86 015	65 250	-	-
Commercial	2300	69 713	16 618	9 680	9 617	7 389	6 874	33 951	188 364	342 207	246 196	-	-
Households	2400	66 427	42 017	33 098	29 593	25 075	24 140	120 448	803 025	1 143 823	1 002 280	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	146 953	64 516	46 851	43 412	36 379	34 360	166 606	1 032 969	1 572 045	1 313 726	-	-

9 Creditors, Borrowings and Finance Leases

Description R thousands	Budget Year									Prior year totals for chart (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type										
Bulk Electricity	63 078	-	-	-	-	-	-	-	63 078	59 902
Bulk Water	16 536	-	-	-	-	-	-	-	16 536	36 540
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	17 112	-	-	-	-	-	-	-	17 112	87 228
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	96 726	-	-	-	-	-	-	-	96 726	183 670

10 Consideration of Key Ratios (Performance Indicators)

No	Description	Basis for calculation	YTD 31 st December 2020	Benchmark
1	Gearing Ratio	Borrowing/Total projected income	9%	45%
2	Current ratio	Current asset/current liabilities	3.12:1	1.5-2.1
3	Electricity distribution losses	% volume. Units purchased and generated > Units sold/units purchased and generated	9%	7%-10%
4	Water distribution losses	% volume. Units purchased and generated > Units sold/units purchased and generated	18%	15%-30%
5	Debtors collection rate	Receipts/billing	94%	95%- 100%

11 Gearing Ratio

The municipality has 9% gearing as compared to national benchmark of 45% which indicates the municipality has the borrowing capacity. The projected revenue for the municipality is able to repay the borrowed resources.

12 Current Ratio

The municipality is currently at 3.12:1 as compared to the national norm of 1.5:1 which demonstrates the capacity to pay its current obligations if they fall due at any specific time.

13 Electricity distribution losses

The electricity losses for the period 1st July 2020 to 31st December 2020 was 15% as reported by the Directorate Energy Services. The losses happened in two ways, technical losses and non-technical losses. Technical losses happen on during the transmission process, that is inherent resistance of conductors to conduct electricity and also it happens in transformers, that is copper and iron losses. Non-technical losses happen due to bridged meters, unread meters, wrong readings, meters not on the system, loading of networks and aged networks.

14 Water distribution losses

The water losses for the period 1st July 2020 to 31st December 2020 was 14% as observed by the Directorate Water and Sanitation. There are two types of losses, that is technical losses and non-technical losses. The technical losses are caused by bulk supply breakdowns and normal pipe bursts. The non-technical losses are caused by bridged meters, unread meters and wrong readings.

15 Debtors collection rate

The average collection rate to the mid-term is 94 %.

16 Grant Funding (Actual Receipts)

Description	2019/20	Budget Year 2020/21							
	Pre Audit Outcomes	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	1 171 034	1 187 428	1 342 428	452 037	977 834	671 214	306 620	45.7%	1 342 428
Local Government Equitable Share	922 589	1 007 763	1 181 763	432 132	885 625	590 882	294 744	49.9%	1 181 763
EPWP Incentive	4 201	9 527	9 527	-	2 382	4 764	(2 382)	-50.0%	9 527
Integrated National Electrification Programme	19 218	49 000	29 000	-	6 500	14 500	(8 000)	-55.2%	29 000
Finance Management	2 500	2 500	2 500	-	2 500	1 250	1 250	100.0%	2 500
Integrated Urban Development Grant (IUDG)	110 921	47 860	47 860	19 905	36 269	23 930	12 339	51.6%	47 860
Public Transport and Systems	97 898	64 500	65 500	-	41 285	32 750	8 535	26.1%	65 500
Infrastructure skills development fund	5 111	6 278	6 278	-	3 273	3 139	134	4.3%	6 278
Energy Efficiency and Demand Management	8 000	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant	596	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants									
Capital Transfers and Grants	1 291 266	814 055	113 198	126 061	601 991	386 599	215 398	55.7%	113 198
Public Transport and Systems	630 998	361 157	284 846	-	213 889	142 423	71 466	50.2%	284 846
Regional Bulk Infrastructure	42 813	35 000	31 500	-	19 928	15 750	4 178	26.5%	31 500
Neighbourhood Development Partnership	96 650	50 000	50 000	-	40 000	25 000	15 000	60.0%	50 000
Water Services Infrastructure Grant	267 370	303 106	303 106	126 061	229 697	151 553	78 144	51.6%	303 106
Integrated Urban Development Grant (IUDG)	18 900	-	10 000	-	18 500	5 000	13 500	270.0%	10 000
Integrated National Electrification Programme	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants									
TOTAL RECEIPTS OF TRANSFERS & GRANTS	2 462 299	2 061 483	2 115 626	578 098	1 579 831	1 057 813	522 018	49.3%	2 115 626

17 Application for Roll-Over

Application for Unspent Conditional Grant Roll-over was submitted to National Treasury on 28 August 2020 in terms of Section 22(2) of the 2018 Division of Revenue Act for the following: -

- Roll-Over application: 144.4 million
- Roll-Over application approved: R100.2 million
- Roll-Over application NOT approved and offset against Equitable Share (December 2020 Tranche): R44.2 million

The unapproved amount of R44.2 million is based on the following reasons:

Neighbourhood Development Partnership Grant (R22.2 million)

- On recommendation of the Neighbourhood Development Partnership Programme Unit, whom have indicated Polokwane Local Municipality has adequate funds in their 2020/21 allocation to see through the affected projects.

Regional Bulk Infrastructure Grant (R1.2 million)

- No proof of commitment i.e. appointment letter for contractor/service provider for Bulk Water Supply - Dap Nande Dam.

Public Transport Network Grant (R20.7 million)

- No proof of commitment i.e. appointment letter for contractor/service provider for Construction of Sandriver Bridge

18 Institutional Performance Report as per the Service Delivery and Budget and Implementation Plan for the first half of the year

The Institutional Performance Management report is attached as an annexure A and B to the report. The mid-year report indicates challenges with regard to the implementation of the Capital programmes due to the COVID-19 pandemic and the subsequent lockdowns that were announced in towards the end of the 2019/20 financial year and the lockdown levels which were implemented during the beginning of the 2020/21 financial year.

18.1 Summary of Overall Performance per Key Performance Indicators per KPA for the period 1st July 2020 to 31st December 2020:

Key Performance Area	SDBIP Total KPIs	Total Applicable for Mid-Year (Jul-Dec 2020)	KPIs for (Jul-Dec 20)	Mid-Year Achieved (Jul-Dec 20)	Not Achieved	Total KPIs Not Applicable for Mid-Year (Jul-Dec 20)
Basic Service Delivery	18	1		0	1	17
Financial Viability	11	10		9	1	1
Good Governance and Public Participation	26	15		9	6	11
Local Economic Development	6	1		1	0	5
Municipal Transformation and Institutional Development	6	1		0	1	5
Total	67	28		19 (68%)	9 (32%)	39

18.2 Summary of Overall Performance: Capital Works Plan

The COVID-19 pandemic had a serious impact on capital works programme of the municipality. Projects that were supposed to be completed in the 2019/20 financial year were rolled-over to the 2020/21 financial year. Furthermore, contractors were forced to disestablished sites because of the lockdown restrictions. Municipal contractors are expected to comply with the National Department of Health COVID-19 workplace protocols. A detailed analysis of the Capital Works Plan indicates projects that are still at the procurement stage, which will lead to a delay in their completion as of 31st December 2020.

19 Human Resources Development

The municipality has a total of **4857** positions according to the staff establishment (organogram). The staff establishment has **2065** budgeted positions that are filled and **353** vacant positions.

20 Past Year's Annual Report (2019/20) and Progress on Resolving Problems Identified in the Annual Report

The audit of the 2019/20 Annual Report and Annual Financial Statements is still underway. The Minister of Finance published a MFMA Circular in August 2020 revising the submission dates for Annual Reports and Annual Finance Statements due to the challenges that were brought by the COVID-19 pandemic. According to the revised dates, the 2019/20 audit is expected to be concluded in March 2021. After the conclusion of the audit, the municipality will table the 2019/20 Annual Report with the Auditor General's report in Council for consideration and oversight processes. The process of resolving issues that will emanate from the 2019/20 Annual Report will be attended and resolved after council has considered the 2019/20 Annual Report.

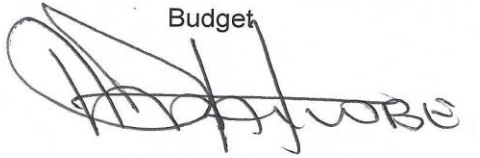
21 Polokwane Housing Association Performance for the Past Six Months

- Rental Revenue - Rental revenue is underperforming against the budget which is attributable to the rental boycott happening at Ga-Rena village the matter is receiving attention.
- Employee related costs – Employee related costs spending is at par with the budget, all vacant positions have been filled.
- General expenditure under performance due to stringent spending by the entity due to low level of rental collection
- It is recommended that the budget of the Entity be adjusted downward

22 Recommendations from the Accounting Officer

After having assessed the performance of the municipality for the first half of the year (ended 31 December 2020), the following is recommended:

1. That the Executive Mayor tables this report to Council together with the need to approve an adjustment budget.
2. That the revised projections as contained in this report inform the Adjustment Budget



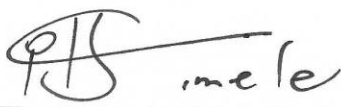
D.H. MAKOBE
MUNICIPAL MANAGER

19/01/2021

DATE

23 Recommendations from the Executive Mayor

1. That Council Notes the 2020/2021 Mid-Year Budget and Performance Assessment Report of the municipality.
2. That Council Notes the financial projections and forecast of the report
3. That Council adjust the municipal budget downwards to cover the budget shortfalls
4. That Council adjust the service delivery targets downward in line with the budget adjustments.



CLLR TP NKADIMENG
EXECUTIVE MAYOR

21/01/2021

DATE

Annexure A: Detailed Progress Report on Key Performance Indicators

1.1 Basic Service Delivery

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
BASIC SERVICE DELIVERY														
(BSD_TLO 1)	Director Energy Services	Number of new substations built by 30 June 2021	Service Delivery	Increase electricity capacity by building substations and install underground cables	Energy	1	Number	1	N/A	N/A	80%	Civil works are 80% to completion. Existing 66Kv poles and fibre moved to new position to allow the construction of the substation. access road completed. Delays due to Covid	Plans in plans to work within covid rules.	Progress reports, payment certificates
(BSD_TLO 2)	Director Energy Services	Kilometre of underground cables installed by 30 June 2021	Service Delivery	Increase electricity capacity by building substations and install underground cables	Energy	2km	km	900km	N/A	N/A	0km	Tender document ready to PSC committee and for advertising.	Cable to be bought in-house and advertise installation labour only.	Minutes of SCM process meetings, appointment letter, Progress reports, payment certificates, Completion certificate.

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(BSD_TLO 4)	Director Energy Services	Increase percentage of Households with access to electrification from 96.1% (229790 HH) to 97.1% (230 943HH) (97.1%) (1200)) by 30 June 2021.	Service Delivery	Households with access to electricity	Energy	96.90	Percent	1 200	N/A	N/A	20%	Three out of five projects appointed, one advertised and closed. the urban one appointed on multi-year,	Consultants appointed to do designs for the projects to be executed in 2021/22	Minutes of SCM process meetings, appointment letter, Progress reports, payment certificates, Completion certificate
(BSD_TLO 6)	Director Water and Sanitation	Increase percentage of Households with access to sanitation from 66,18% (142274 HH) to 67,98% (144074 HH) by 30 June 2021	Service Delivery	Upgrade existing Polokwane waste water plant	Sanitation	66.18	Percent	67.98	N/A	N/A	N/A	N/A	N/A	Completion certificates
(BSD_TLO 7)	Director Water and Sanitation	% of Scada system and IRS Planning completed by 30 June 2021	Service Delivery	Replace old existing asbestos cement pipes that is causing water loss	Water	0	Percent	100	N/A	N/A	N/A	N/A	N/A	Progress reports and completion certificates.
(BSD_TLO 8)	Director Water and Sanitation	Number of old water meters replaced in the city by 30 June 2021	Service Delivery	Replacement of old water meters in the city	Water	0	Number	8 700	N/A	N/A	N/A	N/A	N/A	Progress reports and completion certificates

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(BSD_TL09)	Director Water and Sanitation	ML capacity of water treatment plants increased by 30 June 2021	Service Delivery	Increase existing water sources - Oliphants, Ebenezer, Molepo, Seshego, Hout River, Dap Naude (increase water treatment plant)	Water	0	Number	6.40	N/A	N/A	N/A	N/A	N/A	Progress Report, Payments Certificates, Minutes and Completion Certificate.
(BSD_TL11)	Director Water and Sanitation	Increase percentage of Households with access to Water from 85,8% (196792) to 86,1% (198952 HH) by 30 June 2021	Service Delivery	Increase access to water supply.	Water	85.80	Percent	86.10	N/A	N/A	N/A	N/A	N/A	Completion certificates
(BSD_TL12)	Director Roads and Transport Services	Km of roads upgraded from gravel to tar by 30 June 2021	Service Delivery	Implement MIG programme. Increase allocation per financial year to allow quick reduction of backlog	Roads and storm water	26km	km	32.90km	N/A	N/A	N/A	N/A	N/A	Payment certificates and Practical certificates

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(BSD_TL14)	Director Roads and Transportation Services	Km of Storm water constructed in existing towns (Mankweng and Seshego) by 30 June 2021	Service Delivery	Construct storm water in existing towns (Mankweng and Seshego)	Roads and storm water	0.25km	km	1.20km	N/A	N/A	N/A	N/A	N/A	Payment certificates and Practical certificates
(BSD_TL16)	Director Community Services	Number of promotion events conducted to build capacity of sport administrators by 30 June 2021	Service Delivery	Encourage the formation of clubs and promotion of capacity building of sports administrators (Coaches and referees)	Sports and Recreation	7	Number	1	0	N/A	0	Due to Covid-19, target not met	Review of the target once lock down and disaster management Act has been lifted and sport and recreation activities are allowed	Project closure report
(BSD_TL17)	Director Community Services	Number of Health (Food premises and outlets) Inspections conducted by 30 June 2021	Service Delivery	Obtain authorization from Capricorn District Municipality to render the service on their behalf	Community Health	1 540	Number	1 540	770	770 Inspections to be conducted	191	One EHP is over 60 years therefore works from home due to COVID 19 regulation and the other was on vacation leave. And further, the EHPs are still concentrating on the	When the COVID 19 pandemic cease then the inspections will resume normal. The target should be revised.	Monthly inspection reports

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
												tracing of COVID-19 positive cases		
(BSD_TL18)	Director Community Services	Number of rural villages supplied with weekly waste removal services by 30 June 2021	Service Delivery	Address Waste Management backlog in rural areas.	Waste Management	45	Number	8	N/A	N/A	N/A	N/A	N/A	Monthly reports
(BSD_TL19)	Director Community Services	Percent of Households with access to waste removal services from 43.08% (103011) to 43.12% (103058 HH) by 30 June each year	Service Delivery	To promote recycling and ensure that waste generated is managed and disposed of in an environmentally friendly manner	Waste Management	43.08	Percent	0.04	N/A	N/A	N/A	N/A	N/A	Monthly/quarterly reports
(BSD_TL20)	Director Community Services	Review Disaster Management Plan (Annual review) by 30 June 2021	Service Delivery	Conduct Hazard identification and assessment programme	Disaster Management and Fire Services	1	Number	1	N/A	N/A	N/A	N/A	N/A	Approved Reviewed Disaster Management Plan
(BSD_TL21)	Director Community Services	Km fire break reblading conducted by 30 June 2021	Service Delivery	Conduct reblading programme.	Disaster Management and Fire Services	949km	km	720km	N/A	N/A	N/A	N/A	N/A	Invoices

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(BSD_TL2 2)	Director Roads and Transportation Services	Km of Trunk route constructed by 30 June each year	Service Delivery	Plan and construct infrastructure	Transportation (Infrastructure)	0.80km	km	0.50km	N/A	N/A	N/A	N/A	N/A	Progress reports and payment certificates
(BSD_TL2 4)	Director Roads and Transportation Services	Number of affected Taxi and Bus operators integrated into Leeto La Polokwane by 30 June 2021	Service Delivery	Provide safe, reliable, affordable, sustainable public transport system	Transportation (Communications and Marketing)	3	Number	3	N/A	N/A	N/A	N/A	N/A	Attendance registers, Agendas and Minutes

1.2 Good Governance and Public Participation

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
GOOD GOVERNANCE AND PUBLIS PARTICIPATION														
(GGPP_TLO 1)	Director Strategic Planning, Monitoring and Evaluation	Number of IDP, Budget and PMS Rep Forums held by 30 June each year	Good Governance and Public Participation	Ensure involvement and participation of all stakeholders	IDP	2	Number	2	N/A	N/A	N/A	N/A	N/A	Attendance Registers, Adverts, Invitations, Agenda.
(GGPP_TLO 2)	Director Strategic Planning, Monitoring and Evaluation	Approval of the current financial year IDP, Budget and PMS Schedule (Process Plan) by 30 August each year (S21 of the MFMA)	Good Governance and Public Participation	Facilitate and monitor the identified needs falling without the municipality's mandate	IDP	1	Number	1	1	N/A	1	The process plan was approved by council (August 2020)	N/A	Council Resolution and Process Plan.

(GGPP_TLO 3)	Director Strategic Planning, Monitoring and Evaluation	Number of IDP, Budget and PMS Steering Committee Meeting held by 30 June each year	Good Governance and Public Participation	Ensure involvement and participation of all stakeholders	IDP	3	Number	3	1	N/A	1	Steering Committee was convened using different Approach due to COVID 19.all Members of the steering Committee were provided with Discussion documents through emails. Steering Committee members were requested to provide their inputs and comments on the Status Quo Analysis Report and Presentations summary by all Directorates . -The main purpose of the 1st steering committee is to obtain inputs and comments on the	Status quo Documents were emailed to the Steering Committee Members for their inputs and comments (August 2020)	Agenda, Attendance Registers.
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												<p>Status Quo Analysis before releasing in to the IDP Rep forum. (July 2020) [GGPP_OS2 4] Director Strategic Planning, Monitoring and Evaluation: Due to COVID 19,Social Distance and Complying with COGTA Gazette that discourage contact meetings ,an alternative method was used to obtain comments and inputs from steering committee Members (August 2020)</p>		
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Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TLO 4)	Director Strategic Planning, Monitoring and Evaluation	Submitting the next financial year Final IDP and Budget to Council for adoption by 31 May each year (One month before the start of the new financial year)	Good Governance and Public Participation	To ensure budgeting processes are informed by community needs and priorities by 2018	IDP	1	Number	1	N/A	N/A	N/A	N/A	N/A	Council Resolution and Final IDP.
(GGPP_TLO 5)	Director Strategic Planning, Monitoring and Evaluation	Tabling Draft Annual Report for previous financial year to Council by 31 January each year. (s121 - 129 MFMA)	Good Governance and Public Participation	Communicate and share performance information	PMS	1	Number	1	N/A	N/A	N/A	N/A	N/A	Council Resolution of the tabling of the Annual Report for 2020/21

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TLO6)	Director Strategic Planning, Monitoring and Evaluation	Number of Quarterly Performance Reports submitted to Council by 30 June 2021	Good Governance and Public Participation	Communicate and share performance information	PMS	4	Number	4	2		2	2019/20 Fourth Quarter and 2020/21 First Quarter Institutional reports submitted to Council	The 2020/21 First Quarter Institutional Performance Report was processed by the Admin and Governance Portfolio Committee on the 18 November 2020. There was no council meeting was convened for November 2020 and the report will be part of the agenda for the January 2021 council meeting.	Council Resolution of Quarterly Performance Report

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL07)	Director Strategic Planning, Monitoring and Evaluation	Tabling the Oversight Report on the previous financial year Annual Report to Council by 31 March each year (Section 121-129 MFMA)	Good Governance and Public Participation	Communicate and share performance information	PMS	1	Number	1	N/A	N/A	N/A	N/A	N/A	Council Resolution on Oversight Report and Copy of the Report
(GGPP_TL08)	Director Corporate and Shared Services	Number ICT Steering Committee meeting held by 30 June 2021	Good Governance and Public Participation	Continuous improvement of Corporate Governance of and Governance of ICT	ICT	4	Number	4	2	2 meetings	2	Minutes & Register Attached		Quarterly reports on ICT Steering Committee meetings
(GGPP_TL09)	Director Corporate and Shared Services	Number of quarterly reports on the performance of ICT Service providers by 30 June 2021	Good Governance and Public Participation	Continuous improvement of Corporate Governance of and Governance of ICT	ICT	4	Number	4	2	2 meetings	2	Service Providers' Performance Report Attached		Quarterly reports on the performance of Service providers
(GGPP_TL10)	Director Corporate and Shared Services	Annual review of the Delegations of powers to ensure effective administration by 31 June 2021	Good Governance and Public Participation	Review and implement delegations of powers to ensure that all managers act and take decisions within their scope	Legal	0	Number	1	N/A	N/A	N/A	N/A	N/A	Council resolution on approved delegations of powers and copy of the delegations of powers

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL1 1)	Municipal Manager	Number of Mayoral Committee meetings scheduled and convened by 30 June each year	Good Governance and Public Participation	Ensuring that Mayoral Committee meetings are convened as per cooperate calendar.	Secretariat Services	10	Number	10	6	6 meetings	6	Target achieved	No corrective measures necessary	Council Approved Corporate Calendar of meetings. Mayoral Committee notices, Agendas, and Attendance Registers.
(GGPP_TL1 2)	Municipal Manager	Number of Council sittings scheduled and convened by 30 June each year (In line with the provisions of MSA)	Good Governance and Public Participation	Ensuring that Council meetings are convened as per cooperate calendar.	Secretariat Services	4	Number	4	2	2 meeting	3	Target achieved	No corrective measures necessary	Council Notice, Agenda, Minutes and Attendance Registers
(GGPP_TL1 3)	Municipal Manager	Number of Portfolio Committee meetings scheduled and convened by 30 June each year	Good Governance and Public Participation	Ensuring that Portfolio meetings are convened as per cooperate calendar.	Secretariat Services	130	Number	130	65	65 meetings	51	Target not reached. There are no scheduled portfolio committee meetings in December as per the corporate calendar. We have made a submission that the target be amended.	The target needs to be amended and be aligned to the corporate calendar.	Council Approved Corporate Calendar of meetings. Portfolio Committee notices, Agendas, Minutes and Attendance Registers.

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
												The target needs to be reduced.		
(GGPP_TL14)	Director Corporate and Shared Services	Number of Local Labour Forum (LLF) convened and held by 30 June 2021	Good Governance and Public Participation	Monitor the corporate calendar.	Human Resources/Labour Relations	10	Number	10	5	5 meetings	0	No LLF meeting due to Covid-19	Virtual meetings to be held	LLF Notice and minutes
(GGPP_TL15)	Chief Financial Officer	Integrated long term asset management plan developed by 30 June 2021	Good Governance and Public Participation	Develop integrated long term asset management plan	Asset Management	1	Number	1	N/A	N/A	N/A	N/A	N/A	Integrated long term asset management plan and minutes of approval
(GGPP_TL16)	Chief Financial Officer	Conduct municipal wide asset register verification in line with GRAP standards by 31 August 2020	Good Governance and Public Participation	Develop integrated long term asset management plan	Asset Management	1	Number	1	N/A	N/A	N/A	Target not applicable during the mid-year review period.	N/A	Assets Register

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL17)	Municipal Manager	Number of Ward AIDS Councils established by 30 June 2021	Good Governance and Public Participation	Liaise with the Department of Health and development partners to reduce HIV. Establish Ward AIDS Councils. Implement the 90/90/90/ Fast track Strategy for municipalities to reduce HIV By 2020	Special Focus	45	Number	38	19	19 Ward Councils established	0	No performance was recorded due to the COVID 19 Regulations. Public Meetings are prohibited	Ward Council will be established when the COVID 19 Regulations are eased.	Appointment letters of Local AIDS Council members, Agendas, Minutes and Attendance Registers
(GGPP_TL18)	Municipal Manager	Development of the External and Internal Audit Tracking Register for previous financial year AG Report by 5 February each year	Good Governance and Public Participation	Cooperating closely with other external oversight bodies to better coordinate oversight activities with a view to providing effective audit coverage and minimising any overlaps	Internal Audit	1	Number	1	N/A	N/A	N/A	N/A	N/A	External and Internal Audit Tracking Register and minutes of approval

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL19)	Municipal Manager	Adoption of Annual Internal Audit Plan and 3 year rolling strategic plan by 30 June each year	Good Governance and Public Participation	Communicate effectively with management to receive effective feedback on the preparation and reporting on the implementation of audit work plans	Internal Audit	1	Number	1	N/A	N/A	N/A	N/A	N/A	Agenda and Minutes of adoption
(GGPP_TL20)	Municipal Manager	Number of Audit Committee Meetings scheduled and convened in terms of the adopted schedule by 30 June each year	Good Governance and Public Participation	Regular review and improving the quality of audit reports by increasing the use of IT tool to gather, analyse and present factual data for accuracy, completeness and tidiness of audit reports	Internal Audit	4	Number	4	2	2 meetings	9	Two APAC meetings held on the 20 July 2020 and 08 September 2020. (July 2020) [GGPP_OS41] Municipal Manager: Two APAC meetings were held on 20 July 2020 and 08 September 2020 APAC meetings were held on 20 July 2020 and 08 September 2020 1 Ordinary		Meeting Notices, Agendas, Minutes and Attendance Registers

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
												meeting was held on the 14 Oct 2020 and 2 extra ordinary meetings were held on the 27 October 2020 and 03 December 2020.		
(GGPP_TL21)	Municipal Manager	Number of Ward Committee meetings scheduled and convened per ward by 30 June each year (Functionality of ward committees)	Good Governance and Public Participation	Increase functionality and effectiveness of ward committee structures	Public Participation	540	Number	540	270	270 meetings	90	Ward committee meetings were suspended because of COVID-19 and we only resumed with our meetings in November. For the second quarter we only held ward committee meetings for 2 months.	No corrective measures are necessary as the situation was beyond our control	Meeting Notices, Agendas, Minutes and Attendance Registers

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL2 2)	Municipal Manager	Number of Ward Committee Reports developed and submitted to Council by 30 June each year	Good Governance and Public Participation	Increase functionality and effectiveness of ward committee structures	Public Participation	4	Number	4	2	2 Reports	0	Due to COVID-19, ward committee meetings were suspended and only held in November and December 2020.	No corrective measures had to be taken in this regard.	Ward Committee Reports developed and tabled in Council
(GGPP_TL2 3)	Municipal Manager	Number of risk assessments conducted by 30 June each year	Good Governance and Public Participation	Roll-out of risk management services within all levels of the municipalities by identifying potentials risks within the municipality	Risk Management	45	Number	45	N/A	N/A	N/A	N/A	N/A	Operational risk register and attendance register
(GGPP_TL2 4)	Municipal Manager	Number of Fraud awareness Campaign held conducted by 30 June 2021	Good Governance and Public Participation	Creating fraud culture in and Promote Fraud Hotline in the Municipal area	Risk Management	4	Number	4	2	2 Campaigns	4	Fraud awareness was conducted on the 10 and 22 September 2020 Fraud awareness was conducted on the 17 and 19 November 2020		Meeting Notices, Agendas, Minutes and Attendance Registers

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(GGPP_TL2 5)	Municipal Manager	Review of institutional strategic risk register by 30 June 2021	Good Governance and Public Participation	Incorporate Risk Management in the IDP and Budgeting process by identifying strategic risk and budgeting for mitigation action	Risk Management	1	Number	1	n/a	n/a Review of institutional strategy	0	Review will be done during the Fourth Quarter of the financial year.	N/A	Agenda and Minutes of adoption
(GGPP_TL2 6)	Municipal Manager	Number of Risk Management Committee scheduled and convened by 30 June each year	Good Governance and Public Participation	Increase functionality, effectiveness and accountability of Risk Management at Directors level	Risk Management	4	Number	4	2	2 Committee	1	Risk Management Committee meeting was held on the 05 October 2020	Risk Meeting scheduled for January 2021	Meeting Notices, Agendas, Minutes and Attendance Registers

1.3 Municipal Transformation and Organizational Development

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT														
(MTOD_TL01)	Director Corporate and Shared Services	Conduct OHS audit by 30 June 2021	Municipal Transformation and Organisational Development	Expand OHS capacity	Human Resources/ Occupational Health and Safety	1	Number	1	N/A	N/A	N/A	N/A	N/A	OHS audit plan
(MTOD_TL02)	Director Corporate and Shared Services	Submission of Reviewed of WSP to LGSETA by 30 April 2021	Municipal Transformation and Organisational Development	Build capacity of employees through training	Human Resources Management	1	Number	1	N/A	N/A	N/A	N/A	N/A	WSP Report and confirmation letter
(MTOD_TL03)	Director Corporate and Shared Services	Submission of Employment Equity Plan to the Department of Labour by 30 June 2021	Municipal Transformation and Organisational Development	Targeted recruitment	Human Resources Management	1	Number	1	N/A	N/A	N/A	N/A	N/A	Employment Equity report and confirmation letter
(MTOD_TL04)	Director Corporate and Shared Services	Number of new External Students awarded study bursaries for the next academic year by 30th June 2021	Municipal Transformation and Organisational Development	Targeted awarding of bursary	Human Resources Management	40	Number	40	N/A	N/A	N/A	N/A	N/A	Bursary report

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(MTOD_TL05)	Director Corporate and Shared Services	Number of Graduate students awarded Internships /Experimental /Learnership at Polokwane Municipality by the 30 June 2021	Municipal Transformation and Organisational Development	Build capacity of municipal officials and the community on skills.	Human Resources Management	167	Number	200	N/A	N/A	N/A	N/A	N/A	Training report
(MTOD_TL06)	Director Corporate and Shared Services	Number of training on application and understanding of code of conduct for all employees by 30 June 2021	Municipal Transformation and Organisational Development	Build capacity of municipal officials around IR matters	Human Resources Management	2	Number	2	1	1 Number of training on application	0			Attendance registers

1.4 Local Economic Development

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
LOCAL ECONOMIC DEVELOPMENT														
(LED_TLO 1)	Director Planning and Economic Development	Number of workshops/ Trainings conducted for Street Traders by June 2021	Local Economic Development	Sustainable Livelihoods	LED	0	Number	4	N/A	N/A	2	Two (2) Workshops were offered to the street traders.	N/A	Attendance registers Reports
(LED_TLO 2)	Director Strategic Planning, Monitoring and Evaluation	Number of job opportunities created through the EPWP by 30 June 2021 (Temporary Job Opportunities)	Local Economic Development	Sustainable Livelihoods	EPWP	3 636	Number	3 653	2000	2000 Job Opportunities created	2 509	2509 work opportunities were created by December 2020.	None	EPWP system report. Additional supporting documents for each beneficiary is available in hard copy files.
(LED_TLO 3)	Director Planning and Economic Development	Number of exhibition/Flea Markets facilitate the municipality by 30 June 2021	Local Economic Development	Sustainable Livelihoods	LED - SMMEs	24	Number	12	N/A	N/A	9	Facilitated and participated in nine (09) exhibitions.	N/A	Reports of events, Attendance registers, pictures of the events.
(LED_TLO 4)	Director Planning and Economic Development	Number of tourism and investment promotion trade shows by 30 June 2021	Local Economic Development	Sustainable Livelihoods	Economic Development	9	Number	8	N/A	N/A	4	Facilitated and attended Four (04) Trade Shows.	N/A	Motivation Attendance register Feedback report Visitor's comments Pictures

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(LED_TLO 5)	Director Planning and Economic Development	Number of job opportunities created through Municipal sponsored trading	Local Economic Development	Sustainable Livelihoods	Economic Development	185	Number	200	N/A	N/A	0	No job opportunities were facilitated due to lack of events as a result of the COVID-19 Lockdown Regulations. There was also no target set.	N/A	Memo indicating no events held due to the COVID-19 Lockdown Regulations.
(LED_TLO 6)	Director Planning and Economic Development	Number of Workshops/trainings organised by the municipality in partnership with sector partners offered SMME'S by 30 June 2021	Local Economic Development	Sustainable Livelihoods	Economic Development	16	Number	16	N/A	N/A	7	Coordinated and facilitated seven (07) workshops/trainings for the SMMEs.	N/A	Reports of the training sessions, Attendance registers, Pictures of the trainings,

1.5 Financial Viability

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
FINANCIAL VIABILITY														
(FV_TL01)	Chief Financial Officer	Development of the Audit Action Plan for the current financial year AG Report by 31 January each year	Financial Viability	Improve internal and integrated financial reporting processes to ensure all SBU's are using accurate financial information	Budget and Reporting	1	Number	1	N/A	N/A	N/A	N/A	N/A	Audit Action Plan
(FV_TL02)	Chief Financial Officer	Municipal compliance to MSCOA by 30 June each year	Financial Viability	Improve internal and integrated financial reporting processes to ensure all SBU's are using accurate financial information	Budget and Reporting	100	Percent	100	4 data strings 1 report (PAUD)	4 data strings 1 report (PAUD)	100	Achieved	N/A	Data string reports Budget reports (TABB, ORGB, ADJB, PAUD)
(FV_TL03)	Chief Financial Officer	Timeous payment of all the creditors with 30 days upon receipt of invoice	Financial Viability	Accurate cash flow planning (SBUs to supply cash flow projections on projects at the beginning of each financial year)	Expenditure Management	62	Percent	85	75%	75% the credit	100	all creditors were paid within 30 days, there is no creditors that is above 30 days	none	Section 71 report

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(FV_TL04)	Chief Financial Officer	Number of reserve to be established	Financial Viability	To build up reserves (sinking funds) to pay back loans and asset replacement funds	Budget and Reporting	1	Number	1	1	1 be establish	1	none	none	Bank statements
(FV_TL05)	Chief Financial Officer	% of Households with access to free basic services to all qualifying people in the municipal's area of jurisdiction	Financial Viability	Develop and enforce business processes and procedures	Free Basic Services	90	Percent	95	90%	90% to fr	100	all indigents are receiving benefits		Indigent register
(FV_TL06)	Chief Financial Officer	Percentage collection of revenue billed, total billed vs total collected.	Financial Viability	Develop and enforce business processes and procedures	Financial Viability	85	Percent	87	87%	0,87	94	The performance attached as schedule		Revenue report
(FV_TL07)	Chief Financial Officer	Timeous appointment of service providers within 90 days in line with the National Treasury Norm on appointment of contractors	Financial Viability	Follow up and adherence to demand management plan	Supply Chain Management	90	Number	90	90	90 pr	61	Performance was affected by unforeseen circumstances caused by the COVID 19 Pandemic	it is unavoidable circumstances	Demand Management Plan and Appointment letters

Ref No	Responsible Owner	Top Layer KPI	Municipal KPA	Operational Strategies	Municipal Programme	Baseline	Unit of Measurement	Annual Target	Mid-Year Target	Target Description	Actual	Performance Comment	Corrective Measures	POE
(FV_TL08)	Chief Financial Officer	Percentage of municipality capital budget actually spent on capital projects by 30 June each year	Financial Viability	Bankable projects for implementation on alternative funding model	Financial Viability	100	Percent	100	40%	40% Percentage of municipality capital	44	none	none	Section 71 report (capital programme expenditure)
(FV_TL09)	Chief Financial Officer	Municipal debt coverage by 30 June each year	Financial Viability	Bankable projects for implementation on alternative funding model	Financial Viability	17	Percent	17	17%	17% Municipal debt coverage by 30 Jun	75.57	Exceeded target		Section 71 report
(FV_TL10)	Chief Financial Officer	% Growth in Revenue by 30 June each year	Financial Viability	Bankable projects for implementation on alternative funding model	Financial Viability	2	Percent	1.38	1%	1% Revenue by 30 June each year	14	Growth target met		Revenue report
(FV_TL11)	Chief Financial Officer	Municipal cost coverage by 30 June each year	Financial Viability	Bankable projects for implementation on alternative funding model	Financial Viability	200	Percent	137.50	100%	100% Municipal cost coverage by 30 Jun	432	NONE	NONE	Section 71 report