

George Municipality

Mid-year Budget and Performance Assessment Report  
*Prepared in terms of the Local Government Municipal Finance Management Act,  
2003: Municipal Budget and Reporting Regulations*

December 2017



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## Glossary

<b>Adjustments Budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget Related Policy</b> – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
<b>Capital Expenditure</b> - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
<b>Equitable Share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognised Accounting Practice. The new standard for municipal accounting.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality
<b>KPI's</b> – Key Performance Indicators. Measures of service output and/or outcome.
<b>MFMA</b> – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
<b>Operating Expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages.
<b>Rates</b> – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the

rate in the rand.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic Objectives</b> – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement Policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget is divided, usually at directorate / department level.

## **PART 1: MID-YEAR PERFORMANCE**

### **1.1 – Introduction**

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Section 72, and
- The Municipal Budget and Reporting Regulations, 35.

The MBRR highlights the format of the mid-year budget and performance assessment.

*“33. A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in the 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 section 168(1) of the Act.”*

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

### **1.2 – Legislative framework**

In terms of section 72 (1) of the MFMA, the accounting officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year.

Take note that the Section 52, Quarterly Budget Monitoring Report for the second quarter will be incorporated in this report. The requirements of section 52(d) will be met in this Mid-year Budget and Assessment Report.

### **1.3 – Executive summary**

This report is a summary of the main budget issues arising from the budget monitoring process. It compares the progress of the budget in terms of actual income and expenditure to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

The following categories provide a consolidated overview of the implementation of the budget of the municipality.

### 1.3.1 – Operating revenue

It should be noted that the figures for property rates and service charges relates to billed income and not cash collected.

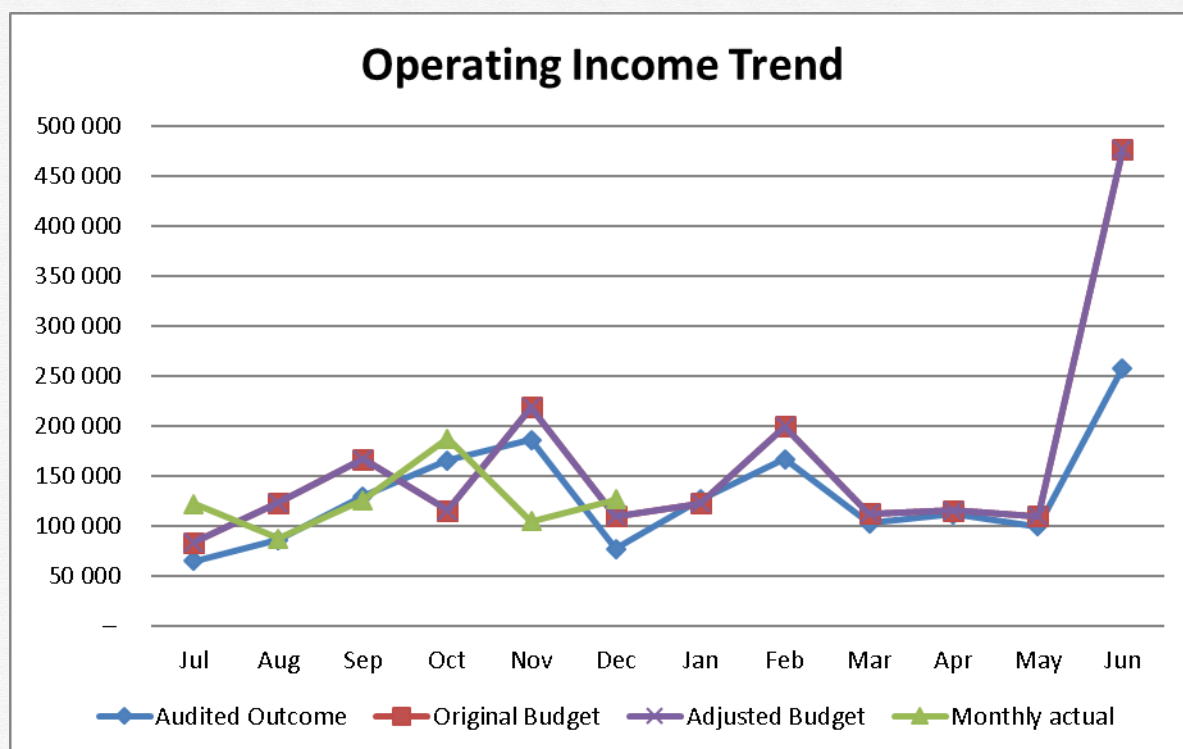
The following table is a summary of the 2017/18 budget (classified by main revenue source):

Description	Ref	2016/17	Budget Year 2017/18							
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
		Outcome	Budget	Budget	actual	actual	budget	variance	variance	Forecast
R thousands									%	
<u>Revenue By Source</u>										
Property rates		211 433	231 124	231 124	17 980	124 399	141 750	(17 351)	-12%	231 124
Service charges - electricity revenue		565 450	603 743	603 743	54 095	302 419	277 055	25 364	9%	603 743
Service charges - water revenue		121 172	124 258	124 258	8 563	57 334	73 772	(16 438)	-22%	124 258
Service charges - sanitation revenue		81 869	79 592	79 592	7 573	44 113	44 513	(399)	-1%	79 592
Service charges - refuse revenue		61 814	66 457	66 457	5 818	35 181	35 988	(807)	-2%	66 457
Service charges - other		18	280	280	0	3	7	(4)	-54%	280
Rental of facilities and equipment		3 756	4 937	4 937	124	2 393	2 538	(145)	-6%	4 937
Interest earned - external investments		37 304	31 243	31 243	1 458	14 133	14 224	(91)	-1%	31 243
Interest earned - outstanding debtors		4 156	5 233	5 233	48	701	2 159	(1 458)	-68%	5 233
Dividends received		-	-	-	-	-	-	-	0%	-
Fines, penalties and forfeits		34 300	74 203	74 203	711	6 530	5 178	1 352	26%	74 203
Licences and permits		2 126	2 910	2 910	216	1 392	849	543	64%	2 910
Agency services		9 445	7 957	7 957	(306)	4 532	3 713	819	22%	7 957
Transfers and subsidies		310 241	419 820	419 820	23 519	96 464	124 485	(28 021)	-23%	419 820
Other revenue		51 080	85 990	85 990	5 090	28 704	40 621	(11 917)	-29%	85 990
Transfers and subsidies - capital		149 591	200 913	200 913	-	25 921	42 929	(17 008)	-40%	200 913
Transfers and subsidies - capital contributions		20 764	11 569	11 569	1 406	7 950	6 226	1 724	28%	11 569
Gains on disposal of PPE		597	-	-	-	(5)	-	(5)	0%	-
		1 665 115	1 950 229	1 950 229	126 295	752 164	816 005	(63 841)	-8%	1 950 229
Total Revenue										

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. The adjusted operating revenue budget amounts to R1.950 billion. For the period under review the planned SDBIP target is R816 million and the actual revenue collected to date is R752 million. When comparing the planned against the actual revenue, an under performance of 8% is shown. This is mainly due the under spending on the operational expenses of the GIPTN project.

This is shown in the following graph:

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly income performance trend</b>									
July	64 286	83 054	83 054	121 932	121 932	83 054	(38 878)	-46,8%	6%
August	85 602	122 626	122 626	86 842	208 774	205 681	(3 093)	-1,5%	11%
September	129 436	166 684	166 684	125 433	334 206	372 364	38 158	10,2%	17%
October	165 053	115 355	115 355	187 152	521 359	487 719	(33 640)	-6,9%	27%
November	185 585	218 524	218 524	104 510	625 869	706 243	80 374	11,4%	32%
December	77 015	109 762	109 762	126 295	752 164	816 005	63 841	7,8%	39%
January	126 318	122 603	122 603		752 164	938 608	186 444	19,9%	39%
February	166 738	199 183	199 183		752 164	1 137 792	385 628	33,9%	39%
March	102 528	111 769	111 769		752 164	1 249 561	497 397	39,8%	39%
April	111 233	115 072	115 072		752 164	1 364 632	612 468	44,9%	39%
May	99 438	109 694	109 694		752 164	1 474 327	722 163	49,0%	39%
June	257 340	475 902	475 902		752 164	1 950 229	1 198 065	61,4%	39%
<b>Total Operating Income</b>	<b>1 570 572</b>	<b>1 950 229</b>	<b>1 950 229</b>	<b>752 164</b>					



**The following table is a summary of the main variance in revenue billed versus planned revenue:**

<b><u>REVENUE BY SOURCE</u></b> <b><u>R thousands</u></b>	<b>ORIGINAL BUDGET</b>	<b>ADJUSTMENTS BUDGET</b>	<b>PLANNED INCOME TO DATE (SDBIP)</b>	<b>ACTUAL INCOME TO DATE</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>	<b>REASONS FOR VARIANCES</b>
PROPERTY RATES	231 124	231 124	141 750	124 399	(17 351)	-12%	Up to the end of December 2017, 54% of the forecasted property rates have been billed.
PENALTIES IMPOSED AND COLLECTIONS	7 893	7 893	2 680	2 680	(0)	0%	
SERVICE CHARGES - ELECTRICITY	603 743	603 743	277 055	302 419	25 364	9%	Revenue exceeds projected income.
SERVICE CHARGES - WATER	124 258	124 258	73 772	57 334	(16 438)	-22%	
SERVICE CHARGES - SEWERAGE	79 592	79 592	44 513	44 113	(399)	-1%	
SERVICE CHARGES - REFUSE	66 457	66 457	35 988	35 181	(807)	-2%	
SERVICE CHARGES - OTHER	280	280	7	3	(4)	-54%	
FINES (cash)	66 309	66 309	4 980	5 900	920	18%	Revenue exceeds projected income.
FINES (iGRAP1)	-	-	-	-	-	0%	
LICENCES & PERMITS	2 910	2 910	849	1 392	543	64%	Revenue exceeds projected income.
INCOME FOR AGENCY SERVICES	7 957	7 957	3 713	4 532	819	22%	Revenue exceeds projected income.
RENT OF FACILITIES AND EQUIPMENT	4 205	4 205	2 538	2 393	(145)	-6%	
GRANTS & SUBSIDIES RECEIVED - CAPITAL	200 313	200 313	42 929	25 921	(17 008)	-40%	Grants are recognised as

George Municipality – 2017/18 Mid-year Budget and Performance Assessment

<b><u>REVENUE BY SOURCE</u></b> <b><u>R thousands</u></b>	<b>ORIGINAL BUDGET</b>	<b>ADJUSTMENTS BUDGET</b>	<b>PLANNED INCOME TO DATE (SDBIP)</b>	<b>ACTUAL INCOME TO DATE</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>	<b>REASONS FOR VARIANCES</b>
							income when the conditions have been met and not when the money has been received by the municipality.
GRANTS & SUBSIDIES RECEIVED - OPERATING	420 420	420 420	124 485	96 464	(28 021)	-23%	Grants are recognised as income when the conditions have been met and not when the money has been received by the municipality.
INTEREST EARNED - EXTERNAL INVESTMENTS	31 243	31 243	14 224	14 133	(91)	-1%	
INTEREST EARNED - OUTSTANDING DEBTORS	5 233	5 233	2 159	701	(1 458)	-68%	
OTHER REVENUE	13 493	13 493	5 004	5 858	854	17%	Revenue exceeds projected income.
GIPTN FARE REVENUE	73 230	73 230	33 135	20 796	(12 338)	-37%	Less fare revenue received than anticipated.
CAPITAL CONTRIBUTIONS	11 569	11 569	6 226	7 950	1 724	28%	Revenue exceeds projected income
GAIN ON DISPOSAL OF PPE	-	-	-	(5)	(5)	0%	
<b>TOTAL REVENUE</b>	<b>1 950 229</b>	<b>1 950 229</b>	<b>816 005</b>	<b>752 164</b>	<b>(63 841)</b>	<b>-8%</b>	

% of Annual Budget Billed

**38.57%**

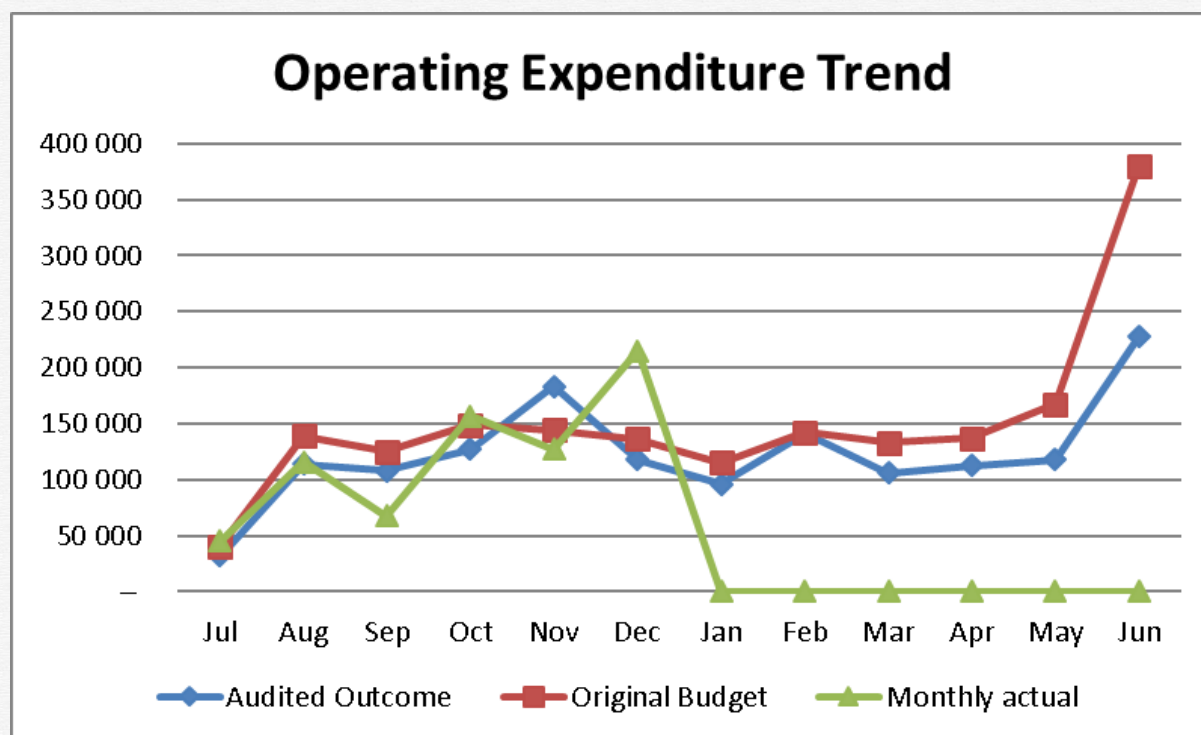
### 1.3.2 – Operating Expenditure

The following table is a summary of the 2017/18 budget (classified by main expenditure types):

expenditure types).

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		407 027	456 095	463 240	37 549	228 436	218 718	9 718	4%	461 284
Remuneration of councillors		18 801	22 269	22 269	1 643	9 857	9 114	744	8%	22 269
Debt impairment		72 145	64 139	64 139	2 785	17 134	12 410	4 724	38%	64 139
Depreciation & asset impairment		155 475	156 878	156 878	78 446	78 411	68 144	10 268	15%	156 878
Finance charges		44 109	38 104	38 104	19 140	19 140	18 495	645	3%	38 104
Bulk purchases		395 857	408 100	408 100	28 513	181 344	181 618	(274)	0%	408 100
Other materials		41 966	36 038	36 422	1 528	11 712	13 277	(1 565)	-12%	36 322
Contracted services		379 399	518 374	507 972	32 776	140 813	179 189	(38 376)	-21%	511 533
Transfers and subsidies		122	200	200	-	6	2	4	214%	200
Other expenditure		86 458	108 091	110 964	12 374	40 006	32 616	7 391	23%	109 458
Loss on disposal of PPE		698	600	600	-	113	600	(487)	-81%	600
Total Expenditure		1 602 057	1 808 888	1 808 888	214 753	726 973	734 181	(7 208)	-1%	1 808 888

The adjusted operating expenditure budget amounts to R1.808 billion. For the mid-period under review the planned SDBIP target is R734 million and the actual expenditure to date is R726.9 million. When comparing the planned against the actual expenditure, R7.2 million was spent less than the projected value. This is shown in the following graph:



<b><u>EXPENDITURE BY TYPE</u></b> <b><u>R thousands</u></b>	<b>ORIGINAL BUDGET</b>	<b>ADJUSTMENTS BUDGET</b>	<b>PLANNED EXP. TO DATE (SDBIP)</b>	<b>ACTUAL EXP. TO DATE</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>	<b>REASONS FOR VARIANCES</b>
EMPLOYEE RELATED COSTS	454 595	461 740	218 718	228 326	9 608	4%	Overspending on overtime as well as temporary personnel.
REMUNERATION OF COUNCILLORS	22 269	22 269	9 114	9 857	744	8%	
CONTRACTED SERVICES	518 374	508 002	179 189	140 813	(38 376)	-21%	The monthly George Link payment for November 2017 was not paid by month end.
BULK PURCHASES	408 100	408 100	181 618	181 344	(274)	0%	
GENERAL EXPENSES - OTHER	111 804	114 678	32 617	41 863	9 246	28%	
DEPRECIATION	153 165	153 165	68 144	76 555	8 411	12%	Depreciation has been processed up to December 2017.
LOSS ON DISPOSAL OF PPE	600	600	600	113	(487)	-81%	

<b><u>EXPENDITURE BY TYPE</u></b> <b><u>R thousands</u></b>	<b>ORIGINAL BUDGET</b>	<b>ADJUSTMENTS BUDGET</b>	<b>PLANNED EXP. TO DATE (SDBIP)</b>	<b>ACTUAL EXP. TO DATE</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>	<b>REASONS FOR VARIANCES</b>
BAD DEBTS – TRAFFIC FINES	38 574	38 574	-	-	-	No Planned Spend	
BAD DEBTS – SERVICE CHARGES	25 565	25 565	12 410	17 134	4 724	38%	
GRANTS AND SUBSIDIES PAID	200	200	-	6	6	No Planned Spend	The budgeted amount is for the awarding of bursaries to students within the George Community. This will only be paid out once all the administrative processes has been finalised.
OTHER MATERIALS	36 038	36 392	13 277	11 712	(1 565)	-12%	
INTEREST EXPENSE	39 604	39 604	18 495	19 250	755	4%	Interest on external borrowings was paid during December 2017.
<b>TOTAL EXPENDITURE</b>	<b>1 808 888</b>	<b>1 808 888</b>	<b>734 181</b>	<b>726 973</b>	<b>(7 208)</b>	<b>-1%</b>	

% of Annual Budget Spent

**40.19%**

The following table gives a breakdown of Councillors and staff remuneration:

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages		12 969	13 753	13 753	1 111	6 680	6 529	151	2%	13 753
Pension and UIF Contributions		402	2 156	2 156	51	297	157	140	89%	2 156
Medical Aid Contributions		145	88	88	17	97	72	25	35%	88
Motor Vehicle Allowance		4 090	4 969	4 969	362	2 171	1 795	375	21%	4 969
Cellphone Allowance		1 194	1 304	1 304	102	613	561	52	9%	1 304
<b>Sub Total - Councillors</b>		<b>18 801</b>	<b>22 269</b>	<b>22 269</b>	<b>1 643</b>	<b>9 857</b>	<b>9 114</b>	<b>744</b>	<b>8%</b>	<b>22 269</b>
<b>% increase</b>	4		<b>18,4%</b>	<b>18,4%</b>						<b>18,4%</b>
<b><u>Senior Managers of the Municipality</u></b>										
Basic Salaries and Wages	3	10 423	13 774	13 774	622	2 642	4 633	(1 992)	-43%	13 774
Pension and UIF Contributions		1 005	–	–	34	263	–	263	#DIV/0!	–
Medical Aid Contributions		129	55	55	2	16	–	16	#DIV/0!	55
Motor Vehicle Allowance		711	508	508	19	128	154	(27)	-17%	508
Cellphone Allowance		108	101	101	5	28	15	12	81%	101
Other benefits and allowances		158	160	160	6	231	51	181	357%	160
<b>Sub Total - Senior Managers of Municipality</b>		<b>12 533</b>	<b>14 599</b>	<b>14 599</b>	<b>687</b>	<b>3 307</b>	<b>4 853</b>	<b>(1 546)</b>	<b>-32%</b>	<b>14 599</b>
<b>% increase</b>	4		<b>16,5%</b>	<b>16,5%</b>						<b>16,5%</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		240 822	284 767	289 863	24 435	137 952	141 325	(3 373)	-2%	289 185
Pension and UIF Contributions		35 756	42 827	42 827	3 680	21 544	18 601	2 943	16%	42 827
Medical Aid Contributions		16 408	23 319	23 319	1 928	11 281	13 364	(2 083)	-16%	23 319
Overtime		32 791	16 299	17 396	3 329	16 126	7 783	8 343	107%	16 496
Motor Vehicle Allowance		13 741	13 573	14 053	1 154	7 394	6 016	1 378	23%	14 053
Cellphone Allowance		907	871	1 072	83	483	442	40	9%	894
Housing Allowances		1 704	3 698	3 698	152	934	1 630	(697)	-43%	3 698
Other benefits and allowances		8 489	10 450	10 722	1 437	8 678	6 142	2 536	41%	10 522
Payments in lieu of leave		24 892	21 542	21 542	531	19 828	17 406	2 421	14%	21 542
Long service awards		2 591	2 373	2 373	116	810	1 040	(230)	-22%	2 373
Post-retirement benefit obligations	2	16 391	21 777	21 777	16	100	115	(15)	-13%	21 777
<b>Sub Total - Other Municipal Staff</b>		<b>394 494</b>	<b>441 496</b>	<b>448 641</b>	<b>36 861</b>	<b>225 129</b>	<b>213 865</b>	<b>11 264</b>	<b>5%</b>	<b>446 686</b>
<b>% increase</b>	4		<b>11,9%</b>	<b>13,7%</b>						<b>13,2%</b>
<b>Total Parent Municipality</b>		<b>425 827</b>	<b>478 364</b>	<b>485 509</b>	<b>39 191</b>	<b>238 293</b>	<b>227 832</b>	<b>10 462</b>	<b>5%</b>	<b>483 554</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>425 827</b>	<b>478 364</b>	<b>485 509</b>	<b>39 191</b>	<b>238 293</b>	<b>227 832</b>	<b>10 462</b>	<b>5%</b>	<b>483 554</b>
<b>% increase</b>	4		<b>12,3%</b>	<b>14,0%</b>						<b>13,6%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>407 027</b>	<b>456 095</b>	<b>463 240</b>	<b>37 549</b>	<b>228 436</b>	<b>218 718</b>	<b>9 718</b>	<b>4%</b>	<b>461 284</b>

### 1.3.3 – Capital programme

The capital budget increased from R 317 million (2016/17) to R 341 million in 2017/18 (original approved budget). During August 2017, an adjustments budget was passed that increased the budget by R 48.9 million to R 357.4 million. During November 2017, an adjustments budget was passed that increased the budget by R 47.2 million to R 404.6 million.

DESCRIPTION	ORIGINAL BUDGET 2017/18	ADJUSTMENTS BUDGET AUGUST 2017	AMENDED BUDGET AUGUST 2017	ADJUSTMENTS NOVEMBER 2017	AMENDED BDUGET NOVEMBER 2017
Capital Replacement Reserve (CRR)	90 716 880	13 269 700	103 986 580	-	103 986 580
External Financing Fund (EFF)	19 900 000	3 218 700	23 118 700	-	23 118 700
Grants	197 837 292	-	197 837 292	47 264 174	245 101 466
Other	32 477 700	-	32 477 700	-	32 477 700
<b>TOTAL</b>	<b>340 931 872</b>	<b>16 488 400</b>	<b>357 420 272</b>	<b>47 264 174</b>	<b>404 684 446</b>

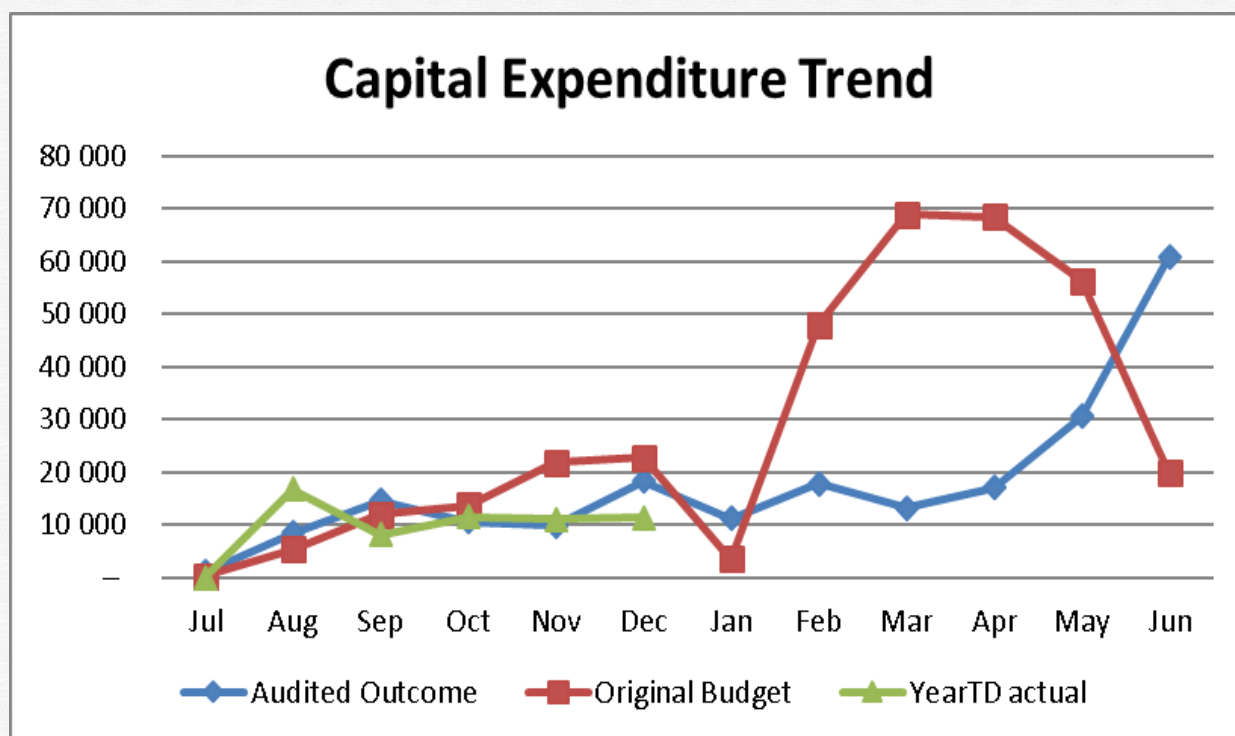
The following table is a summary of the 2017/18 budget (classified by functional classification):

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>6 623</b>	<b>19 177</b>	<b>19 449</b>	<b>690</b>	<b>1 444</b>	<b>5 172</b>	<b>(3 728)</b>	<b>-72%</b>	<b>19 449</b>
Executive and council		2 470	11 425	11 425	6	314	813	(498)	-61%	11 425
Finance and administration		4 153	7 752	8 025	683	1 129	4 359	(3 230)	-74%	8 025
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>12 778</b>	<b>11 877</b>	<b>15 591</b>	<b>1 905</b>	<b>2 764</b>	<b>3 079</b>	<b>(315)</b>	<b>-10%</b>	<b>15 591</b>
Community and social services		5 135	2 794	4 068	17	584	679	(95)	-14%	4 068
Sport and recreation		3 992	6 738	8 767	1 802	1 854	1 636	219	13%	8 767
Public safety		2 134	355	489	18	48	150	(102)	-68%	489
Housing		1 350	1 759	2 035	15	176	413	(237)	-57%	2 035
Health		166	232	232	52	102	202	(100)	-49%	232
<b>Economic and environmental services</b>		<b>107 658</b>	<b>122 116</b>	<b>170 247</b>	<b>4 706</b>	<b>24 941</b>	<b>39 523</b>	<b>(14 582)</b>	<b>-37%</b>	<b>170 247</b>
Planning and development		35	883	883	2	92	270	(177)	-66%	883
Road transport		107 623	121 234	169 365	4 705	24 849	39 254	(14 405)	-37%	169 365
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>86 357</b>	<b>187 645</b>	<b>199 281</b>	<b>4 088</b>	<b>29 658</b>	<b>30 029</b>	<b>(370)</b>	<b>-1%</b>	<b>199 281</b>
Energy sources		14 538	68 450	71 578	1 201	3 534	6 809	(3 275)	-48%	71 578
Water management		41 004	47 884	50 806	1 143	13 012	12 000	1 012	8%	50 806
Waste water management		25 511	59 342	60 838	1 553	12 749	10 870	1 879	17%	60 838
Waste management		5 304	11 970	16 059	192	364	350	14	4%	16 059
<b>Other</b>		<b>122</b>	<b>116</b>	<b>116</b>	<b>-</b>	<b>9</b>	<b>66</b>	<b>(57)</b>	<b>-86%</b>	<b>116</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>213 537</b>	<b>340 932</b>	<b>404 684</b>	<b>11 389</b>	<b>58 817</b>	<b>77 868</b>	<b>(19 051)</b>	<b>-24%</b>	<b>404 684</b>

The adjusted capital expenditure budget amounts to R404 million. For the period under review the planned SDBIP target is R77.8 million and the actual expenditure to date is R58.8 million. When comparing the planned against the actual expenditure, an under performance of 24% is shown.

The table below provides a summary of the expenditure trends based on previous year's amounts and current years planned and actual spending.

Month	2016/17	Budget Year 2017/18						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>								
<b>Monthly expenditure performance trend</b>								
July	1 016	300	–	–	300	300	100,0%	0%
August	8 393	5 421	16 791	16 791	5 721	(11 070)	-193,5%	5%
September	14 633	11 980	8 123	24 914	17 701	(7 212)	-40,7%	7%
October	10 578	13 689	11 487	36 401	31 390	(5 010)	-16,0%	11%
November	9 883	21 757	11 028	47 428	53 147	5 719	10,8%	14%
December	18 240	22 745	11 389	58 817	75 892	17 075	22,5%	17%
January	11 203	3 510		58 817	79 402	20 585	25,9%	17%
February	17 795	48 005		58 817	127 407	68 590	53,8%	17%
March	13 223	68 967		58 817	196 374	137 557	70,0%	17%
April	16 977	68 463		58 817	264 836	206 019	77,8%	17%
May	30 620	56 223		58 817	321 059	262 242	81,7%	17%
June	60 884	19 873		58 817	340 932	282 115	82,7%	17%
<b>Total Capital expendit</b>	<b>213 446</b>	<b>340 932</b>	<b>58 817</b>					



The following table is a summary of the main variances in the performance of the Capital Budget

Directorate R thousands	Original Budget	Adjustment Budget	Planned (SDBIP)	Actual	Variance	Variance (%)	Comments
Municipal Manager	11 251 500	11 251 500	674 500	293 841	-380 659	-56%	Tools of trade of councillors has not yet been purchased. The furniture for the court manager has not yet been purchased.
Corporate Services	1 725 000	2 789 700	730 000	562 205	-167 795	-23%	
Civil Engineering Services	214 820 942	266 503 216	59 550 000	49 802 849	-9 747 151	-16%	Underspending mainly due to the GIPTN projects.
Electro-technical Services	68 449 630	71 578 330	6 558 300	3 533 516	-3 024 784	-46%	Underspending on the electrification projects as well as the expansion of the 66kv main network.
Human Settlements	1 759 000	1 888 800	413 000	175 724	-237 276	-57%	The Touwsrante creche palisade fence is behind schedule.
Planning and	2 206 500	2 702 900	493 500	132 430	-361 070	-73%	The OCI printer for the building control

<b>Directorate R thousands</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Planned (SDBIP)</b>	<b>Actual</b>	<b>Variance</b>	<b>Variance (%)</b>	<b>Comments</b>
Development							department has not yet been purchased.
Community Services	20 558 400	26 876 700	2 372 900	2 437 415	64 515	3%	
Protection Services	15 103 500	16 125 900	3 068 500	1 043 376	-2 025 124	-66%	Underspending mainly due to the GIPTN projects.
Financial Services	5 057 400	4 967 400	4 007 040	835 499	-3 171 541	-79%	Underspending due to the Microsoft Enterprise agreement which was paid through the operating budget. Correction to be made.
<b>Total</b>	<b>340 931 872</b>	<b>404 684 446</b>	<b>77 867 740</b>	<b>58 816 856</b>	<b>-19 050 884</b>	<b>-24%</b>	

**% of Annual Budget Spent**

**15%**

### 1.3.4 – Capital funding by source

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Funded by:</b>										
National Government		69 653	139 588	186 852	4 807	31 033	42 430	(11 397)	-27%	186 852
Provincial Government		75 654	58 249	58 249	1 777	13 395	12 940	455	4%	58 249
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	32 478	32 478	69	69	2 250	(2 181)	-97%	32 478
<b>Transfers recognised - capital</b>		<b>145 307</b>	<b>230 315</b>	<b>277 579</b>	<b>6 654</b>	<b>44 496</b>	<b>57 620</b>	<b>(13 124)</b>	<b>-23%</b>	<b>277 579</b>
Public contributions & donations	5	504	-	-	-	-	-	-		-
Borrowing	6	18 493	19 900	23 119	1 618	1 750	120	1 630	1358%	23 119
Internally generated funds		49 233	90 717	103 987	3 117	12 571	20 128	(7 557)	-38%	103 987
<b>Total Capital Funding</b>		<b>213 537</b>	<b>340 932</b>	<b>404 684</b>	<b>11 389</b>	<b>58 817</b>	<b>77 868</b>	<b>(19 051)</b>	<b>-24%</b>	<b>404 684</b>

#### Internally generated funds (CRR)

One of the main problems impacting on the capital budget is the expected contributions to the CRR for the current year. To date, the capital contribution votes are under collecting and project below the budgeted figures.

The following table indicate the status of the CRR funding at the 31 December 2017:

Internally generated funds (CRR)

One of the main problems impacting on the capital budget is the expected contributions to the CRR for the current year. To date, the capital contribution votes are under collecting and project below the budgeted figures.

The following table indicate the states of the CRR funding at the 31 December 2017:

DESCRIPTION OF CAPITAL REPLACEMENT RESERVED (CRR)	ACTUAL BALANCE 30/06/2017 AFS	BUDGETTED CAPITAL CONTRIBUTIONS	ADDITIONAL BUDGETED CONTRIBUTION TO CRR	BUDGETED VAT INCOME ON GRANTS	WORKING CAPITAL CONTRIBUTION	TOTAL AMOUNT AVAILABLE FOR CAPITAL EXPENDITURE	AUGUST ADJUSTMENT BUDGET 2017	EXPENDITURE ON CRR FUNDED PROJECTS AT 31 DECEMBER 2017	CRR BALANCE AVAILABLE / SHORTFALL AT 31 DECEMBER 2017
General	2 528 426	800 000	24 909 898	326 974		28 565 298	49 547 700	5 096 983	-20 982 402
Electricity	6 067 390	2 460 000	9 511 322	3 013 132		21 051 844	19 696 700	2 655 660	1 355 144
Water	2 848 212	2 100 000	2 847 478	3 329 060		11 124 750	17 087 780	1 191 924	-5 963 030
Sewerage	8 331 707	2 300 000	2 748 866	1 426 740		14 807 313	7 666 700	3 325 329	7 140 613
Sale of Property	8 529 472	2 500 000				11 029 472	69 800	15 200	10 959 672
Cleansing	1 683 352	150 000	182 436			2 015 788	9 377 900	230 089	-7 362 112
Parking Facilities	731 947					731 947	540 000	55 826	191 947
Working Capital					25 394 095	25 394 095			25 394 095
<b>TOTAL CRR</b>	<b>R30 720 507</b>	<b>R10 310 000</b>	<b>R40 200 000</b>	<b>R8 095 905</b>	<b>R25 394 095</b>	<b>R114 720 507</b>	<b>R103 986 580</b>	<b>R12 571 011</b>	<b>R10 733 927</b>

As indicated in the above table council needs to make a contribution to CRR funding from the Working Capital or/and reduce the CRR funded projects on the 2017/2018 capital programme. This contribution from surplus funds will be included in the adjustments budget.

Borrowings (EFF)

The Budget Committee has reduced its reliance on external funding to fund its capital budget. A process to source external funding to fund the acquisition of mainly vehicles is in the process of being concluded. The process to procure the vehicles is under way and loan agreements and draw downs will follow.

### 1.3.5 – Cash flow statement

This statement reflects the actual cash that was received and utilised by the municipality.

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		217 706	221 879	221 879	421	87 962	138 547	(50 585)	-37%	221 879
Service charges		798 239	839 357	839 357	45 046	376 046	432 537	(56 491)	-13%	839 357
Other revenue		87 793	116 915	116 915	76 104	(256 560)	59 918	(316 478)	-528%	116 915
Government - operating		350 854	396 338	396 338	55 839	126 755	202 031	(75 276)	-37%	396 338
Government - capital		199 936	184 965	184 965	20 058	144 612	51 056	93 556	183%	184 965
Interest		41 460	36 266	36 266	3 152	10 166	16 655	(6 489)	-39%	36 266
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(1 279 751)	(1 412 280)	(1 412 280)	(116 848)	246 219	(613 101)	(859 321)	140%	(1 412 280)
Finance charges		(42 811)	(38 104)	(38 104)	-	(19 140)	(19 338)	(198)	1%	(38 104)
Transfers and Grants		(122)	(150)	(150)	(8)	(839)	(51)	788	-1544%	(150)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>373 306</b>	<b>345 187</b>	<b>345 187</b>	<b>83 764</b>	<b>715 221</b>	<b>268 254</b>	<b>(446 967)</b>	<b>-167%</b>	<b>345 187</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		1 398	11 569	11 569	509	3 438	4 199	(761)	-18%	11 569
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		580	(70)	(70)	-	-	-	-	-	(70)
Decrease (increase) in non-current investments		-	-	-	-	(500 000)	-	(500 000)	#DIV/0!	-
<b>Payments</b>										
Capital assets		(212 164)	(306 839)	(323 327)	-	(27 965)	(99 218)	(71 254)	72%	(323 327)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(210 187)</b>	<b>(295 340)</b>	<b>(311 828)</b>	<b>509</b>	<b>(524 527)</b>	<b>(95 019)</b>	<b>429 508</b>	<b>-452%</b>	<b>(311 828)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	19 900	19 900	-	-	19 900	(19 900)	-100%	19 900
Increase (decrease) in consumer deposits		3 063	1 354	1 354	198	1 072	1 110	(37)	-3%	1 354
<b>Payments</b>										
Repayment of borrowing		(26 064)	(41 026)	(41 026)	-	(21 055)	(19 232)	1 823	-9%	(41 026)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(23 001)</b>	<b>(19 772)</b>	<b>(19 772)</b>	<b>198</b>	<b>(19 983)</b>	<b>1 777</b>	<b>21 760</b>	<b>1224%</b>	<b>(19 772)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>140 118</b>	<b>30 075</b>	<b>13 587</b>	<b>84 472</b>	<b>170 711</b>	<b>175 013</b>			<b>13 587</b>
Cash/cash equivalents at beginning:		365 323	505 441	505 441		505 441	505 441			505 441
Cash/cash equivalents at month/year end:		505 441	535 516	519 028		676 152	680 453			519 028

The following statement reflects the outstanding commitments against cash and cash equivalents at 31 December 2017.

**Cash and cash equivalents commitments - 31 December 2017**

	Opening balance (01.07.2017)	Movement	Closing balance
Repayments of Loans - short term portion	18 639 172	-17 322 682	1 316 490
Capital Replacement Reserve	30 720 507	-7 383 416	23 337 091
Provision for Rehabilitation of Lanfill Site	2 115 897	0	2 115 897
Compensation Provision - GIPTN Buy-ins a	6 764 129	-1 814 905	4 949 224
Unspent External Loans	4 346 805	-1 674 719	2 672 086
Unspent Conditional Grants	104 809 639	6 613 855	111 423 494
Unspent Conditional Grants - Cash	104 809 639	6 613 855	61 423 494
Unspent Conditional Grants - Call deposit	50 000 000	0	50 000 000
Housing Development Fund	58 415 119	0	58 415 119
Housing Development Fund - Cash	58 415 119	-50 000 000	8 415 119
Housing Development Fund - Call deposit	0	50 000 000	50 000 000
Trade debtors - deposits	22 822 167	810 144	23 632 311
Working capital	256 807 332	291 483 161	448 290 493
Working capital	206 807 332	-58 516 839	48 290 493
Working capital: Call Deposit	50 000 000	350 000 000	400 000 000
Closing Balance	505 440 767	270 711 438	676 152 205

**13.6 2016/17 Annual Report**

The Annual Financial Statements for 2016/2017 were completed by 31 Augustus 2017.

George municipality attained a clean audit for the 2016/17 Financial Statements.

### **1.3.7 – Comments received from Directors based on the mid-year review**

#### **1.3.7.1 Director: Corporate Services**

##### **Human Resources Department**

##### **Capital Budget: OHS**

The Fire Detection unit initially received R50 000.00 which was not in line with market related costs. A Virement was done of R160000.00 from It to ensure accommodation of reasonable market costs.

The virement was authorised in December 2017 and specifications drawn up for advertisement in January 2018.

The project is to be concluded by 30 June 2018.

UPGRADE HR - Vault :Confidential HR Files ( Extractor fan and additional nut & bolt shelving) – R50 000

Sound proof of Committee room + sliding door - R10 000.00

##### **Operational: Training Budget:**

A Memorandum, dated 20 December 2017 from the Municipal Manager, to make additional provision for the training of officials who has to comply with the National Treasury Regulations as gazetted on June 15, 2007 and the Notice of exemption from regulations 15 and 18 of the Gasette 29667 neccecitates the provision of an amount equal to 50 % of the total cost for the current financial year and the remainder for the new financial year.

The training programs that is due to be implemented for the second semester for the George Municipality as as follows:

BA Set Training

Chlorine Handling

She Representative Skills Training

Hazard identification and Risk Analysis

Root Cause Analysis

First Aid

Snake Handling

Traffic Officer Training

National Certificate in Library and information science

Minimum Competency Levels ( Addisional funds)

Adult education and Training ( NQF 1)

Water and Waste water treatment Practice

Water reticulation NQF2

Water and Waste water Plant supervision

**Bursaries:**

An amount of R500 000.00 was budgeted for internal bursaries. Applications for the 2018 Academic year closed on 10 November 2017. The process can only be finalised once the results from tertiary institutions have been obtained.

## **SECTION 72 REPORT: MIDYEAR ASSESSMENT: CORPORATE SERVICES**

### **Admin:**

#### **1. TOP LAYER KPI'S**

- 1.1 No changes required.

#### **2. OPERATING BUDGET**

- 2.1 The high demand of the hall usage resulted in an overtime spending pattern exceeding the set overtime spending plan. The overtime spending situation was worsened by the approval of payment for overtime worked in October 2017. In order to remain within the budget, approval was granted to establish and use pool personnel to perform Auxiliary duties after working hours at a lesser cost than permanent staff overtime cost.

#### **3. CAPITAL BUDGET**

- 3.1 The following projects identified below is currently in the finalisation of tender processes.
  - 3.1.1 Tables and chairs is currently in the dispute period;
  - 3.1.2 Civic centre roof – a structural engineer is appointed to draw up the bill in quantities;
  - 3.1.3 Conville roof – a structural engineer is appointed to draw up the bill of quantities;
  - 3.1.4 Pacaltsdorp floor – a structural engineer is appointed to draw up the bill of quantities

### 1.3.7.2 Director: Community Services

#### VULLISVERWYDERING EN STRAAT REINING

##### Kapitaal begroting

Extention of Transfer Station-

Die tender gaan nou weer in Januarie oorgedoen word. Dit sal dan eers is in Maart of April toegeken word. Daar sal dis n bedrag oorgel moet word na nuwe finansiele jaar.

##### Bedryfsbegroting

Overtime Refuse Removal/ Street Cleansing Ons gaan n te kort van meer as R2 miljoen het. Op die huidige spandring is daar alreeds meer as R800 000 oorspandeer.

#### PARKE, TUINE EN BEGRAAFPLASE

##### TEKORTE WAAROP AFGESTUUR WORD SOOS AAN EINDE VAN OKTOBER

- 1 Daar is geen oortyd begroot - stuur af op spandring van R 80 000.00 dws R 80d oor of tekort
- 2 Tydelike poste en waarneming stuur af op tekort vir parke van net oor R 1 000 000.00
- 3 Die uitgawe aan die warmwater stelsel 'n onverwagse R 180 000.00
- 4 die bosbou fondse moet in totaal na brandweer oorgedra word - memo gestuur
- 5 Botaniese tuine grant is R 400 000.00 te min om verder te funksioneer
- 6 Sekuriteit by begraafplase is gebrekkig - MOET iets doen -seker so R 500 000.00 op kapitaal
- 7 Meegaande stand van uitgawes by Parke wys die tendense
- 8 Daar is nie voldoende fondse vir speelpark onderhoud nie
- 9 Geen fondse vir parkontwikkeling nie (Rosedale)
- 10 Daar is niks begroot vir kennisborde nie, sal seker so R 200 000.00 nodig he
- 11 Daar is niks begroot vir plank paadjies na strande nie
- 12 Heining by Heroldsbaai - weet nie regtig waar dit tuis hoort nie - maar soek dringend so 90 meter teen  
R 1 100 per meter = R 100 000.00
- 13 Die fondse vir "werkswinkel" is reeds uitgeput, Dit was R 186 000.00 en is reeds virement vanaf  
kontraakteurs met R 100 000.00 wat tekort los by kontraakteurs

#### BIBLIOTHEKE

R25 000 gaan benodig vir die launch vd Mzantsi Online Projek sowel as vir Biblioteekweek.

Daar moet ook geld op die adjustment budget gesit word vir die Gate Counters by al die biblioteke. Die MAINTENANCE FEE vir dit die jaar beloop: R162 000

En dan sekuriteit by George Library & Conville Library: R150 000 vir elke biblioteek. Dws: R300 000

## MEMORANDUM



POSBUS/PO BOX 19 GEORGE 6530  
E-POS/E-MAIL: admatolla@george.org.za TEL: (044) 802 2900/4 FAKS/FAX: (044) 873 2186

**DIREKTORAAT: GEMEENSKAPSDIENSTE**  
**DIRECTORATE: COMMUNITY SERVICES**

AAN: TO:	<b>DIRECTOR: W HENDRICKS</b>
NAVRAE: ENQUIRIES:	G CAMPHER
Copy to: Afskrif aan:	BUDGET OFFICE: Attention C Janse van Rensburg
UITBREIDING: EXTENSION:	6305
DATUM: DATE:	20 Desember 2017
INSAKE: REGARDING:	<b>I/S: SECTION 72: MID YEAR ASSESSMENT COMMUNITY SERVICES</b>

### CAPITAL BUDGET

- The total approved capital budget for sport maintenance after adjustments, totals at R 6,201. 300.00.
- The majority of the projects are in operation and will be completed timeously.
- It is however important to highlight the following concerns,
  - **MIG Sport Projects**
    - An amount of R5, 095, 500.00 has been allocated.
    - This money must be spent through collaboration between the Sport development section and Directorat: Civil Engineering, whereby the Sport development section is the client and the projects is administered by a consulting Engineering firm that is appointed by the Civil Engineering Directorate.
    - It is however important to note that at this stage, no appointment of a consulting engineer has been made. Therefor the implementation of the project has been stalled.
    -

- In order to ensure that this project is completed timeously, the appointment of an engineer is imperative.

## **OPERATIONAL BUDGET**

### **➤ Operating expenditure**

Is in line and collorates well with the SDBIP and the department is on track.

It is however important to note the following challenges with regards to operating line items.

### **Security services: Sport Grounds**


- An amount of R 845 000.00 was budgeted for this line item.
- With security remaining a challenge and the statutory obligation of council to safeguard its assets, it should be noted that the projected expenditure will exceed the budgeted amount. Adjustments for this line item would therefore be required as only 38% of the funds are still available.

### **Overtime**

- The overtime budget for the Sport Development section remains a challenge.
- An amount of R 3770.00 was budgeted for sport maintenance, and R 760.00 budgeted for the swimmingpool.
- Taking into account that most of the sport activities in the various communities happens after hours (training) and on weekends (league obligations). This budgetede amount is totally ineffecient.
- In order for council to deliver an adequate service and be able to exercise control over its facilities it is important to have personnel on duty.
- The vast amount of hours acculmalated by staff, make it impracticale to grant time-off , as this have a negative impact on the production and service delivery during normal working hours.
- The Conville Swimmingpool is essential for recreation in the specific ward, and it was resolved that it be operational on weekends as well as public holidays.

- This requires a fulltime cashier as well as maintenance personnel to be on duty, whilst the pool is operational.
- The amount of R760.00 allocated for overtime, is grossly insufficient to perform any level of service delivery.

It is requested that urgent attention be given to address these anomalies.



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**G CAMPHER**  
**MANAGER: SPORT DEVELOPMENT**

### **1.3.7.3 Director: Civil Engineering Services**

#### **SECTION 72 REPORT: MID YEAR ASSESSMENT: WATER AND SANITATION SERVICES**

##### **CAPITAL BUDGET**

###### **Water Networks**

Projects that were negatively affected by the delay in the awarding of the Stores Stock tender, are Water Network Rehabilitation, Installation of Water Meters and Installation of Water Tanks. These projects will be re-programmed.

###### **Water Purification**

The validity period of the tender for the Installation of Extractor Fans – Chlorine has lapsed and new tenders will have to be asked. Only one tender was received and the scope needs to be changed.

##### **OPERATIONAL BUDGET**

###### **Overtime Budget**

Water and Sanitation services are classified as essential services, which are delivered on a 24 hour basis. The budget provision for 2017/18 was halved in relation to the provision for 2016/17, although the level of service was not scaled down. The current projected expenditure corresponds with the actual expenditure for 2016/17 at the same stage. It is therefore required that the budget for overtime for 2017/18, be adjusted to accommodate the current projected expenditure for water and sanitation services.

###### **Filling of vacant posts**

Temporary staff that had to be appointed permanently, in terms of the outcome of a dispute, as well as other appointments in non-budgeted posts, had a negative effect on maintenance budgets, as these posts had to be funded from maintenance budgets. Adjustments in terms of the TASK evaluation outcomes, also placed an additional strain on operational budgets.

The actual amounts applicable to the above will be finalised with the Budget Office.

#### 1.3.7.4 Director: Human Settlements

##### **SECTION 72 REPORT: MID YEAR ASSESMENT: HUMAN SETTLEMENTS**

##### **1. Top Layer KPI'S**

##### **1.1 Construct 30 top structures in Extension 42 & 58 (Themba lethu) by 30 June 2017: TL32**

Due to the following challenges the Extension 42 & 58 Themba lethu Housing Project cannot commence:

- a) An item was submitted to Council to ask for permission to request additional funding from the SOA to locate the erf pegs on the properties that is due to be developed.
- b) After the Council resolution was obtained an application for funding was submitted to DoHS.
- c) After funding was received a procurement process was followed to appoint a land surveyor to identify the erf pegs.
- d) The contractor moved on to the site during October 2017. (The starting date of the contract was 8 March 2017 and as a result of the aforementioned the contract is delayed with 7 months).

Kpi to be moved to the 2018/19 financial year.

##### **2. Operating Budget**

##### **2.1 Protea Park Housing Project: Provision of Sewerline**

The amount of approximately R200 000 for the provision of a sewerline at the Protea Park Housing Project needs to be transferred at the next adjustments budget from the operational budget of Human Settlements to the Civil Engineerings Services capital budget

##### **3. Capital Budget**

An amount of R1 131 066 with regard to an arbitration case (Portion 4 of the Farm Sandkraal no.4 of 197, Thompson vs George Municipality ) need to be made provision for on the 2017/18 capital budget at the next adjustments budget.



### **1.3.7.5 Director: Protection Services**

#### **SECTION 72 REPORT: MID YEAR ASSESSMENT: TRAFFIC SERVICES**

##### **1. Capital Budget:**

- a) An amount R382 700 was budgeted for the upgrading of the vehicle testing station. An amount of R381 660.58 was spent.
- b) An amount of R 484 000 was budgeted for storage and filing facilities at Motor Vehicle Registrations. The amount could not be spent as this sub-section is in the process to move to a new premise and capital funds cannot not be spent on the new premise (ABSA building). The funds have been transferred to Vehicle Testing station for the installation of extractor fans to extract exhaust gasses of motor vehicles from the pit-area and to ensure a safe and healthy environment for employees.

##### **2. Operating Budget:**

###### Challenges:

- a) The re-location of the Motor Vehicle Registration section to the ABSA building is a challenge but some progress has been made such as the appointment of a Quantity Surveyor for the bill of quantities and specifications for the work to be done at the new building.
- b) The vehicle testing station must be operational but there is not an operational budget to operate the Vehicle Testing Station and must be addressed in the adjustment budget. This is to make provision for general operating expenditure, salaries and income.

##### **3. Projected Operating Income:**

Motor Vehicle Registrations- R 11 800 032.00

Driving Licences- R 2 768 808.00

Traffic Fines- R 8 836 910.00

## **SECTION 72 REPORT: MID YEAR ASSESSMENT : FIRE SERVICES**

### **Capital Budget**

- a) R40 000 was spend on the upgrading of the Uniondale Radio system.
- b) 40% of the budgeted amount was already spent on the Lifeguard towers and the balance to be spent in the upcoming quarter.
- c) 50% of the capital budget was spent on the carport at Uniondale fire station and the rest to be spent in upcoming quarter.

### **Operating Budget**

The amount of R800 000 (Landcruiser) to be transfered from the operating budget to capital budget at the next adjustments budget.

## SECTION 72 REPORT: MID YEAR ASSESSMENT: GIPTN

### 1. Capital Budget:

- a) Capital Expenditure – expenditure year to date is R12.4m. This represents a 17% spend of the budget and a week on week spend of R1m.

The spend on the Capital budget is slow due to the advertisement of a new tender for roads rehabilitation as well as for CCTV.

An item is to be submitted for budget adjustment in the new year. MANCO has however not agreed on the new adjustments yet.

..

### 2. Operating Budget:

- Operating expenditure year to date is R48.8m. This represents an increase of R12.1m.
- The following is still to be paid, but has been subject to the finalization of a due diligence report: Pre-payments to Province as well as Pre-Ops payments.
- A large portion will be paid for the maintenance of busses in March.

	Budget 2016/2017	Percentage Spend	Financial Year to date Current 14.12.2017	Financial Year to date Previous 06.12.2017	Movement
Expenditure: Capital Expenditure					
Actual	73 630 119.00	17%	12 450 596.29	11 407 196.65	1 043 399.64
Including Shadow Cost	73 630 119.00	17%	12 571 706.77	11 524 138.13	1 047 568.64
Operational Expenditure					
Actual	309 034 391.38	16%	48 766 330.59	36 635 621.94	12 130 708.65
Including Shadow Cost	309 034 391.38	16%	49 245 499.85	37 496 206.25	11 749 293.60

### 3. Projected Operating Income:

Revenue earned is currently at R18.8m year to date. The week on week increase is R1m.

## **SECTION 72 REPORT: MID YEAR ASSESSMENT: LAW ENFORCEMENT & SECURITY SERVICES**

### **4. Capital Budget:**

- b)** An amount of R 80 000 was allocated for Radios. This amount will however be used to acquire an additional repeater for the Law Enforcement section. This will be Co-ordinated by the Fire Department.  
The amount of R 400 000 allocated for an optic fibre link from Wellington street via York and to Courtney street connecting 4 cameras will be spent as soon as the new tender has been allocated.  
The amount of R 230 000 will be used in the Central Business District to upgrade or replace some of the older / faulty cameras. This is also subject to the new tender being allocated.  
The tender specifications will be finalised in January 2018.

### **c) Operating Budget:**

- a)** The operating income for Law Enforcement is mainly generated by the Informal Trading and Fines issued for By-Law Infringements.
- b)** Although this is not a huge income generator , By-Law Enforcement is a responsibility of the Local Authority.

### 1.3.7.6 Acting Director: Planning and Development

#### **SECTION 72 REPORT: MID YEAR ASSESMENT: PLANNING DEVELOPMENT**

##### **1. Top Layer KPI'S**

##### **1.2 Review and submit the SDF to Council for approval by 31 May 2018**

During a workshop held on 9 October 2017 it was requested by the councillors that the scope of works in respect of the draft revised MSDF: Tender DPD 122/2016 to be extended. Due to this, the planned target for the review and submission of the SDF to Council by May 2018 will not be reached. Kpi to be moved to the 2018/19 financial year.

##### **2. Operating Budget**

##### **2.1 Income: Building Plan Fees**

The income with regard to the building plan fees should be adjusted upwards with an additional R500 000 as more income has been received for the first six months.

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### **1.3.7.7 Acting Director: Electrotechnical Services**

#### **SECTION 72 REPORT: MID YEAR ASSESSMENT: ELECTRO-TECHNICAL**

##### **Capital Budget**

The approved capital budget was R68 450 000. The adjusted capital budget is R 71 578 000. The R71 578 000 includes national grants for LED lighting amounting to R 7 000 000 and Electrification amounting to R18 048 000. The R 71 578 000 also includes R 31 477 700 that was requested from the SOA (separate operating account), and not approved. This amount will be removed at the budget adjustments during February. The capital budget will then be R 40 100 300 and includes R 25 048 000 of grants which mean that the capital budget for Electro-Technical amounts to R 15 052 300(CRR). R3 024 784 have been spend to date.

##### **Challenges**

The tender for the construction of a new 66KV line could not be concluded because of non- compliance, and after approval from Council, a request was placed with the CIDB to immediately re advertise the tender.

The appointment of contractors for the electrification grant funding projects will commence soon.

##### **Operating Budget**

The approved operating budget is R 540 302 775 of which an amount of R 240 238 118 has been spend.

##### **Challenges**

The shortage of skilled personnel remains a matter of high concern.

##### **Operating Income**

The budgeted operating income is R653 109 440. The actual income to date is R 313 369 398.

## Part 2 – Supporting documentation

### 2.1 – Financial Position

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		505 441	358 506	519 028	676 152	519 028
Call investment deposits		–	–	–	–	–
Consumer debtors		104 545	130 194	130 194	100 853	130 194
Other debtors		57 657	71 278	71 278	(26 635)	71 278
Current portion of long-term receivables		170	244	244	(66)	244
Inventory		152 203	170 746	170 746	151 563	170 746
<b>Total current assets</b>		<b>820 017</b>	<b>730 968</b>	<b>891 490</b>	<b>901 868</b>	<b>891 490</b>
<b>Non current assets</b>						
Long-term receivables		515	631	631	279	631
Investments		–	–	–	–	–
Investment property		152 088	149 674	149 674	152 088	149 674
Investments in Associate		–	–	–	–	–
Property, plant and equipment		2 768 135	3 000 592	3 000 592	2 748 512	3 000 592
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		1 433	7 748	7 748	1 433	7 748
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>2 922 172</b>	<b>3 158 646</b>	<b>3 158 646</b>	<b>2 902 313</b>	<b>3 158 646</b>
<b>TOTAL ASSETS</b>		<b>3 742 188</b>	<b>3 889 614</b>	<b>4 050 136</b>	<b>3 804 180</b>	<b>4 050 136</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		43 419	41 026	41 026	40 656	41 026
Consumer deposits		22 822	23 925	23 925	22 012	23 925
Trade and other payables		301 344	202 045	202 045	441 365	202 045
Provisions		57 798	104 219	104 219	56 970	104 219
<b>Total current liabilities</b>		<b>425 382</b>	<b>371 215</b>	<b>371 215</b>	<b>561 004</b>	<b>371 215</b>
<b>Non current liabilities</b>						
Borrowing		317 013	378 151	378 151	298 719	378 151
Provisions		223 097	158 475	158 475	222 109	158 475
<b>Total non current liabilities</b>		<b>540 109</b>	<b>536 626</b>	<b>536 626</b>	<b>520 828</b>	<b>536 626</b>
<b>TOTAL LIABILITIES</b>		<b>965 491</b>	<b>907 841</b>	<b>907 841</b>	<b>1 081 832</b>	<b>907 841</b>
<b>NET ASSETS</b>	2	<b>2 776 697</b>	<b>2 981 773</b>	<b>3 142 295</b>	<b>2 722 349</b>	<b>3 142 295</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		2 713 482	2 913 632	3 074 154	2 659 134	3 074 154
Reserves		63 215	68 141	68 141	63 215	68 141
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2 776 697</b>	<b>2 981 773</b>	<b>3 142 295</b>	<b>2 722 349</b>	<b>3 142 295</b>

## 2.2 – Debtors age analysis

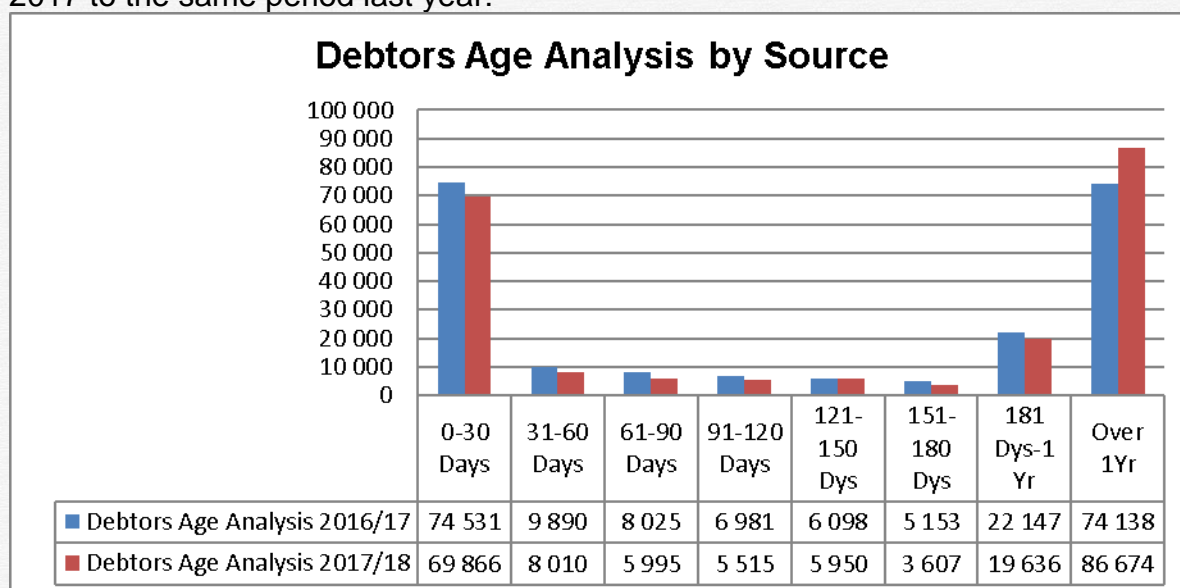
The table below reflects the total outstanding debt owed to the George Municipality as at 31 December 2017.

Description	Budget Year 2017/18											
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
<b>R thousands</b>												
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Wa	15 307	3 570	2 995	2 326	2 230	1 759	10 839	43 355	82 381	60 509	1 483	–
Trade and Other Receivables from Exchange Transactions - Ele	29 170	804	542	575	266	96	423	3 336	35 213	4 697	11	–
Receivables from Non-exchange Transactions - Property Rates	18 126	1 508	980	944	1 787	513	2 197	7 284	33 338	12 725	440	–
Receivables from Exchange Transactions - Waste Water Manag	8 864	962	751	729	587	486	2 396	10 282	25 058	14 481	774	–
Receivables from Exchange Transactions - Waste Management	7 307	772	602	598	479	372	1 850	7 092	19 072	10 391	662	–
Receivables from Exchange Transactions - Property Rental Deb	23	2	–	–	–	–	–	12	37	12	–	–
Interest on Arrear Debtor Accounts	297	78	88	103	95	77	542	7 949	9 231	8 768	–	–
Recoverable unauthorised, irregular, fruitless and wasteful exp	–	–	–	–	–	–	–	–	–	–	–	–
Other	(9 228)	313	38	239	505	304	1 389	7 363	923	9 799	44	–
<b>Total By Income Source</b>	<b>69 866</b>	<b>8 010</b>	<b>5 995</b>	<b>5 515</b>	<b>5 950</b>	<b>3 607</b>	<b>19 636</b>	<b>86 674</b>	<b>205 252</b>	<b>121 381</b>	<b>3 414</b>	<b>–</b>
<b>2016/17 - totals only</b>	<b>74 531</b>	<b>9 890</b>	<b>8 025</b>	<b>6 981</b>	<b>6 098</b>	<b>5 153</b>	<b>22 147</b>	<b>74 138</b>	<b>206 962</b>	<b>114 516</b>	<b>554</b>	<b>0</b>
<b>Debtors Age Analysis By Customer Group</b>												
Government	3 999	606	418	278	934	10	3	39	6 287	1 264	–	–
Commercial	24 434	409	221	434	168	106	482	6 789	33 043	7 978	–	–
Households	41 607	6 975	5 346	4 792	4 838	3 475	19 078	78 854	164 963	111 036	3 414	–
Other	(174)	19	10	11	11	16	73	993	960	1 104	–	–
<b>Total By Customer Group</b>	<b>69 866</b>	<b>8 010</b>	<b>5 995</b>	<b>5 515</b>	<b>5 950</b>	<b>3 607</b>	<b>19 636</b>	<b>86 674</b>	<b>205 252</b>	<b>121 381</b>	<b>3 414</b>	<b>–</b>

At the end of December 2017, an amount of R205 million was outstanding for debtors, with R121 million outstanding for longer than 90 days. An amount of R3.4 million has been written off for December 2017 and to date R20.7 million has been written off. These debts relates to that of Indigent Households as well as irrecoverable debt of businesses and households that has been approved by the Finance Steering Committee.

The municipality handles its credit control function in-house, as it was previously outsourced. Continuous audit and social assessments are being done to identify households that are not being registered as indigents.

The following graph compares the debtor's age analysis at the end of December 2017 to the same period last year:



## 2.3 – Creditors age analysis

Description R thousands	NT Code	Budget Year 2017/18									Prior year
		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	totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	32 893	-	-	-	-	-	-	-	32 893	32 140
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	5 661	-	-	-	-	-	-	-	5 661	5 191
VAT (output less input)	0400	2 949	-	-	-	-	-	-	-	2 949	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repay ments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	2 343	98	-	-	2 726	-	-	-	5 167	6 011
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	43 846	98	-	-	2 726	-	-	-	46 670	43 342

## 2.4 – Transfers and grants receipts

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		183 232	270 350	270 350	42 400	133 422	133 422	-		270 350
Local Government Equitable Share		100 693	122 613	122 613	40 871	91 960	91 960	-		122 613
Finance Management		1 450	1 550	1 550		1 550	1 550			1 550
Municipal Systems Improvement		930								
EPWP Incentive		1 864	4 001	4 001		1 001	1 001			4 001
Infrastructure Skills Development Grant		2 678	3 416	3 416		2 200	2 200	-		3 416
Municipal Infrastructure Grant - PMU		1 940	2 038	2 038	1 529	2 529	2 529	-		2 038
Public Transport Network Operating Grant		73 677	136 732	136 732		34 183	34 183	-		136 732
<b>Provincial Government:</b>		113 967	125 488	125 488	-	2 878	2 878	-		125 488
Housing		15 568	18 923	18 923				-		18 923
Proclaimed Roads		355	441	441						441
Local Government Masterplanning Grant		600	600	600						600
Local Government Internship Grant		-	-	-						-
Library Grant		7 473	8 635	8 635		2 878	2 878			8 635
Community Development Workers Operating Grant		90	93	93						93
Integrated Public Transport Grant		89 231	95 544	95 544						95 544
Financial Management Capacity Building Grant		50	240	240						240
Financial Management Support Grant		100	-	-						-
Thusong Services Centres Grant			212	212						212
Municipal Infrastructure Support Grant : Electrical Master Plans		500	-	-						-
Fire Service Capacity Building Grant			800	800						800
<b>Other grant providers:</b>		3 541	500	500	71	406	406	-		500
LG SETA		522	500	500	71	406	406			500
Sanral N2 York street bridge widening		3 019								
<b>Total Operating Transfers and Grants</b>	5	300 740	396 338	396 338	42 470	136 707	136 707	-		396 338
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		86 862	138 088	138 088	18 771	66 237	66 237	-		138 088
Municipal Infrastructure Grant (MIG)		36 892	38 726	38 726	14 771	28 481	28 481	-		38 726
Regional Bulk Infrastructure		-								
Integrated National Electrification Programme		7 000	18 048	18 048	4 000	18 048	18 048			18 048
Energy Efficiency and Demand Management		-	7 000	7 000		1 000	1 000			7 000
Infrastructure Skills Development		322	684	684		300	300			684
Public Transport Infrastructure Grant		42 648	73 630	73 630		18 407	18 407	-		73 630
<b>Provincial Government:</b>		56 095	46 877	46 877	-	20 000	20 000	-		46 877
Housing		14 033	46 877	46 877		20 000	20 000	-		46 877
Library Grant		2 063								
George Integrated Public Transport Network		39 999	-	-						-
<b>Total Capital Transfers and Grants</b>	5	142 957	184 965	184 965	18 771	86 237	86 237	-		184 965
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	443 697	581 303	581 303	61 242	222 944	222 944	-		581 303

## 2.5 – Transfers and grants expenditure

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		183 232	270 350	270 350	44 579	106 906	148 060	(42 945)	-29,0%	270 350
Local Government Equitable Share		100 693	122 613	122 613	40 871	91 960	91 960	–		122 613
Finance Management		1 450	1 550	1 550	44	876	800	76	9,6%	1 550
Municipal Systems Improvement		930								
EPWP Incentive		1 864	4 001	4 001	794	3 935	2 500			4 001
Infrastructure Skills Development Grant		2 678	3 416	3 416	325	2 056	1 700			3 416
Municipal Infrastructure Grant - PMU		1 940	2 038	2 038	–	510	510	–		2 038
Public Transport Network Operating Grant		73 677	136 732	136 732	2 545	7 570	50 591	(43 021)	-85,0%	136 732
Provincial Government:		111 770	125 488	125 488	15 428	60 377	51 823	10 643	20,5%	125 488
Housing		9 831	18 923	18 923	4 118	13 143	2 500	10 643	425,7%	18 923
Proclaimed Roads		355	441	441	–	–				441
Local Government Masterplanning Grant		600	600	600						600
Library Grant		7 473	8 635	8 635	798	5 145	2 323			8 635
Community Development Workers Operating Grant		134	93	93	1	21				93
Integrated Public Transport Grant		93 227	95 544	95 544	10 511	42 069	47 000			95 544
Financial Management Capacity Building Grant		50	240	240						240
Financial Management Support Grant		100								
Thusong Services Centres Grant			212	212						212
Fire Service Capacity Building Grant			800	800						800
District Municipality:		3 717	–	–	–	–	–	–		–
Flood damage		3 717						–		
Other grant providers:		2 914	500	500	–	–	–	–		500
LG SETA		522	500	500				–		500
Sanral N2 York streeg bridge widening		2 392						–		
Total operating expenditure of Transfers and Grants:		301 633	396 338	396 338	60 007	167 283	199 883	(32 302)	-16,2%	396 338
Capital expenditure of Transfers and Grants										
National Government:		86 872	148 708	148 708	5 048	35 248	17 266	17 983	104,2%	148 708
Municipal Infrastructure Grant (MIG)		32 357	38 726	38 726	1 957	19 450	8 997	10 453	116,2%	38 726
Regional Bulk Infrastructure		–	10 620	10 620	–	527	400	127	31,9%	10 620
Integrated National Electrification Programme		11 545	18 048	18 048	–	553	100	453	453,0%	18 048
Energy Efficiency and Demand Management			7 000	7 000		218	250	(32)	-12,7%	7 000
Infrastructure Skills Development		322	684	684				–		684
Public Transport Infrastructure Grant		42 648	73 630	73 630	3 090	14 500	7 519	6 980	92,8%	73 630
Provincial Government:		44 174	46 877	46 877	1 777	13 392	8 036	5 356	66,7%	46 877
Housing		4 033	46 877	46 877	1 777	13 392	8 036	5 356	66,7%	46 877
Contribution towards acceleration of housing delivery										
Library Grant		73								
George Integrated Public Transport Network		40 068								
Total capital expenditure of Transfers and Grants		131 046	195 585	195 585	6 825	48 640	25 301	23 339	92,2%	195 585
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		432 679	591 923	591 923	66 832	215 923	225 185	(8 963)	-4,0%	591 923

## 2.6 – Overtime per department

PROTECTION SERVICES														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Fire Services	10149202740000	Overtime-Non Structured	164 030	164 030	274 742	136 621	-118 101	49 983	68 504	36 795	27 308	142 135	206 238	-110 712
Fire Services	10149202750000	Overtime-Structured	-	-	151 652	43 599	-17 573	35 055	61 081	40 602	25 846	24 123	90 571	-151 652
Fire Services	10149202770000	Overtime-Night Shift	594 710	594 710	462 554	95 976	929	87 308	184 212	92 015	88 644	97 683	278 342	132 156
Hawker Control	10699202740000	Overtime-Non Structured	91 800	91 800	55 691	21 360	-6 395	12 686	27 650	12 106	9 248	6 687	28 041	36 109
Security Services	10700202740000	Overtime-Non Structured	180 580	660 580	275 269	59 825	-27 919	127 118	159 025	44 872	50 166	21 207	116 245	385 311
Security Services	10700202770000	Overtime-Night Shift	3 000	3 000	22 032	3 704	1 107	3 950	8 761	4 393	4 683	4 195	13 271	-19 032
Traffic Services	10754202740000	Overtime-Non Structured	1 590 080	1 590 080	1 092 287	249 029	-44 797	241 614	445 845	245 610	197 569	203 262	646 441	497 794
Traffic Services	10754202770000	Overtime-Night Shift	146 000	146 000	53 223	9 363	5 426	8 123	22 911	9 348	9 427	11 537	30 312	92 777
Vehicle Registration	10767202740000	Overtime-Non Structured	9 030	9 030	47 178	9 843	-287	9 049	18 604	10 591	12 144	5 838	28 574	-38 148
Drivers Licence	10783202740000	Overtime-Non Structured	59 440	59 440	96 271	19 037	-2 861	13 764	29 940	28 879	19 639	17 813	66 331	-36 831
Vehicle Testing	10796202740000	Overtime-Non Structured	1 950	1 950	3 597	649	77	-	726	697	1 461	714	2 872	-1 647
Fleet Management	10932202740000	Overtime-Non Structured	68 470	68 470	89 568	33 318	-14 425	20 478	39 372	19 464	15 888	14 844	50 196	-21 098
GIPTN - Auxillary Cost	10687202740000	Overtime-Non Structured	-	-	73 539	2 477	9 243	23 624	35 343	14 363	10 261	13 572	38 196	-73 539
GIPTN - Auxillary Cost	10687202770000	Overtime-Night Shift	-	-	-	-	-	-	-	-	-	-	-	-
GIPTN - Establishment Costs	10689202740000	Overtime-Non Structured	100 000	100 000	-	-	-	-	-	-	-	-	-	100 000
		<b>TOTAL</b>	<b>3 009 090</b>	<b>3 489 090</b>	<b>2 697 603</b>	<b>684 800</b>	<b>-215 577</b>	<b>632 751</b>	<b>1 101 974</b>	<b>559 736</b>	<b>472 284</b>	<b>563 609</b>	<b>1 595 629</b>	<b>791 487</b>
		<b>% SPENT</b>	<b>77%</b>											

COMMUNITY SERVICES														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Cemetries	10042202740000	Overtime-Non Structured	8 280	8 280	50 409	-	-	22 304	22 304	8 864	10 378	8 864	28 105	-42 129
Main Library	10084202740000	Overtime-Non Structured	2 260	2 260	-	-	-	-	-	-	-	-	-	2 260
Beach Areas	10246202740000	Overtime-Non Structured	18 060	18 060	8 648	-	314	1 788	2 102	2 777	2 614	1 156	6 546	9 412
Sport Maintenance	10385202740000	Overtime-Non Structured	3 770	3 770	72 928	4 413	11 244	6 495	22 153	14 785	20 058	15 933	50 775	-69 158
Swimmingpool	10386202740000	Overtime-Non Structured	760	760	11 375	-	-	-	-	1 707	3 654	6 015	11 375	-10 615
Environmental Admin	10398202740000	Overtime-Non Structured	1 500	1 500	46 320	10 610	4 423	9 285	24 318	6 796	4 821	10 385	22 002	-44 820
Social Services	10399202740000	Overtime-Non Structured	760	760	59 154	5 142	6 797	14 795	26 734	10 241	11 064	11 116	32 420	-58 394
Parks & Gardens	10424202740000	Overtime-Non Structured	-	-	49 197	5 601	57	11 617	17 275	10 995	9 822	11 105	31 921	-49 197
Street Cleansing	10437202740000	Overtime-Non Structured	292 690	292 690	540 319	64 336	52 110	120 109	236 555	112 778	91 589	99 397	303 764	-247 629
Public Toilets	10534202740000	Overtime-Non Structured	94 810	94 810	47 541	4 706	2 877	9 423	17 006	12 325	10 357	7 852	30 534	47 269
Dumping Site	10602202740000	Overtime-Non Structured	117 380	117 380	162 592	8 606	11 218	25 485	45 308	33 094	26 778	57 412	117 284	-45 212
Refuse Removal	10770202740000	Overtime-Non Structured	949 870	949 870	2 141 062	284 456	329 649	480 350	1 094 456	335 154	346 686	364 765	1 046 606	-1 191 192
		<b>TOTAL</b>	<b>1 490 140</b>	<b>1 490 140</b>	<b>3 189 545</b>	<b>387 870</b>	<b>418 689</b>	<b>701 651</b>	<b>1 508 211</b>	<b>549 514</b>	<b>537 821</b>	<b>593 999</b>	<b>1 681 334</b>	<b>-1 699 405</b>
		<b>% SPENT</b>	<b>214%</b>											

George Municipality – 2017/18 Mid-year Budget and Performance Assessment

CIVIL ENGINEERING SERVICES														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Sewerage Networks	10521202740000	Overtime-Non Structured	1 991 580	1 991 580	2 119 848	316 031	165 199	438 124	919 354	429 370	361 726	409 397	1 200 494	-128 268
Water Contamination Control	10563202740000	Overtime-Non Structured	1 128 630	1 128 630	817 232	127 129	41 116	144 794	313 039	158 100	176 625	169 467	504 192	311 398
Water Contamination Control	10563202750000	Overtime-Structured	-	-	48 563	24 767	-24 090	14 604	15 281	13 743	9 845	9 694	33 282	-48 563
Water Contamination Control	10563202770000	Overtime-Night Shift	165 000	165 000	89 261	13 569	5 274	18 633	37 476	16 543	17 533	17 709	51 785	75 739
Laboratory Services	10564202740000	Overtime-Non Structured	83 520	83 520	16 911	-	-	6 145	6 145	-	10 766	-	10 766	66 609
Laboratory Services	10564202750000	Overtime-Structured	630	630	-	-	-	-	-	-	-	-	-	630
Civil Administration	10615202740000	Overtime-Non Structured	17 310	17 310	129 485	25 811	1 189	29 860	56 860	25 824	33 913	12 888	72 625	-112 175
Streets & Storm Water	10686202740000	Overtime-Non Structured	1 134 650	1 134 650	695 131	128 910	-4 629	138 293	262 574	204 525	142 836	85 196	432 558	439 519
Water Purification	10835202740000	Overtime-Non Structured	752 420	752 420	640 177	117 663	2 407	152 641	272 712	130 802	138 644	98 019	367 465	112 243
Water Purification	10835202750000	Overtime-Structured	243 830	243 830	107 748	21 106	-3 690	23 524	40 940	26 495	20 870	19 444	66 808	136 082
Water Purification	10835202770000	Overtime-Night Shift	215 040	215 040	121 537	21 659	-694	24 483	45 448	23 689	25 535	26 865	76 089	93 503
Water Distribution	10848202740000	Overtime-Non Structured	1 550 740	2 050 740	1 795 643	227 072	149 669	379 854	756 594	260 173	316 570	462 306	1 039 049	255 097
WATER DISTRIBUTION	10848202770000	Staff:Overtime-Night Shift	-	-	-	-	-	-	-	-	-	-	-	-
		<b>TOTAL</b>	<b>7 283 350</b>	<b>7 783 350</b>	<b>6 581 536</b>	<b>1 023 717</b>	<b>331 752</b>	<b>1 370 955</b>	<b>2 726 423</b>	<b>1 289 263</b>	<b>1 254 865</b>	<b>1 310 986</b>	<b>3 855 114</b>	<b>1 201 814</b>
		<b>% SPENT</b>	<b>85%</b>											
CORPORATE SERVICES														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Administration	10013202740000	Overtime-Non Structured	24 840	24 840	2 818	1 797	-1 797	2 818	2 818	-	-	-	-	22 022
Client Services	10019202740000	Overtime-Non Structured	30 100	30 100	16 960	11 562	-9 137	-	2 425	7 819	4 071	2 645	14 535	13 140
Civic Centre	10165202740000	Overtime-Non Structured	230 020	308 020	273 477	39 919	19 273	96 798	155 990	54 964	-3 285	65 807	117 487	34 543
Blanco Hall	10176202740000	Overtime-Non Structured	21 070	23 070	22 507	2 886	-2 886	22 507	22 507	-	-	-	-	563
Conville Hall	10178202740000	Overtime-Non Structured	40 630	40 630	38 456	7 246	2 507	17 395	27 147	7 446	-	3 863	11 309	2 174
Thembaletu Hall	10204202740000	Overtime-Non Structured	9 030	9 030	5 789	-	1 302	808	2 109	1 885	-	1 795	3 680	3 241
Touwsrante Hall	10217202740000	Overtime-Non Structured	15 810	22 810	26 207	1 875	85	16 408	18 368	4 105	-	3 734	7 840	-3 397
		<b>TOTAL</b>	<b>371 500</b>	<b>458 500</b>	<b>386 216</b>	<b>65 285</b>	<b>9 346</b>	<b>156 734</b>	<b>231 365</b>	<b>76 220</b>	<b>786</b>	<b>77 845</b>	<b>154 851</b>	<b>72 284</b>
		<b>% SPENT</b>		<b>84%</b>										
ELECTROTECHNICAL SERVICES														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Electricity: Admin	10806202740000	Overtime-Non Structured	145 220	145 220	82 474	7 496	14 610	18 562	40 667	-	20 477	21 330	41 807	62 746
Electricity: Distribution	10819202740000	Overtime-Non Structured	3 321 680	3 321 680	2 531 584	677 258	-151 906	468 840	994 192	388 379	495 318	653 694	1 537 392	790 096
Mechanical Workshop	10961202740000	Overtime-Non Structured	7 520	7 520	16 426	5 815	-4 309	1 617	3 123	5 832	2 364	5 107	13 303	-8 906
		<b>TOTAL</b>	<b>3 474 420</b>	<b>3 474 420</b>	<b>2 630 484</b>	<b>690 569</b>	<b>-141 606</b>	<b>489 019</b>	<b>1 037 982</b>	<b>394 211</b>	<b>518 159</b>	<b>680 131</b>	<b>1 592 502</b>	<b>843 936</b>
		<b>% SPENT</b>		<b>76%</b>										

# George Municipality – 2017/18 Mid-year Budget and Performance Assessment

<b>FINANCIAL SERVICES</b>														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Housing	10055202740000	Overtime-Non Structured	760	760	244	-	244	-	244	-	-	-	-	516
Credit Control	10233202740000	Overtime-Non Structured	4 510	4 510	17 386	43 268	-41 575	-	1 693	11 798	3 001	895	15 693	-12 876
Stores	10330202740000	Overtime-Non Structured	3 770	3 770	5 965	-	-2 425	842	-1 583	2 425	2 950	2 174	7 548	-2 195
IT SERVICES: MAINFRAME	10505202740000	Overtime-Non Structured	-	-	-	-	-	-	-	-	-	-	-	-
Income Section	10650202740000	Overtime-Non Structured	6 780	6 780	32 491	10 395	-4 580	4 477	10 292	5 021	6 643	10 535	22 199	-25 711
VALUATION SECTION	10655202740000	Overtime-Non Structured	-	-	-	-	-	-	-	-	-	-	-	-
CFO Office	10660202740000	Overtime-Non Structured	760	760	-	-	-	-	-	-	-	-	-	760
Supply Chain Management	10665202740000	Overtime-Non Structured	760	760	-	-	-	-	-	-	-	-	-	760
Creditors Section	10670202740000	Overtime-Non Structured	16 550	31 550	-	36 481	-36 481	-	-	-	-	-	-	31 550
Remuneration Section	10673202740000	Overtime-Non Structured	12 040	27 040	19 209	-	19 209	-	19 209	-	-	-	-	7 831
BUDGET OFFICE	10675202740000	Overtime-Non Structured	-	-	-	-	-	-	-	-	-	-	-	-
AFS SECTION	10680202740000	Overtime-Non Structured	-	-	-	-	-	-	-	-	-	-	-	-
ICT	10495202740000	Overtime-Non Structured	6 020	6 020	-	-	-	-	-	-	-	-	-	6 020
		<b>TOTAL</b>	<b>51 950</b>	<b>81 950</b>	<b>75 295</b>	<b>90 144</b>	<b>-65 608</b>	<b>5 318</b>	<b>29 854</b>	<b>19 244</b>	<b>12 594</b>	<b>13 603</b>	<b>45 441</b>	<b>6 655</b>
		<b>% SPENT</b>		<b>92%</b>										
<b>HUMAN SETTLEMENTS</b>														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Housing Administration	10220202740000	Overtime-Non Structured	462 130	462 130	296 203	154 746	-85 281	82 679	152 143	77 339	36 350	30 371	144 060	165 927
Housing Administration	10220202770000	Overtime-Night Shift	75 000	75 000	-	-	-	-	-	-	-	-	-	75 000
Maintenance	10291202740000	Overtime-Non Structured	3 010	3 010	41 600	6 351	-2 001	6 205	10 555	10 207	12 768	8 069	31 045	-38 590
Fencing & Sidings	10356202740000	Overtime-Non Structured	5 270	5 270	27 653	19 187	-13 213	7 041	13 015	4 537	4 991	5 110	14 638	-22 383
Director: Planning	10740202740000	Overtime-Non Structured	1 500	1 500	-	-	-	-	-	-	-	-	-	1 500
		<b>TOTAL</b>	<b>546 910</b>	<b>546 910</b>	<b>365 456</b>	<b>180 285</b>	<b>-100 496</b>	<b>95 924</b>	<b>175 713</b>	<b>92 083</b>	<b>54 109</b>	<b>43 550</b>	<b>189 742</b>	<b>181 454</b>
		<b>% SPENT</b>		<b>67%</b>										
<b>PLANNING AND DEVELOPMENT</b>														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Local Economic Development	10736202740000	Overtime-Non Structured	5 270	5 270	4 428	1 068	2 179	-	3 247	-	804	377	1 181	842
IDP / PMS	10017202740000	Overtime-Non Structured	19 720	19 720	-	12 391	-12 391	-	-	-	-	-	-	19 720
DMA Area	10014202740000	Overtime-Non Structured	32 860	32 860	59 648	7 342	15 702	11 493	34 536	9 673	8 740	6 699	25 112	-26 788
Planning	10592202740000	Overtime-Non Structured	9 030	9 030	-	-	-	-	-	-	-	-	-	9 030
		<b>TOTAL</b>	<b>66 880</b>	<b>66 880</b>	<b>64 076</b>	<b>20 800</b>	<b>5 490</b>	<b>11 493</b>	<b>37 783</b>	<b>9 673</b>	<b>9 544</b>	<b>7 075</b>	<b>26 293</b>	<b>2 804</b>
		<b>% SPENT</b>		<b>96%</b>										
<b>MUNICIPAL MANAGER</b>														
Department Name	E/I Vote number	Item Name	Original Budget Current Year	Adjusted Budget Current Year	Year-to-date Actual	July Actual Current Year	August Actual Current Year	September Actual Current Year	Quarter 1	October Actual Current Year	November Actual Current Year	December Actual Current Year	Quarter 2	Available
Office of the Executive Mayor	10576202740000	Overtime-Non Structured	4 510	4 510	46 534	3 831	-422	18 404	21 814	9 938	9 774	5 008	24 720	-42 024
Office of the Municipal Manager	10631202740000	Overtime-Non Structured	-	-	89 242	7 988	15 329	20 404	43 721	10 189	1 726	33 607	45 521	-89 242
Legal Services	10021202740000	Overtime-Non Structured	-	-	-	-	-	-	-	-	-	-	-	-
		<b>TOTAL</b>	<b>4 510</b>	<b>4 510</b>	<b>135 776</b>	<b>11 819</b>	<b>14 908</b>	<b>38 808</b>	<b>65 535</b>	<b>20 127</b>	<b>11 500</b>	<b>38 615</b>	<b>70 241</b>	<b>-131 266</b>
		<b>% SPENT</b>		<b>3011%</b>										
		<b>GRAND TOTAL</b>	<b>16 298 750</b>	<b>17 395 750</b>	<b>16 125 986</b>	<b>3 155 289</b>	<b>256 899</b>	<b>3 502 652</b>	<b>6 914 840</b>	<b>3 010 072</b>	<b>2 871 662</b>	<b>3 329 413</b>	<b>9 211 147</b>	<b>1 269 764</b>
		<b>% SPENT</b>		<b>93%</b>										

## 2.7 Section 66 Report: Employee Related Costs

### Remuneration of Councillors

REMUNERATION OF COUNCILLORS - QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	YEAR TO DATE	AVAILABLE
2033900	Speaker:Office Bearer Allowanc	-	-	3 235 870	-	-
2034100	Remuneration of:Speaker	176 900	176 900	1 795 020	47 224	129 676
2034110	Remuneration of:Chief Whip	168 163	168 163	-	61 489	106 674
2034120	Remuneration of:Executive Mayo	210 539	210 539	-	98 383	112 156
2034130	Remuneration of:Deputy Executi	168 163	168 163	-	39 353	128 810
2034140	Remuneration of:Executive Comm	1 736 946	1 736 946	-	565 700	1 171 246
2034150	Remuneration of:Total for All	2 507 960	2 507 960	-	1 358 369	1 149 591
2034300	Remuneration of:Speaker	454 927	454 927	3 293 060	392 161	62 766
2034310	Remuneration of:Chief Whip	428 815	428 815	-	221 361	207 454
2034320	Remuneration of:Executive Mayo	448 590	448 590	-	269 236	179 354
2034330	Remuneration of:Deputy Executi	428 816	428 816	-	267 600	161 216
2034340	Remuneration of:Executive Comm	4 793 397	4 793 397	-	2 269 994	2 523 403
2034350	Remuneration of:Total for All	7 198 011	7 198 011	-	3 259 763	3 938 248
2034400	Remuneration of:Speaker	22 100	22 100	561 130	14 400	7 700
2034410	Remuneration of:Chief Whip	24 396	24 396	-	11 400	12 996
2034420	Remuneration of:Executive Mayo	30 816	30 816	-	14 400	16 416
2034430	Remuneration of:Deputy Executi	30 816	30 816	-	14 400	16 416
2034440	Remuneration of:Executive Comm	268 356	268 356	-	110 200	158 156
2034450	Remuneration of:Total for All	927 048	927 048	-	448 400	478 648
2034900	PensionFundContr:Executive Com	781 626	781 626	156 520	47 840	733 786
2034910	Remuneration of:Chief Whip	75 673	75 673	-	-	75 673
2034920	Remuneration of:Executive Mayo	94 742	94 742	-	-	94 742
2034930	Remuneration of:Deputy Executi	75 673	75 673	-	-	75 673

REMUNERATION OF COUNCILLORS - QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	YEAR TO DATE	AVAILABLE
2034950	Remuneration of:Total for All	1 128 582	1 128 582	-	248 684	879 898
2035000	ExecComm:Medial Aid Benefits	-	-	71 900	11 992	-11 992
2035020	Execmayor:Medical Aid benefits	88 284	88 284	-	25 912	62 372
2035040	MedicalAidBenefit:TotalForAllO	-	-	-	59 009	-59 009
	<b>TOTAL</b>	<b>22 269 339</b>	<b>22 269 339</b>	<b>9 113 500</b>	<b>9 857 268</b>	<b>12 412 071</b>

### Remuneration of Senior Managers

REMUNERATION OF SENIOR MANAGERS: QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	YEAR TO DATE	AVAILABLE
2022000	Municipal Manager:Basic Salary	1 610 590	1 610 590	4 633 100	794 982	815 608
2023210	Director:Elec:Acting Allowance	-	-	47 590	124 997	-124 997
2022080	Employee Relate:Senior Managem	1 500 000	1 500 000	-	109 972	1 390 028
2022050	Director:CommServ:Basic Salary	1 063 750	1 063 750	-	526 905	536 845
2022500	SnrMan:Cellular&Telephone	14 400	14 400	15 220	7 200	7 200
2022550	Employee Relate:Senior Managem	14 400	14 400	-	7 200	7 200
2022900	SnrMan:Travel/Motor Vehicle	-	-	154 180	51 630	-51 630
2022950	Director:ComServ:Travel Allowa	60 000	60 000	-	30 000	30 000
2023280	Employee Relate:Senior Managem	49 750	49 750	-	-	49 750
2024200	Municipal Manager:Medical Aid	-	-	-	10 793	-10 793
2024300	CFO:Pension Funds	-	-	-	160 474	-160 474
2024310	DirecComServ:Pension Fund Cont	-	-	-	102 747	-102 747
2024400	Municipal Manager:UIF	1 780	1 780	2 900	1 417	363

REMUNERATION OF SENIOR MANAGERS: QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	YEAR TO DATE	AVAILABLE
2024450	Director:ComServ:UIF	1 780	1 780	-	1 063	717
2024810	Municipal Manager:Bargaining C	90	90	120	116	-26
2024900	Director:ComServ:Bargaining Co	90	90	-	50	41
2022060	Director:Civil:Basic Salary	2 384 720	2 384 720	-	286 400	2 098 321
2022560	Employee Relate:Senior Managem	14 400	14 400	-	3 600	10 800
2023290	Employee Relate:Senior Managem	27 000	27 000	-	88 857	-61 857
2024260	Director:Civil:Medical Aid	25 290	25 290	-	-	25 290
2024460	Director:Civil:UIF	1 780	1 780	-	531	1 249
2024910	Director:Civil:Bargaining Coun	90	90	-	25	65
2202960	Employee Relate:Senior Managem	132 000	132 000	-	-	132 000
2022040	Director:Corp:Basic Salary	1 317 600	1 317 600	-	-	1 317 600
2022540	Employee Relate:Senior Managem	14 400	14 400	-	-	14 400
2022940	Director:Corp:Travel Allowance	148 140	148 140	-	-	148 140
2024440	Director:Corp:UIF	1 780	1 780	-	-	1 780
2024890	Director:Corp:Bargaining Council	90	90	-	-	90
2022010	CFO:Basic Salary	1 472 550	1 472 550	-	588 181	884 369
2022510	Employee Relate:Senior Managem	14 400	14 400	-	7 200	7 200
2022910	CFO:Travel Allowance	60 000	60 000	-	30 000	30 000
2023240	CFO: Acting Allowance	20 000	20 000	-	1 114	18 886
2024110	CFO:Group Life Insurance	17 580	17 580	-	9 664	7 916
2024410	CFO:UIF	1 780	1 780	-	1 063	717
2022020	Basic Salary-Director-Human Se	1 360 820	1 360 820	-	225 100	1 135 720
2022520	Employee Relate:Senior Managem	14 400	14 400	-	2 400	12 000
2022920	Director:HumanSettlements:Trav	96 000	96 000	-	16 000	80 000
2023250	Employee Relate:Senior Managem	35 000	35 000	-	2 539	32 461

REMUNERATION OF SENIOR MANAGERS: QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	YEAR TO DATE	AVAILABLE
2023810	DirecPlanning:Payments in Lieu	-	-	-	153 743	-153 743
2024220	Director:Human Settlements:Med	30 120	30 120	-	5 021	25 099
2061300	Employee Relate:Senior Managem	1 500 000	1 500 000	-	109 972	1 390 028
2022030	Director:Elec:Basic Salary	1 563 720	1 563 720	-	-	1 563 720
2022530	Employee Relate:Senior Managem	14 400	14 400	-	-	14 400
2022930	Director:Elec:Travel Allowance	144 000	144 000	-	-	144 000
2024430	Director:Elec:UIF	1 780	1 780	-	-	1 780
2024880	Director:Elec:Bargaining Counc	90	90	-	-	90
	<b>TOTAL</b>	<b>14 730 560</b>	<b>14 730 560</b>	<b>4 853 110</b>	<b>3 460 953</b>	<b>11 269 607</b>

### Remuneration of Personnel

REMUNERATION OF PERSONNEL: QUARTER 2 OF 2017/18						
ITEM	ITEM DESCRIPTION	ORIGINAL BUDGET	AMENDED BUDGET	SDBIP	QUARTER 1	AVAILABLE
2025300	Staff:Basic Salary&Wages	283 667 036	286 735 716	141 324 970	116 696 752	170 038 964
2025500	Staff:Performance Based Bonuse	-	-	-	-	-
2025800	Staff:Accommodation Travel&Inc	1 460 800	1 467 800	441 750	814 064	653 736
2026000	Staff:Cellular&Telephone	870 980	1 072 280	442 270	482 692	589 588
2026400	Staff:Housing - Essential User	-	-	-	4 780	-4 780
2026500	Staff:Housing - Housing Benefi	3 337 600	3 337 600	1 423 820	742 473	2 595 127
2026700	Staff:Housing - Rental Subsidy	360 000	360 000	206 440	186 400	173 600
2026800	Staff:Payments In Lieu Of Leav	3 920 000	3 920 000	158 870	2 383 007	1 536 993
2027000	Staff:Travel Or Motor Vehicle	13 573 310	14 052 710	6 016 480	7 394 285	6 658 425
2027400	Staff:Overtime-Non Structured	14 855 540	15 952 540	6 980 450	15 069 416	883 124

<b>REMUNERATION OF PERSONNEL: QUARTER 2 OF 2017/18</b>						
<b>ITEM</b>	<b>ITEM DESCRIPTION</b>	<b>ORIGINAL BUDGET</b>	<b>AMENDED BUDGET</b>	<b>SDBIP</b>	<b>QUARTER 1</b>	<b>AVAILABLE</b>
2028000	Staff:Acting Allowance	3 038 380	3 108 380	1 745 960	2 267 997	840 383
2028100	Staff:Annual Bonus	17 622 190	17 622 190	17 247 380	17 444 493	177 697
2028300	Staff:Long Service Award	2 373 000	2 373 000	1 039 500	809 592	1 563 408
2029300	Staff:Bargaining Council	107 740	107 740	98 550	63 331	44 409
2029400	Staff:Group Life Insurance	2 847 280	2 847 280	1 209 950	1 867 066	980 214
2029500	Staff:Medical	23 318 740	23 318 740	13 363 670	11 280 507	12 038 233
2029600	Staff:Pension	40 736 490	40 736 490	17 293 510	20 007 846	20 728 644
2029700	Staff:Unemployment Insurance F	2 090 405	2 090 405	1 307 480	1 536 494	553 911
2025302	Staff:Piece Workers	-	694 000	-	16 308 912	-15 614 912
2025301	Staff:Contract Appointments	-	1 288 000	-	4 148 305	-2 860 305
2028600	Staff:Standby Allowance	5 377 150	5 572 150	2 429 750	3 314 501	2 257 649
2027500	Staff:Overtime-Structured	244 460	244 460	74 930	307 963	-63 503
2027700	Staff:Overtime-Night Shift	1 198 750	1 198 750	728 060	748 607	450 143
2028200	Staff:Lifeguard/Duty Squads	1 100 000	1 100 000	-	-	1 100 000
2028700	Staff:Tools Allowance	137 220	137 220	91 740	71 136	66 084
2025304	Staff: Interns	-	45 000	-	797 978	-752 978
2029810	Staff:Post-RetireBen-CurrentCs	6 067 000	6 067 000	114 860	100 000	5 967 000
2029915	Staff:Post-RetireBen-InterestC	206 559	206 559	-	-	206 559
2029970	Employee Relate:Municipal Staf	3 387 759	3 387 759	-	-	3 387 759
2030020	Employee Relate:Municipal Staf	6 284 586	6 284 586	-	-	6 284 586
2030040	Employee Relate:Municipal Staf	5 831 497	5 831 497	-	-	5 831 497
2025400	Staff:Basic Salary&Wages-CapTo	-2 820 050	-2 820 050	-	-	-2 820 050
2028500	Staff:Scarcity Allowance	169 590	169 590	124 560	126 259	43 331
	<b>TOTAL FOR PERSONNEL</b>	<b>441 364 012</b>	<b>448 509 392</b>	<b>213 864 950</b>	<b>224 974 855</b>	<b>223 534 537</b>

**Based on the past six month expenditure trend, the following items project to overspend:**

- Overtime
- Standby allowances
- Acting allowances
- Piece workers
- Contract Appointments

## 2.8 – Monthly actual and revised targets for cash receipts and expenditure

Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>	<b>1</b>															
<b>Cash Receipts By Source</b>																
Property rates		334	606	29 747	25 654	24 292	14 286	11 873	14 105	14 275	12 785	14 206	59 716	221 879	241 848	263 615
Service charges - electricity revenue		27 047	33 888	47 926	51 870	50 224	50 526	48 413	47 708	49 145	43 363	40 472	89 012	579 593	618 086	660 742
Service charges - water revenue		7 433	9 817	9 244	10 102	9 791	10 480	9 473	11 373	11 269	9 490	8 897	11 917	119 288	127 732	137 415
Service charges - sanitation revenue		5 607	7 270	8 556	6 453	904	4 946	4 782	5 421	5 707	5 385	6 145	15 234	76 408	80 359	85 733
Service charges - refuse		4 326	6 338	8 167	6 208	1 109	4 673	4 412	5 331	5 429	5 046	4 726	8 033	63 799	73 611	86 071
Service charges - other		632	588	27	18	94	41	42	13	0	1	1	(1 188)	269	288	308
Rental of facilities and equipment		59	49	125	151	231	140	149	108	451	1 305	783	1 365	4 917	5 265	5 629
Interest earned - external investments		2 928	774	2 476	2 422	2 544	2 782	2 834	3 228	2 588	2 543	2 741	3 383	31 243	33 388	35 680
Interest earned - outstanding debtors		224	195	336	301	327	387	427	344	509	518	511	946	5 024	5 452	5 920
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		818	2 224	1 296	1 088	1 145	792	840	1 785	2 040	1 545	2 133	7 123	22 829	24 468	26 226
Licences and permits		339	124	198	26	360	208	389	129	218	279	235	216	2 722	2 913	3 117
Agency services		1 948	(240)	1 068	(113)	2 919	1 036	1 678	(185)	318	250	159	(874)	7 964	8 522	9 118
Transfer receipts - operating		55 839	35 178	4 586	5 388	84 957	21 870	31 427	6 909	155 972	-	-	(5 786)	396 338	418 810	455 616
Other revenue		73 026	(221 586)	6 263	8 633	7 848	7 892	3 139	7 848	7 746	5 101	8 280	164 291	78 483	83 206	88 264
<b>Cash Receipts by Source</b>		<b>180 562</b>	<b>(124 774)</b>	<b>120 014</b>	<b>118 201</b>	<b>186 745</b>	<b>120 057</b>	<b>119 878</b>	<b>104 116</b>	<b>255 668</b>	<b>87 611</b>	<b>89 290</b>	<b>353 388</b>	<b>1 610 755</b>	<b>1 723 946</b>	<b>1 863 454</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		20 058	38 407	-	4 035	14 599	-	14 638	14 599	104 671	-	-	(26 042)	184 965	84 125	68 511
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	6 575	6 575	7 035	7 517
Proceeds on disposal of PPE		509	617	48	1 145	236	758	60	957	699	1 482	883	(2 400)	4 994	5 343	5 718
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	19 900	-	-	-	-	-	-	19 900	164 400	271 178
Increase in consumer deposits		198	224	550	87	118	38	50	176	30	18	14	(150)	1 354	718	986
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	(70)	(70)	(38)	(18)
Change in non-current investments		-	(200 000)	-	-	-	-	-	-	-	-	-	200 000	-	-	-
<b>Total Cash Receipts by Source</b>		<b>201 327</b>	<b>(285 526)</b>	<b>120 612</b>	<b>123 468</b>	<b>201 698</b>	<b>140 753</b>	<b>134 627</b>	<b>119 847</b>	<b>361 068</b>	<b>89 111</b>	<b>90 187</b>	<b>531 300</b>	<b>1 828 473</b>	<b>1 985 530</b>	<b>2 217 345</b>


Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>	<b>1</b>															
<b>Cash Payments by Type</b>													-			
Employee related costs		36 839	11 249	35 407	35 106	54 237	35 249	38 151	34 382	36 194	36 745	39 547	62 374	455 482	479 204	514 815
Remuneration of councillors		158	-	1 643	1 683	1 667	1 680	1 738	2 630	2 021	1 875	1 880	5 369	22 345	23 655	25 307
Interest paid		-	-	-	-	-	19 338	-	-	-	-	-	18 766	38 104	34 598	30 278
Bulk purchases - Electricity		-	47 410	43 180	25 714	26 837	25 594	25 350	26 190	24 634	25 916	27 896	109 148	407 870	433 607	459 624
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	230	230	240	260
Other materials		2	1 426	-	-	-	-	-	-	-	-	-	(1 428)	-	-	-
Contracted services		1 036	1 722	14 920	14 449	15 932	26 774	7 723	14 113	66 554	54 796	110 924	88 792	417 736	471 624	476 547
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		8	189	4	7	14	20	16	8	1	13	18	(147)	150	150	150
General expenses		6 938	32 936	8 376	12 685	12 684	21 123	8 491	11 704	5 784	6 247	4 820	(23 172)	108 617	106 130	111 898
<b>Cash Payments by Type</b>		<b>44 981</b>	<b>94 933</b>	<b>103 530</b>	<b>89 644</b>	<b>111 371</b>	<b>129 778</b>	<b>81 469</b>	<b>89 028</b>	<b>135 189</b>	<b>125 593</b>	<b>185 086</b>	<b>259 932</b>	<b>1 450 533</b>	<b>1 549 209</b>	<b>1 618 879</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		-	1 178	11 522	18 860	24 723	29 523	7 687	46 026	19 524	61 368	36 259	66 657	323 327	455 117	528 875
Repayment of borrowing		-	-	-	-	-	19 232	-	-	-	-	-	21 794	41 026	39 899	58 355
Other Cash Flows/Payments		71 875	(305 606)	(120 598)	151 944	(178 008)	(67 262)	-	-	-	-	-	447 655	-	-	-
<b>Total Cash Payments by Type</b>		<b>116 856</b>	<b>(209 495)</b>	<b>(5 546)</b>	<b>260 448</b>	<b>(41 913)</b>	<b>111 272</b>	<b>89 156</b>	<b>135 054</b>	<b>154 713</b>	<b>186 960</b>	<b>221 344</b>	<b>796 038</b>	<b>1 814 886</b>	<b>2 044 225</b>	<b>2 206 109</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>84 472</b>	<b>(76 031)</b>	<b>126 157</b>	<b>(136 980)</b>	<b>243 612</b>	<b>29 482</b>	<b>45 471</b>	<b>(15 207)</b>	<b>206 356</b>	<b>(97 849)</b>	<b>(131 158)</b>	<b>(264 738)</b>	<b>13 587</b>	<b>(58 695)</b>	<b>11 236</b>
Cash/cash equivalents at the month/year beginning:		505 441	589 912	513 882	640 039	503 059	746 671	776 152	821 623	806 417	1 012 772	914 923	783 765	505 441	519 028	460 333
Cash/cash equivalents at the month/year end:		589 912	513 882	640 039	503 059	746 671	776 152	821 623	806 417	1 012 772	914 923	783 765	519 028	519 028	460 333	471 569

## 2.9 – Repairs and maintenance per asset class

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		36 790	102 966	95 110	9 177	37 516	42 195	4 679	11,1%	95 110
Roads Infrastructure		20 150	20 882	20 562	1 472	7 824	9 164	1 340	14,6%	20 562
Roads		20 150	20 330	20 010	1 195	7 548	8 913	1 365	15,3%	20 010
Road Furniture		–	552	552	276	276	251	(25)	-10,0%	552
Electrical Infrastructure		1 487	–	–	–	–	–	–	–	–
LV Networks		1 487	–	–	–	–	–	–	–	–
Water Supply Infrastructure		1 039	16 948	14 108	2 178	7 731	6 716	(1 015)	-15,1%	14 108
Water Treatment Works		925	16 948	14 108	2 178	7 731	6 716	(1 015)	-15,1%	14 108
Distribution		114	–	–	–	–	–	–	–	–
Sanitation Infrastructure		12 912	29 409	26 949	2 802	8 143	13 896	5 753	41,4%	26 949
Reticulation		8 030	20 318	17 448	1 240	3 724	10 259	6 535	63,7%	17 448
Waste Water Treatment Works		4 881	–	–	–	–	–	–	–	–
Outfall Sewers		–	9 091	9 501	1 562	4 419	3 638	(782)	-21,5%	9 501
Solid Waste Infrastructure		100	35 728	33 491	2 725	13 818	12 419	(1 399)	-11,3%	33 491
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		100	35 728	33 491	2 725	13 818	12 419	(1 399)	-11,3%	33 491
Information and Communication Infrastructure		1 102	–	–	–	–	–	–	–	–
Core Layers		1 102	–	–	–	–	–	–	–	–
Community Assets		7 241	23 472	23 178	1 868	7 973	5 743	(2 230)	-38,8%	23 178
Community Facilities		4 701	20 562	20 318	1 446	6 826	5 000	(1 825)	-36,5%	20 318
Halls		805	2 525	2 438	281	1 185	513	(671)	-130,8%	2 438
Centres		120	155	155	12	67	120	54	44,7%	155
Crèches		–	4 621	4 488	288	1 831	1 132	(699)	-61,7%	4 488
Fire/Ambulance Stations		159	–	–	–	–	–	–	–	–
Testing Stations		24	–	–	–	–	–	–	–	–
Libraries		86	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		22	7 372	7 372	492	1 398	1 465	67	4,6%	7 372
Public Open Space		3 297	5 890	5 865	373	2 346	1 770	(576)	-32,5%	5 865
Public Ablution Facilities		189	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		2 540	2 910	2 860	423	1 147	743	(404)	-54,4%	2 860
Outdoor Facilities		2 540	2 910	2 860	423	1 147	743	(404)	-54,4%	2 860
Investment properties		–	52 178	51 724	2 689	18 890	16 788	(2 102)	-12,5%	51 724
Revenue Generating		–	52 178	51 724	2 689	18 890	16 788	(2 102)	-12,5%	51 724
Improved Property		–	1 248	949	118	487	541	55	10,1%	949
Unimproved Property		–	50 930	50 775	2 571	18 403	16 246	(2 157)	-13,3%	50 775
Other assets		2 923	4 045	4 555	223	1 714	2 468	754	30,6%	4 555
Operational Buildings		2 923	4 045	4 555	223	1 714	2 468	754	30,6%	4 555
Municipal Offices		2 782	4 045	4 555	223	1 714	2 468	754	30,6%	4 555
Pay/Enquiry Points		3	–	–	–	–	–	–	–	–
Workshops		126	–	–	–	–	–	–	–	–
Stores		5	–	–	–	–	–	–	–	–
Laboratories		8	–	–	–	–	–	–	–	–
Computer Equipment		–	1 812	1 775	14	81	1 319	1 239	93,9%	1 775
Computer Equipment		–	1 812	1 775	14	81	1 319	1 239	93,9%	1 775
Furniture and Office Equipment		2 635	14 546	13 680	2 438	6 665	3 914	(2 751)	-70,3%	13 680
Furniture and Office Equipment		2 635	14 546	13 680	2 438	6 665	3 914	(2 751)	-70,3%	13 680
Machinery and Equipment		5 638	22 705	22 312	2 532	10 976	12 494	1 517	12,1%	22 312
Machinery and Equipment		5 638	22 705	22 312	2 532	10 976	12 494	1 517	12,1%	22 312
Transport Assets		36 489	14 234	13 614	2 374	8 591	3 766	(4 825)	-128,1%	13 614
Transport Assets		36 489	14 234	13 614	2 374	8 591	3 766	(4 825)	-128,1%	13 614
Libraries		–	305	305	39	155	88	(66)	-75,1%	305
Libraries		–	305	305	39	155	88	(66)	-75,1%	305
Total Repairs and Maintenance Expenditure	1	91 716	236 264	226 252	21 355	92 560	88 775	(3 785)	-4,3%	226 252

## 2.10 Section 11 Report – Withdrawals from Municipal Bank Accounts

The following is the quarterly report submitted to Provincial Treasury.

<b>PROVINCIAL TREASURY</b> <b>Withdrawals from Municipal Bank Accounts</b> <b>In accordance with Section 11, Sub-section 1 (b) to (j)</b>		
<b>NAME OF MUNICIPALITY:</b>	George Municipality	
<b>MUNICIPAL DEMARCATION CODE:</b>	WC044	
<b>QUARTER ENDED:</b>	31 Dec 17	
	<b>Amount</b>	<b>Reason for withdrawal</b>
<b>MFMA section 11. (1)</b> Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality's</i> bank accounts, and may do so only -		
(b) to defray expenditure authorised in terms of section 26(4);		
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);		
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	R 54 426,00	Donations made approved by Mayor, Municipal Manager and CFO
(e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including -	R 18 733 972,38	Transfers made to the Department of Transport and Public works for motor registration costs
(i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or		
(ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state;		
(f) to refund money incorrectly paid into a bank account;		
(g) to refund guarantees, sureties and <i>security</i> deposits;	R 2 854 961,30	Refunds made ie. Deposits as well as refund of monies incorrectly paid into the bank account
(h) for cash management and <i>investment</i> purposes in accordance with section 13;		
(i) to defray increased expenditure in terms of section 31; or		
(j) for such other purposes as may be <i>prescribed</i> .		
(4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> -	<b>Name and Surname:</b> Leon E Wallace	
(a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and	<b>Rank/Position:</b> Deputy Director: Financial Management	
(b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	<b>Signature:</b> 	
<b>Tel number</b>	<b>Fax number</b>	<b>Email Address</b>
044 801 9036	044 801 9175	lew Wallace@george.gov.za
<b>The completed form must reach Mr Wesley Baatjies at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 5007, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.</b>		

## 2.11 Summary of external loans

SAMRAS Loan ID	Lending institution	Original Capital Amount	Balance 01/12/2017	Repayments December 2017	Interest Capitalised December 2017	Balance 31/12/2017	Percentage
1062	DBSA	35 800 000	22 128 195	950 529	1 049 689	21 177 666	9,41%
1065	DBSA	46 000 000	30 795 310	1 114 663	1 460 828	29 680 647	9,41%
1066	DBSA	45 700 000	32 476 318	1 014 641	1 502 915	31 461 677	9,18%
1068	DBSA	38 540 000	5 997 806	2 916 088	338 940	3 081 718	11,21%
1069	DBSA	54 182 000	42 581 842	1 018 682	2 382 717	41 563 160	11,10%
1070	DBSA	39 743 000	33 076 123	642 863	1 977 535	32 433 259	11,86%
1071	DBSA	20 000 000	11 790 094	669 818	401 186	11 120 277	6,75%
1072	DBSA	34 700 000	10 453 899	2 388 030	627 119	8 065 869	11,90%
1073	DBSA	13 000 000	3 332 085	791 382	113 382	2 540 704	6,75%
1074	DBSA	81 300 000	69 209 576	1 217 916	4 239 039	67 991 660	12,15%
1075	DBSA	15 450 000	9 607 973	500 215	326 934	9 107 758	6,75%
1076	DBSA	23 450 000	8 763 466	1 541 105	559 508	7 222 361	12,67%
1077	DBSA	5 000 000	1 575 823	294 280	53 621	1 281 543	6,75%
1078	FNB	65 000 000	48 549 886	1 806 098	2 665 349	46 743 788	11,01%
1080	ABSA Bank	291 753	98 627	31 449	4 391	67 178	8,88%
1081	ABSA Bank	291 753	98 627	31 449	4 391	67 178	8,88%
1082	ABSA Bank	291 753	98 627	31 449	4 391	67 178	8,88%
1083	ABSA Bank	291 753	98 627	31 449	4 391	67 178	8,88%
1084	ABSA Bank	753 424	258 895	82 553	11 526	176 342	8,88%
1085	ABSA Bank	161 013	54 699	17 464	2 367	37 236	8,63%
1086	ABSA Bank	279 004	94 760	30 254	4 100	64 507	8,63%
1087	ABSA Bank	239 088	81 229	25 933	3 515	55 295	8,63%
1088	ABSA Bank	166 291	56 494	18 036	2 444	38 457	8,63%
1089	ABSA Bank	234 526	79 679	25 439	3 448	54 240	8,63%
1090	ABSA Bank	113 070	38 415	12 265	1 662	26 150	8,63%
1091	ABSA Bank	101 800	34 028	10 864	1 472	23 164	8,63%
1092	ABSA Bank	229 702	78 040	24 915	3 377	53 125	8,63%
1094	ABSA Bank	255 851	115 248	26 967	5 043	88 281	8,68%
1095	ABSA Bank	30 702	13 830	3 236	605	10 594	8,68%
1096	ABSA Bank	30 702	13 830	3 236	605	10 594	8,68%
1097	ABSA Bank	43 860	19 757	4 623	864	15 134	8,68%
1098	ABSA Bank	298 872	134 628	31 502	5 891	103 126	8,68%
1099	ABSA Bank	661 670	298 051	69 742	13 042	228 309	8,68%
1100	ABSA Bank	28 175	12 692	2 726	800	9 966	8,68%
1101	ABSA Bank	298 872	134 628	31 502	5 891	103 126	8,68%
1102	ABSA Bank	153 094	68 961	16 136	3 018	52 825	8,68%
1103	ABSA Bank	28 175	12 692	2 970	555	9 722	8,68%
1104	ABSA Bank	201 838	90 286	21 121	3 964	69 164	8,68%
1105	ABSA Bank	1 352 518	605 722	141 827	26 451	463 895	8,68%
1106	ABSA Bank	1 365 470	610 676	142 987	26 668	467 689	8,68%
1107	ABSA Bank	1 365 470	610 676	142 987	26 668	467 689	8,68%
1108	ABSA Bank	201 838	90 268	21 136	3 942	69 132	8,68%
1109	ABSA Bank	201 838	90 288	21 141	3 943	69 148	8,68%

SAMRAS Loan ID	Lending institution	Original Capital Amount	Balance 01/12/2017	Repayments December 2017	Interest Capitalised December 2017	Balance 31/12/2017	Percentage
1110	ABSA Bank	201 838	90 288	21 141	3 943	69 148	8,68%
1111	ABSA Bank	238 435	127 371	23 238	5 830	104 133	9,13%
1112	ABSA Bank	152 160	81 425	14 856	3 727	66 569	9,13%
1113	ABSA Bank	747 237	455 847	83 167	20 866	372 680	9,13%
1114	ABSA Bank	307 000	187 144	34 144	8 567	153 000	9,13%
1115	ABSA Bank	177 760	108 065	19 716	4 947	88 349	9,13%
1116	ABSA Bank	219 458	134 106	24 558	5 890	109 547	8,76%
1117	ABSA Bank	307 000	187 283	34 169	8 573	153 114	9,13%
1118	ABSA Bank	177 760	108 065	19 716	4 947	88 349	9,13%
1119	ABSA Bank	177 760	108 065	19 716	4 947	88 349	9,13%
1120	ABSA Bank	747 237	455 846	83 167	20 866	372 679	9,13%
1121	ABSA Bank	985 678	602 169	110 273	26 447	491 896	8,76%
1122	ABSA Bank	139 547	103 065	15 326	4 635	87 739	8,92%
1123	ABSA Bank	142 965	105 593	15 725	4 722	89 868	8,92%
1124	ABSA Bank	254 270	187 802	27 968	8 399	159 834	8,92%
1125	ABSA Bank	259 265	191 492	28 518	8 564	162 974	8,92%
1126	ABSA Bank	259 265	191 492	28 518	8 564	162 974	8,92%
1127	ABSA Bank	168 228	124 249	18 476	5 587	105 773	8,92%
1128	ABSA Bank	259 519	191 674	28 502	8 619	163 171	8,92%
1129	ABSA Bank	259 519	191 674	28 502	8 619	163 171	8,92%
1130	ABSA Bank	354 334	261 301	38 914	11 686	222 387	8,92%
1131	ABSA Bank	1 318 540	973 179	144 930	43 523	828 249	8,92%
1132	ABSA Bank	39 750	29 155	4 342	1 304	24 813	8,92%
1133	ABSA Bank	39 750	29 154	4 335	1 311	24 819	8,92%
1134	ABSA Bank	783 973	578 512	86 155	25 872	492 358	8,92%
1135	ABSA Bank	783 973	578 512	86 155	25 872	492 358	8,92%
1136	ABSA Bank	168 228	122 479	18 164	5 637	104 315	9,13%
1137	ABSA Bank	132 696	84 748	12 587	3 879	72 160	9,13%
1138	STANDARD BANK	21 970 000	17 946 702	1 883 331	891 297	16 063 371	9,96%
1139	ABSA Bank	991 053	920 761	83 038	47 134	837 724	10,21%
13514/101	DBSA (Sewer)	4 271 455	542 532	90 422	27 533	452 110	7,84%
	<b>TOTAL</b>		<b>360 431 125</b>	<b>21 055 436</b>	<b>19 140 494</b>	<b>339 375 689</b>	

Total external loans outstanding at 31 December 2017 amounted to R339.3m.

During December 2017, redemption payments of R21 million and interest payments of R19.1 million were made.

## 2.12 Summary of Investments

		Movements for the month								
	Balance as at 01 December 2017	Investments matured	Investments made	Interest capitalised	Costs & Fees	Balance as at 31 December 2017	Interest earned		Interest earned	
							Month	Yield	Year to date	Yield
<b>BANK DEPOSITS</b>										
Bank Deposit	450 000 000		150 000 000	-	-	600 000 000	-	-	5 282 260	-
Sinking Fund Deposit										
<b>TOTAL</b>	<b>450 000 000</b>	<b>0</b>	<b>150 000 000</b>	<b>0</b>	<b>0</b>	<b>600 000 000</b>	<b>0</b>	<b>0</b>	<b>5 282 260</b>	<b>0</b>
<b>FUNDS UNDER MANAGEMENT</b>										
<b>LISTED INVESTMENTS</b>										
<b>UNLISTED INVESTMENTS</b>										
Investments in Municipal Entities										
Other Investments										
<b>TOTAL</b>	<b>450 000 000</b>	<b>0</b>	<b>150 000 000</b>	<b>0</b>	<b>0</b>	<b>600 000 000</b>	<b>0</b>	<b>0</b>	<b>5 282 260</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>450 000 000</b>	<b>0</b>	<b>150 000 000</b>	<b>0</b>	<b>0</b>	<b>600 000 000</b>	<b>0</b>	<b>0</b>	<b>5 282 260</b>	<b>0</b>

Total Investments as at 31 December 2017 amounted to R600m.

Interest earned to date amounts to R5.2m.

## **2.14 – Performance Indicators**

# **SERVICE DELIVERY PERFORMANCE PLANNING**

## **1.1 Legislative overview**

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act (MFMA) No. 56 of 2003 the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must in terms of Section 72(1)(b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury. Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mayor approved the Top Layer Service Delivery and Budget Implementation Plan (SDBIP) for 2017/18 in terms of Section 53(1)(c)(ii) of the MFMA, MFMA Circular No. 13 and the Municipal Budgeting and Reporting Regulation which include the Municipality's key performance indicators (KPI's) for 2017/18.

## **1.2 Creating a culture of performance**

### **a) Performance Framework**

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Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System (PMS) entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." This framework, inter alia, reflects the linkage between the Integrated Development Plan (IDP), Budget, SDBIP and individual and service provider performance. The Municipal Council adopted a Performance Management Framework on 26 October 2011.

### **b) Monitoring Performance**

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The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- **THE ACTUAL RESULT IN TERMS OF THE TARGET SET**
- **THE OUTPUT/OUTCOME OF ACHIEVING THE KPI**

- **THE CALCULATION OF THE ACTUAL PERFORMANCE REPORTED (IF %)**
- **A PERFORMANCE COMMENT**
- **ACTIONS TO IMPROVE THE PERFORMANCE AGAINST THE TARGET SET, IF THE TARGET WAS NOT ACHIEVED**
- **IT IS THE RESPONSIBILITY OF EVERY KPI OWNER TO MAINTAIN A PORTFOLIO OF EVIDENCE TO SUPPORT ACTUAL PERFORMANCE RESULTS UPDATED**

### 1.3 Link to the IDP and the budget

The Municipality identified the following strategic objectives based on the inputs from the community in the 5-year IDP:

- **AFFORDABLE QUALITY SERVICES**
- **DEVELOP AND GROW GEORGE**
- **GOOD GOVERNANCE AND HUMAN CAPITAL**
- **PARTICIPATIVE PARTNERSHIPS**
- **SAFE, CLEAN AND GREEN**

a) Performance indicators set in the approved Top Layer SDBIP for 2017/18 per strategic objective

#### i) Affordable quality services

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL9	Limit electricity losses to less than 10% by 30 June 2018 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated)x 100	% Electricity losses by 30 June 2018 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated)x 100	All	7.65%	10%	10%	10%	10%	10%
TL10	85% of the electricity capital budget spent by 30 June 2018 {(Actual capital expenditure divided by the total approved capital budget)x100}	% of the capital budget spent by 30 June 2018 {(Actual capital expenditure divided by the total approved capital budget)x100}	All	79.65%	0%	10%	20%	85%	85%

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
		budget)x100}							
TL16	90% of the MIG funding for sport projects spent by 30 June 2018 {(actual expenditure/total allocation received)x100}	% of budget spend	All	100%	0%	25%	60%	90%	90%
TL20	Limit water network losses to less than 20% by 30 June 2018 {(Difference between water supplied and water billed) {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x100}	% Water network losses by 30 June 2018 (Difference between water supplied and water billed) {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres	All	29.71%	0%	20%	0%	20%	20%
TL21	Complete the construction a 12.5 mega litre reservoir at the George Water Works by 30 June 2018	Reservoir construction completed	All	New KPI for 2017/18	0	0	0	1	1
TL22	Complete the construction of the Garden Route Dam wall and spill way raising by 30 June 2018	Construction completed	All	New KPI for 2017/18	0	0	0	1	1
TL23	Rehabilitate and upgrade Streets and Stormwater in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	45.62%	0%	10%	20%	85%	85%
TL24	Rehabilitate and upgrade the	% of budget spend at 30	All	100%	0%	10%	20%	85%	85%

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
	proclaimed roads in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	June 2018 {(Actual expenditure divided by the total approved budget) x 100}							
TL25	Rehabilitate and upgrade the public transport infrastructure in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	New KPI for 2017/18	0%	10%	20%	85%	85%
TL26	Rehabilitate and upgrade Water - Networks in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	61.43%	0%	10%	20%	85%	85%
TL27	Rehabilitate and upgrade Water-Purification in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	92.63%	0%	10%	20%	85%	85%
TL28	Rehabilitate and upgrade the Sewerage Networks in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	48.22%	0%	10%	20%	85%	85%

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
	100}								
TL29	Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	84.47%	0%	10%	20%	85%	85%
TL30	90% compliance to general standards with regard to waste water outflow by 30 June 2018	% compliance to general standards by 30 June 2018	All	93	90%	90%	90%	90%	90%
TL31	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June 2018	% water quality level by 30 June 2018	All	98.50%	95%	95%	95%	95%	95%
TL32	Construct 21 top structures in Protea Park by 30 June 2018	21 Top structures constructed by 30 June 2018	5	20	0	0	0	21	21
TL33	Construct 30 top structures in Extension 42 & 58 (Thembaletu) by 30 June 2018	30 Top structures constructed by 30 June 2018	9	New KPI for 2017/18	0	0	0	30	30
TL34	Construct 80 top structures within the Thembaletu UISP project by 30 June 2018	80 Top structures constructed by 30 June 2018	11; 12; 13	New KPI for 2017/18	0	0	0	80	80
TL37	Obtain funding approval from the Provincial Department of Human Settlements by 30 June 2018 for the construction of 165 top structures for the Golden Valley Housing Project	Funding approval obtained by 30 June 2018	1	New KPI for 2017/18	0	0	0	1	1

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL38	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2018	Number of residential properties which are billed for water or have pre paid meters as at 30 June 2018	All	33 259	0	39 000	0	39 000	39 000
TL39	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2018	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2018	All	42 313	0	39 000	0	39 000	39 000
TL40	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2018	Number of residential properties which are billed for sewerage as at 30 June 2018	All	36 831	0	35 000	0	35 000	35 000
TL41	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2018	Number of residential properties which are billed for refuse removal as at 30 June 2018	All	35 600	0	35 000	0	35 000	35 000
TL42	Provide free basic water to indigent households	Number of indigent households receiving free basic water as	All	14 635	0	14 000	0	14 000	14 000

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
		at 30 June 2018							
TL43	Provide free basic electricity to indigent households	Number of indigent households receiving free basic electricity as at 30 June 2018	All	19 083	0	14 000	0	14 000	14 000
TL44	Provide free basic sanitation to indigent households	Number of indigent households receiving free basic sanitation as at 30 June 2018	All	14 413	0	14 000	0	14 000	14 000
TL45	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June 2018	All	14 482	0	14 000	0	14 000	14 000
TL49	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2018 {(Actual amount spent on projects/Total amount budgeted for capital projects)X100} as at 30 June 2018	% of capital budget spent by 30 June 2018 {(Actual amount spent on projects/Total amount budgeted for capital projects)X100}	All	67.2	0%	10%	20%	85%	85%

Table 1: *Affordable quality services*

## ii) Develop and grow George

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL1	Create Full Time Equivalents (FTE's) through government expenditure with EPWP by 30 June 2018	Number of FTE's created by 30 June 2018 consisting of all communities	All	503	0	0	0	294	294
TL19	Upgrade the Pacalsdorp Library by 30 June 2018	Library upgraded	14	New KPI for 2017/18	0	0	0	1	1
TL35	Review and submit the SDF to Council for approval by 31 May 2018	SDF reviewed and submitted for approval by 31 May 2018	All	New KPI for 2017/18	0	0	0	1	1
TL36	Submit Integrated Zoning Scheme By-Law to Council for adoption by 30 September 2017	Integrated Zoning Scheme By-Law submitted for adoption by 30 September 2017	All	New KPI for 2017/18	1	0	0	0	1

Table 2: *Develop and grow George*

## iii) Good governance and human capital

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL 2	The number of people from employment equity target groups employed (newly	Number of people employed (newly appointed)	All	0	0	0	0	1	1

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
	appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2018								
TL 3	Review the 3 year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 September 2017	RBAP (Risk Based Audit Plan) submitted to Audit Committee by 30 September 2017	All	New KPI for 2017/18	1	0	0	0	1
TL 4	Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan by 30 June 2018 ((Actual hours completed/ Planned hours to be completed)x100)	% of target hours completed by 30 June 2018{(Actual hours completed/ Planned hours to be completed)x 100}	All	100%	0%	0%	0%	100%	100%
TL 8	Review the Performance Management Framework and submit to Council by 31 December 2017	Performance Management Framework submitted to Council by 30 December 2017	All	0	0	0	0	1	1
TL 46	Financial viability measured in terms of the municipality's ability to meet it's service	% Debt to Revenue as at 30 June 2018	All	24.18%	0%	0%	0%	45%	45%

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
	debt obligations as at 30 June 2018 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)								
TL 47	Financial viability measured in terms of the outstanding service debtors as at 30 June 2018 (Total outstanding service debtors/ revenue received for services)	% Service debtors to revenue as at 30 June 2018	All	10.48%	0%	0%	0%	15.60 %	15.60 %
TL 48	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2018 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure	Cost coverage as at 30 June 2018	All	3.38	0	0	0	2	2

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
	excluding (Depreciation Amortisation and Provision for Bad Debts Impairment and Loss on Disposal of Assets))								
TL 50	Achieve a payment percentage of 96% {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	Payment % as at 30 June 2018 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	All	104.96%	96%	96%	96%	96%	96%
TL 51	Review the Long Term Financial Plan and submit to Council for approval by 31 March 2018	Reviewed Long Term Financial Plan submitted to Council by 31 March 2018	All	1	0	0	1	0	1
TL 52	Maintain an unqualified audit opinion for the 2016/17 financial year	Unqualified audit opinion achieved for the 2016/17 financial year	All	1	0	1	0	0	1
TL 53	The percentage of a municipality's budget actually spent on implementing its workplace skills plan	{(Actual total training expenditure divided by total personnel budget)x100} by 30 June 2018	All	15%	0%	0%	0%	0.50 %	0.50 %

Table 3: *Good governance and human capital*

## iv) Participative partnerships

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL 5	Submit the IDP/budget time schedule to Council by 31 August 2017	Time schedule submitted to Council	All	1	1	0	0	0	1
TL 6	Submit the draft IDP to Council by 31 March 2018 to ensure compliance with legislation	Draft IDP submitted to Council	All	1	0	0	1	0	1
TL 7	Submit the IDP to Council by 31 May 2018 to ensure compliance with legislation	IDP submitted to Council	All	1	0	0	0	1	1

Table 4: *Participative partnerships*

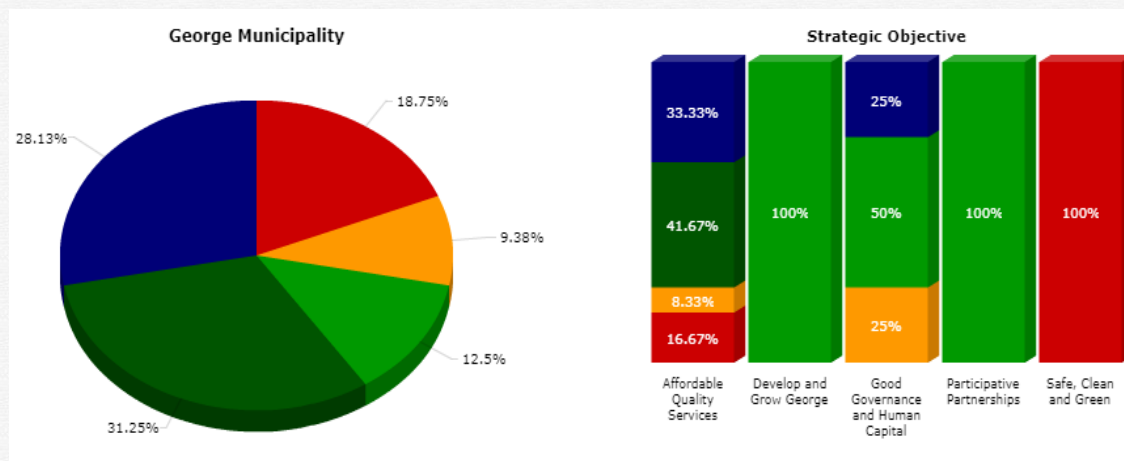
## v) Safe clean and green

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Target				
					Q1	Q2	Q3	Q4	Annual
TL14	Complete the Environmental Impact Assessment (EIA) for the construction of a refuse transfer station in Uniondale by 30 June 2018	EIA obtained by 30 June 2018	25	New KPI for 2017/18	0	0	0	1	1
TL15	Purchase 2 refuse compactor trucks by 30 June 2018	Number of refuse compactor trucks purchased by 30 June 2018	25	New KPI for 2017/18	0	0	0	2	2
TL17	Spend 95% of the approved project budget for the upgrading of the solid waste transfer station in George by 30 June 2018	% of budget spend	23	New KPI for 2017/18	0%	25%	60%	95%	95%
TL18	Spend 95% of the approved project budget for the rehabilitation of the George landfill site by 30 June 2018	% of budget spend	23	New KPI for 2017/18	0%	25%	60%	95%	95%

Table 5: *Safe clean and Green*

## 2. MID-YEAR PERFORMANCE AGAINST THE PERFORMANCE INDICATORS SET IN THE APPROVED TOP LAYER SDBIP FOR 2017/18

### 2.1 Overall actual performance of indicators for the mid-year ending 31 December 2017



**Graph 1: Overall actual performance of indicators for the mid-year ending 31 December 2017**

Category	Colour	Explanation
KPI's Not Met	Red	0% >= Actual/Target < 75%
KPI's Almost Met	Orange	75% >= Actual/Target < 100%
KPI's Met	Green	Actual/Target = 100%
KPI's Well Met	Dark Green	100% > Actual/Target < 150%
KPI's Extremely Well Met	Dark Blue	Actual/Target >= 150%

### Actual performance per strategic objective of indicators for the mid-year ending 31 December 2017

Detailed below is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2017 which measures the Municipality's overall performance per strategic objective. The tables furthermore include the performance comments and corrective measures indicated for targets not achieved.

The Municipality met **71.9%** (23 of 32) of the applicable KPI's for the period as at **31 December 2017**. The remainder of the KPI's (21) on the Top Layer SDBIP out of the total number of 53 KPI's do not have targets for this period and will be reported on in future quarters when they are due. **16%** (28.1% of 32) kpi targets were not achieved as at **31 December 2017** of which the details are included in the tables below.

a) Actual performance per strategic objective of indicators  
for the mid-year ending 31 December 2017

i) Affordable quality services

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL9	Limit electricity losses to less than 10% by 30 June 2018 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated)x 100	% Electricity losses by 30 June 2018 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x100	All	7.65%	10%	10%	10%	8.38%	B
TL10	85% of the electricity capital budget spent by 30 June 2018 {(Actual capital expenditure divided by the total approved capital budget)x100}	% of the capital budget spent by 30 June 2018 {(Actual capital expenditure divided by the total approved capital budget)x100}	All	79.65%	0%	10%	10%	3%	R
Corrective Actions		Appoint Electrotechnical Services Director as a matter of urgency to allow Engineer to focus on tenders and specifications							
TL16	90% of the MIG funding for sport projects spent by 30 June 2018 {(actual expenditure/total allocation received)x100}	% of budget spend	All	100%	0%	25%	25%	1%	R
Corrective Actions		Consulting engineer only appointed in January 2018							
TL20	Limit water network losses to less than 20% by 30 June 2018 {(Difference between water supplied and water billed) {(Number of Kilolitres Water Purchased or	% Water network losses by 30 June 2018 (Difference between water supplied and water billed) {(Number of Kilolitres Water Purchased or	All	29.71%	0%	20%	20%	21.19%	R

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Ref	KPI	Unit of Measurement	Ward s	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
	Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x100}	Purified - Number of Kilolitres Water Sold) / Number of Kilolitres							
Corrective Actions		Water losses will be monitored closely							
TL23	Rehabilitate and upgrade Streets and Stormwater in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	45.62%	0%	10%	10%	21.19%	B
TL24	Rehabilitate and upgrade the proclaimed roads in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	100%	0%	10%	10%	10.64%	G 2
TL25	Rehabilitate and upgrade the public transport infrastructure in terms of the approved capital budget by 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	New KPI for 2017/18	0%	10%	10%	13.20%	G 2
TL26	Rehabilitate and upgrade Water - Networks in terms of the approved capital budget by 30 June 2018	% of budget spend at 30 June 2018 {(Actual expenditure divided by the total approved budget) x 100}	All	61.43%	0%	10%	10%	16.19%	B

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Ref	KPI	Unit of Measurement	Ward s	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
	{{Actual expenditure divided by the total approved budget) x 100}}	x 100}							
TL27	Rehabilitate and upgrade Water-Purification in terms of the approved capital budget by 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	% of budget spend at 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	All	92.63%	0%	10%	10%	27.62%	B
TL28	Rehabilitate and upgrade the Sewerage Networks in terms of the approved capital budget by 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	% of budget spend at 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	All	48.22%	0%	10%	10%	44.19%	B
TL29	Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved capital budget by 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	% of budget spend at 30 June 2018 {{Actual expenditure divided by the total approved budget) x 100}}	All	84.47%	0%	10%	10%	6.81%	R
Corrective Actions		Bulk of the work will be done in the second half of the year							
TL30	90% compliance to general standards with regard to waste water outflow by 30 June 2018	% compliance to general standards by 30 June 2018	All	93	90%	90%	90%	88%	O

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Ref	KPI	Unit of Measurement	Ward s	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL31	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June 2018	% water quality level by 30 June 2018	All	98.50%	95%	95%	95%	98.10%	G 2
TL32	Construct 21 top structures in Protea Park by 30 June 2018	21 Top structures constructed by 30 June 2018	5	20	0	0	0	11	B
TL34	Construct 80 top structures within the Thembaletu UISP project by 30 June 2018	80 Top structures constructed by 30 June 2018	11; 12; 13	New KPI for 2017/18	0	0	0	50	B
TL38	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2018	Number of residential properties which are billed for water or have pre paid meters as at 30 June 2018	All	33 259	0	39 000	39 000	34 074	O
TL39	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June 2018	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas) as at 30 June 2018	All	42 313	0	39 000	39 000	42 933	G 2
TL40	Number of formal residential properties connected to the municipal waste water	Number of residential properties which are billed for sewerage as at 30	All	36 831	0	35 000	35 000	39 418	G 2

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Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
	sanitation/sewerage network for sewerage service irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2018	June 2018							
TL41	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2018	Number of residential properties which are billed for refuse removal as at 30 June 2018	All	35 600	0	35 000	35 000	37 380	G 2
TL42	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at 30 June 2018	All	14 635	0	14 000	14 000	15 219	G 2
TL43	Provide free basic electricity to indigent households	Number of indigent households receiving free basic electricity as at 30 June 2018	All	19 083	0	14 000	14 000	19 311	G 2
TL44	Provide free basic sanitation to indigent households	Number of indigent households receiving free basic sanitation as at 30 June 2018	All	14 413	0	14 000	14 000	14 998	G 2
TL45	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June 2018	All	14 482	0	14 000	14 000	15 075	G 2
TL49	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2018 {(Actual amount	% of capital budget spent by 30 June 2018 {(Actual amount spent on projects/Total amount budgeted for capital	All	67.2	0%	10%	10%	15%	B

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
	spent on projects/Total amount budgeted for capital projects)X100} as at 30 June 2018	projects)X100}							

Table 6: *Affordable quality services*

## ii) Develop and grow George

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL3 6	Submit Integrated Zoning Scheme By-Law to Council for adoption by 30 September 2017	Integrated Zoning Scheme By-Law submitted for adoption by 30 September 2017	All	New KPI for 2017/18	1	0	1	1	G

Table 7: *Develop and grow George*

## iii) Good governance and human capital

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL3	Review the 3 year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 September 2017	RBAP (Risk Based Audit Plan) submitted to Audit Committee by 30 September 2017	All	New KPI for 2017/18	1	0	1	1	G
TL4	Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan by 30 June 2018 ((Actual hours completed/ Planned hours to be completed)x100)	% of target hours completed by 30 June 2018{((Actual hours completed/ Planned hours to be completed)x100)}	All	100%	0%	0%	0%	25%	B
TL50	Achieve a payment percentage of 96% {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	Payment % as at 30 June 2018 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	All	104.96%	96%	96%	96%	94%	O
TL52	Maintain an unqualified audit opinion for the 2016/17 financial year	Unqualified audit opinion achieved for the 2016/17 financial year	All	1	0	1	1	1	G

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL3	Review the 3 year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 September 2017	RBAP (Risk Based Audit Plan) submitted to Audit Committee by 30 September 2017	All	New KPI for 2017/18	1	0	1	1	G

Table 8: *Good governance and human capital*

## iv) Participative partnerships

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL5	Submit the IDP/budget time schedule to Council by 31 August 2017	Time schedule submitted to Council	All	1	1	0	1	1	G

Table 9: *Participative partnerships*

## v) Safe clean and green

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
TL17	Spend 95% of the approved project budget for the upgrading of the solid waste transfer station in George by	% of budget spend	23	New KPI for 2017/18	0%	25%	25%	1%	R

Ref	KPI	Unit of Measurement	Wards	Actual performance of 2016/17	Overall performance for the mid-year ending 31 December 2017				
					Q1	Q2	Target	Actual	R
	30 June 2018								
<b>Corrective action</b>		Spending must be monitored closely							
TL18	Spend 95% of the approved project budget for the rehabilitation of the George landfill site by 30 June 2018	% of budget spend	23	New KPI for 2017/18	0%	25%	25%	5%	R
<b>Corrective action</b>		Spending must be monitored closely							

Table 10: *Safe clean and green*

## 2.2 Adjustment of the top layer sdbip for 2017/18

In terms of Section 27(2)(b) when submitting an adjustments budget to the National Treasury and the relevant provincial treasury in terms of Section 28(7) of the MFMA read together with Section 24(3) of the MFMA the Municipal Manager must also submit the amended SDBIP within ten working days after the Council has approved the amended plan in terms of Section 54(1)(c) of the MFMA.

The Top Layer SDBIP will be revised if needed and submitted with the Adjustments Budget to Council with the necessary motivation where KPI targets require amendment as a result of the Adjustments Budget and/or corrections as a result of the audit outcomes of 2016/17.

### **2.3 Annual Report 2016/17**

The draft Annual Report of the 2016/17 financial year will be tabled by 31 January 2018.

As prescribed in Section 72(1)(a)(iii) of the MFMA the Accounting Officer must assess the performance of the Municipality in the first 6 months taking into account the past year's Annual Report and progress on resolving the problems identified in the Annual Report. Council has appointed a Municipal Public Accounts Committee (MPAC) who will compile an oversight report. This report will include a summary of comments and conclusions on the Annual Report of the Municipality and will include one or more of the following:

- Misstatements in the Financial Statements
- Material under spending of the budget
- Planned key performance indicators not achieved
- Non-compliance with laws and regulations
- Assessment by Internal Audit on predetermined objectives (PMS)
- Financial management
- Governance

The Annual Report has been audited by the Auditor-General and the final draft has also been sent to them for verification. Thus the final report have been scrutinized for accuracy reliability and correctness not only by the management team but by the Auditor-General as well.

### 2.15 Municipal Manager's Quality Certificate

I, TREVOR BOTHA, The Municipal Manager of George Municipality hereby certify that the mid-year budget and performance assessment for the 2017/2018 financial year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.


Print Name

TREVOR BOTHA

Municipal Manager of

GEORGE MUNICIPALITY

Signature



Date

10 January 2018

### 2.16 Executive Mayor Quality Certificate

Section 54 of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

I, MELVIN NAIK, The Executive Mayor of George Municipality hereby certify that the mid-year budget and performance assessment for the 2017/2018 financial year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.


Print Name

MELVIN NAIK

Executive Mayor of

GEORGE MUNICIPALITY

Signature



Date

10 January 2018