

SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS 2015/16

FINANCIAL SERVICES

Specific Objective	Strategies	Key Performance Indicator	Baseline 2014/15	2015/16 Target	Quarter 1 Target - Ending September 2015	Potfolio of Evidence	Quarter 1 Actual Performance	Rating Key	Reason for Deviation	Corrective Measures proposed	Quarter 2 Target - Ending December 2015	Potfolio of Evidence	Quarter 2 Actual Performance	Rating Key	Reason for Deviation	Corrective Measures proposed
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1.KPA:MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Roll-out indigent scheme to all indigent household in BCM	Implement Indigent Policy	% of households earning less than R2460 per month with access to free basic services	31.3% (70 000)	34% (75 000)	32% (71250)	Formal report from the Financial System	77 563		N/A	N/A	33% (72500)	Formal report from the Financial System	78 112		N/A	N/A
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2.KPA:MUNICIPAL BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

To ensure that BCMM is financially viable	Accelerate implementation of grant / capital projects	% of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	>80%	>90%	5%	Section 71 Report	8%		N/A	N/A	40%	Section 71 Report	31%		A decision was taken by Top Management to do away with the Technical Assessment Team. These teams comprised of the user departments assisting the Bid Evaluation Committee (BEC) with evaluating of tenders and this resulted in creating a backlog in the BEC.	More than one BSC and BEC committees have been created to assist in expediting the tender processes within the committees. The additional committees will alleviate the challenges experienced in the committees and will result in the expenditure improving.
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KPA 4. MUNICIPAL FINANCIAL VILABILITY AND MANAGEMENT

To ensure that BCMM is financially viable	Maintenance of Credit rating at better than A	Credit rating maintained	> A	> A	A	Rating Report	A1/A		Target achieved but is based on an assessment performed in May 2014 on the 2013/14 financial statements	In process of concluding SLA, new rating to be performed	A	Rating Report	A1/A		Target achieved but is based on an assessment performed in May 2014 on the 2013/14 financial statements	In process of concluding SLA, new rating to be performed
	Implement revenue enhancement strategies.	% revenue collection rate as measured in accordance with the MSA Performance Regulations.	92%	93%	92.00%	Monthly Section 71 Report to Council	91.00%		The instability of the network, especially in the inland and midland areas has had a negative impact on credit control actions which had to be limited due to the network problems.	Full credit control actions will continue to be implemented in the form of blocking of prepayment meters and disconnection of both prepayment and conventional meters for customers in arrears. SMS notifications prior to due date and pre-termination notices immediately following due date will also continue to be issued to encourage customers to pay their accounts prior to credit control action being implemented.	92.20%	Monthly Section 71 Report to Council	90.00%		Despite the fact that debt collection actions were implemented, the current economic climate has had a negative effect on debt collection. Many debtors who made arrangements for debt settlement have not honoured their arrangements and additional credit control actions had to be implemented. In addition to this due to the unforeseen stoppage of operations at the Munifin Centre during October and November 2015 also impacted the collection of revenue negatively.	<ul style="list-style-type: none"> The continued implementation of the Credit Control Policy; The implementation of the debt incentive scheme The review of the current debt book, specifically related to the protection of accounts due to various reasons; The expediting resolution of billing queries and the revenue departments move from centralised operations to decentralised operations;

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	Maintain favourable cash management procedures	Cash is available for regular commitments. (Current ratio)	1.6:1	1.65:1	1.61:1	Per calculation	2.87:1		N/A	N/A	1.62:1	Per calculation	3.05:1		N/A	N/A
To ensure that BCMM is financially viable	Maintain favourable cash management procedures	Debt coverage ratio	>20 times	>20 times	>20 times	Per calculation	44.48		N/A	N/A	>20 times	Per calculation	44.48		N/A	N/A
KPA 4. MUNICIPAL FINANCIAL VILABILITY AND MANAGEMENT																
To ensure that BCMM is financially viable	Maintain long term borrowings below NT threshold	Debt to revenue ratio.	<35%	<35%	<35%	Per calculation	11.98%		N/A	N/A	<35%	Per calculation	11.71%		N/A	N/A
		Outstanding service debtors to revenue ratio	<32%	<32%	<32%	Per calculation	<32%		N/A	N/A	<32%	Per calculation	22.14%		N/A	N/A
		Cost coverage	>3 x fixed operating expenditure	>3 x fixed operating expenditure	>3 x fixed operating expenditure	Per calculation	>3 x fixed operating expenditure		N/A	N/A	>3 x fixed operating expenditure	Per calculation	6.57		N/A	N/A
5.KPA: GOOD GOVERNANCE																
Compliance with all applicable accounting standards	Preparation of the AFS	Compile AFS 2014/15	Prepared a time table for the compilation of the Annual Financial Statement (AFS)	Produce of the AFS	Preparation of the AFS for 2014/15	AFS for the 2014/15	AFS for 2014/15 prepared and submitted to the AG on 31 August 2015		N/A	N/A	Preparation of AFS including suggested Audit General Journals	Revised AFS	AFS including suggested Audit General Journals prepared and submitted		N/A	N/A