

2015/2016 SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN

KPA 4: FINANCIAL VIABILITY

BUDGET AND TREASURY

MEASURABLE OBJECTIVES	INPUT	OUTPUT	OUTCOME	PROJECT	BASELINE 2014/2015	INDICATORS	ANNUAL TARGET 2015/2016	Q1	Q2	Q3	Q4	EVIDENCE	BUDGET 2015-2016	IMPACT
To ensure sufficient reserve funds to address asset renewal by contributing R30m to CRR by end of June 2016	VAT Refunds and Interest earned on investment	Call account investment	assured financial viability	Capital Replacement Reserve fund	Budget 2014/15 (R87,716,507.63)	Rand value invested towards CRR	R30m by end June 2016 *Q1=R2m *Q2=R5m *Q3=R10m *Q4=R13m	R2m (7%)	R5m(17%)	R10m(34%)	R12m(42%)	Investment certificates	R 29 000 000.00	Sufficient resources for capital refurbishment
To ensure 100% Preparation of a credible 2016/17 budget.	Human resource	Credible Budget	Improved Financial Viability for Services delivery	Budget preparation and implementation	100% 2014/2015 approved credible budget	Percentage credible budget prepared.	100% credible budget prepared: 1 budget timetable(10%)2. Roll over 2014/2015 (10%) 2. 3. Functionality of budget steering committee (8%) 4. Amendment of roll overs. (10%) 5. Mid-year Adjustment of budget (12%) 5.. Reviewed budget related policies(20%) 6. Draft budget (20%) 7. Cash backed budget(10%)	Approved budget timetable (10%) 2. Roll over application 2014/2015 (10%). Facilitation of the budget steering committee meetings(2%)	(Amendment for roll overs(10%) Facilitation of the budget steering committee meetings (4%)	Mid-year Adjustment of budget (12%). Review of budget related policies(draft policies)(20%). Draft Budget. (20%)Facilitation of the budget steering committee meetings(6%)	Cash backedFinal budget.(20%) Facilitation of the budget steering committee meetings.(8%)	Approved budget and council resolutions	R 0	Improved financial viability
To ensure 60% improved audit opinion for 2015/16 financial year.	Human resource	Clean audit outcome	Sound financial management	Operation Clean Audit	Unqualified audit opinion with matters of emphasis	Percentage reduction in matters of emphasis	100% reduction of matters of emphasis *clearance of 13/14 matters of emphasis *monitoring of the 14/15 audit process *clearance of 14/15 matters of emphasis	*100% clearance of 13/14 matters of emphasis	*100% monitoring of the 14/15 audit process	*clearance of 14/15 matters of emphasis	*clearance of 14/15 matters of emphasis	Report on audit action plan	R300,000	Sound financial management
to generate and submit 30 finance compliance reports by June 2016	Compliance checklist and Human Resources	Compliance reports performed and submitted on time	Compliance to legislation and regulations	Finance Compliance Reports	2013/14 AFS 2014/15 Section 52; 71 and 72 reports	Number of finance compliance reports generated and submitted	30 finance compliance reports generated and submitted (12x Section 71, 4x Section 52, 12x Supply Chain, 1x Section 72, 1x AFS)	8 finance compliance reports generated and submitted (3 Section 71 reports, 1 Section 52 report, 3 SCM reports, 1x AFS)	7 finance compliance reports generated and submitted (3 Section 71 reports, 1 Section 52 report, 3 SCM reports)	8 finance compliance reports generated and submitted (3 Section 71 reports, 1 Section 52 report, 3 SCM reports, 1x section 72)	7 finance compliance reports generated and submitted (3 Section 71 reports, 1 Section 52 report, 3 SCM reports.)	Section 71, 52, 72 reports, SCM reports and Quarterly AFS	R 0	Sound financial management
To ensure 100% implementation of SCOA activities in terms of the implementation plan by 30 June 2016	SCOA implementation plan, Human Resources	SCOA compliance chart of accounts	Successful implementation of SCOA	Municipal Standard Chart of Accounts (mSCOA)	Council resolution 2014/2015	Percentage of activities on SCOA implementation plan achieved	100% achievement of SCOA implementation plan *scoa transaction selection 15%; building of SCOA ledger 15%; align old chart to new SCOA 20%; training and budget inputs from departments 10%; final draft on SCOA submitted to council 10%; final full SCOA release 10%; testing 20%	0%	30% implementation of the SCOA plan 1)SCOA transaction selection 2) Building of SCOA Ledger	70% implementation of the SCOA plan 1)Align Old chart to new SCOA 2) Training and Budget inputs from department 3) Final draft on SCOA submitted to council	100% implementation of the SCOA plan 1)Final full SCOA release 2)Testing of full SCOA transactions 3) Internal Audit review of SCOA transformation	SCOA implementation plan report	R1,000,000	Sound financial management

To ensure 100% accounting of assets and inventory by 30 June 2016	Human resource	GRAP Compliant asset register and electronic migration of data to the system; Proper asset management plan	1. Sound financial management.	Asset management	Manual GRAP Compliant Fixed asset register	% electronic accounting of assets and inventory	100% electronic accounting of assets and inventory, 1) safeguarding movable and immovable assets 20%, 2) Unbundled Assets 20%, 3) valuation 30%, 4) records keeping 10%) 5) Disposal 10% Migration of data to electronic System 10%	25% accounting of assets and inventory, 1) safeguarding movable and immovable assets 5%, 2)Unbundled Assets 5%, 3) valuation 5%, 4) records keeping 2%)	50% accounting of assets and inventory, 1) safeguarding movable and immovable assets 5%, 2)Unbundled Assets 5%, 3) valuation 5%, 4) records keeping 2%)	75% accounting of assets and inventory, 1) safeguarding movable and immovable assets 5%, 2)Unbundled Assets 5%, 3) valuation 5%, 4) records keeping 2%) 5. Migration 5%	100% accounting of assets and inventory, 1) safeguarding movable and immovable assets 5%, 2)disposals 10%, 3)Unbundled Assets 5%, 4) valuation 15%, 5) records keeping 4%) 6) Migration of data to electronic System 5%	Updated GRAP compliant asset register and reconciliation of PPE	R1,800,000	Sound financial management
To achieve 65% revenue collection rate of billed consumers by 30 June 2016	human resource, functional meters, credit control policy	Revenue collection reports	Improved financial viability	Revenue management	60% of billed customers collected	Percentage achievement of collection from billed consumers	65% achievement collection rate	61% collection rate	62% collection rate	64% collection rate	65% collection rate	1)Customer payment report 2)MMS/SMS delivery notice report	2000000	
To facilitate for 100% installation of prepaid meters in five focus areas by 30 June 2016.	Feasibility study report	Prepaid meters installed	Increase in revenue collection through payment received in advance	PPP project	Council resolution	Percentage finalisation of the PPP process and feasibility study	100% finalisation of the PPP process and feasibility * Registration of PPP Project =20% * Feasibility study *60% * Appointment of service provider = 20%	Registration of ppp project	1) Appointment of Transactional advisor 2)60% feasibility study done	1) 40% feasibility study done 2) Approval of PPP project by NT 3) Advert for PPP	1) appointment of service provider 2) 40% pre paid meters installed	Pre-paid Meter report	4000000	
To cleanse 100% of customer data for three towns by 30 June 2016.	1. Valuation roll and deeds office report 2. Human and financial resources	1. Updated customer database.	Improved revenue and reliable customer data	Customer Data cleansing	Current non verifiable customer data	Percentage customer data cleansed	100% customer data cleansed for three towns * Customer data audit = 30% Physical verification of data obtained 50% * Updating of customer information on the billing system = 20%	10% customer data cleansed for three towns (Groblersdal, Burgersfort and Marble Hall)	50% customer data cleansed for three towns (Groblersdal, Burgersfort and Marble Hall)	75% customer data cleansed for three towns (Groblersdal, Burgersfort and Marble Hall)	100% customer data cleansed for three towns (Groblersdal, Burgersfort and Marble Hall)	Cleansed customer data report	5000000	Sound financial management
To ensure that 100% creditors are paid within 30 days	Payment control sheet and Human Resources	Creditors age analysis report	Compliance to legislation and regulations	Expenditure management	Annual expenditure reconciliations	Percentage payment of creditors within 30 days of correct invoice date	100% creditors paid within 30 days of correct invoice date	100% creditors paid within 30 days of correct invoice date	100% creditors paid within 30 days of correct invoice date	100% creditors paid within 30 days of correct invoice date	100% creditors paid within 30 days of correct invoice date	Creditors age analysis	R 0	Sound financial management
To ensure 100% development and implementation of the procurement plan by 30 June 2016	Budget activity plans and human resource	procurement plan	Improved service delivery	Procurement Plan	IDP/BUDGET	Percentage development and implementation of procurement plans	1) 100% development and implementation of 2015/16 procurement plan *Development of procurement plan =40% * Implementation of procurement plan = 60%	100% procurement plan prepared and adopted	100% implementation of the procurement plan	100% implementation of the procurement plan	100% implementation of the procurement plan	Adopted annual procurement plan and progress report on procurement plan implementation	R 0	Improved service delivery.
To ensure 100% reduction of UIF expenditure by 30 June 2016	SCM Policy, Procurement checklist and human resources	UIF Report	Sound financial management	Acquisition Management	R300M reported irregular expenditure	Percentage reduction of irregular expenditure from baseline	100% reduction of irregular expenditure from baseline (adherence to full SCM policies and regulations 100%)	100% compliance to SCM policies and regulations for all procurement done for the quarter	100% compliance to SCM policies and regulations for all procurement done for the quarter	100% compliance to SCM policies and regulations for all procurement done for the quarter	100% compliance to SCM policies and regulations for all procurement done for the quarter	Irregular expenditure report	R300,000	Sound financial management
10% reduction of S&T and overtime expenditure from 2014/15 cost by 30 June 2015	Human Resource	controlled environment	Improved accountability	Austerity measures	100% implementation of internal control measures (1)leave (2)travelling (3)overtime (4)austerity	Percentage reduction in the S&T and overtime expenditure	10% reduction of S&T and overtime expenditure from 2014/15 cost (1)travelling (2)overtime	2% reduction of S&T and overtime expenditure from 2014/15 cost (1)travelling (2)overtime	5% reduction of S&T and overtime expenditure from 2014/15 cost (1)travelling (2)overtime	7.5% reduction of S&T and overtime expenditure from 2014/15 cost (1)travelling (2)overtime	10% reduction of S&T and overtime expenditure from 2014/15 cost (1)travelling (2)overtime	Internal audit certificate and Financial report	R0	Improved accountability

To curb expenditure variance at 5% of budget by 30 June 2015	Human Resource	Managed budget	Sound financial management	Department budget management	5% variance	Percentage departmental variance realised	5% expenditure variance curbed	5% expenditure variance achieved	5% expenditure variance achieved	5% expenditure variance achieved	5% expenditure variance achieved	Financial Report	R0	Improved accountability
100% implementation of the risk management action plan	Human Resource	Reduced risks	Risk free organisation	Departmental Risk Management	100% implementation of risk register	Percentage implementation of risk register	100% implementation of risk register	100% implementation of risk register	100% implementation of risk register	100% implementation of risk register	100% implementation of risk register	Risk management certificate	R0	Improved Risk management
To ensure that 8 IGR initiatives are implemented by 30 June 2016	Human and Financial Resource	Benchmarking and knowledge sharing			8x initiatives to support IGR	Number of initiatives to support IGR undertaken	8x initiatives to support IGR	2 CFO Forums held	4 CFO Forums held	6 CFO Forums held	8 CFO Forums held	Financial Report	R 0	Improved IGR
To ensure 100% implementation of council resolutions by 30 June 2016	Human Resource	Compliance	Improved accountability	Council Resolution Action Plan (RAP)	100% implementation of Council Resolution Action Plan	Percentage implementation of Council Resolution Action Plan	100% implementation of Council Resolution Action Plan	100% implementation of Council Resolution Action Plan	100% implementation of Council Resolution Action Plan	100% implementation of Council Resolution Action Plan	100% implementation of Council Resolution Action Plan	Financial Report	R0	Improved accountability