

NEWCASTLE MUNICIPALITY

ORGANISATIONAL SCORECARD : ANNUAL PERFORMANCE REPORT 2015/16

KEY PERFORMANCE AREA: FINANCIAL VIABILITY AND SUSTAINABILITY

BACK TO BASICS PROGRAMME - SOUND FINANCIAL MANAGEMENT

IDP

OUTCOME 9	Objective No	Strategic Objective	Strategy No	Strategy	Baseline	Source of Evidence	KPI No.:	KEY PERFORMANCE INDICATOR	2015'16 ANNUAL TARGET	2015'16 ANNUAL ACTUAL	REASON FOR VARIANCE	RECOMMENDED CORRECTIVE ACTION	2015'16 ANNUAL DASHBOARD	2014'15 ANNUAL TARGET	2014'15 ANNUAL ACTUAL	2014'15 ANNUAL DASHBOARD	Responsible Department/Vote	SDBIP REF NO															
Output 6: Administrative and Financial Capability	FV10	To ensure sound financial and fiscal management and good governance.	FV10.1	To ensure compliance with financial reporting in terms of the relevant legislative requirements.	100%	National Treasury Compliance Report	FV10.1.1	Compliance with MFMA reporting obligations as per MFMA calendar	100%	100%	N/A	N/A	TARGET MET	100%	96%	TARGET IN PROGRESS	SED: Budget & Treasury Office	BT0007															
			FV10.2	To ensure an effective and efficient Supply Chain Management System	Turnaround time for bids is 119 days and for quotations is 69 days (Tender/Quotations)	register certified by CFO	FV10.2.1	Turnaround times for bids at 90 days and for quotations 30 days (Tenders/Quotations).	Turnaround times for bids at 90 days and for quotations 30 days & 93 days for bids	57 days for quotations & 93 days for bids	The challenges that caused major delays, which resulted in tenders not awarded within the targeted days was mainly on the evaluation of the bids. On specific bids there were delays as the departments were taking longer to finalise technical evaluation. The delays that were experienced from SCM relates to lack of constant follow ups and communication with the department to make sure that, any area of procurement that has not been addressed is attended to. Detailed explanation provided on the POE for reasons per bid.	Monitoring of bids in the SCM process and report all the delays to the accounting officer	TARGET NOT MET	Turnaround times for bids at 90 days and for quotations 30 days (Tenders/Quotations).	Turnaround times for bids at 140 days and for quotations 67 days (Tenders/Quotations)	TARGET NOT MET	SED: Budget & Treasury Office	BT0030															
			FV10.2.2	Approved SCM Policy by March 2015	Register certified by CFO	FV10.2.2	Review of Draft SCM Policy by 31 March 2015 and be approved on the 31st May 2015	Approval of SCM Policy by the 31st May 2016	Approved SCM Policy by the 31st May 2016	Approved SCM Policy by the 31st May 2016	N/A	TARGET MET	Review of Draft SCM Policy by 31 March 2015 and be approved on the 31st May 2015	SCM Policy was approved	TARGET MET	SED: Budget & Treasury Office	BT0028																
			FV10.3	To ensure a sound Asset Management System	Approved Asset Management Policy by 31 May 2015	Asset Management Plan & Policy	FV10.3.1	Review & approval of Asset Management Policy by 31 May 2015	Approval of Asset Management Policy by 31 May 2016	Draft copy of Asset management policy	was not sent for approval missed the deadline	to have the asset management policy approved	TARGET NOT MET	Review & approval of Asset Management Policy by 31 May 2015	Asset Management policy approved on 29 May 2015	TARGET MET	SED: Budget & Treasury Office	BT0033															
			FV10.4.1	2015'16 Budget approved in May 2015. Adjustment budget approved on 28 February 2015	Proof of submission to the Mayor; National and Provincial Treasuries and Council Resolution	FV10.4.1	Approved Annual Budget by 31 May 2015 and adjustment budget by 28 February 2015.	Approved Budget by 31 May 2016	Budget approved on 31st May 2016	N/A	N/A	TARGET MET	Approved adjustment budget by 28 February 2014 and Approved budget by 31 May	2014/15 Operational and capital adjustment budget: 26 February 2015 stamped by Mayors office 26-02-2015. budget approved on 29 May 2015	TARGET MET	SED: Budget & Treasury Office	BT018 + BT0020																
			FV10.4.2	To ensure compliance with budget planning and implementation	90%	Calculation Sheet	FV10.4.2	% of Municipal Capital budget actually spent as per approved cashflows	90%	64%	Purchase of Furniture and Equipment was ceased as we were moving to the new building which most employees didn't require new furniture as they are allocated to the new building.	The budget for furniture and equipment is located within the Budget and Treasury Office, however it is for the entire municipality. The allocation and expenditure is made as and when required by different departments, which makes it difficult to plan for. The Budget and Treasury Office is currently	TARGET IN PROGRESS	90%	88%	TARGET MET	Municipal Manager	BT0006															
			FV11.1.1	FV11.1	Improve the payment factor by 2% basis points by June 2014	To ensure a financially viable municipality.	73%	Financial Reports	FV11.1.1	Increase of payment factor by 2 percentage basis point by 30 June 2016	75%	75%				TARGET MET	76%	73%	TARGET NOT MET	SED: Budget & Treasury Office	BT0038												
			FV11.1.2																			45%	DBSA Invoices and Section 71 Cash Flow Reports	FV11.1.2	Financial viability in terms of debt coverage.	15%	1.846%	TARGET NOT MET	45%	22%	TARGET MET	SED: Budget & Treasury Office	BT0012
			FV11.1.3																			3months	Bank Statement and Investment Schedule and Section 71 Reports	FV11.1.3	Financial viability in terms of cost coverage.	2months	0.454months	TARGET NOT MET	3months	3.8 months	TARGET MET	SED: Budget & Treasury Office	BT0013
			FV11.1.4																			125%	Calculation sheet	FV11.1.4	Financial viability in terms of outstanding service debtors.	100%	82%	Target over achieved	152%	84%	TARGET IN PROGRESS	SED: Budget & Treasury Office	BT0015
FV11.2	17	Minutes and attendance registers	FV11.2.1																			Number of Revenue Enhancement meetings facilitated.	4	7	Target over achieved	4	24	Target over achieved	SED: Budget & Treasury Office	BT0016			
FV11.3	12	Bank Reconciliations	FV11.3.1	Compilation of monthly banks reconciliations within 10 working days.	12	12	TARGET MET	12	12	TARGET MET	SED: Budget & Treasury Office	BT0027																					