



Section 72

Non Financial Performance Report

2018/2019

MID-YEAR PERFORMANCE ASSESSMENT FOR GARDEN ROUTE DISTRICT MUNICIPALITY

General

Purpose of Report

To submit to the Executive Mayor an assessment report on the Municipality's Performance covering the period

1 July 2018 to 31 December 2018.

1. Summary

In terms of Section 72 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the accounting officer of a municipality must, by 25 January of each financial year, assess the performance of the municipality during the first half of the financial year and submit a report on such an assessment to the Mayor of the municipality, the National Treasury and the relevant provincial treasury. The Mayor must in turn, comply with the provisions of Section 54, which includes submitting the report to Council by 31 January of each year.

2. Constitutional and Policy Implications

The process is currently driven by legislation. A reviewed policy has been approved.

3. Legal Implications

3.1 Section 72 (1), Local Government: Municipal Finance Management Act, 2003 (Act 55 of 2003), **referred to as the MFMA**

3.2 Local Government: Municipal Systems Act, 2000 (Act 32 of 200) (Chapter 6 and sections 16 and 26 of Chapters 4 and 5, respectively), as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003)

4. Background

4.1 In terms of Section 72 (1) of the MFMA, the accounting officer of a Municipality must by 25 January of each year;

- (a) assess the performance of the municipality during the first half of the financial year, taking into account-
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and the performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
 - (iv) the performance of every municipal entity under the sole and shared control of the municipality, taking into account report in terms of section 88 from any such entity; and
- (b) submit a report on such assessment to-
 - (i) the Mayor of the municipality
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury

4.2 Thereafter, the mayor must, in terms of Section 54 (1)-

- (a) consider the report
- (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;
- (d) issue any appropriate instructions to the accounting officer to ensure-
 - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) that spending of funds and revenue collection proceed in accordance with the budget;
- (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) submit the report to the council by 31 January of each year

5. Top Level Service Delivery and Budget Implementation Plan (SDBIP)

6. Departmental SDBIP (for information purpose)

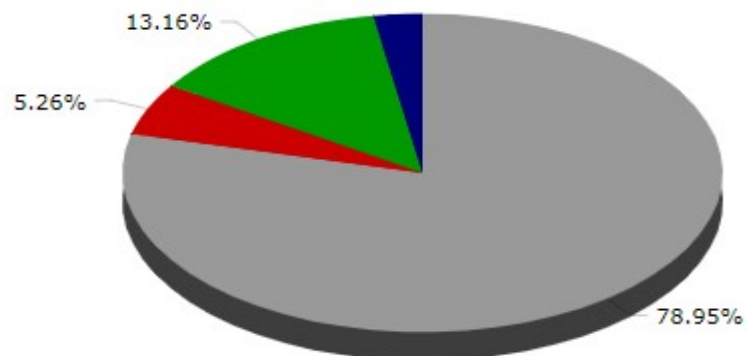
7. Recommendations

5. Top Level Service Delivery and Budget Implementation Plan (SDBIP)

Garden Route District Municipality

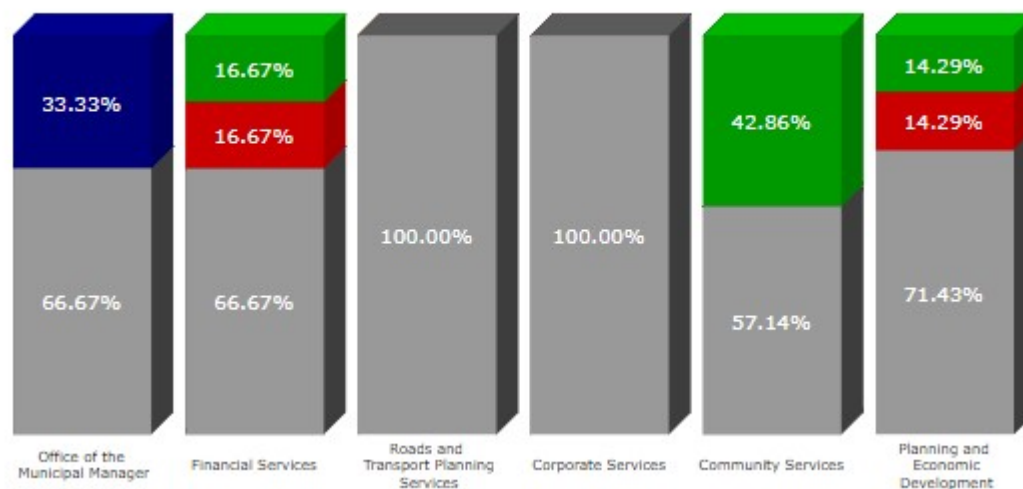
Report drawn on 15 January 2019 at 11:01
for the months of September 2018 to December 2018.

Garden Route District Municipality









KPI Not Yet Measured	30 (78.95%)
KPI Not Met	2 (5.26%)
KPI Almost Met	-
KPI Met	5 (13.16%)
KPI Well Met	-
KPI Extremely Well Met	1 (2.63%)
Total:	38 (100%)

Directorate



Explanatory Graph

	Office of the Municipal Manager	Financial Services	Roads and Transport Planning Services	Corporate Services	Community Services	Planning and Economic Development
 KPI Not Yet Measured	<u>2 (66.67%)</u>	<u>4 (66.67%)</u>	<u>6 (100.00%)</u>	<u>9 (100.00%)</u>	<u>4 (57.14%)</u>	<u>5 (71.43%)</u>
 KPI Not Met	-	<u>1 (16.67%)</u>	-	-	-	<u>1 (14.29%)</u>
 KPI Almost Met	-	-	-	-	-	-
 KPI Met	-	<u>1 (16.67%)</u>	-	-	<u>3 (42.86%)</u>	<u>1 (14.29%)</u>
 KPI Well Met	-	-	-	-	-	-
 KPI Extremely Well Met	<u>1 (33.33%)</u>	-	-	-	-	-
Total:	3 (7.89%)	6 (15.79%)	6 (15.79%)	9 (23.68%)	7 (18.42%)	7 (18.42%)

The above graph indicates the following per Directorate;

Office of the Municipal Manager

Ref	Directorate	KPI	Unit of Measurement	KPI Owner	September 2018			December 2018			Overall Performance for Sep 2018 to Dec 2018		
					Target	Actual	R	Target	Actual	R	Target	Actual	R
TL1	Office of the Municipal Manager	Submit the Final Annual Report 2017/18 to Council by 31 March 2019	Final Annual Report for 2017/18 submitted to Council	Municipal Manager	0	0	N/A	0	1	B	0	1	B
TL2	Office of the Municipal Manager	Submit the District Municipal Communication Strategy to Council by 31 March 2019	District Municipal Communication Strategy submitted to Council by 31 March 2019	Municipal Manager	0	0	N/A	0	0	N/A	0	0	N/A
TL3	Office of the Municipal Manager	Submit the Top layer SDBIP for the 2019/20 financial year for approval by the Mayor within 14 days after the budget has been approved	Top Layer SDBIP for the 2019/20 budget submitted to the Mayor within 14 days after the budget has been approved	Municipal Manager	0	0	N/A	0	0	N/A	0	0	N/A

Financial Services

Ref	Directorate	Strategic Objective	KPI	Unit of Measurement	KPI Owner	September 2018			December 2018			Overall Performance for Sep 2018 to Dec 2018		
						Target	Actual	R	Target	Actual	R	Target	Actual	R
TL4	Financial Services	Bulk Infrastructure Co-ordination	Report on the percentage of the municipal capital budget spent on capital projects by 30 June 2019 (Actual amount spent on capital projects / Total amount budgeted for capital projects)	% of capital budget spent by 30 June 2019	CFO	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL5	Financial Services	Financial Viability	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations by 30 June 2019 ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)	% of debt coverage	CFO	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL6	Financial Services	Financial Viability	Financial viability measured in terms of the available cash to cover fixed operating expenditure by 30 June 2019 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months that available cash is sufficient to cover the monthly operating expenditure	CFO	0	0	N/A	0	0	N/A	0	0	N/A
TL7	Financial Services	Bulk Infrastructure Co-ordination	Submit the Annual Financial Statements of 2017/18 to the Auditor-General by 31 August 2018	Annual financial statements of 2017/18 submitted by 31 August 2018	CFO	1	1	G	0	0	N/A	1	1	G
TL8	Financial Services	Financial Viability	Achieve a current ratio of 1 (Current assets : Current liabilities) by 30 June 2019	Number of times the municipality can pay back its short term-liabilities with its short-term assets	CFO	0	0	N/A	0	0	N/A	0	0	N/A
TL9	Financial Services	Financial Viability	Submit a bi-annual report to Council on the sustainability of Eden District Municipality	Number of reports submitted to Council	CFO	0	0	N/A	1	0	R	1	0	R

Roads and Transport Planning

Ref	Directorate	Strategic Objective	KPI	Unit of Measurement	September 2018			December 2018			Overall Performance for Sep 2018 to Dec 2018		
					Target	Actual	R	Target	Actual	R	Target	Actual	R
TL33	Roads and Transport Planning Services	Bulk Infrastructure Co-ordination	Spent 95% of the roads maintenance budget allocation by 30 June 2019 (Actual expenditure divided by approved allocation received)	% of the roads maintenance budget spent by 30 June 2019	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL34	Roads and Transport Planning Services	Bulk Infrastructure Co-ordination	Reseal 23.6km of roads by 30 June 2019	Number of km's of roads resealed	0	0	N/A	0	0	N/A	0	0	N/A
TL35	Roads and Transport Planning Services	Bulk Infrastructure Co-ordination	Regravel 42.68km of roads by 30 June 2019	Number of km's of roads regavelled	0	0	N/A	0	0	N/A	0	0	N/A
TL36	Roads and Transport Planning Services	Bulk Infrastructure Co-ordination	Repair 5000m ² of black top patching by 30 June 2019	Number of m ² repaired	0	0	N/A	0	0	N/A	0	0	N/A
TL37	Roads and Transport Planning Services	Bulk Infrastructure Co-ordination	Blade 10000km of roads by 30 June 2019	Number of km's of roads bladed	0	0	N/A	0	0	N/A	0	0	N/A
TL38	Roads and Transport Planning Services	A Skilled Workforce and Communities	Compile an Annual Training Framework and submit to Corporate Services by 31 March 2019	Number of frameworks submitted	0	0	N/A	0	0	N/A	0	0	N/A

Corporate Services

Ref	Directorate	Strategic Objective	KPI	Unit of Measurement	KPI Owner	September 2018			December 2018			Overall Performance for Sep 2018 to Dec 2018		
						Target	Actual	R	Target	Actual	R	Target	Actual	R
TL10	Corporate Services	Good Governance	The number of people from employment equity target groups appointed in the three highest levels of management during the 2018/19 financial year in compliance with the municipality's approved Employment Equity Plan	Number of people appointed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL11	Corporate Services	A Skilled Workforce and Communities	Spend 0.5% of the personnel budget on training by 30 June 2019 (Actual total training expenditure divided by total personnel budget)	% of the personnel budget spent on training	Executive Manager: Corporate Services	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL12	Corporate Services	Good Governance	Limit the vacancy rate to 15% of budgeted posts by 30 June 2019 (Number of funded posts vacant divided by number of budgeted funded posts)	% vacancy rate	Executive Manager: Corporate Services	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A
TL13	Corporate Services	Good Governance	Review the Organisational Structure and submit to Council by 30 June 2019	Organisational structure reviewed and submitted to Council by 30 June 2019	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL14	Corporate Services	Good Governance	Award 2 external bursaries to qualifying candidates by 31 March 2019	Number of external bursaries awarded	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL15	Corporate Services	Good Governance	Develop a Corporate Plan for the Eden District Municipality and submit to Council by 30 June 2019	Number of plans submitted to Council	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL16	Corporate Services	Good Governance	Develop an ICT Strategic Plan for the Eden District Municipality and submit to the Management Committee (MANCOM) by 30 June 2019	Number of plans submitted to MANCOM	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL17	Corporate Services	Good Governance	Submit a report to Council on the development of a Council Resolution System by 31 January 2019	Number of reports submitted to Council	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A
TL18	Corporate Services	Good Governance	Develop a Strategic Plan for the Centralisation of all records for the Municipality and submit to the Management Committee MANCOM by 31 January 2019	Number of plans submitted to MANCOM	Executive Manager: Corporate Services	0	0	N/A	0	0	N/A	0	0	N/A

Community Services

Ref	Directorate	Strategic Objective	KPI	Unit of Measurement	KPI Owner	September 2018			December 2018			Performance for Sep 2018 to Dec 2018		
						Target	Actual	R	Target	Actual	R	Target	Actual	R
TL19	Community Services	Sustainable Environmental Management and Public Safety	Develop and submit a Climate Change Strategy to Council for approval by 30 June 2019	Number of Climate Change Strategies developed and submitted to Council	Executive Manager: Community Service	0	0	N/A	0	0	N/A	0	0	N/A
TL20	Community Services	Sustainable Environmental Management and Public Safety	Submit bi-annual progress reports to Council on the construction of the Regional Landfill Site in Mossel Bay	Number of progress reports submitted	Executive Manager: Community Service	0	1	B	1	0	R	1	1	G
TL21	Community Services	Sustainable Environmental Management and Public Safety	Install a Disaster Management System at Eden District Municipality by 31 March 2019	Number of systems installed	Executive Manager: Community Service	0	0	N/A	0	0	N/A	0	0	N/A
TL22	Community Services	Growing an Inclusive District Economy	Submit bi-annual reports to Council on the progress of Eden District Municipality becoming a Water Service Authority	Number of progress reports submitted	Executive Manager: Community Service	0	0	N/A	1	1	G	1	1	G
TL23	Community Services	Healthy and Socially Stable Communities	Conduct training sessions on Public Health Awareness and Responsibilities to 50 school governing bodies in the Eden District Municipal area	Number of training sessions conducted	Executive Manager: Community Service	0	0	N/A	25	25	G	25	25	G
TL24	Community Services	Sustainable Environmental Management and Public Safety	Appoint a service provider for the construction of the Fire Station by 30 June 2019	Number of service providers appointed	Executive Manager: Community Service	0	0	N/A	0	0	N/A	0	0	N/A
TL25	Community Services	Sustainable Environmental Management and Public Safety	Submit the Eden Air Quality Management Plan to Council by 30 June 2019	Number of plans submitted	Executive Manager: Community Service	0	0	N/A	0	0	N/A	0	0	N/A

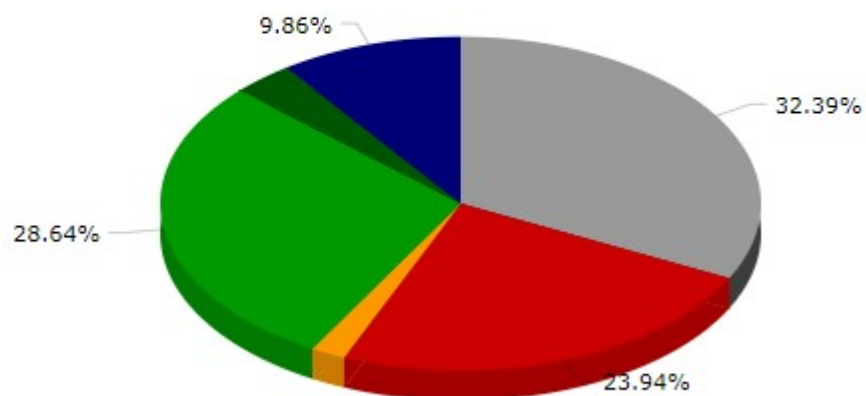
Planning and Economic Development

Ref	Directorate	Strategic Objective	KPI	Unit of Measurement	KPI Owner	September 2018			December 2018			Overall Performance for Sep 2018 to Dec 2018		
						Target	Actual	R	Target	Actual	R	Target	Actual	R
TL26	Planning and Economic Development	Good Governance	Develop a 5 year District Tourism Strategy and submit to Council by 31 March 2019	District Tourism Strategy submitted to Council	Executive Manager: Planning and Development	0	0	N/A	0	0	N/A	0	0	N/A
TL27	Planning and Economic Development	Growing an Inclusive District Economy	Submit the Expanded Public Works Programme (EPWP) business plan to the National Minister of Public Works for all internal projects by 30 June 2019	EPWP business plan submitted to the National Minister of Public Works	Executive Manager: Planning and Development	0	0	N/A	0	0	N/A	0	0	N/A
TL28	Planning and Economic Development	Growing an Inclusive District Economy	Create job opportunities through the Expanded Public Works Programme (EPWP) by 30 June 2019	Number of job opportunities created through the EPWP programme	Executive Manager: Planning and Development	0	0	N/A	0	0	N/A	0	0	N/A
TL29	Planning and Economic Development	Growing an Inclusive District Economy	Conduct work sessions with Small, Medium and Micro-Enterprises (SMME's) on development with special focus on export development	Number of work sessions conducted	Executive Manager: Planning and Development	0	0	N/A	1	0	R	1	0	R
TL30	Planning and Economic Development	Growing an Inclusive District Economy	Sign an agreement with the Western Cape Economic Development Partnership by 31 December 2018	Number of agreements signed	Executive Manager: Planning and Development	0	0	N/A	1	1	G	1	1	G
TL31	Planning and Economic Development	Good Governance	Appoint a service provider for the development of a Tourism Strategy for Kannaland Municipality by 31 March 2019	Number of service providers appointed	Executive Manager: Planning and Development	0	0	N/A	0	0	N/A	0	0	N/A
TL32	Planning and Economic Development	Growing an Inclusive District Economy	Submit the reviewed District Integrated Development Plan (IDP) to Council by 31 May 2019	Number of IDP's submitted	Executive Manager: Planning and Development	0	0	N/A	0	0	N/A	0	0	N/A

Garden Route District Municipality - Departmental

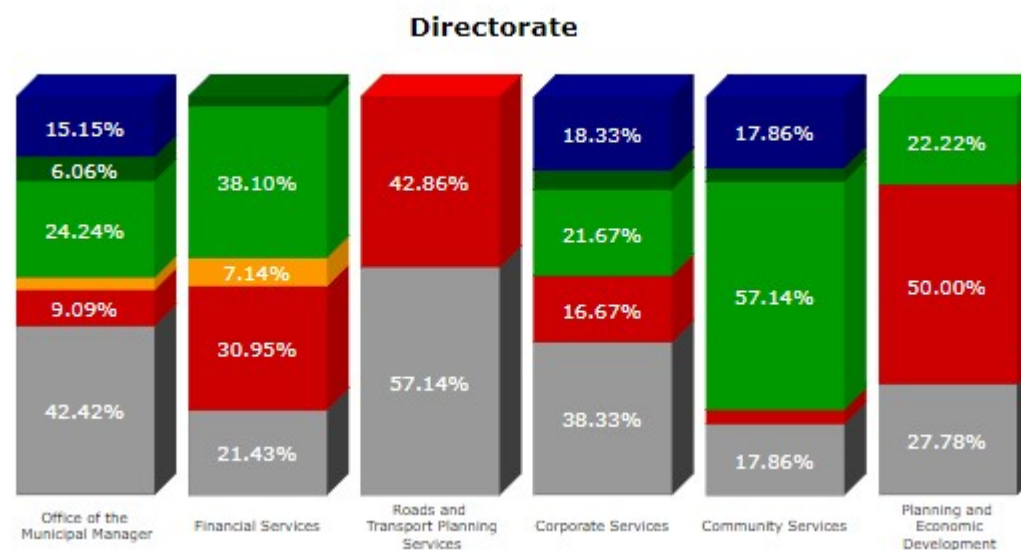
Report drawn on 16 January 2019 at 14:33
for the months of July 2018 to December 2018.

Garden Route District Municipality



KPI Not Yet Measured	69 (32.39%)
KPI Not Met	51 (23.94%)
KPI Almost Met	4 (1.88%)
KPI Met	61 (28.64%)
KPI Well Met	7 (3.29%)
KPI Extremely Well Met	21 (9.86%)
Total:	213 (100%)

Explanatory Information per Department



	Office of the Municipal Manager	Financial Services	Roads and Transport Planning Services	Corporate Services	Community Services	Planning and Economic Development
KPI Not Yet Measured	<u>14</u> (42.42%)	<u>9</u> (21.43%)	<u>8</u> (57.14%)	<u>23</u> (38.33%)	<u>5</u> (17.86%)	<u>10</u> (27.78%)
KPI Not Met	<u>3</u> (9.09%)	<u>13</u> (30.95%)	<u>6</u> (42.86%)	<u>10</u> (16.67%)	<u>1</u> (3.57%)	<u>18</u> (50.00%)
KPI Almost Met	<u>1</u> (3.03%)	<u>3</u> (7.14%)	-	-	-	-
KPI Met	<u>8</u> (24.24%)	<u>16</u> (38.10%)	-	<u>13</u> (21.67%)	<u>16</u> (57.14%)	<u>8</u> (22.22%)
KPI Well Met	<u>2</u> (6.06%)	<u>1</u> (2.38%)	-	<u>3</u> (5.00%)	<u>1</u> (3.57%)	-
KPI Extremely Well Met	<u>5</u> (15.15%)	-	-	<u>11</u> (18.33%)	<u>5</u> (17.86%)	-
Total:	33 (15.49%)	42 (19.72%)	14 (6.57%)	60 (28.17%)	28 (13.15%)	36 (16.90%)

The information as stipulated above comprises of the complete Service Delivery and Budget Implementation Plan of the municipality for the 2018/2019 financial year.

The above graph indicates the following;

- The total KPI's for the Municipality is 213
- The total Top Level KPI's are 38 and the Departmental KPI's are 175

Explanation of Colour Coding;

- **Grey (N/A)** – KPI's with targets that are not set for the period under review
- **Red (R)** – KPI's which were not met for the period under review, $0\% \leq \text{Actual/Target} < 74.9\%$
- **Orange (O)** – KPI's that were almost met, $75\% \leq \text{Actual/Target} < 99\%$
- **Green (G)**– KPI's where targets are achieved, $\text{Actual/Target} = 100\%$
- **Dark Green (G2)** - KPI's that are well met,(over achievement) $100\% \leq \text{Actual/Target} , = 149\%$
- **Dark Blue (B)** – KPI's that are extremely well met,(over achievement) $150\% \leq \text{Actual /Target}$

Recommendations

The following recommendations are made with regards to the performance management of Garden Route District Municipality:

Service Delivery and Budget Implementation Plan (SDBIP)

- The revision of the Top Level and the Departmental SDBIP which is informed by the adjustment budget, should be tabled before the end of February 2019
- The revised Top Level SDBIP should be submitted to the Executive Mayor and Council for approval
- The revised Departmental SDBIP should be submitted to the Municipal Manager for approval

Electronic System for Performance Management (Ignite)

- Executive Managers should provide assurance on all their updated KPI's on the system

Portfolio of Evidence (source of evidence/POE)

The following recommendations have to be made going forward;

- All POE's for updated KPI's relating to the previous month, should be submitted to the performance office by the 16th of each month
- POE's should go through a quality review by the respective Executive Manager, before it is submitted to the performance office

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