

OVERBERG

DISTRICT MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT 31 DECEMBER 2021

*Compiled in terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003
(Act 56 of 2003)*

Table of Contents

PART 1: IN-YEAR REPORT

1. Report of the Executive Mayor
 - 1.1 Implementation of the of the Municipality's budget in accordance with the Service Delivery and Budget Implementation Plan
 - 1.2 Any financial problems or risks facing the Municipality
 - 1.3 Annual Report and Audit Report
 - 1.4 National and Provincial adjustments budget
 - 1.5 Recommendation of an adjustments budget for the Municipality
 - 1.6 Non-financial performance – See part 2 (9)

2. Resolutions
 - 2.1 Mid-year budget and performance assessment
 - 2.2 Monthly budget statement and any supporting documents – separate report

 - 2.3 Quarterly report on the implementation of the budget and financial affairs for the Municipality – separate report

3. Executive summary
 - 3.1 Introduction
 - 3.2 Consolidated performance

4. In-year budget statement
 - 4.1 Table C1 Monthly Budget Statement Summary
 - 4.2 Table C2 Monthly Budget Statement – Financial Performance (standard classification)
 - 4.3 Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)
 - 4.4 Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure)
 - 4.5 Table C5 Monthly Budget Statement – Capital Expenditure (Municipal vote, standard classification and funding)
 - 4.6 Table C6 Monthly Budget Statement – Financial Position
 - 4.7 Table C7 Monthly Budget Statement – Cash Flow

PART 2: SUPPORTING DOCUMENTATION

1. Debtor's Analysis (Table SC3)
2. Creditor's Analysis (Table SC4)
3. Investment portfolio analysis (Table SC5)
4. Allocation and grant receipts and expenditure (Tables SC6 and SC7)
5. Councillor allowances and employee benefits (Table SC8)
6. Material variances to the service delivery and budget implementation plan
7. Capital programme performance
8. Capital budget expenditure (SC12)
9. Non-financial performance
10. Half-yearly report by Audit and Performance Audit Committee
11. Municipal Manager's Quality Certification

1. REPORT OF THE EXECUTIVE MAYOR

1.1 Implementation of the of the Municipality's budget in accordance with the service delivery and budget implementation plan

There are 21 projects on the capital budget for 2021/2022 with a total adjusted budget of R6 850 800.00 which included an amount of R1 300 000 which was rolled forward from the previous financial year. See the schedule below for the details of the projects.

CAPITAL PROGRAMME - BUDGET 2021/22

DEPARTMENT	DESCRIPTION	FUNDING TYPE	BUDGET 2021/22	ADJUSTMENT AUG 2021	TOTAL 2021/22	SPENDING YTD Dec 2021	% SPENDING	COMMITMENTS Dec 2021	TOTAL YTD INCL COMMIT	BALANCE UNSPEND
EMERGENCY SERVICES	DC3_Rescue Equipment	1	R100 000		R100 000	R12 054.24	12.05%		R12 054.24	R87 945.76
INFORMATION SERVICES	DC3_Replace of old and broken Computer Equipment	1	R500 000		R500 000	R217 739.14	43.55%	6298.76	R224 037.90	R275 962.10
EMERGENCY SERVICES	DC3_Vehide upgrade/refurbishment	1	R600 000		R600 000	R513 132.89	85.52%	R30 260.25	R543 393.14	R56 606.86
FINANCIAL SERVICES	DC3_Acquisition of a small pick-up utility vehide	1	R250 000		R250 000		0.00%	R234 878.00	R234 878.00	R15 122.00
EMERGENCY SERVICES	DC3_Capital Vehicle Replacement	1	R2 100 000	-R200 000	R1 900 000		0.00%	1652173.91	R1 652 173.91	R247 826.09
SOLID WASTE	DC3_Water back-up system for Karwyderskraal	1	R255 000		R255 000		0.00%		R0.00	R255 000.00
MUNICIPAL HEALTH	DC3_2 Fridges for Storing Samples	1	R18 000		R18 000	R12 078.26	67.10%		R12 078.26	R5 921.74
LED, TOURISM, RESORTS & EPWP	DC3_Purchasing of Furniture and Office Equipment	1	R50 000		R50 000	R5 093.98	10.19%	R9 130.38	R14 224.36	R35 775.64
MUNICIPAL HEALTH	DC3_3-in-1 Printer	1	R4 000		R4 000	R1 973.91	49.35%		R1 973.91	R2 026.09
CORP SERV: EXECUTIVE	DC3_Installation of a Power Generator and UPS back	1	R750 000		R750 000		0.00%		R0.00	R750 000.00
LED, TOURISM, RESORTS & EPWP	DC3_Upgrade of Bungalows - Uilenkraalsmond	1	R304 500		R304 500	R121 740.00	39.98%		R121 740.00	R182 760.00
LED, TOURISM, RESORTS & EPWP	DC3_Supervisor house upgrade - Die Dam	1	R57 000		R57 000	R54 871.38	96.27%		R54 871.38	R2 128.62
LED, TOURISM, RESORTS & EPWP	Water Network	1		R20 000	R20 000		0.00%	R15 716.29	R15 716.29	R4 283.71
EMERGENCY SERVICES	DC3_Furniture and Office Equipment	1		R50 000	R50 000	R2 553.40	5.11%		R2 553.40	R47 446.60
EMERGENCY SERVICES	DC3_Safety initiative Implementation - Infrastruct	4		R600 000	R600 000		0.00%	R483 675.00	R483 675.00	R116 325.00
INFORMATION SERVICES	DC3_Secondary Air Conditioner for Server Room	1		R25 000	R25 000	R10 124.47	40.50%		R10 124.47	R14 875.53
COUNCIL GENERAL	DC3_Covid-19	1		R162 300	R162 300		0.00%		R0.00	R162 300.00
EMERGENCY SERVICES	DC3_FIRE SAFETY IMPLEMENTATION PLAN (Com System)	4		R700 000	R700 000	R160 680.75	22.95%	R439 885.88	R600 566.63	R99 433.37
EMERGENCY SERVICES	DC3_Capital Vehicle Replacement (Insurance) Bakkie	1		R400 000	R400 000	R399 844.03	99.96%		R399 844.03	R155.97
LED, TOURISM, RESORTS & EPWP	DC3_Sewage Wastewater Disposal System	1		R103 000	R103 000		0.00%	R89 545.39	R89 545.39	R13 454.61
MUNICIPAL HEALTH	DC3_Office Equipment	1		R2 000	R2 000	R698.59	34.93%		R698.59	R1 301.41
	TOTAL		R4 988 500	R1 862 300	R6 850 800	R1 512 585.04	22.08%	R2 961 563.86	R4 474 148.90	R2 376 651.10
									65.31%	50.00%

TYPE	FUNDING SOURCES	BUDGET 2021/22	ADJUSTMENT	TOTAL 2021/22	SPENDING YTD August 2021	%	COMMITMENTS	TOTAL YTD INCL COMMIT	BALANCE UNSPEND
1	CAPITAL RESERVE	R4 988 500	R562 300	R5 550 800	R1 351 904.29	61.07%	R2 038 002.98	R3 389 907.27	R2 160 892.73
2	REVENUE	R0	R0	R0	R0.00	R0.00	R0.00	R0.00	R0.00
3	EXTERNAL LOANS	R0	R0	R0	R0.00	R0.00	R0.00	R0.00	R0.00
4	GRANTS	R0	R1 300 000	R1 300 000	R160 680.75	83.40%	R923 560.88	R1 084 241.63	R215 758.37
5	PRIVATE CONTRIBUTIONS	R0	R0	R0	R0.00	R0.00	R0.00	R0.00	R0.00
	TOTAL	R4 988 500	R1 862 300	6 850 800.00	R1 512 585.04		R2 961 563.86	R4 474 148.90	R2 376 651.10

SUMMARY	DESCRIPTION	BUDGET 2021/22	ADJUSTMENT	TOTAL 2021/22	SPENDING YTD Aug 2021	%	COMMITMENTS	TOTAL YTD INCL COMMIT	BALANCE UNSPEND
Corporate Services	Two projects	R750 000	R162 300	R912 300	R0.00		R0.00	R0.00	R912 300.00
Information Technology	Two projects	R500 000	R25 000	R525 000	R227 864		R6 299	R234 162	R290 838
Holiday Resorts	Five projects	R411 500	R123 000	R534 500	R181 705		R114 392	R296 097	R238 403
Emergency Services	Seven projects	R2 800 000	R1 550 000	R4 350 000	R1 088 265.31		R2 605 995	R3 694 260	R655 740
Finance	One project	R250 000	R0	R250 000	R0		R234 878	R234 878	R15 122
Waste Services	One project	R255 000	R0	R255 000	R0		R0	R0	R255 000
Municipal Health	Three project	R22 000	R2 000	R24 000	R14 751		R0	R14 751	R9 249
TOTAL	21 Projects	R4 988 500	R1 862 300	R6 850 800	R1 512 585.04		R2 961 564	R4 474 149	R2 376 651

Although only R1 512 585.04 (22.08%) was spent by 31 December 2021, there were committed cost already allocated towards identified projects, not included in this figure and the recalculated inclusive acquisition cost will jointly amounts to R4 474 148.90 (65.31%). The committed costs will convert into actual spending during the remainder of the financial year and reflect on future reporting.

As illustrated in the table above, 3 projects have zero spending to date namely:

- DC3_Water back-up system for Karwyderskraal R255 000
- DC3_Installation of a Power Generator and UPS back R750 000
- DC3_Covid-19 R162 300

These projects will be closely monitored to determine the realistic outcome of achieving the objective within the remainder of the financial year. Some projects already commenced with the SCM process where others need to be revisited/reprioritized with the adjustment budget.

As illustrated on the table, it is evident that a selection of projects is completed or close to completion. During the adjustment budget, identified capital projects and their "sub-project's" acquisitions in the categories will be re-assessed and amended to ensure optimal capital acquisitions takes place in each project area.

As alluded to above, some projects are more urgent than others such as:

- Solution towards electrify power backup during load shedding (First phase)
- Installation of a Power Generator and UPS back – This will assist with the operational "downtime" the municipality experience during load shedding
- Replacement of redundant pool vehicles with adequate purpose – ensure service delivery are rendered effective, efficient, and economically throughout the district.
- Upgrading of our infrastructure at Resorts – As one of the revenue sources generating cashflow for the municipality, it is crucial to repair and maintain the resort facilities

It should be noted that 16 of the 21 projects are allocated directly to service delivery of the municipality to improve services directly in the community.

Additional priority projects will be added on the capital project programme due to the urgency to safeguard our municipal assets and to ensure proper repairs and maintenance are done. Some of the savings on the Capital Budget could be utilized to finance these new needs.

OPERATING EXPENDITURE

By end of December 2021 an amount of **R 124 671 932.77 (49%)** of the total operational budget (expenditure) of **R 254 932 652.00** was spent. This percentage is considered good expenditure management as it is below the threshold of 50%.

OPERATING EXPENDITURE PER DEPARTMENT

Cost Code	Directorate	Department	Original Budget	Adjustment Budget	SPEND to date	% SPEND TO DATE
3000	MUNICIPAL MANAGER	MUN MANAGER: EXECUTIVE	R 2 425 017.00	R 2 425 017.00	R 1 166 967.39	48%
3001	MUNICIPAL MANAGER	MM: EXECUTIVE SUPPORT	R 700 399.00	R 700 399.00	R 200 212.95	29%
3002	MUNICIPAL MANAGER	INTERNAL AUDIT	R 2 363 719.00	R 2 363 719.00	R 932 319.99	39%
3003	MUNICIPAL MANAGER	COUNCIL EXPENDITURE	R 7 596 100.00	R 7 996 100.00	R 3 106 717.55	39%
3004	MUNICIPAL MANAGER	IDP & COMMUNICATION	R 1 408 920.00	R 1 408 920.00	R 184 582.67	13%
3005	MUNICIPAL MANAGER	PERFORMANCE & RISK MANA	R 2 247 407.00	R 2 247 407.00	R 645 394.43	29%
	Sub Total		R 16 741 562.00	R 17 141 562.00	R 6 236 194.98	36%
4000	MANAGEMENT SERVICES	CORP SERV: EXECUTIVE	R 1 148 398.00	R 1 148 398.00	R 396 786.26	35%
4001	MANAGEMENT SERVICES	CORPORATE SUPPORT	R 4 710 608.00	R 4 710 608.00	R 654 360.11	14%
4002	MANAGEMENT SERVICES	HUMAN RESOURCES	R 3 801 537.00	R 4 001 537.00	R 966 329.24	24%
4003	MANAGEMENT SERVICES	COMMITTEE, RECORDS & COL	R 3 536 136.00	R 3 536 136.00	R 1 574 029.61	45%
4004	MANAGEMENT SERVICES	INFORMATION SERVICES	R 3 484 849.00	R 3 557 349.00	R 2 286 728.03	64%
	Sub Total		R 16 681 528.00	R 16 954 028.00	R 5 878 233.25	35%
5000	COMMUNITY AND TECHNICAL SERVIC	FINANCE: EXECUTIVE	R 1 350 322.00	R 1 400 322.00	R 512 406.58	37%
5001	COMMUNITY AND TECHNICAL SERVIC	FINANCIAL SUPPORT	R 606 175.00	R 606 175.00	R 188 412.11	31%
5002	COMMUNITY AND TECHNICAL SERVIC	FINANCIAL SERVICES	R 18 434 717.00	R 18 534 717.00	R 8 397 016.25	45%
5003	COMMUNITY AND TECHNICAL SERVIC	REVENUE	R 1 554 152.00	R 1 554 152.00	R 471 919.16	30%
5004	COMMUNITY AND TECHNICAL SERVIC	EXPENDITURE	R 5 366 980.00	R 5 366 980.00	R 2 223 970.64	41%
5005	COMMUNITY AND TECHNICAL SERVIC	SUPPLY CHAIN MANAGEMEN	R 2 513 513.00	R 2 513 513.00	R 1 150 244.06	46%
	Sub Total		R 29 825 859.00	R 29 975 859.00	R 12 943 968.80	43%
6000	COMMUNITY AND TECHNICAL SERVIC	COMM. SERV: EXECUTIVE	R 1 234 161.00	R 1 234 161.00	R 537 633.73	44%
6001	COMMUNITY AND TECHNICAL SERVIC	COMMUNITY SERVICES SUPPC	R 1 265 893.00	R 1 265 893.00	R 396 968.97	31%
6002	COMMUNITY AND TECHNICAL SERVIC	MUNICIPAL HEALTH	R 17 444 877.00	R 17 444 877.00	R 7 271 717.89	42%
6003	COMMUNITY AND TECHNICAL SERVIC	COMPREHENSIVE HEALTH	R 202 721.00	R 202 721.00	R 89 790.78	44%
6004	COMMUNITY AND TECHNICAL SERVIC	ENVIROMENTAL MANAGEME	R 3 727 093.00	R 3 727 093.00	R 1 395 146.79	37%
6005	WASTE MANAGEMENT	SOLID WASTE	R 8 030 206.00	R 8 030 206.00	R 4 301 999.42	54%
6006	COMMUNITY AND TECHNICAL SERVIC	EMERGENCY SERVICES	R 32 326 836.00	R 32 326 836.00	R 16 013 875.97	50%
6007	COMMUNITY AND TECHNICAL SERVIC	LED, TOURISM, RESORTS & EP	R 16 874 550.00	R 17 034 550.00	R 7 627 578.65	45%
6008	PUBLIC SAFETY	ROADS	R 109 594 866.00	R 109 594 866.00	R 61 978 823.54	57%
	Sub Total		R 190 701 203.00	R 190 861 203.00	R 99 613 535.74	52%
	TOTAL OPERATIONAL EXPENDITURE		R 253 950 152.00	R 254 932 652.00	R 124 671 932.77	49%

Total Operating Expenditure are just below the 50% mid-way for the first six months of the financial year. In the Community Services Directorate only Roads and Waste Management exceeded the 50% mark, but roads expenditure is funded by means of an agency agreement and solid waste primarily by the local municipality dumping on our landfill.

The underspending in the municipality can largely be due to contributing factors such as vacancies, which have now been filled and or in the process of filling, contracts and tender's management which are still in the process or have been awarded closer to the end of the first half year, hence spending commenced later in the financial year than anticipated.

OPERATING REVENUE PER DEPARTMENT

Cost Code	Directorate	Department	Original Budget	Adjustment Budget	Received to date	% SPEND TO DATE
3000	MUNICIPAL MANAGER	MUN MANAGER: EXECUTIVE	R -	R -	R -	0%
3001	MUNICIPAL MANAGER	MM: EXECUTIVE SUPPORT	R -	R -	R -	0%
3002	MUNICIPAL MANAGER	INTERNAL AUDIT	R -	R -	R -	0%
3003	MUNICIPAL MANAGER	COUNCIL EXPENDITURE	-R 24 921 236.00	-R 24 921 236.00	-R 7 065 372.69	28%
3004	MUNICIPAL MANAGER	IDP & COMMUNICATION	R -	R -	R -	0%
3005	MUNICIPAL MANAGER	PERFORMANCE & RISK MANA	-R 773 844.00	-R 773 844.00	-R 114 490.20	15%
Sub Total			-R 25 695 080.00	-R 25 695 080.00	-R 7 179 862.89	28%
4000	MANAGEMENT SERVICES	CORP SERV: EXECUTIVE	R -	R -	R -	0%
4001	MANAGEMENT SERVICES	CORPORATE SUPPORT	-R 29 200.00	-R 29 200.00	-R 14 917.60	51%
4002	MANAGEMENT SERVICES	HUMAN RESOURCES	R -	R -	R -	0%
4003	MANAGEMENT SERVICES	COMMITTEE, RECORDS & COU	R -	R -	R -	0%
4004	MANAGEMENT SERVICES	INFORMATION SERVICES	R -	R -	R -	0%
Sub Total			-R 29 200.00	-R 29 200.00	-R 14 917.60	51%
5000	COMMUNITY AND TECHNICAL SERVIC	FINANCE: EXECUTIVE	R -	R -	R -	0%
5001	COMMUNITY AND TECHNICAL SERVIC	FINANCIAL SUPPORT	R -	R -	R -	0%
5002	COMMUNITY AND TECHNICAL SERVIC	FINANCIAL SERVICES	-R 85 953 260.00	-R 86 374 710.00	-R 57 836 009.82	67%
5003	COMMUNITY AND TECHNICAL SERVIC	REVENUE	-R 19 700.00	-R 19 700.00	-R 12 912.11	66%
5004	COMMUNITY AND TECHNICAL SERVIC	EXPENDITURE	R -	R -	-R 15 197.65	0%
5005	COMMUNITY AND TECHNICAL SERVIC	SUPPLY CHAIN MANAGEMENT	R -	R -	R -	0%
Sub Total			-R 85 972 960.00	-R 86 394 410.00	-R 57 864 119.58	67%
6000	COMMUNITY AND TECHNICAL SERVIC	COMM. SERV: EXECUTIVE	R -	R -	R -	0%
6001	COMMUNITY AND TECHNICAL SERVIC	COMMUNITY SERVICES SUPP	R -	R -	R -	0%
6002	COMMUNITY AND TECHNICAL SERVIC	MUNICIPAL HEALTH	-R 166 400.00	-R 166 400.00	-R 100 431.42	60%
6003	COMMUNITY AND TECHNICAL SERVIC	COMPREHENSIVE HEALTH	-R 202 721.00	-R 202 721.00	-R 89 790.78	44%
6004	COMMUNITY AND TECHNICAL SERVIC	ENVIROMENTAL MANAGEME	-R 135 200.00	-R 135 200.00	R -	0%
6005	WASTE MANAGEMENT	SOLID WASTE	-R 12 427 534.00	-R 12 427 534.00	-R 5 174 718.07	42%
6006	COMMUNITY AND TECHNICAL SERVIC	EMERGENCY SERVICES	-R 4 020 432.00	-R 4 020 432.00	-R 2 074 280.68	52%
6007	COMMUNITY AND TECHNICAL SERVIC	LED, TOURISM, RESORTS & EP	-R 16 979 872.00	-R 16 979 872.00	-R 9 162 943.32	54%
6008	PUBLIC SAFETY	ROADS	-R 109 594 866.00	-R 109 594 866.00	-R 59 397 500.86	54%
Sub Total			-R 143 527 025.00	-R 143 527 025.00	-R 75 999 665.13	53%
Total Operating Revenue			-R 255 224 265.00	-R 255 645 715.00	-R 141 058 565.20	55%

Revenue to date exceeded the 50% mark, however underperformance was evident at Council's department since the property sales have not yet concluded as anticipated. These transactions will conclude early in the third quarter and the gains of selling the properties will be recognised. Risk Shared Service's revenue, collected from local municipalities are lower than anticipated due to a vacancy of a Chief Risk Officer for a specific period, hence the revenue in the municipal managers directorate needs to be adjusted, although outstanding fees are also applicable.

Equitable share had been received as anticipated, hence no matters to report in the finance directorate.

Emergency Services revenue are significantly below the budgeted projection, however local municipalities where only invoiced for the first six-month period. Some revenues were allocated wrongfully and will be reallocated in the next month.

Solid waste is also below anticipated, due to less dumping, however the usage during the season period will reflect only in the new month and will impact the percentage for the period.

1.2 Any financial problems or risk facing the Municipality

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R537	1. Non recovery of income regarding Karwyderskraal (R463 2020/2021)	Agreement in place to recover funds from participating local municipalities at the regional landfill site. Income was based on estimates from consulting engineer.	<ol style="list-style-type: none"> Actual dumping not aligned with estimated dumping. ODM is dependent on the payment of fees from the participating local municipalities. 	<ol style="list-style-type: none"> Lack of Revenue Negative impact on financial sustainability 	Significant	Occasional (40%)
R538	1. The financial impact of disputes and legal claims (R464 2020/2021)	1. There is a dispute declared regarding TASK while there is also legal claim against ODM.	<ol style="list-style-type: none"> A dispute was declared while claims were laid against ODM. 	<ol style="list-style-type: none"> Negative impact on financial sustainability <u>Progress: TASK dispute concluded await outcome</u> 	Significant	Occasional (40%)
R539	1. Financial system failure	The Electronic Financial System fails to produce data strings of the MSCOA schedules. The migration to the web based financial system vs the financial system that relies on the Internal Server.	<ol style="list-style-type: none"> Service provider downtime Power failure Internal ICT failure 	<ol style="list-style-type: none"> Non- alignment with MSCOA schedules Audit Finding Possible withholding of funds Cash flow problems Impact on service delivery 	Major	Possible (60%)

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R540	1. Non recovery of cost for fire brigade services provided to other municipalities/community (R467 -2020/2021)	1. Fire brigade services are delivered on behalf of local municipalities or residents/businesses in the community with the agreement that the extinguishing of fires will be recouped.	1. Not aware of sufficient controls in place to recoup costs.	1. Loss of revenue. <u>Progress:</u> Agreement concluded with Swellendam Municipality for payment	Moderate	Remote (30%)
R541	1. Incomplete asset register(R468 2020/2021)	1. There have been several challenges in asset management unit for example disposed items not being removed from asset register, assets cannot be located in location allocated to on asset register and there are assets that is not bar-coded.	1. No management buy in. 2. Lack of communication. 3. Value off asset - ownership. 4. Condition off asset. 5. Classification of assets 6. Manuel FAR system 7. Tools needed for verification(technology)	1. Audit Finding. 2. Incomplete asset register. 3. Missing assets. 4. Understatement of assets	Significant	Occasional (40%)

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R542	1. Lack of proper contract management (SCM)(R469 2020/2021)	1. No formal contract management procedures in place	<ol style="list-style-type: none"> Insufficient buy-in, commitment and accountability from departments. No proper gap analyses to ensure effective contract management 	<ol style="list-style-type: none"> Legal consequences. Negative Audit implications. Non enforcing of penalty clauses. Reputational damage. Unauthorized expenditure 	Significant	Occasional (40%)
R543	1. Possible Audit findings and irregular expenditure due to non-compliance of Section 32 SCM regulation (R471 2020/2021)	<ol style="list-style-type: none"> Treasury will release a circular to provide guidance related to section 32 processes. No clear guidance from National treasury 	<ol style="list-style-type: none"> AG could regard the spending in section 32 as irregular expenditure 	<ol style="list-style-type: none"> Audit finding Could possibly lose Clean Audit status 	Significant	Improbable (20%)

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R544	Non-identification of local content items (R473 2020/2021)	1. The Department of Trade and Industry, in consultation with the National Treasury designated sectors, sub-sectors and industry or product in accordance with national development and industrial policies for local production and content, where only locally produced services or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content, taking into account economic and other relevant factors; and stipulated a minimum threshold of R30 000 for local production and content.	1. AG could regard the spending in Local Content as irregular expenditure	1. Audit finding 2. Could possibly lose Clean Audit status	Significant	Expected (70%)
R545	VAT may not be claimed on expenditure for the roads maintenance function	VAT have been claimed on expenditure for the roads maintenance function as per the consultant's opinion.	The Auditor-General indicated that VAT may not be claimed on expenditure for the roads maintenance function.	1. VAT claimed might be payable to SARS 2. Negative impact on sustainability of municipality	Major	Possible (60%)

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R546	Loss of income due to the implications of Covid-19	The lockdown period of the Covid-19 pandemic had/have a huge/negative impact on the financial situation of households and businesses and the ability to honour their financial obligations.	The lockdown period of the Covid-19 pandemic had/have a huge/negative impact on the financial situation of households and businesses.	1. Loss of revenue	Significant	Possible (60%)
R547	Revenue collection	Due to the total lockdown of the economy will residents and business not have any income to pay their municipal account for rentals.	Covid-19 pandemic - total lockdown of the economy	Loss in income and negative impact on cashflow of municipality	Major	Potential (50%)
R548	KPI ratios like debt ratio and cost coverage is not met	The debtors account will increase as residents/businesses do not have the ability to pay.	Covid-19 pandemic - total lockdown of the economy	KPI of Finance will not be met	Moderate	Potential (50%)
R549	Filling of critical positions	Due to the delay in the recruitment process the core functions are not maintained and executed.	1. Unfunded vacancies 2. No successor planning 3. Delay in recruitment process	1. Audit findings in critical areas 2. Impact on Service Delivery Example Hold up (insurance ect) <u>Progress</u> : Critical vacancies have been filled	Significant	Potential (50%)

Risk Item	Risk Description	Risk Background	Cause of risk	Consequences	Impact	Likelihoods
R578	Not Following proper SCM processes regarding pre-approvals	We received 2 COMAF's in this regard due to user departments that doesn't follow the correct SCM procedures.	<ol style="list-style-type: none"> 1. User departments not following proper SCM procedures 2. Lack of quality Communication 	<ol style="list-style-type: none"> 1. Audit findings 	Moderate	Potential (50%)
R599	Compromise financial sustainability of a municipality	<ol style="list-style-type: none"> 1. Mainly grant dependent. 2. Grant increases by CPI while expenditure increases more than CPI. 3. Increasing demand of legislative compliance. 4. Non-payment by B Municipalities for services rendered. 	<ol style="list-style-type: none"> 1. The increase in expenditure is higher than the increase in revenue/grants 	<ol style="list-style-type: none"> 1. Negative impact on liquidity 2. Non-compliance to norms and standards 3. Lack of maintenance on infrastructure 	Catastrophic	Probable (80%)
R608	Incomplete disclosure of SCM information in Annual Financial Statements	Received a COMAF from the AG regarding incomplete information in AFS. Non-Adherence to SCM Regulation 36 and 45. All Deviations not recorded in AFS and suppliers relationships in service of the state not declared.	Delay in deviation process and lack in proper monitoring and business process flow.	Receive a COMAF Incorrect disclosure on information in AFS and SCM reports.	Moderate	Possible (60%)

1.3 Annual Report and Audit Report

In terms of Sec 72 (1)(a)(iii) of the MFMA, the following is submitted regarding progress on resolving problems identified in the annual report. The Municipality is encouraged to strengthen its internal monitoring by assessing the fundamentals of internal controls on a frequent basis to obtain a qualified audit and administration. An action plan (OPCAR) has been implemented to address and monitor unsolved audit findings.

Auditor-General Report on Financial Performance Year 2020/2021	
Audit Report Status*:	Unqualified with no findings (Clean)
Non-Compliance Issues	Remedial Action Taken
The Municipality has no material findings on compliance with specific matters in key legislation as set out in the general notice issued in terms of the Public Audit Act.	None
Internal Control Deficiencies	Remedial Action Taken
No significant deficiencies were identified in internal control	None
Emphasis of matters	Remedial Action Taken
<p><u>Restatement of corresponding figures</u> As disclosed in note 42 to the financial statements, the corresponding figures for 30 June 2020 were restated as a result of the errors in the financial statements of the municipality at, and for the year ended, 30 June 2021.</p> <p><u>Significant uncertainties</u> With reference to note 55.2 of the financial statements, the municipality claimed VAT inputs relating to expenditure incurred on the road maintenance function on the basis that they are a service provider, while in terms of the VAT Act the municipality is considered an agent. This raised the possibility of repaying the VAT claimed from the South African Revenue Services (SARS). The municipality is in the process of engaging with SARS on the matter. The ultimate outcome of the matter could not be determined and no provision for any liability that may result was made in the financial statements.</p>	<p>It was rectified in the adjusted annual financial statements</p> <p>The matter was referred to SARS and is still awaiting an outcome.</p>
Auditor-General report on Service Delivery Performance 2020/2021	
Audit Report Status:	Unqualified
Non-Compliance Issues	Remedial Action Taken
There were no material findings on the usefulness and reliability of the reported performance information for Strategic Goal 1 – To ensure the well-being of all in the Overberg District through the provision of efficient basic services and infrastructure.	
Achievement of planned targets - Refer to the annual report on pages 66 to 68 for information on the achievement of planned targets for the year.	

Audit Outcome: Overberg District Municipality received an Unqualified with no findings Audit Opinion					
COMAF	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
2020/21					
1	Expenditure: General expenditure classification	Interim SOPs implemented to mitigate the risk of wrong use of commodities Management will amend/add the actual achievement for indicator TL 38 with 5.	W Crafford	Already implemented	100%
2	TL38 – Completeness and internal control deficiency		M Dunn	Adjustment has been made to the AFS immediately after finding was raised	100%
3		<ul style="list-style-type: none"> Adjustment to be made to the AFS The monthly reports will be collated into one list to be used in the preparation of the disclosure in the financial statements where after the report will be double-checked by an independent person. 		Adjustment has been made to the AFS immediately after finding was raised	100%
4	Disclosure of trading with entities where spouses of suppliers are in service of the state	<ul style="list-style-type: none"> Adjustment to be made to AFS Management will redesign the SCM reports produced during the financial year to indicate whether specific awards should or should not be disclosed in the financial statements of that financial year while only deviations that must be included in the AFS will be included in the monthly reports. 	<ul style="list-style-type: none"> CFO D Kapot-Witbooi 	Adjustment has been made to the AFS immediately after finding was raised	100%
	Deviation's amount disclosed incorrectly		<ul style="list-style-type: none"> D Kapot-Witbooi CFO 	Adjustment has been made to the AFS immediately after finding was raised	100%

COMAF	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
5	Reason for less than three quotes received was not recorded and approved	<ul style="list-style-type: none"> Adjustment to be made to the AFS The whole population of quotations awarded will be scrutinized to ensure that all cases where reasons for not obtaining 3 quotations has not been recorded, are included as irregular expenditure in the 20/21 AFS. 	<ul style="list-style-type: none"> D Kapot-Witbooi CFO 	Adjustment has been made to the AFS immediately after finding was raised	100%
6	Award made to persons whose tax matters have been declared by SARS to not be in order	<p>The correctness of the tax status of tenders awarded made as from July 2020 until December 2020 will be checked and any cases of non-compliance will be disclosed as irregular expenditure of the financial statements</p>	<ul style="list-style-type: none"> D Kapot-Witbooi CFO 	Adjustment has been made to the AFS immediately after finding was raised	100%
7	Property, plant, and equipment: Error in the disclosure in note 8	Amendment to the 2020/20201 AFS Note 8	CFO	Adjustment has been made to the AFS immediately after finding was raised	100%
8	<p>IT Governance</p> <ul style="list-style-type: none"> ICT policies were not approved Inadequate monitoring of IT projects <p>Security Management</p> <ul style="list-style-type: none"> Inadequately documented security policies Inadequate password, lockout, 	<ul style="list-style-type: none"> Change and review policies, submit to IT Steercom for approval and obtain final approval from Council. Formal process whereby ICT projects are monitored to indicate progress, timelines and expected issues and problems. Review both policies and submit changes to IT Steercom and obtain approval from Council. Change and review ICT Access 	<ul style="list-style-type: none"> P Britz Acting Senior Manager Corporate Services 	<ul style="list-style-type: none"> 30 June 2022 Ongoing 30 June 2022 30 June 2022 	

	<p>and timeout configurations</p> <ul style="list-style-type: none"> Inadequate firewall management controls Inadequate incident management process <p>User Account Management</p> <ul style="list-style-type: none"> Inadequately documented ICT Access Management Policy Audit finding Weaknesses in the management of user access for Active Directory Weaknesses in the management of user access for SAMRAS 	<p>Management Policy and ICT Operating System Security Controls Policy and submit to IT Steercom and obtain Council approval.</p> <ul style="list-style-type: none"> Review and change ICT Security Controls Policy as per recommendation, review SLA with service provider, submit all changes to IT Steercom and obtain approval from Council. Review the ICT Security Controls Policy to include the recommended changes, submit to IT Steercom and obtain approval from Council Review ICT Access management Policy and include the review of the administrator in the policy, submit policy to ICT Steercom and obtain approval from Council. Review procedures for resetting the password for the AD account, the storing of new user request and the termination of employees. Staff workshops regarding ICT User Access Management Policy. Review the ICT User Access Management Policy, the storing of new user request and the change of employee's access requests. 	<ul style="list-style-type: none"> 22 June 2022 30 June 2022 30 June 2022 30 June 2022 30 June 2022 	
		<ul style="list-style-type: none"> P Britz Acting Senior Manager Corporate Services 		

<p>IT Service Continuity</p> <ul style="list-style-type: none"> • Inadequately documented ICT Migration and Disaster Recovery Plan Audit finding • No disaster recovery tests performed • Non-compliance with the ICT Data Backup and Recovery Policy 	<p>Organise staff workshops regarding ICT User Access Management Policy. Submit changes to IT Steercom and obtain approval from Council.</p> <ul style="list-style-type: none"> • Review ICT Migration and Disaster Recovery Plan and SOP's, submit changes to IT Steercom and obtain approval from Council. • Review policy, update the risk register and start with training of IT staff regarding Disaster Management and Recovery • Review back-up procedure, review policy and make changes if necessary, submit policy changes to IT Steercom and obtain approval from council. <p>Interim capacity to assist ODM Management in the absence of an IT Manager (Head: IT), will be sourced from Overstrand Local Municipality in terms of Section 88 of the Municipal Structures Act and an SLA will be concluded in this regard between the DM and the specific LM. The scope of this agreement will include an action plan to address and implement the recommendations in this and all the other ICT findings.</p>	<ul style="list-style-type: none"> • 30 June 2022 • 30 June 2022 • 30 June 2022 	
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COMAF	DESCRIPTION	ACTION	RESPONSIBLE PERSON	TARGET DATE	% COMPLETED
9	Inventory: Accounting policy	Management will evaluate the accounting policies in detail in future and the 2020/21 AFS will be adjusted.	CFO	Adjustment has been made to the AFS immediately after finding was raised	100%
10	Statement of comparison of budget and actual amount: Inadequate presentation and disclosure		CFO	Adjustment has been made to the AFS immediately after finding was raised	100%
11	Remuneration: Subsistence and travel claims misstatement	Management will ensure that the internal control deficiency is addressed and will ensure that the allocations of expenses will be made according to the AG's recommendation in the 2021/22 financial year.	CFO	Adjustment has been made to the AFS immediately after finding was raised	100%

1.4 National and Provincial adjustments budgets

The following adjustments to certain unspent and additional grants which had an impact on the Municipality's budget.

- (a) The unspent grants on 30 June 2021 for the following grants have been submitted to Provincial and National Treasury for roll over and was successful, hence will be included in the adjustment budget to be submitted 31 January 2022:

Equitable Share – Disaster Relief Covid (NT)	R 1 200 000
Whole of Society Approach (WOSA) (PT)	R 1 361 344
Community Development Workers Support Grant (PT)	R 83 572
TOTAL	R 2 644 916

- (b) Additional funding awarded for the 2021/2022 financial year includes

Municipal Service Delivery & Capacity Building Grant	R 350 000
Joint District & Metro Approach Grant	R 1 799 000
Local Government Public Employment Support Grant	R 200 000

TOTAL **R 2 349 000**

Additional funding for Roads Agency fees for the amount R1 319 000 will also be included in the roll-over and additional funding budget for 31 January 2021.

1.5 Necessity of an adjustments budget for the Municipality

Section 28 of the MFMA read as follow:

An adjustments budget referred to in section 28(2)(b), (d) and (f) of the MFMA will be tabled in the municipal council after the mid-year budget and performance assessment.

A municipality may revise an approved annual budget through an adjustments budget.

Apart from the unspent and additional grants as mentioned in 1.4 above, there are also other adjustments in operational and capital expenditure that had been identified.

Accordingly, a report on adjustments to the budget will be submitted for consideration by Council on 28 February 2022.

2. RESOLUTIONS

2.1 *Mid-year budget and performance assessment*

- a) That cognisance be taken of the mid-year budget and performance assessment in respect of the first half of the 2021/2022 financial year;
- b) That the assessment report be submitted to Council on 31 January 2022 in terms of Section 54(1)(f) of the MFMA;
- c) That the proposed amendments to the KPI's and targets (SDBIP) be submitted to council in terms of Section 54(1)(c) for approval;
- d) That, following the above [with reference to regulation 23(1) an adjustments budget on the 2021/2022 budget be tabled for consideration at the council meeting on 31 January 2022;

3. EXECUTIVE SUMMARY

3.1 Introduction

In accordance with Section 72(1) of the Municipal Finance Management Act (MFMA) the Accounting Officer is required to-

- (a) Assess the performance of the municipality during the first half of the financial year, taking into account-
 - (i) The monthly statements referred to in Section 71 for the first half of the financial year;
 - (ii) The municipality's service delivery performance during the first half of the financial year, and the service delivery target and performance indicators set in the service delivery and budget implementation plan;
 - (iii) The past year's annual report, and progress on resolving problems identified in the annual report.
 - (iv) The performance of every municipality entity under the sole or shared control of every municipality, considering reports in terms of Section 88 from any such entities; and
- (b) Submit a report on such assessment to-
 - (i) The Mayor of the municipality;
 - (ii) National Treasury; and
 - (iii) The relevant Provincial Treasury

It should be noted that additional funds were received from National and Provincial Treasury, but Overberg District Municipality does not anticipate the national adjustments budget and the relevant provincial adjustments budget to influence the Municipality's budget towards the end of the Financial year.

Consolidated performance

The following table summarises the overall position on the capital and operating budgets:

	Capital Expenditure	Operating Expenditure	Operating Revenue
Budget	R 6 850 800.00	R253 632 652	R255 645 715
Budget to date (BTD)	R 2 974 000.00	R126 995 076	R140 507 966
Year to date (YTD)	R 1 512 585.04	R124 671 933	R141 058 565
Variance to SDBIP	-R 1 461 414.96	-R2 323 143	R550 599
YTD% Variance to SDBIP	-49%	-2%	0%
% of Annual Budget	22%	49%	55%

As per the above performance budget table revenue is above anticipated for the period to date and expenditure just below anticipated. Capital expenditure are below budgeted with a variance of **49%**. The percentage spending against the annual budget will increase to **65.31%** if the committed cost of **R2 961 563.86** is also included in the calculation.

4. IN-YEAR BUDGET STATEMENT TABLES

The in-year budget statement tables are presented below. Supporting information and explanations of are given for each table where such information will assist with understanding the information contained in the tables.

4.1 Monthly Budget Statement summary

DC3 Overberg - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter

Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	13 160	13 160	1 054	5 320	6 580	(1 260)	-19%	13 160
Investment revenue	-	2 144	2 144	214	1 136	1 072	64	6%	2 144
Transfers and subsidies	-	194 564	193 464	40 095	116 550	110 178	6 372	6%	193 464
Other own revenue	-	45 357	45 579	2 358	18 053	22 679	(4 626)	-20%	45 579
Total Revenue (excluding capital transfers and contributions)	-	255 224	254 346	43 722	141 059	140 508	551	0%	254 346
Employee costs	-	132 303	132 303	9 653	62 862	66 151	(3 290)	-5%	132 303
Remuneration of Councillors	-	6 548	6 548	716	2 853	3 274	(421)	-13%	6 548
Depreciation & asset impairment	-	4 614	4 614	384	2 307	2 307	-	-	4 614
Finance charges	-	3 582	3 582	235	1 467	1 791	(323)	-18%	3 582
Inventory consumed and bulk purchases	-	45 269	45 429	4 139	28 019	22 435	5 585	25%	45 429
Transfers and subsidies	-	250	250	-	-	125	(125)	-100%	250
Other expenditure	-	61 384	60 907	6 690	27 163	30 912	(3 749)	-12%	60 907
Total Expenditure	-	253 950	253 633	21 818	124 672	126 995	(2 323)	-2%	253 633
Surplus/(Deficit)	-	1 274	713	21 904	16 387	13 513	2 874	21%	713
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	1 300	-	-	-	-	-	1 300
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	1 274	2 013	21 904	16 387	13 513	2 874	21%	2 013
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	1 274	2 013	21 904	16 387	13 513	2 874	21%	2 013
Capital expenditure & funds sources									
Capital expenditure	-	4 989	6 851	244	1 513	2 974	(1 461)	-49%	6 851
Capital transfers recognised	-	-	1 300	-	161	-	161	#DIV/0!	1 300
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	4 989	5 551	244	1 352	2 974	(1 622)	-55%	5 551
Total sources of capital funds	-	4 989	6 851	244	1 513	2 974	(1 461)	-49%	6 851
Financial position									
Total current assets	69 099	55 119	55 119		84 565				55 119
Total non current assets	102 681	100 114	100 114		101 887				100 114
Total current liabilities	36 530	36 115	36 115		37 194				36 115
Total non current liabilities	83 957	69 818	69 818		81 587				69 818
Community wealth/Equity	51 293	49 299	49 299		67 669				49 299
Cash flows									
Net cash from (used) operating	-	(4 392)	(4 392)	21 891	14 599	6 834	(7 764)	-114%	(4 392)
Net cash from (used) investing	-	8 497	8 497	(244)	(1 513)	10 811	12 324	114%	8 497
Net cash from (used) financing	-	(3 296)	(3 296)	(276)	(1 611)	(1 648)	(36)	2%	(3 296)
Cash/cash equivalents at the month/year end	-	42 115	42 115	-	67 550	57 303	(10 247)	-18%	56 885
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	4 169	173	65	104	96	49	591	376	5 624
Creditors Age Analysis									
Total Creditors	533	-	-	-	-	-	-	2 360	2 893

4.2 Monthly Budget Statement – Financial Performance (Standard classification)

DC3 Overberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	111 697	112 119	24 361	65 059	68 744	(3 686)	-5%	112 119
Executive and council		-	24 921	24 921	960	7 065	12 461	(5 395)	-43%	24 921
Finance and administration		-	86 776	87 197	23 401	57 994	56 284	1 710	3%	87 197
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	21 369	21 369	1 411	11 427	10 685	743	7%	21 369
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	16 980	16 980	1 284	9 163	8 490	673	8%	16 980
Public safety		-	4 020	4 020	83	2 074	2 010	64	3%	4 020
Housing		-	-	-	-	-	-	-	-	-
Health		-	369	369	43	190	185	6	3%	369
<i>Economic and environmental services</i>		-	109 730	109 730	16 930	59 398	54 865	4 532	8%	109 730
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	109 595	109 595	16 930	59 398	54 797	4 600	8%	109 595
Environmental protection		-	135	135	-	-	68	(68)	-100%	135
<i>Trading services</i>		-	12 428	12 428	1 020	5 175	6 214	(1 039)	-17%	12 428
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 428	12 428	1 020	5 175	6 214	(1 039)	-17%	12 428
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	255 224	255 646	43 722	141 059	140 508	551	0%	255 646
Expenditure - Functional										
<i>Governance and administration</i>		-	64 340	63 813	6 168	25 808	32 390	(6 582)	-20%	63 813
Executive and council		-	10 722	11 072	1 230	4 474	5 501	(1 027)	-19%	11 072
Finance and administration		-	51 255	50 377	4 797	20 402	25 707	(5 305)	-21%	50 377
Internal audit		-	2 364	2 364	142	932	1 182	(250)	-21%	2 364
<i>Community and public safety</i>		-	66 849	67 059	5 148	31 003	33 224	(2 222)	-7%	67 059
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	16 875	17 035	1 464	7 628	8 237	(610)	-7%	17 035
Public safety		-	32 327	32 377	2 446	16 014	16 163	(150)	-1%	32 377
Housing		-	-	-	-	-	-	-	-	-
Health		-	17 648	17 648	1 238	7 362	8 824	(1 462)	-17%	17 648
<i>Economic and environmental services</i>		-	114 731	114 731	9 669	63 559	57 365	6 193	11%	114 731
Planning and development		-	1 409	1 409	35	185	704	(520)	-74%	1 409
Road transport		-	109 595	109 595	9 403	61 979	54 797	7 181	13%	109 595
Environmental protection		-	3 727	3 727	231	1 395	1 864	(468)	-25%	3 727
<i>Trading services</i>		-	8 030	8 030	833	4 302	4 015	287	7%	8 030
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	8 030	8 030	833	4 302	4 015	287	7%	8 030
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	253 950	253 633	21 818	124 672	126 995	(2 323)	-2%	253 633
Surplus/ (Deficit) for the year		-	1 274	2 013	21 904	16 387	13 513	2 874	21%	2 013

Table C2 highlights the operating budget in the standard functional classifications which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of accounts for comparison purposes, regardless of the unique structures used by different institutions.

The main functions include Governance and administration; Community and public safety; Economic and environmental services; and trading services.

In order to obtain a better comprehensive understanding on the Financial Performance of Overberg District Municipality the above tabled standard classification, in Table C2, are recategorized as per Municipal vote, Table C3.

4.3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

DC3 Overberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Municipal Manager		-	25 695	25 695	998	7 180	12 848	(5 668)	-44.1%	25 695
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	29	29	3	15	15	0	2.2%	29
Vote 4 - Finance		-	85 973	86 394	23 360	57 864	55 882	1 982	3.5%	86 394
Vote 5 - Community Services		-	143 527	143 527	19 360	76 000	71 764	4 236	5.9%	143 527
Total Revenue by Vote	2	-	255 224	255 646	43 722	141 059	140 508	551	0.4%	255 646
Expenditure by Vote	1									
Vote 1 - Municipal Manager		-	16 742	17 092	1 533	6 236	8 511	(2 275)	-26.7%	17 092
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	16 682	16 954	1 025	5 878	8 421	(2 543)	-30.2%	16 954
Vote 4 - Finance		-	29 826	28 676	3 492	12 944	14 913	(1 969)	-13.2%	28 676
Vote 5 - Community Services		-	190 701	190 911	15 767	99 614	95 151	4 463	4.7%	190 911
Total Expenditure by Vote	2	-	253 950	253 633	21 818	124 672	126 995	(2 323)	-1.8%	253 633
Surplus/ (Deficit) for the year	2	-	1 274	2 013	21 904	16 387	13 513	2 874	21.3%	2 013

The operating revenue and expenditure budget is approved and managed at a municipal vote level in 4 main vote directorates. The municipal votes reflect the organisational structure of the municipality which consist of: Municipal Manager, Corporate, Financial, and Community Services separately.

4.4 Monthly Budget Statement – Financial Performance (revenue and expenditure)

DC3 Overberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		747	747	34	145	374	(228)	-61%	747	
Service charges - water revenue		-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	
Service charges - refuse revenue		12 413	12 413	1 020	5 175	6 206	(1 032)	-17%	12 413	
Rental of facilities and equipment		11 844	11 844	984	6 293	5 922	371	6%	11 844	
Interest earned - external investments		2 144	2 144	214	1 136	1 072	64	6%	2 144	
Interest earned - outstanding debtors		256	256	16	112	128	(16)	-13%	256	
Dividends received		-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	
Licences and permits		166	166	13	100	83	17	21%	166	
Agency services		11 436	11 436	960	5 761	5 718	43	1%	11 436	
Transfers and subsidies		194 564	193 464	40 095	116 550	110 178	6 372	6%	193 464	
Other revenue		8 170	8 391	385	4 483	4 085	398	10%	8 391	
Gains		13 485	13 485	-	1 304	6 743	(5 438)	-81%	13 485	
Total Revenue (excluding capital transfers and contributions)		-	255 224	254 346	43 722	141 059	140 508	551	0%	254 346
Expenditure By Type										
Employee related costs		-	132 303	132 303	9 653	62 862	66 151	(3 290)	-5%	132 303
Remuneration of councillors		-	6 548	6 548	716	2 853	3 274	(421)	-13%	6 548
Debt impairment		-	200	200	-	-	100	(100)	-100%	200
Depreciation & asset impairment		-	4 614	4 614	384	2 307	2 307	-	-	4 614
Finance charges		-	3 582	3 582	235	1 467	1 791	(323)	-18%	3 582
Bulk purchases - electricity		-	400	400	-	-	-	-	-	400
Inventory consumed		-	44 869	45 029	4 139	28 019	22 435	5 585	25%	45 029
Contracted services		-	27 410	26 760	2 415	9 554	13 925	(4 370)	-31%	26 760
Transfers and subsidies		-	250	250	-	-	125	(125)	-100%	250
Other expenditure		-	33 774	33 947	4 275	17 609	16 887	722	4%	33 947
Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		-	253 950	253 633	21 818	124 672	126 995	(2 323)	-2%	253 633
Surplus/(Deficit)		-	1 274	713	21 904	16 387	13 513	2 874	0	713
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	1 300	-	-	-	-	-	1 300
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	1 274	2 013	21 904	16 387	13 513			2 013
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	1 274	2 013	21 904	16 387	13 513			2 013
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	1 274	2 013	21 904	16 387	13 513			2 013
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		-	1 274	2 013	21 904	16 387	13 513			2 013

Reasons for variances: Revenue

- Year to date operating revenue amounts to 55% of the total budgeted for the financial year.
- Revenue to date is exactly as anticipated with no variance compared to projected income projected.

Expenditure

- Expenditure to date amount to 49% with a variance of 2%. This is considered good expenditure management as we are halfway through the financial year.

4.5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

DC3 Overberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	750	750	-	-	750	(750)	-100%	750
Vote 4 - Finance		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	750	750	-	-	750	(750)	-100%	750
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		-	-	162	-	-	-	-	-	162
Vote 2 - Management Services		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	500	525	218	228	500	(272)	-54%	525
Vote 4 - Finance		-	250	250	-	-	250	(250)	-100%	250
Vote 5 - Community Services		-	3 489	5 164	27	1 285	1 474	(189)	-13%	5 164
Total Capital single-year expenditure	4	-	4 239	6 101	244	1 513	2 224	(711)	-32%	6 101
Total Capital Expenditure		-	4 989	6 851	244	1 513	2 974	(1 461)	-49%	6 851
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		-	1 500	1 687	218	228	1 500	(1 272)	-85%	1 687
Executive and council		-	-	162	-	-	-	-	-	162
Finance and administration		-	1 500	1 525	218	228	1 500	(1 272)	-85%	1 525
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	3 234	4 909	27	1 285	1 219	66	5%	4 909
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	412	535	14	182	247	(65)	-26%	535
Public safety		-	2 800	4 350	13	1 088	950	138	15%	4 350
Housing		-	-	-	-	-	-	-	-	-
Health		-	22	24	-	15	22	(7)	-33%	24
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	255	255	-	-	255	(255)	-100%	255
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	255	255	-	-	255	(255)	-100%	255
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	4 989	6 851	244	1 513	2 974	(1 461)	-49%	6 851
Funded by:										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		-	-	1 300	-	161	-	161	#DIV/0!	1 300
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Entities, Public Companies, Higher Education)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	1 300	-	161	-	161	#DIV/0!	1 300
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	4 989	5 551	244	1 352	2 974	(1 622)	-55%	5 551
Total Capital Funding		-	4 989	6 851	244	1 513	2 974	(1 461)	-49%	6 851

4.6 Monthly Budget Statement – Financial Position

DC3 Overberg - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		14 236	22 115	22 115	1 591	22 115
Call investment deposits		41 840	20 000	20 000	65 959	20 000
Consumer debtors		2 636	3 325	3 325	5 523	3 325
Other debtors		7 214	6 956	6 956	8 389	6 956
Current portion of long-term receivables		2 023	2 023	2 023	2 023	2 023
Inventory		1 150	700	700	1 079	700
Total current assets		69 099	55 119	55 119	84 565	55 119
Non current assets						
Long-term receivables		22 961	20 560	20 560	22 961	20 560
Investments		–	–	–	–	–
Investment property		12 811	12 864	12 864	12 811	12 864
Investments in Associate		–	–	–	–	–
Property, plant and equipment		66 897	66 678	66 678	66 103	66 678
Biological		–	–	–	–	–
Intangible		12	12	12	12	12
Other non-current assets		–	–	–	–	–
Total non current assets		102 681	100 114	100 114	101 887	100 114
TOTAL ASSETS		171 780	155 232	155 232	186 451	155 232
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		3 296	3 684	3 684	5 381	3 684
Consumer deposits		8	8	8	8	8
Trade and other payables		23 208	16 664	16 664	21 787	16 664
Provisions		10 018	15 759	15 759	10 018	15 759
Total current liabilities		36 530	36 115	36 115	37 194	36 115
Non current liabilities						
Borrowing		18 916	15 232	15 232	15 232	15 232
Provisions		65 042	54 586	54 586	66 355	54 586
Total non current liabilities		83 957	69 818	69 818	81 587	69 818
TOTAL LIABILITIES		120 487	105 933	105 933	118 782	105 933
NET ASSETS	2	51 293	49 299	49 299	67 669	49 299
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		46 304	39 879	39 879	62 681	39 879
Reserves		4 989	9 420	9 420	4 989	9 420
TOTAL COMMUNITY WEALTH/EQUITY	2	51 293	49 299	49 299	67 669	49 299

4.7 Monthly Budget Statement – Cash Flow

DC3 Overberg - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter

Description	Ref	2020/21	Budget Year 2021/22								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			-	-	-	-	-	-		-	
Service charges			13 160	13 160	670	4 590	6 580	(1 990)	-30%	13 160	
Other revenue			30 994	30 994	2 342	14 479	15 497	(1 018)	-7%	30 994	
Transfers and Subsidies - Operational			194 564	194 564	40 568	118 480	111 306	7 174	6%	194 564	
Transfers and Subsidies - Capital			-	-	-	-	-	-		-	
Interest			2 399	2 399	230	1 323	1 200	124	10%	2 399	
Dividends			-	-	-	-	-	-		-	
Payments											
Suppliers and employees			(242 843)	(242 843)	(21 684)	(122 806)	(126 416)	(3 610)	3%	(242 843)	
Finance charges			(2 415)	(2 415)	(235)	(1 467)	(1 208)	260	-22%	(2 415)	
Transfers and Grants			(250)	(250)	-	-	(125)	(125)	100%	(250)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	(4 392)	(4 392)	21 891	14 599	6 834	(7 764)	-114%	(4 392)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			13 485	13 485	-	-	13 485	(13 485)	-100%	13 485	
Decrease (increase) in non-current receivables			-	-	-	-	-	-		-	
Decrease (increase) in non-current investments			-	-	-	-	-	-		-	
Payments											
Capital assets			(4 989)	(4 989)	(244)	(1 513)	(2 674)	(1 161)	43%	(4 989)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	8 497	8 497	(244)	(1 513)	10 811	12 324	114%	8 497
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-		-	
Borrowing long term/refinancing			-	-	-	-	-	-		-	
Increase (decrease) in consumer deposits			-	-	-	-	-	-		-	
Payments											
Repayment of borrowing			(3 296)	(3 296)	(276)	(1 611)	(1 648)	(36)	2%	(3 296)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(3 296)	(3 296)	(276)	(1 611)	(1 648)	(36)	2%	(3 296)
NET INCREASE/ (DECREASE) IN CASH HELD			-	809	809	21 371	11 475	15 997			809
Cash/cash equivalents at beginning:			41 306	41 306	-	56 076	41 306				56 076
Cash/cash equivalents at month/year end:			-	42 115	42 115	-	67 550	57 303			56 885

Although the cash balance is stable, more attention should be given to ensure long-term sustainable cash management through strong financial management and discipline. This cash surplus includes grants received to date; hence the cash flow position will decline towards the end of the financial year. Possible contingent liabilities can easily absorb the municipality's cashflow, therefore it is crucial to plan for each scenario effective, efficient and economically.

PART 2: SUPPORTING DOCUMENTATION

1. Debtor's Analysis (Table SC3)

DC3 Overberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description	NT Code	Budget Year 2021/22										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	1	1	2	-	1	1	2	-	8	4	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	32	3	1	-	0	0	0	6	41	7	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	30	30	30	-	-	
Hirest on Asset Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	4 136	170	63	104	85	48	588	340	5 544	1 176	-	-	
Total By Income Source	2000	4 169	173	65	104	86	48	591	376	5 624	1 217	-	-	
2020/21 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 075	32	21	64	18	37	310	0	2 556	429	-	-	
Commercial	2300	108	43	4	7	55	1	177	88	483	328	-	-	
Households	2400	668	88	41	33	24	11	104	288	1 297	490	-	-	
Other	2500	1 288	-	-	-	-	-	-	-	1 288	-	-	-	
Total By Customer Group	2600	4 169	173	65	104	86	48	591	376	5 624	1 217	-	-	

2. Creditor's Analysis (Table SC4)

DC3 Overberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

Description	NT Code	Budget Year 2021/22									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	533	-	-	-	-	-	-	-	-	533	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	2 359	-	2 359	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	1	-	1	-
Total By Customer Type	1000	533	-	-	-	-	-	-	2 360	-	2 893	-

3. Investment portfolio analysis (Table SC5)

DC3 Overberg - Supporting Table SC5 Monthly Budget Statement

Investments by maturity Name of institution & investment ID	Ref	Type of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands							
Municipality							
Absa - 92 8755 1045		Depositor Plus	452	2	-	250	704
Absa - 92 8755 0641		Depositor Plus	1 987	15	-	119	2 120
Nedbank - 03 788 171 4042		Call Account	11 208	83	(26 500)	34 500	19 291
Absa - 93 5889 2970		Investment Tracker	52 995	526	(26 000)	16 500	44 021
							-
							-
							-
Municipality sub-total			66 642		(52 500)	51 369	66 136
Entities							
							-
							-
							-
							-
							-
							-
Entities sub-total			-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2		66 642		(52 500)	51 369	66 136

4. Allocation and grant receipts and expenditure (Tables SC6 and SC7)

DC3 Overberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	82 136	82 136	23 609	59 009	27 379	29 584	108.1%	82 136
Local Government Equitable Share			77 375	77 375	23 136	55 376	25 792	29 584	114.7%	77 375
Finance Management			1 000	1 000	-	1 000	333			1 000
EPWP Incentive			1 053	1 053	473	737	351			1 053
Rural Roads Asset Management Grant			2 708	2 708	-	1 896	903			2 708
Municipal Disaster Relief Grant										
Other transfers and grants [insert description]										
Provincial Government:		-	112 428	111 128	16 959	59 471	83 927	7	0.0%	111 128
Health Subsidy			203	203	30	75	68	7	10.7%	203
CDW Operational Support Grant			57	57	-	-	19			57
Human Capacity Building Grant			250	250	-	-	83			250
Fire Safety Plan			2 323	1 023	-	-	341			1 023
Roads Function			109 595	109 595	16 929	59 396	83 416			109 595
mSCOA Support Grant										
SETA Training Fund										
Local Government Graduate Internship Grant										
Municipal Finance Improvement Program - Resorts										
Municipal Service Delivery and Capacity Building Grant - Fire										
LG Support Grant - Human Relief										
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	200	-	-	-	-	-	-
Seta				200						
Total Operating Transfers and Grants	5	-	194 564	193 464	40 568	118 480	111 306	29 592	26.6%	193 264
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant										
Other capital transfers [insert description]										
Provincial Government:		-	-	1 300	-	-	-	-	-	-
Fire Service Capacity Building Grant				1 300						
Fire Safety Plan										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	-	-	1 300	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	194 564	194 764	40 568	118 480	111 306	29 592	26.6%	193 264

DC3 Overberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	82 136	82 136	23 136	56 840	53 964	2 876	5.3%	82 136
Local Government Equitable Share			77 375	77 375	23 136	55 376	51 583	3 793	7.4%	77 375
Finance Management			1 000	1 000	-	335	500	(165)	-33.1%	1 000
EPIP Incentive			1 053	1 053	-	649	527	123	23.3%	1 053
Rural Roads Asset Management Grant			2 708	2 708	-	480	1 354	(874)	-64.5%	2 708
Municipal Disaster Relief Grant										
Other transfers and grants [insert description]										
Provincial Government:		-	112 428	111 128	16 959	59 710	56 214	(155)	-0.3%	111 128
Health Subsidy			203	203	30	90	101	(12)	-11.4%	203
CDW Operational Support Grant			57	57	-	10	29	(18)	-64.3%	57
Human Capacity Building Grant			250	250	-	-	125	(125)	-100.0%	250
Fire Safety Plan			2 323	1 023	-	214	1 162			1 023
Roads Function			109 595	109 595	16 929	59 396	54 797			109 595
mSCOA Support Grant			-	-	-	-	-			-
SETA Training Fund			-	-	-	-	-			-
Local Government Graduate Internship Grant			-	-	-	-	-			-
Municipal Finance Improvement Program - Resorts			-	-	-	-	-			-
Municipal Service Delivery and Capacity Building Grant - Fire			-	-	-	-	-			-
LG Support Grant - Human Relief			-	-	-	-	-			-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	200	-	-	-	-	-	-
Seta				200						
Seta										
Total operating expenditure of Transfers and Grants:		-	194 564	193 464	40 095	116 550	110 178	2 721	2.5%	193 264
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant										
Other capital transfers [insert description]										
Provincial Government:		-	-	1 300	-	-	-	-	-	-
Fire Safety Plan				1 300	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	1 300	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	194 564	194 764	40 095	116 550	110 178	2 721	2.5%	193 264

5. Councillor allowances and employee benefits (Table SC8)

DC3 Overberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q2 Second Quarter

Summary of Employee and Councillor remuneration	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			4 294	4 294	473	1 911	2 147	(236)	-11%	4 294
Pension and UIF Contributions			138	138	18	55	69	(15)	-21%	138
Medical Aid Contributions			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			1 716	1 716	152	682	858	(176)	-21%	1 716
Cellphone Allowance			400	400	73	206	200	6	3%	400
Housing Allowances			-	-	-	-	-	-	-	-
Other benefits and allowances			-	-	-	-	-	-	-	-
Sub Total - Councillors			6 548	6 548	716	2 853	3 274	(421)	-13%	6 548
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality										
Basic Salaries and Wages			4 479	4 479	279	1 886	2 240	(354)	-16%	4 479
Pension and UIF Contributions			292	292	12	111	146	(35)	-24%	292
Medical Aid Contributions			38	38	-	12	19	(7)	-36%	38
Overtime			-	-	-	-	-	-	-	-
Performance Bonus			194	194	-	-	97	(97)	-100%	194
Motor Vehicle Allowance			424	424	19	154	212	(58)	-27%	424
Cellphone Allowance			60	60	3	27	30	(3)	-11%	60
Housing Allowances			6	6	0	2	3	(1)	-27%	6
Other benefits and allowances			35	35	-	11	18	(6)	-36%	35
Payments in lieu of leave			-	-	-	-	-	-	-	-
Long service awards			-	-	-	-	-	-	-	-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality			5 529	5 529	314	2 204	2 765	(561)	-20%	5 529
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			84 694	84 694	5 997	40 667	42 347	(1 680)	-4%	84 694
Pension and UIF Contributions			14 571	14 571	1 094	6 422	7 286	(863)	-12%	14 571
Medical Aid Contributions			5 395	5 395	358	2 153	2 698	(544)	-20%	5 395
Overtime			2 075	2 075	290	1 635	1 038	597	58%	2 075
Performance Bonus			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			4 958	4 958	365	2 035	2 479	(444)	-18%	4 958
Cellphone Allowance			428	428	31	181	214	(34)	-16%	428
Housing Allowances			789	789	23	138	395	(257)	-65%	789
Other benefits and allowances			6 345	6 345	623	3 643	3 173	471	15%	6 345
Payments in lieu of leave			450	450	41	679	225	454	202%	450
Long service awards			741	741	42	250	370	(121)	-33%	741
Post-retirement benefit obligations			6 328	6 328	476	2 855	3 164	(308)	-10%	6 328
Sub Total - Other Municipal Staff			126 774	126 774	9 339	60 658	63 387	(2 729)	-4%	126 774
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality			138 851	138 851	10 369	65 715	69 425	(3 710)	-5%	138 851
			#DIV/0!	#DIV/0!						#DIV/0!
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS			138 851	138 851	10 369	65 715	69 425	(3 710)	-5%	138 851
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF			132 303	132 303	9 653	62 862	66 151	(3 290)	-5%	132 303

6. Material variances to the service delivery and budget implementation plan

SUMMARY INCOME & EXPENDITURE 2021/2022 EXCLUDING ROADS AGENCY				
Revenue by Source	Budget	Month Actual	YTD Actual	YTD Budget
SERVICES CHARGES	R 13 160 006.00	R 1 054 454.13	R 5 320 171.96	R 6 580 003.00
RENT OF FACILITIES&EQUIPMENT	R 11 844 000.00	R 983 618.30	R 6 292 744.21	R 5 922 000.00
INTEREST EARNED-EXTERNAL INVES	R 2 143 500.00	R 214 146.76	R 1 135 657.06	R 1 071 750.00
INTEREST EARNED-OUTST DEBTORS	R 255 600.00	R 16 039.13	R 111 505.92	R 127 800.00
LICENSES & PERMITS	R 166 400.00	R 13 220.97	R 100 431.42	R 83 200.00
INCOME FOR AGENCY SERVICES	R 11 435 986.00	R 960 170.81	R 5 761 024.86	R 5 717 993.00
GRANT&SUBSIDIES (OPERATING)	R 83 868 721.00	R 23 165 930.26	R 57 153 863.14	R 55 380 193.83
GRANT&SUBSIDIES (CAPITAL)	R 1 300 000.00	R -	R -	R -
OTHER REVENUE	R 8 391 386.00	R 384 204.74	R 4 481 317.94	R 4 084 968.00
PROFIT ON SALE	R 13 485 250.00	R -	R 1 304 347.83	R 6 742 625.00
	R 146 050 849.00	R 26 791 785.10	R 81 661 064.34	R 85 710 532.83
Expenditure by Type	Budget	Month Actual	YTD Actual	YTD Budget
EMPLOYEE COSTS-WAGES&SALARIES	R 82 378 874.00	R 5 531 569.73	R 36 235 240.96	R 41 189 437.00
REMUNERATION OF COUNCILLORS	R 6 547 786.00	R 715 710.40	R 2 853 090.14	R 3 273 893.00
BAD DEBTS	R 200 000.00	R -	R -	R 100 000.00
DEPRECIATION	R 4 613 948.00	R 384 495.67	R 2 306 974.00	R 2 306 974.00
BULK PURCHASES	R 400 000.00	R -	R -	R -
OTHER MATERIAL	R 2 634 104.00	R 328 552.93	R 1 602 215.42	R 1 237 052.00
INTEREST EXPENSE - EXTERNAL	R 3 160 048.00	R 217 107.85	R 1 358 929.40	R 1 580 024.00
CONTRACTED SERVICES	R 24 359 928.00	R 2 209 488.85	R 8 484 775.16	R 12 724 964.00
GRANTS & SUBSIDIES PAID	R 250 000.00	R -	R -	R 125 000.00
GENERAL EXPENSES - OTHER	R 19 493 098.00	R 3 027 252.26	R 9 851 884.15	R 9 660 299.00
LOSS ON DISPOSAL OF ASSETS	R -	R -	R -	R -
	R 144 037 786.00	R 12 414 177.69	R 62 693 109.23	R 72 197 643.00
Total	R 2 013 063.00	R 14 377 607.41	R 18 967 955.11	R 13 512 889.83

Revenue by source

Reasons for variance:

Total income to date is lower than projected with a variance of 4.72%. The largest contributor is the selling of properties which are still in process and will conclude in the 3rd quarter of the financial year. Less dumping at the regional landfill site for the period to date also impacted the revenue outcome to date.

Expenditure by type:

Reasons for variance:

Expenditure to date varies with 13.16% compared to the budgeted figures. Employee cost savings due to interim vacancies contributed to the lower expenditure in conjunction with repairs and maintenance projects which have not been implemented. There are also contracted service functions that will only occur in the last part of the financial year, impacting and aligning the budgeted to actual for the expenditure on the line item.

SUMMARY INCOME & EXPENDITURE 2021/2022 ROADS AGENCY				
Revenue by Source	Budget	Month Actual	YTD Actual	YTD Budget
SERVICES CHARGES	R -	R -	R -	R -
RENT OF FACILITIES&EQUIPMENT	R -	R -	R -	R -
INTEREST EARNED-EXTERNAL INVES	R -	R -	R -	R -
INTEREST EARNED-OUTST DEBTORS	R -	R -	R -	R -
LICENSES & PERMITS	R -	R -	R -	R -
INCOME FOR AGENCY SERVICES	R -	R -	R -	R -
GRANT&SUBSIDIES (OPERATING)	R 109 594 866.00	R 16 929 438.16	R 59 395 843.49	R 54 797 433.00
GRANT&SUBSIDIES (CAPITAL)	R -	R -	R -	R -
OTHER REVENUE	R -	R 314.21	R 1 657.37	R -
PROFIT ON SALE	R -	R -	R -	R -
	R 109 594 866.00	R 16 929 752.37	R 59 397 500.86	R 54 797 433.00
Expenditure by Type	Budget	Month Actual	YTD Actual	YTD Budget
EMPLOYEE COSTS-WAGES&SALARIES	R 49 924 050.00	R 4 121 570.82	R 26 626 557.78	R 24 962 025.00
REMUNERATION OF COUNCILLORS	R -	R -	R -	R -
BAD DEBTS	R -	R -	R -	R -
DEPRECIATION	R -	R -	R -	R -
BULK PURCHASES	R -	R -	R -	R -
OTHER MATERIAL	R 42 395 326.00	R 3 810 644.66	R 26 417 010.98	R 21 197 663.00
INTEREST EXPENSE - EXTERNAL	R 421 703.00	R 18 083.00	R 108 498.00	R 210 851.50
CONTRACTED SERVICES	R 2 400 000.00	R 205 822.53	R 1 069 707.20	R 1 200 000.00
GRANTS & SUBSIDIES PAID	R -	R -	R -	R -
GENERAL EXPENSES - OTHER	R 14 453 787.00	R 1 247 375.73	R 7 757 049.58	R 7 226 893.50
LOSS ON DISPOSAL OF ASSETS	R -	R -	R -	R -
	R 109 594 866.00	R 9 403 496.74	R 61 978 823.54	R 54 797 433.00
Total	R -	R 7 526 255.63	R -2 581 322.68	R -

Revenue by source

Reasons for variances:

Total roads agency revenue actual versus budget varies with 8.39% overcollection currently. This increase is due to roll-over funding received from the previous financial year, contributing to additional income recognised for the year.

Expenditure by type

Reasons for variances:

Total expenditure is also higher with 13.11%, in alignment with the additional income received to date, since provincial year-ends differ and the roads agency needs to try and spend most of their funding before provincial year end, 31st of March each year.

7. Capital programme performance

CAPITAL PROGRAMME - BUDGET 2021/22

DEPARTMENT	DESCRIPTION	FUNDING TYPE	BUDGET 2021/22	ADJUSTMENT AUG 2021	TOTAL 2021/22	SPENDING YTD Dec 2021	% SPENDING
EMERGENCY SERVICES	DC3_Rescue Equipment	1	R100 000		R100 000	R12 054.24	12.05%
INFORMATION SERVICES	DC3_Replacement of old and broken Computer Equipment	1	R500 000		R500 000	R217 739.14	43.55%
EMERGENCY SERVICES	DC3_Vehicle upgrade/refurbishment	1	R600 000		R600 000	R513 132.89	85.52%
FINANCIAL SERVICES	DC3_Acquisition of a small pick-up utility vehicle	1	R250 000		R250 000		0.00%
EMERGENCY SERVICES	DC3_Capital Vehicle Replacement	1	R2 100 000	-R200 000	R1 900 000		0.00%
SOLID WASTE	DC3_Water back-up system for Karwyderskraal	1	R255 000		R255 000		0.00%
MUNICIPAL HEALTH	DC3_2 Fridges for Storing Samples	1	R18 000		R18 000	R12 078.26	67.10%
LED, TOURISM, RESORTS & EPWP	DC3_Purchasing of Furniture and Office Equipment	1	R50 000		R50 000	R5 093.98	10.19%
MUNICIPAL HEALTH	DC3_3-in-1 Printer	1	R4 000		R4 000	R1 973.91	49.35%
CORP SERV: EXECUTIVE	DC3_Installation of a Power Generator and UPS back	1	R750 000		R750 000		0.00%
LED, TOURISM, RESORTS & EPWP	DC3_Upgrade of Bungalows - Uilenkraalsmond	1	R304 500		R304 500	R121 740.00	39.98%
LED, TOURISM, RESORTS & EPWP	DC3_Supervisor house upgrade - Die Dam	1	R57 000		R57 000	R54 871.38	96.27%
LED, TOURISM, RESORTS & EPWP	Water Network	1		R20 000	R20 000		0.00%
EMERGENCY SERVICES	DC3_Furniture and Office Equipment	1		R50 000	R50 000	R2 553.40	5.11%
EMERGENCY SERVICES	DC3_Safety initiative Implementation - Infrastruct	4		R600 000	R600 000		0.00%
INFORMATION SERVICES	DC3_Secondary Air Conditioner for Server Room	1		R25 000	R25 000	R10 124.47	40.50%
COUNCIL GENERAL	DC3_Covid-19	1		R162 300	R162 300		0.00%
EMERGENCY SERVICES	DC3_FIRE SAFETY IMPLEMENTATION PLAN (Com System)	4		R700 000	R700 000	R160 680.75	22.95%
EMERGENCY SERVICES	DC3_Capital Vehicle Replacement (Insurance) Bakkie	1		R400 000	R400 000	R399 844.03	99.96%
LED, TOURISM, RESORTS & EPWP	DC3_Sewage Wastewater Disposal System	1		R103 000	R103 000		0.00%
MUNICIPAL HEALTH	DC3_Office Equipment	1		R2 000	R2 000	R698.59	34.93%
	TOTAL		R4 988 500	R1 862 300	R6 850 800	R1 512 585.04	22.08%

*Please note that these figures exclude the commitments to date of R2 961 563.86 amounting to a total commitment and spending for the year of 65.31%.

8. Capital budget expenditure (SC12)

DC3 Overberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q2 Second Quarter

Month	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		-	-	-	-	-	-	-	0%
August		642	642	269	269	642	373	58.2%	5%
September		650	650	249	517	1 292	775	60.0%	10%
October		962	962	227	744	2 254	1 510	67.0%	15%
November		420	420	524	1 268	2 674	1 406	52.6%	25%
December		300	300	244	1 513	2 974	1 461	49.1%	30%
January		655	655			3 629	-		
February		300	300			3 929	-		
March		735	735			4 664	-		
April		-	-			4 664	-		
May		325	325			4 989	-		
June		-	-			4 989	-		
Total Capital expenditure		-	4 989	4 989	1 513				

9. **Non-financial performance**

The assessment on the performance of the Top Layer SDBIP for the first six months of the financial year (01 July 2021 – 31 December 2021) includes a detail review of:-

- The actual and year-to-date performance on the Top Layer SDBIP against the service delivery targets contained in the approved Top Layer SDBIP for 2021/2022 financial year (Annexure A). The report includes performance comments, corrective measures and the outcome on the KPI's performed.

The graphs that follow indicate the year-to-date performance on the Top Layer SDBIP at 31 December 2021.

During this period, 26 (56.52%) of the 46 KPI's were measured in the first six months of the financial year, which includes 2 KPI's with target date June 2022 (TL 38 & 44). The report reflects these KPI's as "well met" during this period.

The report indicates that 9 (19.57%) of the 26 KPI's measured during the period were *met*, 3 (6.52%) KPI's *well met*, 4 (8.70%) KPI's *extremely well met*, 2 (4.35%) KPI's *almost met* and 8 (17.39%) KPI's were *not met*. Reasons were provided why targets were not met. Seven (7) of the KPI's not met was due to the municipal election held on 1 November 2021. Council's inaugural meeting was held on 6 December 2021. During the semester corrective measures were put in place where targets were not performed as planned.

Considering the 20 (43.48%) KPI's not *yet measured*, with target dates set in the second semester, the Municipal Manager must ensure that appropriate measures are set in place by the Directors and responsible Officials to meet the targets as per timeframe. If targets are not closely monitored, it can be a significant risk for the Municipality to execute its core mandate and implementation of the IDP.

■ KPI's not met during the period:-

TL4 – IDP and PPComm engagement (Partially met).

TL24 – Report on Municipal Coastal Committee activities (Affected by municipal election).

TL26 – Report on Regional Waste Forum activities (Affected by municipal election).

TL29 – Report on Climate Change & Biodiversity Forum activities (Affected by municipal election).

TL40 – Report to Portfolio Committee on RED & Tourism and Economic Recovery Plan implementation (Affected by municipal election).

TL43 – Report to Portfolio Committee on the funding application to investigate the sustainability (Affected by municipal election).

TL45 – Report to Portfolio Committee on Social Development implementation (Affected by municipal election).

TL46 – Progress report on the establishment of a Drug Rehab Centre (Affected by municipal election).

■ KPI's almost met during the period:-

TL23 – Sewerage Water samples.

TL36 – Roads regravelled.

■ KPI's not met during the period:-

TL21 – Drinking water samples.

TL35 – Upgrade road to permanent surface (Boontjies Kraal Road).

TL37 – Roads bladed.

■ KPI'S that were extremely well met during the period:-

- TL3 – Internal Audits executed.
- TL34 – Report current disaster risks.
- TL38 – Roads resealed.
- TL44 – SCM/LED open days.

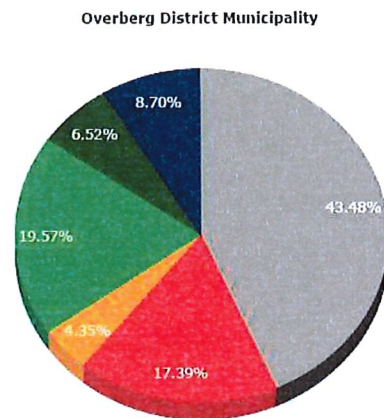
The report (Annexure A) indicates which KPI's need to be amended and the reason for the amendments.

It is also necessary to adjust the capital projects and time periods after the re-evaluation of the Capital Budget needs.

Conclusion:

It is recommended that the 2021/2022 SDBIP be amended after the approval of the adjustments budget.

Top Layer SDBIP for the first six months of the financial year – ending December 2021.



10. Half-yearly report by the Audit and Performance Audit Committee

OVERBERG DISTRICT MUNICIPALITY HALF-YEARLY REPORT BY THE AUDIT AND PERFORMANCE AUDIT COMMITTEE: 1 JULY TO 31 DECEMBER 2021

1. Introduction

The Audit Committee of the Overberg District Municipality, appointed in terms of section 166 of the Municipal Finance Management Act, no 56 of 2003 was also appointed by the Council to serve as the Performance Audit Committee in accordance with Regulation 14(2)(a) published in Government Notice R796 of 24 August 2001 in terms of the Local Government Municipal Systems Act, no 32 of 2000. In accordance with regulation 14(4)(a)(iii) of the same Regulations an audit and performance audit committee must at least twice during the financial year submit an audit report to the municipal council concerned. This report is submitted in compliance with the requirement and covers the period 1 July to 31 December 2021.

2.Membership

The Audit and Performance Audit Committee consists of four members:

PAL Strauss (Chairperson)
CCC Pieterse
T Blok
D Smith

3. Meetings

Date	Topic	PAL Strauss	CCC Pieterse	T Blok	D Smith
30/8/2021	Review AFS and performance report.	√	√	√	√
23/9/2021	Quarterly Meeting	√	√	√	√
6/10/2021	Discussion A/G Strat Plan.	√	√	√	√
9/12/2021	Quarterly Meeting	√	√	√	√

4.Quarterly reports

Section 45 of the Municipal Systems Act, 32 of 2000 provides that the results of performance measurements must be audited as part of the Council's internal auditing processes. In terms of regulation 14(1)(b) of the Municipal Planning and Performance Management Regulations the auditing must include assessments of the following:

- (i) The functionality of the municipality's performance management system;
- (ii) Whether the performance management system complies with the Act; and
- (iii) The extent to which the performance measurements are reliable in measuring performance.

In compliance with the abovementioned requirements the Council's Internal Audit Services performed an audit on the Municipality's measurements, also referred as Predetermined Objectives for the fourth quarter of 2020/2021 financial year and the first quarter of 2021/2022, including the Top Level SDBIP reports. The Committee considered the Internal Audit reports and any comments and recommendations were recorded and submitted to the Council.

The following reports have been reviewed by the Committee during the reporting period:

- Review of Annual Financial Statements prior to submitting to Auditor-General.
- Risk management activities for 1st quarter of 2021/2022.
- Internal Audit Findings status Report.
- Financial Report for August 2021.
- Internal Audit Report on year-end stock count.
- Internal Audit Report on combined assurance.
- OPCAR as at 30 August 2021.
- Karwyderskraal sinking fund for period 1/7/2021 – 11/8/2021.
- Internal Audit Report on quarterly asset reconciliation end of July 2021.
- Internal Audit Report on new tariffs.
- Internal Audit Report on BAC composition.

- Internal Audit Report on performance information for 4th quarter of 2020/2021.
- Quality Assessment progress report.
- AGSA strategic plan for 2020/2021 audit.
- Risk management activities for 2nd quarter of 2021/2022.
- Financial Report for October 2021.
- OPCAR as at 12 November 2021.
- Ad-Hoc Report on assistance to AGSA.
- AGSA audit report for 2020/2021.
- Karwyderskraal sinking fund for period 20/8/2021 – 21/11/2021.
- Internal Audit Report on BAC composition for BAC meetings held on 1 and 7 Oct. 2021.
- Internal Audit report on compliance.
- Feed-back report on repairs and maintenance.
- Internal Audit Report on performance information for 1st quarter of 2021/2022.
- Annual Internal Audit, audit opinion on internal controls.
- Review Charters and Methodology.
- APAC self-assessments.

5. Annual Internal Audit Report on Performance Management 2020/2021

The committee considered the Internal Audit reports on the audit of the municipality's performance assessment, also referred to as Predetermined Objectives for the 4th quarter of 2020/2021 and the 1st quarter of 2021/2022. The objectives of the Internal Audit review were to ensure that the performance information was adequate, complete, correct and reliable, that the relevant laws and regulations were complied with in the overall performance management system, processes and procedures and that the performance measurements were reliable in measuring the performance of the municipality.

Based on the review it was concluded that the system complied with MFMA, Circular no 63 and MSA S45(a) and that, based on the samples selected, performance information was adequate reliable.

6. Annual performance appraisal Municipal Manager, Director Community Services and Chief Financial Officer section 56/57 employees

The annual performance appraisal of the Municipal Manager, Director Community Service and Chief Financial Officer for the 2020/2021 year-end assessment were held on 20 October 2021, during which the Chairperson, Mr P Strauss provided oversight during the process.

7. Areas of satisfaction

The Committee would like to express its satisfaction with the following:

- a) The effectiveness of the internal audit function
- b) The progress made on risk management
- c) The improved financial position of the Municipality
- d) There is a high level of compliance in the Municipality
- e) Good relationship with the Auditor-General
- f) The audit outcome for 2020/2021

- g) The operation of the Karwyderskraal Landfill site
- h) The Municipality's response to the COVID-19 Pandemic

8. Continuous monitoring required

The following areas need continuous monitoring by Council and Management:

- a) Supply chain and supply chain practises
- b) The filling of key positions
- c) Clearing of audit findings and resolving of outstanding matters

9. Conclusion

We thank the Executive Mayor and management for their cooperation and trust that the Committee will continue to assist the Council in providing the best services to the public of the Overberg.

PAL Strauss
Chairperson
January 2022

TL14	Municipal Financial Viability and Management	Measured financial viability in terms of the available cash to cover fixed operating expenditure by 30 June (Cost coverage) (Reg)	Number of months cash were available to cover fixed operating expenditure ((All available cash at a particular time + investments)/monthly fixed operating expenditure)	2	0	0	0	N/A				0	N/A	
TL15	Municipal Financial Viability and Management	Measured financial viability in terms of percentage outstanding service debtors by 30 June (Service Debtors) (Reg)	% Outstanding service debtors per annum (Total outstanding service debtors/annual revenue received for services)	31.00%	0.00%	0.00%	0.00%	N/A				0.00%	N/A	
TL16	Municipal Financial Viability and Management	Report on Percentage Capital budget actually spend on capital projects by 30 June (Reg)	% of capital budget actually spent on capital projects for the annum (Actual spent on capital projects/Total capital budget)	90.00%	0.00%	0.00%	0.00%	N/A				0.00%	N/A	
TL17	Municipal Financial Viability and Management	Report to the Audit and Performance Audit Committee on the provision of the rehabilitation costs for Kanwyderskraal	Number of quarterly reports submitted per annum	4	1	1	1	G	Submitted on 23 September 2021 as part of August financial report, Item O153	Report on 9 December 2021, Item O160		2	G	
TL18	Municipal Financial Viability and Management	Compile and submit Draft Annual Financial Statement to Auditor-General by August	Draft Annual Financial Statements submitted	1	1	1	1	G	2020/2021 AFS submitted on 31 August 2021 to AG			1	G	
TL19	Municipal Financial Viability and Management	Report bi-annually to Council on the performance of service providers for quotations and tenders above R300000	Number of reports submitted to Council per annum	2	0	0	0	N/A		Submitted to Councilors on 29 October 2021.		1	G	
TL20	Regional Economic Development	Invite service providers to register on the suppliers database by June	Number of Invitation placed in local media per annum	1	0	0	0	N/A				0	N/A	
TL21	Basic Services and Infrastructure	Take domestic drinking water samples in towns and communities to monitor water quality (SAN 241 as amended)	Number of samples taken per annum	400	100	101	106	G2	July - 30 Aug - 36 Sept - 35	Oct - 44 Nov - 44 Dec - 29		200	G2	
TL22	Basic Services and Infrastructure	Take food samples to monitor the quality of Food into the FCD Act and legislative requirements	Number of samples taken per annum	400	100	104	100	G2	July - 32 Aug - 38 Sept - 34	Year-to-date result is inline with year-to-date target		200	G	

	160	40	38	0	Jul - 8 Aug - 16 Sept - 14	Backlog to be addressed in next quarter.	40	41	62	Oct - 14 Nov - 12 Dec - 15	80	79	0	Director must ensure that corrective measures be implemented as indicated.
TL23 Basic Services and Infrastructure	Take water sample at Sewerage Final Outflow to monitor water quality (National Water Act: General Standards)	Number of samples taken per annum	4	1	1	Report submitted on 27/09/2021	1	0	0	No Portfolio Committee meeting was held in the second quarter of the financial year due to the municipal election that took place 1 November 2021.	2	1	0	Annual Target to be amended from 4 reports to 3 per annum (KPI affected by municipal election).
TL24 Basic Services and Infrastructure	Report quarterly to the Community Services Portfolio Committee on the activities of the Municipal Coastal Committee	Number of reports submitted per annum	1	0	0	N/A	0	0	0	N/A	0	0	N/A	
TL25 Basic Services and Infrastructure	Report annually to the Community Services Portfolio Committee on the outcome of Karwyderskraal Landfill site adherence to the permit conditions	Number of reports submitted per annum	1	0	0	N/A	0	0	0	N/A	0	0	N/A	
TL26 Basic Services and Infrastructure	Report quarterly to the Community Services Portfolio Committee on the activities of the Regional Waste Forum	Number of reports submitted per annum	4	1	1	Report submitted on 27/09/2021	1	0	0	No Portfolio Committee meeting was held in the second quarter of the financial year due to the municipal election that took place 1 November 2021.	2	1	0	Target to be amended from 4 reports to 3 per annum (KPI affected by municipal election).
TL27 Regional Economic Development	Create temporary work opportunities through the alien vegetation clearing initiatives by 30 June	Number of work opportunities created per annum	25	0	0	N/A	0	0	0	N/A	0	0	0	N/A
TL28 Good Governance and Community Participation	Revise the District Spatial Development Framework by June	Revised District Spatial Development Framework and tabled to Council	1	0	0	N/A	0	0	0	N/A	0	0	0	N/A
TL29 Basic Services and Infrastructure	Report quarterly to the Community Services Portfolio Committee on the activities of the Municipal Climate Change & Biodiversity Forum	Number of reports submitted per annum	4	1	1	Report submitted on 27/09/2021	1	0	0	No Portfolio Committee meeting was held in the second quarter of the financial year due to the municipal election that took place 1 November 2021.	2	1	0	Target to be amended from 4 reports to 3 per annum (KPI affected by municipal election).
TL30 Basic Services and Infrastructure	Table the revised Disaster Risk Management Plan to Council by June	Revised Disaster Risk Management plans tabled to Council	1	0	0	N/A	0	0	0	N/A	0	0	0	N/A
TL31 Basic Services and Infrastructure	Table to Council the revised Disaster Management Framework by June	Revised Disaster Management Framework tabled to Council	1	0	0	N/A	0	0	0	N/A	0	0	0	N/A
TL32 Basic Services and Infrastructure	Revise annually the Safer Community Project Plan and table to the Community Services Portfolio Committee	Number of revised Safer Community Project Plans tabled per annum	1	0	0	N/A	0	0	0	N/A	0	0	0	N/A

TL41	Regional Economic Development	Create temporary work opportunities through the municipality's EPWP programme by 30 June	Number of temporary EPWP work opportunities created per annum	196	0	0	N/A	0	0	N/A	0	0	N/A	
TL42	Regional Economic Development	Revise the semi-permanent contract for implementation upon expiration of contracts and submit to the Community Services Portfolio Committee	Semi-permanent contract revised by March 2022	1	0	0	N/A	0	0	N/A	0	0	N/A	
TL43	Regional Economic Development	Submit progress reports to the Community Services Portfolio Committee on the application for funding to investigate the sustainability of ODM Resorts	Number of progress reports submitted per annum	2	0	0	N/A	1	0	R	1	0	R	Target to be amended from 2 to 1 per annum (KPI affected by municipal election).
TL44	Regional Economic Development	Coordinate two SCM/LED Open days	Number of SCM/LED open days coordinated per annum	2	0	0	N/A	0	1	B	0	1	B	
TL45	Regional Economic Development	Report quarterly on the progress in respect of social development Implementation Plan to the Community Services Portfolio Committee	Number of progress reports tabled per annum	4	1	1	G	1	0	R	1	0	R	Target to be amended from 4 reports to 3 per annum (KPI affected by municipal election).
TL46	Regional Economic Development	Report Bi-annually on the progress of the establishment of the Drug Rehab Centre for the District to the Community Services Portfolio Committee	Number of progress report submitted per annum	2	0	0	N/A	1	0	R	1	0	R	Amend annual target to 0, because the Drug and Rehab Centre project forms part of the JDMA process and Provincial Government is the key driver of the process.

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