

NEWCASTLE MUNICIPALITY

2021/2022

FINANCIAL VIABILITY

TLSDBP REF NUMBER	OUTCOME 9	NATIONAL KPA	BACK TO BASICS PILLAR	IDP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO IDP/COST CENTER	KEY PERFORMANCE INDICATOR	KPI TYPE (INPUT, OUTPUT, OUTCOME, PROCESS)	UNIT OF MEASURE	BASELINE	TARGET QUARTER-ENDING 30 SEPTEMBER 2021	TARGET QUARTER-ENDING 31 DECEMBER 2021	MID-TERM STANDARD/AVERAGE TARGET (1 JULY 2020-31 DECEMBER 2021)	TARGET QUARTER-ENDING 31 MARCH 2022	TARGET QUARTER-ENDING 30 JUNE 2022	ANNUAL STANDARD/AVERAGE TARGET (1 JULY 2021-30 JUNE 2022)	RESPONSIBLE DEPARTMENT	FREQUENCY OF REPORTING	PRIMARY SOURCE OF EVIDENCE	MSCOA CONFIGURATION	VOTE DESCRIPTION	BUDGET AMOUNT	
TLSDBP-FV001	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To improve access to basic services	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent are eligible for the support and to eradicate a culture of non payment	FV1.1.1	The percentage of households earning less than R1100 per month with access to free basic services; (R3 500 as per approved NLM indigent policy)	Output	Percentage (%)	19% (9000/48424*100)	21.2% (10500/49329*100)	21.2% (10500/49329*100)	20% (10500/49329*100)	22.2% (11000/49329*100)	23.3% (11500/49329*100)	23.3% (11500/49329*100)	Budget & Treasury Office	Quarterly	Quarter 1-4: Indigent register at end of quarter together with the number of residential stands as per the valuation roll and calculation sheet.	10200010105	Salaries	R56 776 598.83	
TLSDBP-FV002	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure implementation of capital programme	To ensure compliance with budget planning and implementation	FV2.1.1	The percentage 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 (IDP)	Output	Percentage (%)	100%	15%	40%	40%	70%	100%	100%	100%	All Departments	Quarterly	Quarter 1-4: Year to date/Month-end/expense reports from BTO.	All Capital budget MSCOA Configuration	All Capital budget vote descriptions	R134 258 000.00
TLSDBP-FV003	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	Improve the quality of credit control and the quality of revenue management	To ensure effective and efficient billing and revenue collection processes in order to achieve the norm of 95% which has been set by National Treasury.	FV3.1.1	Quarterly percentage of collection rate	Output	Percentage (%)	87%	85.5%	86.0%	86.0%	86.50%	87%	87%	87%	Budget & Treasury Office	Quarterly	Quarter 1-4: Minutes of FPSC and the debtors reconciliation report and the revenue reconciliation reports, collection rate report	10200010105	Salaries	R56 776 598.83
TLSDBP-FV004	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	Achieve Value for money	To have an effective Supply Chain Management system in place;	FV4.1.1	Approval of 2022/23 annual procurement plan by June 2022 by the Municipal Manager	Output	Reports	Approval of 2021/22 annual procurement plan by June 2021 by the Municipal Manager	Progress report on the approved procurement plan for 2021/22	Guidelines on the implementation on drafting of the Procurement Plan	Progress report on the approved procurement plan for 2021/22	2022/23 drafting of the procurement plan and consultation with end users	Approved 2022/23 annual procurement plan by June 2022 by the Municipal Manager	Approved 2022/23 annual procurement plan by June 2022 by the Municipal Manager	Budget & Treasury Office	Quarterly	Quarter 1 - 2 - 3 draft procurement plan and proof of consultation with end users 04: Approved procurement plan by Municipal Manager.	10200010105	Salaries	R56 776 598.83	
TLSDBP-FV005	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound financial management; and	Sound Financial Management/ Viability	Revenue enhancement	To report on the implementation of the Revenue Enhancement Strategy.	FV5.1.1	Quarterly submission to the FPSC on Departmental Progress made on Revenue Enhancement Action Plans.	Output	Report to FPSC	Quarterly submission of the Progress Report- Revenue Enhancement Action Plans to FPSC.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Quarterly reporting to the FPSC on Departmental Progress made on the Revenue Enhancement Action Plans.	Budget & Treasury Office	Quarterly	Quarter 1-4: Progress report and minutes of FPSC	10200010105	Salaries	R56 776 598.83	
TLSDBP-FV006	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	Achieve Value for money	To have an effective Supply Chain Management system in place;	FV4.2.1	Percentage implementation of the procurement plan per quarter	Output	Percentage (%)	100% Implementation of the procurement plan.	100%	100%	100%	100%	100%	100%	100%	Budget & Treasury Office	Quarterly	Quarter 1-4: Procurement plan progress report with calculation sheet, minutes of Bid committees (BSC/BEC/BAC) and appointment letters to service providers	10200010105	Salaries	R56 776 598.83
TLSDBP-FV007	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	Review the financial policies to ensure sound financial and fiscal management and good governance	FV6.1.1	Number of Financial policies reviewed and approved by May 2022: 1. Provision for double debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15. SCM Policy 16. Cost containment policy	Output	Council resolution and Approved policies	16 Finance policies approved by 30 May 2021	Approval of the IDP/Budget and PMS Process Plan	Drafting of the Budget Guidelines, including of the notification of the review of the Budget Related Policies	Review of policies to Manco where changes are anticipated.	Workshop to Council on policy changes, and approval of 16 draft policies to Council by 31 March 2021 together with the final budget 1. Provision for double debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15. SCM Policy 16. Cost containment policy.	Approval 16 Final budget policies submitted to council by 31 May 2021 together with the final budget 1. Provision for double debt and debtors write-off policy. 2. Tariff policy 3. Rates policy 4. Indigent policy 5. Customer care, Credit control, and Debt collection policy 6. Budget policy 7. Virement policy 8. Petty cash policy 9. Short Term insurance 10. Fund & Reserve policy 11. Cash management and Investment policy 12. Borrowing policy 13. Loss control policy 14. Asset management policy 15. SCM Policy 16. Cost containment policy.	Approved 16 Financial policies	Budget & Treasury Office	Quarterly	Quarter 1: Approval of IDP/Budget/PMS process plan 2: Review and workshop of any possible policy changes to Manco Quarter 3: Workshop to Manco on policy changes and approval of 16 draft policies by Council by 31 March 2022 together with the budget Quarter 4: Approval of 16 budget related policies.	10200010105	Salaries	R56 776 598.83	
TLSDBP-FV008	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	Revenue enhancement	Facilitate the annual Review of the Revenue Enhancement Strategy	FV5.2.1	Annual Review and Approval of the Revenue Enhancement Strategy by Council by June 2022	Output	Council Minutes and Approved Revenue Enhancement Strategy	Reviewed the Revenue Enhancement Strategy by June 2021	Consultation with all departments on a one on one basis to review the Revenue Enhancement Strategy and Action plans.	Circulate the Revenue Enhancement Strategy to all Departments.	Draft Revenue Enhancement Strategy	Revised Revenue Enhancement Strategy and Action plans	Annual Review and Approval by Council of the Revenue Enhancement Strategy and action plan by June 2022	Annual Review and Approval by Council of the Revenue Enhancement Strategy and action plan by June 2022	Budget & Treasury Office	Quarterly	Quarter 1: Attendance Registers/minutes of meeting, Quarter 2-Copy of emails sent Quarter 3 - Revised Revenue Enhancement Strategy and action plans - Quarter 4 - Council Minutes on the approval of the Revenue Enhancement Strategy and Action plans.	10200010105	Salaries	R56 776 598.83	
TLSDBP-FV009	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.1	Percentage compliance with MFMA Financial reporting obligations	Output	Percentage (%)	100% compliance with MFMA reporting obligations as per MFMA calendar	100% compliance with MFMA reporting obligations as per MFMA calendar	100% compliance with MFMA reporting obligations as per MFMA calendar	100% compliance with MFMA reporting obligations as per MFMA calendar	100% Percentage compliance with MFMA Financial reporting obligations	100% Percentage compliance with MFMA Financial reporting obligations	100% Percentage compliance with MFMA Financial reporting obligations	100% Percentage compliance with MFMA Financial reporting obligations	Budget & Treasury Office	Quarterly	1. S71: submit monthly report to the mayor, provincial treasury and national treasury 2. Submit monthly statements to the provincial or national organ state on allocations received within 10 working days of the start of the month 3. S68 Submit monthly report on salaries and wages to council within 10 working days	10200010105	Salaries	R56 776 598.83
TLSDBP-FV010	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.2	Financial viability in terms of debt coverage within the financial year	Output	Percentage (%)	5.3%	4.7%	5.0%	5.0%	4.6%	5.0%	5.0%	5.0%	Budget & Treasury Office	Quarterly	Quarter 1-4: Loan repayment schedule and Section 71 Report (cumulative figures) (Table C1/C4) and/or monthly AFS	10200010105	Salaries	R56 776 598.83
TLSDBP-FV011	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.3	Financial viability in terms of cost coverage within the financial year	Output	Month	1 Month	1 Month	1 Month	1 Month	1 Month	1 Month	1 Month	1 Month	Budget & Treasury Office	Quarterly	Quarter 1-4: Bank Statements for primary and collection accounts, Investment register and Section 71 Report (Table C4)	10200010105	Salaries	R56 776 598.83
TLSDBP-FV012	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV6.2.4	Financial viability in terms of outstanding service debtors	Output	<1	88%	N/A	N/A	N/A	N/A	<1	<1	<1	Budget & Treasury Office	Annual	Quarter 1-4: Calculation support proof of total receipts for the year and the total debtors outstanding at year end (Audited AFS), Debtors reconciliation as at 30 June 2020, P receipt from the financial system	10200010105	Salaries	R56 776 598.83
TLSDBP-FV013	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To purchase tools of trade for the use by staff members and councillors of the municipality	To purchase IT equipment	FV7.1.1	Purchase of IT Equipment by June 2022	Output	Reports	New KPI	Purchase of 10 laptops and 2 desktops	Purchase of 20 Laptops and 3 desktop (cumulative)	Purchase of 20 Laptops and 4 desktop (cumulative)	Purchase of 25 Laptops and 5 desktop (cumulative).	Purchase of 30 Laptops and 6 desktop (cumulative)	Purchase of 30 Laptops and 6 desktop (cumulative)	Budget & Treasury Office	Quarterly	Quarter 1 - 4: Delivery note and invoices	70200035021	Salaries	R900 000.00	
TLSDBP-FV014	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To purchase tools of trade for the use by staff members and councillors of the municipality	To purchase furniture and equipment	FV7.1.2	Purchase of Furniture and Equipment by June 2022	Output	Reports	New KPI	N/A	Purchase and delivery of furniture	Purchase and delivery of furniture	N/A	Purchase and delivery of furniture	Purchase and delivery of furniture	Budget & Treasury Office	Quarterly	Quarter 1 - 4: Delivery note and invoices	70200015021	Salaries	R200 000.00	
TLSDBP-FV015	Output 6: Administrative and financial capability.	Municipal Financial Viability and Management	Sound Financial Management; and	Sound Financial Management/ Viability	To purchase tools of trade for the use by staff members and councillors of the municipality	To purchase Machinery Equipment	FV7.1.3	Purchase of Machinery Equipment by 2022	Output	Reports	New KPI	N/A	Purchase and delivery of Machinery Equipment	Purchase and delivery of Machinery Equipment	N/A	Purchase and delivery of Machinery Equipment	Purchase of Machinery Equipment by 2021	Budget & Treasury Office	Quarterly	Quarter 2 - 4: Delivery note and invoices	70200025021	Salaries	R100 000.00	