

NEWCASTLE MUNICIPALITY																															
ORGANISATIONAL SCORE CARD 2017/18 - 2021/22																															
PRELIMINARY ASSESSMENT QUARTER 2 / MID YEAR ASSESSMENT 2018/19 : FINANCIAL VIABILITY																															
OSC REF NUMBER	OUTCOME 9	NATIONAL KPA	BACK TO BASICS PLAN	EP PRIORITY	GOAL/OBJECTIVES	STRATEGIES	KPI No. LINKED TO EP	KEY PERFORMANCE INDICATOR	KPI TYPE (INPUT, OUTPUT, OUTCOME, PROCESS)	UNIT OF MEASURE	BASELINE	ANNUAL TARGET 2018/19	QUARTER 1	QUARTER 1 ACTUAL	REASON FOR VARIANCE	RECOMMENDED CORRECTIVE ACTION	QUARTER 2	QUARTER 2 ACTUAL	REASON FOR VARIANCE	RECOMMENDED CORRECTIVE ACTION	MID-YEAR DASHBOARD	QUARTER3	QUARTER4	RESPONSIBLE DEPARTMENT	FREQUENCY OF REPORTING	PRIMARY SOURCE OF EVIDENCE	SOBP'S REFERENCE NO.	ANNUAL TARGET YR3	ANNUAL TARGET YR4	ANNUAL TARGET YR5	
OSCFM001	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial 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 establish a culture of non-payment	FV3.1.1	The percentage of households earning less than R1100 per month with access to free basic services, (R300 as per the approved Newcastle Indigent Policy)	OUTCOME	Percentage	22% (19 487/90347*100)	20% (18000/90347*100)	20% (18000/90347*100)		We had to conduct an annual designation for the customers to re-apply to verify continuous qualification for indigent review		20% (18000/90347*100)	7% (4243/90347*100)	The number of indigents on the indigent register is due to the clean up that was performed in the previous financial year. The customers are slowly coming in to re-apply for their indigent status, improved internal controls in respect of the approval of the indigents is also a contribution factor towards the declining figures		TARGET NOT MET	20% (18000/90347*100)	20% (18000/90347*100)	Budget & Treasury Office	Quarterly	Indigent register at the end of quarter, 31/12/18. Information and calculation sheet	BT007	20% (18000/90347*100)	17% (15000/90347*100)	14% (13000/90347*100)	
OSCFM002	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure implementation of capital programs	To ensure compliance with budget planning and implementation	FV3.1.1	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	90%	90%	30%	6.8%	community outreach program focused at advising the community about the incentive schemes in place. Some were sent out notifying the customers of where we were going to be for that particular weekend		92%				TARGET NOT MET	90%	90%	All departments	Annual	Financial report from the system	BT001, CS001, T3008	90%	90%	90%	
OSCFM003	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Improve the payment factor by at least 2 percentage basis points annually by June of every year	To improve credit control processes by sending out sms, calling of delinquent customers excluding indigent customers	FV3.1.1	%age of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	Output	Percentage	New KPI	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling			75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	20%			TARGET NOT MET	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	75% of defaulting customers(excluding indigents) to be contacted at least monthly via sms, calling	Budget & Treasury Office	Quarterly	List of defaulting customers, List of sms sent out per system, register of site visits performed, record of calls made	BT004	80%	80%	80%
OSCFM004	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure effective and efficient billing and revenue collection processes	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	FV3.1.1	Annual review of the indigent register by 30 June 2019	Output	Verification Report	Verified indigent report by June 2018	Annual review of the indigent register by 30 June 2019	Annual review of the register performed by a third party (service provider)	0	Awaiting for approval by MM in respect of the Declaration for the appointment of the service provider			Conduct indigent review processes based on the outcome of the third party (Service provider) review (50% of the remaining indigents)	We are in the process of procuring a service provider in respect of the verification of the indigent register. This process should be finished by end of March 2019			TARGET NOT MET	Conduct indigent review processes based on the outcome of the third party (Service provider) review (50% of the remaining indigents)	Annual review of the indigent register by 30 June 2019	Budget & Treasury Office	Quarterly	Quarter 1: Verification report including methodology used and item submitted to Portfolio Committee, Quarter 2 & 3: Proof of sms sent out to indigents / confirmation status slips and monthly registration and designation reports submitted to PPC and Quarter 4: the final indigent register submitted in JUNE FYPC	BT005	An annual review of the indigent register performed at 30 June 2020	An annual review of the indigent register performed at 30 June 2021	An annual review of the indigent register performed at 30 June 2022
OSCFM005	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Improve the payment factor by at least 2 percentage basis points annually by June of every year	To promote and / improve indigent subsidy and / benefit by ensuring that all indigent account holders are eligible for the support	FV3.1.1	Increase of payment factor by 2 percentage basis point by 30 June 2019	Output	Percentage	79%	81%	79.5%	73.7%	Karibachem Company had to close down and they contributed a huge percentage on the payment factor		80%	85%	We exceeded the target due to an increased communication drive to make consumers aware of the incentive scheme in place by way of implementing our community outreach program from August 2018		TARGET NOT MET	80.5%	81%	Budget & Treasury Office	Quarterly	Payment factor report submitted to Revenue Portfolio Committee and portfolio minutes	BT006	83%	85%	87%	
OSCFM006	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Improve the payment factor by at least 2 percentage basis points annually by June of every year	Evolution of the culture of non-payment	FV3.2.1	100% of queries addressed within 90 days	Output	Percentage	N/A	N/A	N/A	N/A			N/A	N/A			N/A	N/A	N/A	Budget & Treasury Office	N/A	Query ageing report and calculation signed by Director	N/A	100%	100%	100%	
OSCFM007	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Achieve Value for money	To have an effective Supply Chain Management system in place	FV3.1.1	Approved 2019/20 annual procurement plan by June 2019 by the Finance Portfolio Steering Committee	Output	Approved procurement plan aligned to the approved budget	New KPI	Approved 2019/20 annual procurement plan by June 2019 by the Finance Portfolio Steering Committee	N/A	N/A			N/A	N/A			N/A	N/A	Approved 2019/20 annual procurement plan by June 2019 by the Finance Portfolio Steering Committee	Budget & Treasury Office	Annual	Minutes of PFSC and Approved Procurement Plan	BT009	a) Develop and maintain an efficient Annual Procurement Plan	a) Develop and maintain an efficient Annual Procurement Plan	a) Develop and maintain an efficient Annual Procurement Plan	
OSCFM008	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Achieve Value for money	To have an effective Supply Chain Management system in place	FV3.2.1	%age Implementation of the procurement plan per quarter	Output	Percentage	New KPI	100% Implementation of the procurement plan	100%	100%			100%	18%	Financial Constraints	To do follow ups with user departments	TARGET NOT MET	100%	100%	Budget & Treasury Office	Quarterly	Procurement plan, progress report, Bid committees and appointment letters	BT010	100% Implementation of the procurement plan	100% Implementation of the procurement plan	100% Implementation of the procurement plan	
OSCFM009	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial 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	FV2.1.1	Number of Financial policies reviewed by May 2019: 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. Viemont 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	Output	Council resolution and Approved policies	Finance policies approved by 30 May 2019	N/A	N/A	N/A	N/A			N/A	N/A	15 policies submitted to council for their approval by 31 May 2019 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. Viemont 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	Budget & Treasury Office	Bi-annual	Council resolution and approved policies	BT003	15 policies submitted to council for their approval by 31 May 2019 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. Viemont 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	Financial policies reviewed by May 2020: 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. Viemont 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	Financial policies reviewed by May 2021: 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. Viemont 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	Financial policies reviewed 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. Viemont 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			
OSCFM010	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	Revenue enhancement	Facilitate the annual Review of the Revenue Enhancement Strategy	FV3.1.1	Annual Review of the Revenue Enhancement Strategy by June 2019	Output	Council Minutes and Approved Revenue Enhancement Strategy	Review the Revenue Enhancement Strategy by June 2018	Annual review of the Revenue Enhancement Strategy by June 2019	N/A	N/A	N/A		N/A	N/A			N/A	N/A	Annual review of the Revenue Enhancement Strategy by June 2019	Budget & Treasury Office	Annual	Council resolution and approved Revenue Enhancement Strategy	BT001	Annual review of the Revenue Enhancement Strategy and continuous monitoring thereof	Annual review of the Revenue Enhancement Strategy and continuous monitoring thereof	Annual review of the Revenue Enhancement Strategy and continuous monitoring thereof	
OSCFM011	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.1	%age compliance with MFMA reporting obligations as per MFMA calendar	Output	Percentage	100%	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	N/A		100% compliance with MFMA reporting obligations as per MFMA calendar	95%	Implementation plan for 2018/19 was submitted but still without all outstanding	Liaise with Treasury to clear / resolve	TARGET NOT MET	100% compliance with MFMA reporting obligations as per MFMA calendar	100% compliance with MFMA reporting obligations as per MFMA calendar	Budget & Treasury Office	Quarterly	National Treasury Compliance Report	BT002	100%	100%	100%	
OSCFM012	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.2	Approval of Annual Budget for 2019/20 by the 31 May 2019	Output	Council Resolution and Approved Budget	Approved annual budget for 2018/19 by 31 May 2018	Approval of Annual Budget for 2019/20 by the 31 May 2019	N/A	N/A	N/A		N/A	N/A			N/A	N/A	Tabling of Draft Annual Budget for 2019/20 to Council by March 2019	Budget & Treasury Office	Bi-annual	Council resolution	BT003	Approved annual budget for 2020/21	Approved annual budget for 2021/22	Approved annual budget for 2022/23	
OSCFM013	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.3	Approval of Adjustment Budget by 28 February 2019	Output	Council Resolution and Approved Adjustment Budget	Approved Adjustment Budget by 28 February 2018	Approval of Adjustment Budget by 28 February 2019	N/A	N/A	N/A		N/A	N/A			N/A	N/A	Approval of Adjustment Budget by 28 February 2019	Budget & Treasury Office	Annual	Council resolution	BT004	Approval of Adjustment Budget by 28 February 2020	Approval of Adjustment Budget by 28 February 2021	Approval of Adjustment Budget by 28 February 2022	
OSCFM014	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.4	Financial viability in terms of debt coverage	Output	Percentage	8%	8%	N/A	N/A	N/A		N/A	N/A			N/A	N/A	8%	4%	Budget & Treasury Office	Annual	Loan repayment schedule and Section 71 Reports	BT008	9%	4%	4%
OSCFM015	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.5	Financial viability in terms of cost coverage	Output	number of Months	1 Month	1 Month	N/A	N/A	N/A		N/A	N/A			N/A	N/A	1 Month		Budget & Treasury Office	Annual	Bank Statement and Investment Schedule and Section 71 Reports	BT009	2 Month	2 Month	2 Month
OSCFM016	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure efficient and effective implementation of financial internal controls	FV3.1.6	Financial viability in terms of outstanding service debtors	Output	Percentage	85%	85%	N/A	N/A	N/A		89	N/A			N/A	89	88%		Budget & Treasury Office	Annual	Calculation support proof of total receipts for the year and the total debtors outstanding at year end (Audited AFS)	BT003	78%	76%	70%
OSCFM017	Outcome 9: Administrative and financial capability	MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Sound Financial Management and	Sound Financial Viability	To ensure sound financial and fiscal management and good governance	To ensure compliance with the roll-out of MSCOA	FV3.2.1	% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	Output	Percentage	TBD	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	99.80%	segment error	error to be corrected	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	80%	segment error	error to be corrected	TARGET NOT MET	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	Budget & Treasury Office	Quarterly	Assessment Report from National Treasury	BT001	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	100% Compliance with MSCOA assessment by National Treasury as per quarterly requirements	