


BUFFALO CITY METROPOLITAN MUNICIPALITY : 2014/15 SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS

CHIEF FINANCIAL OFFICER

Specific Objective	Strategies	Key Performance Indicator	Baseline 2013/14 (To be confirmed at the end of financial year 2014/15)	2014/15 Target	Quarter 3 Target - Ending March 2015	Potfolio of Evidence	Quarter 3 Actual Performance	Rating Key	Reason for Deviation	Corrective Measures proposed	Quarter 4 Target - Ending June 2015	Potfolio of Evidence	Quarter 4 Actual Performance	Rating Key	Reason for Deviation	Corrective Measures proposed
1.KPA:MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																
Capacitated and structured to enable effective and sustainable service delivery.	Capacitated and structured to enable effective and sustainable service delivery	Verify, sign off and submit performance reports together with POE Files timeously.	4	4	3 (1)	Compiled POE Files with all certificates signed	3		N/A	N/A	1 (4)	Directorate institutional scorecard and service target and performance indicators	Directorate institutional scorecard with POE submitted to IDP office.		N/A	N/A
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	29.07%	31.3%	29.50%	Approved Indigent Register	32%		N/A	N/A	31.3%	Approved Indigent Register	31.54% 76891		N/A	N/A
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.	90%	>80%	70%	Section 71 Report	51%		Spending is less than forecasted	Accountants are engaging with their respective Directorates to improve spending and expedite processing of payments. Procurement processes are also being fast tracked.	>80% (>10%)	Section 71 Report	42%		Delays associated with the award of building maintenance tenders has resulted in expenditure not being incurred in the 2014/15 financial year. The tenders have since been awarded and the expenditure is expected to occur in early 2015/16 financial year.	Accountants to continue engaging with their respective Directorates to improve spending and expedite processing of payments.

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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	A1-/A	> A	> A	Rating report	A1/A	👍	N/A	N/A	> A	Rating report	A1/A	👍	N/A	N/A
	Implement revenue enhancement strategies.	% revenue collection rate as measured in accordance with the MSA Performance Regulations.	92%	93%	92.75% (0.25)	Monthly Section 71 Report to Council	92.22%	👎	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.	93% (0.25)	Monthly Section 71 Report to Council	94%	👍	N/A	N/A
	Maintain favourable cash management procedures	Cash is available for regular commitments. (Current ratio)	1.55:1	1.6:1	1.6:1	Per calculation	3.25:1	👍	N/A	N/A	1.6:1	Per calculation	3.57:1	👍	N/A	N/A
KPA 4. MUNICIPAL FINANCIAL VILABILITY AND MANAGEMENT																
To ensure that BCMM is financially viable	Maintain favourable cash management procedures	Debt coverage ratio	>20 times	>20 times	>20 times	Per calculation	39.26 times	👍	N/A	N/A	>20 times	Per calculation	40.06 times	👍	N/A	N/A
	Maintain long term borrowings below NT threshold	Debt to revenue ratio.	<35%	<35%	<35%	Per calculation	14.22%	👍	N/A	N/A	<35%	Per calculation	13.63%	👍	N/A	N/A
		Outstanding service debtors to revenue ratio	<32%	<32%	<32%	Per calculation	22.12%	👍	N/A	N/A	<32%	Per calculation	25.11%	👍	N/A	N/A
		Cost coverage	>3 x fixed operating expenditure	>3 x fixed operating expenditure	>3 x fixed operating expenditure	Per calculation	8 times	👍	N/A	N/A	>3 x fixed operating expenditure	Per calculation	6.91 times	👍	N/A	N/A
5.KPA: GOOD GOVERNANCE																
Compliance with all applicable accounting standards	Implementation of the Audit Improvement Plan.	Level of adherence to the Audit implementation plan	Qualified Audit Report.	Implementation of the Audit Improvement plan.	Prepare & distribute the 2014 Audit Improvement Plan.	2014 Audit Report.	Audit Improvement Plan distributed	👍	N/A	N/A	Implementation of the Audit Improvement plan.	Input into the AIP	Audit Improvement Plan (AIP) has been implemented and progress reports submitted to internal audit unit for review. The AIP has also been presented to top management and Audit Committee. AIP progress report to be presented to top management committee meeting and audit committee meeting scheduled for 13 July 2015 and 7 August 2015 respectively.	👍	N/A	N/A

Rating Key  Target Achieved  Target not Achieved  No reporting at this quarter