

Rustenburg



LOCAL MUNICIPALITY

**1ST QUARTER PERFORMANCE REPORT
FOR THE FINANCIAL YEAR 2020/2021**



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ANNEXURE A

Report of the Rustenburg Water Services Trust



1. INTRODUCTION

The 2020/2021 First Quarter Top Layer/Organizational Service Delivery and Budget Implementation Plan (SDBIP) Performance Report is submitted to Council in terms of Section 52 (d) of the Local Government: Municipal Finance Management Act (MFMA) No 56 of 2003.

The report covers the performance information from 01 July 2020 to 30 September 2020. The report further focuses on the implementation of the approved 2020/2021 SDBIP as amended in conjunction with the predetermined developmental objectives as encapsulated in the approved 2020/2021 Municipality's Integrated Development and Plan (IDP).

The report evaluates actual performance of the Municipality as measured against the performance indicators and targets in its 2020/2021 IDP, Annual Budget and SDBIP. Furthermore, the report depicts the performance of the Municipality as per the six (6) Key Performance Areas for Local Government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management, (5) Good Governance and Public Participation, and (6) Spatial Rationale and Transformation.

The format of the report will reflect the Municipality's Key Performance Indicators (KPI) per Municipal Key Performance Area (KPA), Strategic Priority and Objective respectively.

2. LEGISLATIVE IMPERATIVE

The 2020/2021 First Quarter Performance Report has been compiled in compliance with the requirements of Section 52 (d) of the Local Government: Municipal Finance Management Act No 56 of 2003; which stipulates as follows:

(1) The Mayor of a Municipality must:

(a) -----



(b) -----

(c) must take all reasonable steps to ensure that the Municipality performs its constitutional and statutory functions within the limits of the Municipality's approved budget

(d) must, within 30 days of the end of each quarter submit a report to Council on the implementation of the approved budget and the financial state of affairs of the Municipality.

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." It is therefore in pursuance of this provisions that the Rustenburg Local Municipality compiled the 2020/2021 First Quarter Top Layer/Organizational Performance Report.

3. THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Organizational Performance is evaluated by means of a Municipal Scorecard (Top Layer SDBIP) at Organizational level and through Technical SDBIP at Directorate levels.

The SDBIP is a plan that converts the IDP and Annual Budget into measurable operational targets on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to respective Directorates and/or Business Units therein, mandated to deliver specific services in terms of the approved IDP and Budget:

The MFMA Circular No.13 on Service Delivery and Budget Implementation Plan (SDBIP) prescribes that:

- The IDP and budget must be aligned;



- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the Budget /IDP processes.

The SDBIP was duly approved by the Executive Mayor. The overall assessment of actual performance against predetermined targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the assessment methodology as depicted in **Table 1** below:

4. PLANNED TARGETS VERSUS THE 2020/2021 FIRST QUARTER ACTUAL PERFORMANCE AS ALIGNED TO THE NATIONAL KEY PERFORMANCE AREAS

This section of the 2020/2021 First Quarter Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Since the Municipality has aligned its KPAs to the Six (6) National KPA's the Rustenburg Local Municipality will report as such.



5. ORGANIZATIONAL PERFORMANCE PER KEY PERFORMANCE AREA (KPA)

5.1 Key Performance Area (KPA 1): Municipal Transformation and Institutional Development

IDP Priority: Drive Optimal Institutional Development, Transformation and Capacity Building

KPI 1: Number of ICT Policies reviewed by 30 June 2021	Annual Target		Actual
	Annual	3	N/A
	Quarter 1	1	4
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>The KPI was targeted for 2nd and 3rd Quarter, however the following policies were achieved in the first quarter on the 29 September 2020:</p> <ol style="list-style-type: none"> 1. Data Backup and Recovery Policy – item 143 2. Group Information Security Policy - item 144 3. Patch Management Policy – item 145 4. Corporate Governance of Information Communication Technology Policy Framework – item 146 <p>Ref : DCS 4</p>			



KPI 2: Number of Occupational Health and Safety (OHS) inspections and reports submitted by 30 June 2021	Annual Target		Actual
	Annual	36	N/A
	Quarter 1	9	9
Comment on the achievement of the KPI and remedial measures			
Achieved			
Inspections were conducted as follows:			
No	Place	Date	
1	Municipal Stores	14 September 2020	
2	Donkerhoek Cemetery	28 September 2020	
3	Waste	29 September 2020	
4	Charora DTLC Registry Authority	12 August 2020	
5	Marikana DTLC	13 August 2020	
6	Marikana RCC	13 August 2020	
7	Waste	21 August 2020	
8	DTIS Sanitation	26 August 2020	
9	DTIS Sanitation	27 August 2020	
Ref : DCS 7			

KPI 3: % of the municipality's budget actually spent on implementing its Workplace Skills Plan	Annual Target		Actual
	Annual	95%	N/A
	Quarter 1	0%	0%
Comment on the achievement of the KPI and remedial measures			
The KPI is not applicable for the quarter under review.			
The programme for WSP Skills programs was sent to supply chain for advert on the 18 August 2020. A Zoom meeting for BID Specification Committee was held on 3 rd September 2020 and the item was approved to be advertised for 30 days. The tender advert was published in the National			



Project	Budget	Expenditure	%
95% of the municipality's staff budget spent on implementing the Workplace Skills Plan	R3 000 000.00	R 0.00	R 0.00

Treasury E-Tender Publication was done on the 15th October 2020.

Ref : DCS 12

KPI 4: Number of Organizational Structures reviewed and submitted to Council for approval by 30 May 2021	Annual Target		Actual
	Annual	1	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI is not applicable for the quarter under review.</p> <p>The Process plan for organizational structure clean-up was approved by the Director: Corporate Support Services on 10 September 2020. The organizational structure report was submitted to LLF on the 15th September 2020 and the meeting was postponed to 6th October 2020. The Structure was then submitted to the LLF that was scheduled on 06/10/2020 and was referred back to the next LLF which will sit on 10/11/2020.</p>			
Ref : DCS 13			

5.2 Key Performance Area (KPA 2): Good Governance and Public Participation

KPI 5: No of Notices prepared and distributed for ordinary Council meetings by 30 June 2021	Annual Target		Actual
	Annual	6	N/A
	Quarter 1	2	3
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>Notices were issued for Council meetings which were held as follows:</p> <ol style="list-style-type: none"> 1. 28 July 2020 2. 8 August 2020 3. 29 September 2020. 			



The Council meeting held on the 29 August was a Virtual Special meeting while the meetings held on the 28 July 2020 and 29 September 2020 were Virtual Ordinary Council meeting. The notices of all the meeting were distributed electronically by communication unit, uploaded on the municipal website and published in the Rustenburg Herald Newspaper.

Ref : DCS 21

KPI 6: Number of reports on the implementation of Council resolutions	Annual Target		Actual
	Annual	4	N/A
	Quarter 1	1	1

Comment on the achievement of the KPI and remedial measures

Achieved.

The report on implementation of Council resolutions served before the meeting of Council on the 29 September 2020 per item 193.

Ref : DCS 23

KPI 7: Number of employment equity (EE) reports submitted to the Department of Labour by 15 January 2021	Annual Target		Actual
	Annual	1	N/A
	Quarter 1	N/A	N/A

Comment on the achievement of the KPI and remedial measures

The KPI was not applicable for the quarter under review. Target date for the submission of the Employment Equity report is the 15 January 2021.

Ref : DCS 16

KPI 8: Number of records disposal applications submitted to the North West Provincial Archives and Records Services By 30 June 2021	Annual Target		Actual
	Annual	1	1
	Quarter 1	N/A	N/A

Comment on the achievement of the KPI and remedial measures

The KPI was not applicable for the quarter under review.

The Rustenburg Local Municipality received authorization for disposal of three (3) closed files plans dating from 1932 – 1995. Destruction certificates were submitted to the North West Provincial Archives and Records Services on the 29 September 2020. The records section is in a process of implementing the authorization.

Ref : DCS 18



5.3 Key Performance Area (KPA 2): Good Governance and Public Participation

KPI 9: 2019/20 Annual Report tabled to Council for adoption by 31 January 2021	Annual Target		Actual
	Annual	January 2021	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : OMM 01</p>			

KPI 10: 2021/22 IDP reviewed and submitted to Council for approval by 30 May 2021	Annual Target		Actual
	Annual	30 May 2021	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : OMM 2</p>			

KPI 11: 2020/21 Service Delivery and Budget Implementation Plan (SDBIP) by 30 July 2020	Annual Target		Actual
	Annual	30 July 2020	17 July 2020
	Quarter 1	N/A	17 July 2020
Comment on the achievement of the KPI and remedial measures			
<p>Achieved.</p> <p>The Service delivery and Budget implementation plan for the 2020 /2021 financial year was approved by the Executive Mayor on the 17 July 2020 within the stipulated timeframes of 28 days after approval of the budget. Copies of the SDBIP were placed on the Municipal website. The Top Layer SDBIP was noted by Council on the 29 September 2020 per item 177.</p> <p>Ref : OMM 3</p>			



KPI 12: 2020/21 Performance Management Policy Framework tabled to Council for approval by 31 August 2020	Annual Target		Actual
	Annual	31 August 2020	31 August 2020
	Quarter 1	31 August 2020	29 September 2020
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>The performance management Policy was reviewed and adopted by Council on the 29 September 2020 per item 175.</p> <p>Ref: OMM 4</p>			

KPI 13: Qualified Audit opinion expressed by the Auditor General	Annual Target		Actual
	Annual	N/A	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>The auditor general's opinion will be released during the 3rd Quarter.</p> <p>Ref : BTO 9</p>			

KPI 14: % Implementation of the PAAP by 30 June 2021	Annual Target		Actual									
	Annual	30 June 2020	N/A									
	Quarter 1	100%	34%									
Comment on the achievement of the KPI and remedial measures												
<p>Not Achieved</p> <table border="0"> <tr> <td>Finding in progress</td> <td>21</td> <td>66%</td> </tr> <tr> <td>Findings finalized</td> <td>11</td> <td>34%</td> </tr> <tr> <td>Total</td> <td>32</td> <td></td> </tr> </table> <p>Ref : BTO 26</p>				Finding in progress	21	66%	Findings finalized	11	34%	Total	32	
Finding in progress	21	66%										
Findings finalized	11	34%										
Total	32											



5.4 Key Performance Area (KPA 3): Municipal Financial Viability and Management

KPI 15: % Functional mSCOA financial system modules	Annual Target		Actual
	Annual	100%	N/A
	Quarter 1	100% of all modules as per the SLA signed off as fully operational by the municipality and system service provider	100% Signed off system module functionality implementation plan

Comment on the achievement of the KPI and remedial measures

Achieved

Signing off of all modules was done as targeted.

Project	Budget	Expenditure	%
mSCOA Implementation	5,067,615.00	4 277 165.96	84%

Variiances and reason for non-achievement

Annual license fee insufficiently budgeted for

Remedial Measures

To be corrected during adjustment budget.

Ref : BTO 1



KPI 16: Percentage collection of revenue billed	Annual Target		Actual
	Annual	85%	N/A
	Quarter 1	85%	84%
Comment on the achievement of the KPI and remedial measures			
<p>Not Achieved</p> <p>Formula: Trade Creditors /Credit Purchases (Operating Capital) x 365</p> <p>Gross Debtors closing balance : R5 846 832 033</p> <p>Gross Debtors opening balance : R5 715 612 000</p> <p>Bad debts written off : R0.00</p> <p>Billed Revenue : R812 394 963</p> <p>Actual Performance : 84%</p> <p>Reasons for non-achievement</p> <p>Slow start with implementation of the credit control due to lockdown.</p> <p>Remedial Measures</p> <p>Pick up momentum in implementation of credit control. Shock approach on disconnections of business and suburbs, while issuing FDs and disconnect for residential.</p> <p>Ref : BTO 3</p>			

KPI 17: Creditors payment within 30 days of signed-off invoices by user Directorates	Annual Target		Actual														
	Annual	30 days	N/A														
	Quarter 1	Creditors payment within 30 days	77 days														
Comment on the achievement of the KPI and remedial measures																	
<p>Not Achieved</p> <p>Formula: Trade Creditors Outstanding/Credit Purchases (Operating and Capital) x 365</p> <table border="1"> <tbody> <tr> <td>Trade Creditors</td> <td>357 818 689</td> </tr> <tr> <td>Contracted services</td> <td>81 796 939</td> </tr> <tr> <td>Repairs and Maintenance</td> <td>30 615 460</td> </tr> <tr> <td>General Expenses</td> <td>104 886 074</td> </tr> <tr> <td>Bulk Purchases</td> <td>1 346 611 811</td> </tr> <tr> <td>Capital Credit purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)</td> <td>142 916 614</td> </tr> <tr> <td>Total days</td> <td>77 days</td> </tr> </tbody> </table>				Trade Creditors	357 818 689	Contracted services	81 796 939	Repairs and Maintenance	30 615 460	General Expenses	104 886 074	Bulk Purchases	1 346 611 811	Capital Credit purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	142 916 614	Total days	77 days
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Capital Credit purchases (Capital Credit Purchases refers to additions of Investment Property and Property, Plant and Equipment)	142 916 614																
Total days	77 days																



Reasons for non-achievement

Cashflow challenges.

Remedial Measures

Prioritise long outstanding creditors and enter into payment arrangement for major creditors.

Ref : BTO 4

KPI 18: Achieved Improved financial current ratio	Annual Target		Actual
	Annual	1.6:1	N/A
	Quarter 1	1.6:1	0.67:1

Comment on the achievement of the KPI and remedial measures

Not Achieved

Formula : Current Assets/Current Liabilities

Current Assets : R1 193 191 987

Current Liabilities : R1 771 883 542

Current Ratio : 0.67 : 1

Variances and reason for non-achievement

Cash flow challenges. High creditors at year end of reporting period and effect of debt impairment

Remedial Measures

Improve in revenue collection and strategically reduce creditors by reducing monthly commitments

Ref : BTO 5



KPI 19: Achieve improved financial cost coverage of the municipality	Annual Target		Actual
	Annual	1 month	N/A
	Quarter 1	1 month	1 month
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>Cash and cash equivalents : R492 200 313 Unspent conditional grants : R288 035 036 Overdraft : R0 Short Term Investments : R22 505 462 Total Annual Operational Expenditure : R2 646 605 635 Cost Coverage : 1 month</p> <p>Ref : BTO 6</p>			

KPI 20: Number of indigents registered to earn free basic services	Annual Target		Actual
	Annual	30 000	N/A
	Quarter 1	6000	3485
Comment on the achievement of the KPI and remedial measures			
<p>Not Achieved</p> <p>3442 indigents were registered during the 1st quarter.</p> <p>July : 3177 August : 3387 September : 3485</p> <p>Variances and reason for non-achievement</p> <p>Indigent registration plan not successful due to low turnout by Councilors to partake in the workshop and registration process.</p> <p>Some indigents did not come through to reply after expiry due to lockdown restriction.</p> <p>Remedial Measures</p> <p>Revised quarter indigent registration programme and finalise appointment of service provider for revenue management support (inclusive of indigent registration)</p> <p>BTO 7</p>			



KPI 21: Percentage expenditure on overtime not exceeding approved budget by 30 June 2021	Annual Target		Actual
	Annual	100% or less	N/A
	Quarter 1	25% or less	12%
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>Overtime has not exceeded the targeted amount.</p> <p>Annual Budget (Overtime): : R29 443 034 Actual Expenditure (July- Sep) : R3 605 707.74 Percentage : 12%</p> <p>BTO 10</p>			

KPI 22: Section 71 reports due submitted at every ordinary Council meeting	Annual Target		Actual
	Annual	12	N/A
	Quarter 1	3	3
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>July, August and September Section 71 reports to serve at the July PFC for tabling in November 2020.</p> <p>Ref : BTO 11</p>			

KPI 23: Number of section 72 reports submitted within legislated timeframe at Council meeting	Annual Target		Actual
	Annual	January 2021	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review. Submission of section 72 report is due in January 2021.</p> <p>Ref : BTO 12</p>			



KPI 24: Number of section 52 reports submitted after every quarter to council	Annual Target		Actual
	Annual	4	N/A
	Quarter 1	1	0
Comment on the achievement of the KPI and remedial measures			
<p>Not Achieved</p> <p>The 1st Quarter performance assessment were scheduled to commence on the 20 October 2020 and the 1st quarter performance report shall serve before Council in November 2020.</p> <p>Ref : BTO 13</p>			

KPI 25: Annual Financial Statements (AFS) of RLM and Consolidated AFS of 2019/20 submitted to AGSA for audit by 31 August 2020 and 30 September 2020 respectively	Annual Target		Actual
	Annual	2x sets of financial statements	N/a
	Quarter 1	2x sets of financial statements	30 October 2020
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>Extension of submission of the AFS approved for the 30 October 2020 due to national lockdown.</p> <p>Ref : BTO 14</p>			

KPI 26: MTREF budget approved by council by 31 May 2021	Annual Target		Actual
	Annual	31 May 2021	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : BTO 15</p>			



KPI 27: Adjustments budget submitted to Council by end of February 2021	Annual Target		Actual
	Annual	February 2021	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
The KPI was not applicable for the quarter under review.			
Ref : BTO 17			

KPI 28: Rand value of stands sold	Annual Target		Actual
	Annual	R3 500 000	0
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
KPI not applicable for the quarter under review.			
Ref : DPHS 10			

KPI 29: Rand value for land use amendment applications and building plans submitted by 30 June 2021	Annual Target		Actual	
	Annual	R1 000 000	N/A	
	Quarter 1	R300 000	R383 966.00	
Comment on the achievement of the KPI and remedial measures				
Achieved.				
R383 966.00 was generated as at end of August 2020.				
Project	Budget	Target	Actual	%
Revenue Generation	R1 000 000	300 000	R383 966	127%
Ref : DPHS 11				



5.5 Key Performance Area (KPA 4): Local Economic Development

KPI 30: Number of Municipal Business Advisory Councils established by end of June 2021	Annual Target		Actual
	Annual	1	N/A
	Quarter 1	0	0
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Notable progress was that a notice was signed and Issued to invite candidates, a total of 31 interested candidates made submissions. A processes to shortlist candidates had commenced during the quarter under review.</p>			
Project	Budget	Expenditure	%
Economic Advisory Council	R 2.295m	0	0
Ref : LED 1			

KPI 31: Number of catalytic projects facilitated by end of June 2021	Annual Target		Actual
	Annual	2	N/A
	Quarter 1	0	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was targeted for the 4th quarter.</p>			
Project	Budget	Expenditure	%
Facilitation of Catalytic Projects	R594 877	R0	0%
Ref : LED 2			

KPI 32: Number of tourism activations facilitated by end of June 2021	Annual Target		Actual	
	Annual	3	N/A	
	Quarter 1	1	0	
Comment on the achievement of the KPI and remedial measures				
Not Achieved				
Project	Budget	Expenditure	Actual	%
Rustenburg Tourism Development	R3.2m	R0	R0	0%



Variances and reason for non-achievement

COVID-19 National Lockdown and subsequent Risk Regulations which prohibited tourism travel and events

Remedial Measures

Flea Market to be open for operations during the second quarter and to start attracting events in line with lockdown regulations.

Ref : LED 3

KPI 33: Number of SMMEs and Cooperatives assisted with business development support interventions by end of June 2021	Annual Target		Actual
	Annual	250	N/A
	Quarter 1	50	160

Comment on the achievement of the KPI and remedial measures

The KPI was over-achieved.

Project	Budget	Expenditure	%
Enterprise Development Programme	R 4 450 000	R0	0%

Variances and reason for non-achievement

Increased stakeholder participation has enabled the Directorate to assist more enterprises following the partnership agreement with SEDA.

Ref : LED 4



KPI 34: Number of jobs created through municipality's Local Economic Development initiatives including capital projects by end of June 2021	Annual Target		Actual
	Annual	1000	N/A
	Quarter 1	0	252

Comment on the achievement of the KPI and remedial measures

Achieved.

Project	Number of Jobs
EPWP – Phunyeletso	16
EPWP – Parks	42
PMU	10
Wet Refuse Collection	74
Landfill Management	22
IEM Green Deeds	13
Libraries	72
Civil Facilities	3
TOTAL	252

Ref : LED 5

KPI 35: Number of farms supported for agriculture development by end of June 2021	Annual Target		Actual
	Annual	20	N/A
	Quarter 1	N/A	N/A

Comment on the achievement of the KPI and remedial measures

KPI not applicable during the quarter under review.

Ref : LED 7



5.6 Key Performance Area (KPA 5): Basic Services and Infrastructure Development

KPI 36: Number of households with access to basic water	Annual Target		Actual
	Annual	20 000	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>KPI is not applicable for the quarter.</p> <p>Progress report on upgrading of water infrastructure at Maditlhokwa and Boshhoek was provided.</p> <p>Ref : DTIS 10</p>			

KPI 37: % compliance to water quality as per South African National Standards by 30 June 2021	Annual Target		Actual
	Annual	100%	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>KPI not applicable for the quarter.</p> <p>The municipality is complying to the water quality as per South African National Standards.</p> <p>Ref : DTIS 11</p>			

KPI 38: % Reduction of Non-Revenue Water Losses by 30 June 2021	Annual Target		Actual
	Annual	5%	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>KPI not applicable for the quarter.</p> <p>The water loss was at 43% according to the statistical information for water distribution.</p> <p>Ref : DTIS 12</p>			



KPI 39: % increase on Households with access to basic sanitation services	Annual Target		Actual
	Annual	80%	N/A
	Quarter 1	73%	0
Comment on the achievement of the KPI and remedial measures			
<p>Not Achieved</p> <p>No sanitation connections were done in the 1st quarter.</p> <p>Variance and Reasons for Non-Achievement</p> <p>Planning and design was completed in the 1st quarter.</p> <p>Remedial Measures</p> <p>Set target for completion of designs not connection during 1st quarter. Implementation to start in the 2nd quarter.</p> <p>Ref : DTIS 16</p>			

KPI 40: % Households with access to metered electricity services	Annual Target		Actual
	Annual	90%	N/A
	Quarter 1	Planning & Design	N/A
Comment on the achievement of the KPI and remedial measures			
<p>KPI is not applicable for the quarter</p> <p>Ref: DTIS 20</p>			



KPI 41: No. of operations to remove illegal connections	Annual Target		Actual
	Annual	4	N/A
	Quarter 1	1	3
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>3 operations were conducted at Dinie Estate, Abu Dabi and Sunrise Park</p> <p>The electrical losses for the period July 2019 to June 2020 with the inclusion of Glencore (Xstrata) is calculated to be 4,86% and with the exclusion of Glencore (Xstrata) based on losses information from the SAGE system is 8.8%</p> <p>Energy losses in the electrical network is due to technical (equipment losses such as transformers and cable) and non-technical losses (meters by-passed, meters not working correctly). NERSA has indicated that network losses should be between ±6% and ±12%. By analyzing the above statistics of RLM it was found that losses are ±8.8%, which is in line with the benchmark of NERSA.</p> <p>Ref : DTIS 21</p>			

KPI 42: Percentage of formal households on the valuation roll (93294) provided with a weekly solid waste removal service by 30 June 2021	Annual Target		Actual								
	Annual	100%	N/A								
	Quarter 1	100%	110.7%								
Comment on the achievement of the KPI and remedial measures											
<p>Achieved</p> <table border="1"> <thead> <tr> <th>Project</th> <th>Budget</th> <th>Expenditure</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Waste Collection Services</td> <td>28,641,366.00</td> <td>R 2,597,353.90</td> <td>9%</td> </tr> </tbody> </table> <p>A total of 96800 formal households are on the new valuation roll. Of the 96800 households on the valuation roll, 4929 units are farm households and are self-serviced. A total of 91871 households on the valuation roll are serviced by the RLM waste collection services. Additional 9867 village households not on the new valuation roll are receiving the Waste Collection Services, amounting to 10.7 additional percentage. $(9867/91871 * 100 = 10.7\%)$. Total number of Households receiving waste services from the Municipality is 101 738.</p> <p>Ref : DCD 1</p>				Project	Budget	Expenditure	%	Waste Collection Services	28,641,366.00	R 2,597,353.90	9%
Project	Budget	Expenditure	%								
Waste Collection Services	28,641,366.00	R 2,597,353.90	9%								



KPI 43: Number of recognised informal settlements with a waste service per week by 30 June 2021	Annual Target		Actual																						
	Annual	16	N/A																						
	Quarter 1	14	18																						
Comment on the achievement of the KPI and remedial measures																									
<p>Achieved.</p> <p>18 informal settlements have been serviced through the clearing of illegal dumping and waste collection. The following areas were serviced:</p> <table border="1"> <thead> <tr> <th>Waste Collection in</th> <th>Illegal Dumping Cleared in</th> </tr> </thead> <tbody> <tr> <td>1. Dinnie Estates</td> <td>11. Mbeki Sun (Paardekraal)</td> </tr> <tr> <td>2. Plot 14</td> <td>12. Freedom Park Phase 2</td> </tr> <tr> <td>3. Boitekong X13</td> <td>13. Popo Molefe (Ziza)</td> </tr> <tr> <td>4. Ikageng</td> <td>14. Zakhele Ward 34</td> </tr> <tr> <td>5. Freedom Park</td> <td>15. Nkaneng Open Space next to the Sport Ground Jabula</td> </tr> <tr> <td>6. Boitekong 14</td> <td>16. Kroondal (Ikemeleng/Matebeleng)</td> </tr> <tr> <td>7. Jabula</td> <td>17. Yizo Yizo (Tlhabane)</td> </tr> <tr> <td>8. Rustenburg X13 (Ramochana)</td> <td>18. Chachalaza Motlhabeng (Kanana)</td> </tr> <tr> <td>9. Yizo Yizo (Boitekong X8)</td> <td></td> </tr> <tr> <td>10. Lethabong Gardens</td> <td></td> </tr> </tbody> </table>				Waste Collection in	Illegal Dumping Cleared in	1. Dinnie Estates	11. Mbeki Sun (Paardekraal)	2. Plot 14	12. Freedom Park Phase 2	3. Boitekong X13	13. Popo Molefe (Ziza)	4. Ikageng	14. Zakhele Ward 34	5. Freedom Park	15. Nkaneng Open Space next to the Sport Ground Jabula	6. Boitekong 14	16. Kroondal (Ikemeleng/Matebeleng)	7. Jabula	17. Yizo Yizo (Tlhabane)	8. Rustenburg X13 (Ramochana)	18. Chachalaza Motlhabeng (Kanana)	9. Yizo Yizo (Boitekong X8)		10. Lethabong Gardens	
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9. Yizo Yizo (Boitekong X8)																									
10. Lethabong Gardens																									
Ref : DCD 2																									

KPI 44: Number of recycling initiatives undertaken established within RLM by 30 June 2021	Annual Target		Actual
	Annual	2	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>KPI not applicable this quarter.</p> <p>Tonnages from Marikana Recycling Group: HDPE = 52kg; Polyprop = 67kg; White Paper = 33kg; Cardboard = 182kg; PET = 229.kg; Green PET = 66kg</p> <p>Awareness activities were also undertaken in Marikana.</p>			
Ref : DCD 3			



KPI 45: Number of stations completed for the integrated transport system	Annual Target		Actual
	Annual	6 Stations	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : R&T 1</p>			

KPI 46: % Completion of RRT depot	Annual Target		Actual
	Annual	10% Construction	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : R&T 2</p>			

KPI 47: No. of buses acquired and operating through the Bus operating company	Annual Target		Actual
	Annual	10 buses	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : R&T 3</p>			

KPI 48: % Completion of RRT Feeder routes & Bus Stops	Annual Target		Actual
	Annual	10% Construction	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
<p>The KPI was not applicable for the quarter under review.</p> <p>Ref : R&T 4</p>			



KPI 49: No. of Fire Safety Compliance Inspections undertaken in business premises by 30 June 2021	Annual Target		Actual															
	Annual	800	N/A															
	Quarter 1	200	352															
Comment on the achievement of the KPI and remedial measures																		
<p>Achieved.</p> <p>352 fire inspections were conducted during the quarter under review.</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Month</th> <th>Number of Inspections</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>July</td> <td>209</td> </tr> <tr> <td>2</td> <td>August</td> <td>59</td> </tr> <tr> <td>3</td> <td>September</td> <td>84</td> </tr> <tr> <td></td> <td>TOTAL</td> <td>352</td> </tr> </tbody> </table> <p>Variance and reasons for non-achievement</p> <p>More resources were redirected to fire safety compliance inspections due to Covid-19.</p> <p>DPS 1</p>				No.	Month	Number of Inspections	1	July	209	2	August	59	3	September	84		TOTAL	352
No.	Month	Number of Inspections																
1	July	209																
2	August	59																
3	September	84																
	TOTAL	352																

5.6 Key Performance Area (KPA 6): Spatial Rationale - Develop and Sustain a Spatial, Natural and Built Environment

KPI 50: Number land pieces acquired by 30 June 2021	Annual Target		Actual										
	Annual	1	N/A										
	Quarter 1	N/A	N/A										
Comment on the achievement of the KPI and remedial measures													
<table border="1"> <thead> <tr> <th>Project</th> <th>Budget</th> <th>Expenditure</th> <th>Actual</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Land Acquisition</td> <td>R2 000 000</td> <td>R0</td> <td>R0</td> <td>0%</td> </tr> </tbody> </table> <p>KPI not applicable for the quarter under review.</p> <p>Ref : DPHS 1</p>				Project	Budget	Expenditure	Actual	%	Land Acquisition	R2 000 000	R0	R0	0%
Project	Budget	Expenditure	Actual	%									
Land Acquisition	R2 000 000	R0	R0	0%									



KPI 51: Number of townships formalized or established	Annual Target		Actual
	Annual	2	N/A
	Quarter 1	Progress Report	Progress Report
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>Yizo Yizo (Tlhabane) will be submitted in Quarter 2, A meeting was held with Maxim Planning Solutions on 15th September 2020 in terms of finalization of the layout for the formalization of Yizo Yizo Tlhabane. Mbeki Sun, to be submitted in Quarter 2.</p>			
Project	Budget	Expenditure	Actual
Formalization of townships	R4 000 000	R0	R0
			%
			0%
Ref : DPHS 5			

KPI 52: SDF approved by council by June 2021	Annual Target		Actual
	Annual	1	N/A
	Quarter 1	N/A	N/A
Comment on the achievement of the KPI and remedial measures			
KPI not applicable for the quarter under review			
Ref : DPHS 6			

KPI 53: Single MPT Established by 31 December 2020	Annual Target		Actual
	Annual	2	N/A
	Quarter 1	Progress Report	Progress Report
Comment on the achievement of the KPI and remedial measures			
<p>Achieved</p> <p>A notice to call for nominations of persons to be appointed as members of the Rustenburg Municipal Planning Tribunal was published on the 24th July 2020 in the Rustenburg Herald newspaper and the Citizen newspaper. Council resolved per Item 149 on the 29th September 2020, on the appointment of the MPT.</p>			
Ref : DPHS 8			



CHAPTER 6: CONCLUSIVE ANALYSIS OF 1ST QUARTER PERFORMANCE**Table 6: 1st Quarter Performance of the Organization**

LOCAL GOVERNMENT KPAS	1ST Quarter Performance (01 July – 30 September 2020)					
KEY PERFORMANCE AREA	Total KPIs	KPI's Applicable	KPI's Not Applicable	KPI Achieved	KPI Not Achieved	KPA Score
Basic Service Delivery and Infrastructure Development	14	6	8	4	2	67%
Good Governance and Public Participation	6	3	3	1	2	33%
Municipal Financial Viability	15	10	5	6	4	55%
Local Economic Development	6	2	4	1	1	50%
Municipal Transformation and Institutional Development	8	4	4	4	0	100%
Spatial Rationale	4	2	2	2	0	100%
TOTAL ORGANIZATIONAL SCORE	53	27	26	18	9	67%



7. FINANCIAL PERFORMANCE: JULY TO SEPTEMBER 2020

Revenue By Source	Quarter 1 Financial Performance Report: Budget Year 2020/21			
	R thousands			
	Original Budget	Year TD actual (July- Sep)	Year TD budget (July- Sep)	YTD variance
Property rates	398,240,441	102,576,614	99,560,110	3,016,504
Service charges - electricity revenue	2,312,533,599	422,885,425	578,133,400	(155,247,975)
Service charges - water revenue	499,243,922	115,954,858	124,810,981	(8,856,123)
Service charges - sanitation revenue	170,311,025	39,186,018	42,577,756	(3,391,738)
Service charges - refuse revenue	150,032,278	39,036,950	37,508,070	1,528,881
Rental of facilities and equipment	10,498,044	2,717,304	2,624,511	92,793
Interest earned - external investments	20,225,262	4,092,211	5,056,315	(964,104)
Interest earned - outstanding debtors	395,409,271	90,044,175	98,852,318	(8,808,143)
Dividends received	-	-	-	-
Fines, penalties and forfeits	9,000,000	748,999	2,250,000	(1,501,001)
Licences and permits	11,912,863	2,371,646	2,978,216	(606,570)
Agency services	100,848,621	31,039,253	25,212,155	5,827,098



Transfers and subsidies	868,506,003	341,615,608	217,126,501	124,489,107
Other revenue	15,000,900	4,655,749	3,750,225	905,524
Gains	14,034,841	172,615	3,508,710	(3,336,095)
Total Revenue (excluding capital transfers and contributions)	4,975,797,070	1,197,097,425	1,243,949,268	(46,851,843)
Expenditure By Type				
Employee related costs	792,398,131	187,936,005	198,099,532.75	(10,163,528)
Remuneration of councilors	64,306,476	18,217,966	16,076,619.00	2,141,347
Debt impairment	898,086,851	224,521,713	224,521,712.75	-
Depreciation & asset impairment	469,177,667	92,726,927	117,294,416.75	(24,567,490)
Finance charges	32,768,757	1,678,858	8,192,189.25	(6,513,331)
Bulk purchases	1,358,418,894	486,186,081	339,604,723.50	146,581,358
Other materials	18,070,369	1,085,592	4,517,592.25	(3,432,000)
Contracted services	353,328,429	32,922,503	88,332,107.25	(55,409,604)
Transfers and subsidies	18,683,677	489,301	4,670,919.25	(4,181,618)
Other expenditure	155,604,249	64,472,973	38,901,062.25	25,571,911



Losses	-	-	-	-
Total Expenditure	4,160,843,500	1,110,237,919	1,040,210,875	70,027,044
Surplus/(Deficit)	814,953,570	86,859,506	203,738,393	(116,878,886)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	459,085,996	45,507,885	114,771,499	(69,263,614)
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	1,274,039,566	132,367,391	318,509,892	(186,142,500)
Taxation	-	-	-	-
Surplus/ (Deficit) for the year	1,274,039,566	132,367,391	318,509,892	(186,142,500)



Capital Expenditure - Functional Classification	Quarter 1 Financial Performance Report: Budget Year 2020/21			
	R thousands			
	Original Budget	YearTD actual (July- Sep)	YearTD budget (July- Sep)	YTD variance
<i>Governance and administration</i>	50,968,500.00	220,913.00	12,742,125.00	(12,521,212.00)
Executive and council	13,155,000.00	220,913.00	3,288,750.00	(3,067,837.00)
Finance and administration	37,550,000.00	-	9,387,500.00	(9,387,500.00)
Internal audit	263,500.00	-	65,875.00	(65,875.00)
<i>Community and public safety</i>	11,320,000.00	-	2,830,000.00	(2,830,000.00)
Community and social services	6,770,000.00	-	1,692,500.00	(1,692,500.00)
Sport and recreation	100,000.00	-	25,000.00	(25,000.00)
Public safety	2,950,000.00	-	737,500.00	(737,500.00)
Housing	1,500,000.00	-	375,000.00	(375,000.00)
<i>Economic and environmental services</i>	259,375,997.00	35,753,002.00	64,843,999.25	(29,090,997.25)



Planning and development	2,650,000.00	138,126.00	662,500.00	(524,374.00)
Road transport	256,725,997.00	35,614,876.00	64,181,499.25	(28,566,623.25)
Trading services	289,740,000.00	14,909,878.00	72,435,000.00	(57,525,122.00)
Energy sources	68,800,000.00	-	17,200,000.00	(17,200,000.00)
Water management	151,500,000.00	5,489,255.00	37,875,000.00	(32,385,745.00)
Waste water management	62,100,000.00	9,420,623.00	15,525,000.00	(6,104,377.00)
Waste management	7,340,000.00	-	1,835,000.00	(1,835,000.00)
Total Capital Expenditure - Functional Classification	611,404,497.00	50,883,793.00	152,851,124.25	(101,967,331.25)
Funded by:				
National Government	459,085,997.00	50,662,880.00	114,771,499.25	(64,108,619.25)
Provincial Government and District Municipality	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-
Transfers recognised - capital	459,085,997.00	50,662,880.00	114,771,499.25	(64,108,619.25)
Borrowing	125,000,000.00	-	31,250,000.00	(31,250,000.00)
Internally generated funds	27,318,500.00	220,913.00	6,829,625.00	(6,608,712.00)
Total Capital Funding	611,404,497.00	50,883,793.00	152,851,124.25	(101,967,331.25)

