

SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS 2017/2018

DIRECTORATE: FINANCE

Specific Objectives	Strategies	Strategy Code	Key Performance Indicator	Project	Budget	Baseline 2016/2017	Target 2017/2018	Quarter 1 Target-Ending September 2017	Portfolio of Evidence	Quarter 1 Actual Performance	Rating Key	Reasons for Deviation	Corrective Measures Proposed
KPA 1:MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT													
Sustainable city to meet operating obligations.	Implement revenue enhancement strategies	MFVM11	Number of smart meters installed	Smart Metering	R 63, 720, 000 (Capex)	0	18000	2000	Completed installation of electricity meters with sim cards	0		Award letter was only signed on the 20th of July 2017 (during the first quarter of 17/18 FY) by Service Provider. SLA has not yet been signed by both parties (Vodacom and BCMM).	Expedite SLA consultations between both parties (Vodacom and BCMM). Target date for signed SLA by both parties is 29th of September 2017. Implementation of 200 households can only be achieved during Q2 of FY17/18.
KPA 2:MUNICIPAL BASIC SERVICE DELIVERY AND INFRASTRUCTURE.													
To ensure all genuinely indigent households benefit from the indigent subsidy	Roll out indigent scheme to all indigent households in BCMM	MFVM12	Number of households earning less than R3200 per month with access to free basic services	1. Quartely communication campaigns via the monthly utilities bill and local media adverts. 2. Indigent Registration Campaign	1. R150 000 (Opex) 2. R750 000 (Opex)	75 500	5 000	1250	Indigent Register	77 070		N/A	N/A
KPA 3:LOCAL ECONOMIC DEVELOPMENT													
Sustainable city to meet operating obligations.	Implement revenue enhancement strategies	MFVM13	%Completion of Certified Valuation Roll	Compile General Valuation Roll for all properties within BCMM Area	R12 Million	0	100%	N/A	N/A	Project still in progress. Next Target is a draft roll, deliverable end October 2017, hence Target for Quarter 1 is N/A.		N/A	N/A
KPA 4:MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
Sustainable city to meet operating obligations.	Implement revenue enhancement strategies	MFVM3	% revenue Collection Rate as measured in accordance with the MSA performance regulations	1. Implementation of the Credit Control Policy 2. Revenue Enhancement Strategy Review	1. R9,470, 000 (General Expenses) 2. R100 000 (Opex)	89%	'92.5%	100% (of the annual target)	Approved Section 71 Report	84%		During the first quarter, annual charges raised, which is due on 30 September 2017, and the implementation of the collection action related to the annual charges can only be implemented during October 2017 and beyond. The current economic climate has a negative effect on the debt collection. Many debtors who made arrangements have not honoured their arrangements and additional credit control actions had to be implemented.	The continued implementation of the Credit Control Policy; the review of the current debt book, specifically related to the protection of accounts due to various reasons;• The expediting resolution of billing queries within Revenue Department.

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To ensure that BCMM is financially viable	Maintenance of credit rating at better than A	MFVM4	Credit rating maintained at A	Appointment of a credit rating institution for 3 years	R 250 000	A	A	A	Credit Rating Report			N/A	N/A
	Maintain favourable cash management procedures	MFVM5	Current ratio (Municipality's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).	N/A	N/A	1.6:1	1.65:1	1.8 : 1	Section 71 Report			N/A	N/A
To ensure that BCMM is financially viable	Maintain long term borrowings below NT threshold	MFVM7	Debt to revenue percentage (the extent of Total Borrowings in relation to Total Operating Revenue).	N/A	N/A	35%	45%	45%	Section 71 Report			N/A	N/A
To ensure that BCMM is financially viable	Maintain long term borrowings below NT threshold	MFVM9	Cost coverage (ability to meet at least the municipality's monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month).	N/A	N/A	<3x fixed operating expenditure	<3x fixed operating expenditure	<3x fixed operating expenditure	Section 71 Report	<3x fixed operating expenditure		N/A	N/A
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
Expenditure of all grant/ capital infrastructure for service delivery in the applicable financial year	Accelerate implementation of grant / capital projects	MFVM2	% of municipality's capital budget actually spent on capital projects identified in terms of the IDP	Office Furniture and Equipment (Directorate)	R 500 000	90%	100%	10%	Section 71 Report	3%		The award letter for Smart Metering Solution was only signed on the 20th of July 2017 (during the first quarter of 17/18 FY) by Service Provider. Service Level Agreement (SLA) has not yet been signed by both parties (Vodacom and BCMM).	Expedite SLA consultations between both parties (Vodacom and BCMM). Target date for signed SLA by both parties is 29th of September 2017. The funding will be utilised during the implementation stage after the Service Level Agreement has been signed in October 2017.
				Smart Metering Solution	R 63 720 000								
				Asset Replacements - Insurance	R 10 000 000								
				Fully Integrated Asset Management System	R 15 000 000								
				Acquire ERP System	R 5 000 000								
				Computers (Interns)	R 100 000								
				Construction of Office Accommodation for Customer Care Office - Mdantsane	R 2 000 000								
Indigent Management System	R 1 500 000												