

Municipal Financial Management Act

Section 53(1)(c)(ii) – Approval by the Mayor

The Top Layer Service Delivery Budget Implementation Plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted in terms of Sections 69(3) and 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation for the necessary approval.

The MFMA Circular 88 Pilot Output Indicators is attached as an annexure for notification as per the requirements of Addendum 2 of the MFMA Circular 88.

Print Name MONDE STRATH

Municipal Manager of Garden Route District Municipality

Signature 

Date 7/6/2021

Approval

The Top Layer Service Delivery Budget Implementation Plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name MEMORY BOOYSEN (ALD)

Executive Mayor of Garden Route District Municipality

Signature 

Date 7/06/2021

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL1	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Submit an Operation Clean Audit Report (OPCAR) progress report to the Management Committee (MANCOM) on a quarterly basis	Number of progress reports submitted to MANCOM	All	Municipal Manager	5	Number	4	1	1	1	1
TL2	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Submit the Top Layer SDBIP for 2022/23 for approval to the Mayor within 14 days after the budget has been approved	Top Layer SDBIP for 2022/23 submitted to the Mayor within 14 days after the budget has been approved	All	Municipal Manager	1	Number	1	0	0	0	1
TL3	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Submit the draft Annual Performance Report for 2020/21 to the Auditor-General by 31 August 2021	Draft Annual Performance Report for 2020/21 submitted to the Auditor-General by 31 August 2021	All	Municipal Manager	1	Number	1	1	0	0	0
TL4	Office of the Municipal Manager	Municipal Transformation and Institutional Development	Good Governance	Submit a monthly report on Individual Performance Management to MANCOM	Number of reports submitted	All	Municipal Manager	New key performance indicator for 2021/22	Number	12	3	3	3	3
TL5	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Review the Organisational Strategic Risk Register (Top 10) and submit to Council by 31 May 2022	Reviewed Organisational Strategic Risk Register submitted to Council by 31 May 2022	All	Municipal Manager	1	Number	1	0	0	0	1

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL6	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Review the Risk-Based Audit Plan (RBAP) for 2022/23 and submit to the Audit Committee for consideration by 30 June 2022	RBAP for 2022/23 reviewed and submitted to the Audit Committee by 30 June 2022	All	Municipal Manager	1	Number	1	0	0	0	1
TL7	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Complete 90% of the Risk Based Audit Plan (RBAP) for the 2021/22 financial year by 30 June 2022 (Number of audits and tasks completed for the period identified in the RBAP/ Number of audits and tasks identified in the RBAP) x 100]	% of the Risk Based Audit Plan completed by 30 June 2022	All	Municipal Manager	New KPI	Percentage	90%	10%	25%	50%	90%
TL8	Office of the Municipal Manager	Municipal Financial Viability and Management	Financial Viability	The percentage of the municipal capital budget spent on capital projects by 30 June 2022 [(Actual amount spent on capital projects /Total amount budgeted for capital projects) x 100]	% of capital budget spent by 30 June 2022	All	Municipal Manager	92%	Percentage	90	0	35	0	90
TL9	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Compile and submit the final Oversight Report for 2020/21 to Council by 31 March 2022	Final Oversight Report for 2020/21 submitted to Council by 31 March 2022	All	Municipal Manager	1	Number	1	0	0	1	0

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist.	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL10	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Submit the Draft Communication Transition Plan to MANCOM by 31 July 2021	Draft Communication Transition Plan submitted	All	Municipal Manager	New key performance indicator for 2021/22	Number	1	1	0	0	0
TL11	Office of the Municipal Manager	Good Governance and Public Participation	Good Governance	Review the system of delegations and submit to Council by 28 February 2022	Reviewed systems of delegations submitted	All	Municipal Manager	New key performance indicator for 2021/22	Number	1	0	0	1	0
TL12	Community Services	Local Economic Development	A Skilled Workforce and Communities	Submit quarterly reports to the Community Services Portfolio Committee on the progress with regards to the Garden Route Food Pantry	Number of reports submitted	All	Executive Manager: Community Service	New key performance indicator for 2021/22	Number	4	1	1	1	1
TL13	Community Services	Basic Service Delivery	Health and Public Safety	Appoint a service provider for the design and construction of a new fire station in Mossel Bay by 31 December 2021	Service provider appointed	All	Executive Manager: Community Service	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL14	Community Services	Basic Service Delivery	Health and public safety	Appoint a service provider for the building, operating of a regional landfill facility in Mossel Bay by 31 December 2021	Service provider appointed	All	Executive Manager: Community Service	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL15	Community Services	Basic Service Delivery	Health and public safety	Execute 2 emergency preparedness exercises and submit reports to the Portfolio Committee by 30	Number of reports submitted by 30 June 2022	All	Executive Manager: Community Service		Number	2	0	1	0	1

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
				June 2022										
TL16	Community Services	Basic Service Delivery	Health and public safety	Execute 4 emission testing (air quality) initiatives by 30 June 2022	Number of emission testing (air quality) initiatives executed by 30 June 2022	All	Executive Manager: Community Service		Number	4	1	1	1	1
TL17	Community Services	Basic Service Delivery	Health and public safety	Spend 90% of the budget for HAZMAT rescue and fire equipment by 30 June 2022 [(Actual expenditure on project/Budgeted amount for project) x 100]	% of budget spent	All	Executive Manager: Community Service		Percentage	90	0	35	0	90
TL18	Financial Services	Municipal Financial Viability and Management	Financial Viability	Financial viability measured in terms of the available cash to cover fixed operating	Number of months that available cash is sufficient to cover the monthly operating expenditure(Audit AFS)	All	CFO	9.12	Number	3	0	3	0	3

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
				expenditure by 30 June 2022 [(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)]										
TL19	Financial Services	Municipal Financial Viability and Management	Financial Viability	Submit the Long-Term Financial Plan to Council to address the financial sustainability of Garden Route District Municipality by 31 December 2021	Long Term Financial Plan submitted to Council by 31 December 2021	All	CFO	New key performance indicator for 2021/22	Number	2	0	1	0	1
TL20	Financial Services	Municipal Financial Viability and Management	Financial Viability	Achieve a current ratio of 1.5 (Current assets : Current liabilities) by 30 June 2022	Number of times the Municipality can pay back its short-term liabilities with its short-term assets by 30 June 2022	All	CFO	3	Number	1.5	0	0	0	1.5
TL21	Financial Services	Municipal Financial Viability and Management	Financial Viability	Financial viability measured in terms of the municipality's ability to meet its service debt obligations by 30 June 2022 [(Short Term Borrowing +	% of debt coverage	All	CFO	1.47%	Percentage	30	0	0	0	30

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
				Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100]										
TL22	Financial Services	Municipal Financial Viability and Management	Financial Viability	Compilation of the Annual Financial Statements (AFS) for the 2020/21 financial year and submit to the Auditor-General (AG) by 31 August 2021	Compilation and submission of the AFS to the AG by 31 August 2021	All	CFO	1	Number	1	1	0	0	0
TL23	Financial Services	Municipal Financial Viability and Management	A Skilled Workforce and Communities	Review the SCM Policy to consider appropriate amendments to support the EPWP mandate and submit to Council by 31 May 2022	Annual review of the SCM policy submitted to Council by May 2022	All	CFO	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL24	Financial Services	Municipal Financial Viability and Management	Financial Viability	Compile the Mid-year Financial Statements for the 2021/22 financial year and submit to APAC by 28 February 2022	Compilation and submission of the Mid-year Financial Statements to APAC by 28 February 2022	All	CFO	New key performance indicator for 2021/22	Number	1	0	0	1	0
TL25	Corporate Services	Municipal Transformation and Institutional Development	Good Governance	Report quarterly to Council on the revision of the Human Resource Policies of the Organisation	Number of reports submitted to Council	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Number	4	1	1	1	1

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL26	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Number of people from employment equity target groups that will be appointed in the three highest levels of management during the 2021/22 financial year in compliance with the municipality's approved employment equity plan (senior officials & managers, professionals, technicians and associate professionals)	Number of people appointed in the three highest levels of management in compliance with the municipality's approved employment equity plan (senior officials & managers, professionals, technicians and associate professionals)	All	Executive Manager: Corporate Services	1	Number	0	0	0	0	0
TL27	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Spent 1% of personnel budget on training by 30 June 2022 [(Actual total training expenditure/total personnel budget) x 100]	% of the personnel budget spent on training by 30 June 2022	All	Executive Manager: Corporate Services	2%	Percentage	1	0	0	0	1
TL28	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Limit vacancy rate to 10% of budgeted post by 30 June 2022 [(Number of funded posts vacant/number of funded posts) x 100]	% vacancy rate	All	Executive Manager: Corporate Services	5.96%	Percentage	10	0	0	0	10

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL29	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Review the organisational structure and submit to Council by 30 June 2022	Organisational structure reviewed and submitted to Council by 30 June 2022	All	Executive Manager: Corporate Services	1	Number	1	0	0	0	1
TL30	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Award 18 external bursaries to qualifying candidates by 31 March 2022	Number of external bursaries awarded by March 2022	All	Executive Manager: Corporate Services	25	Number	18	0	0	18	0
TL31	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Award 10 internal bursaries to qualifying candidates by 31 March 2022	Number of internal bursaries awarded by March 2022	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Number	10	0	0	10	0
TL32	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Create training opportunities for EPWP appointees by 30 June 2022	Number of training opportunities created for EPWP appointees by 30 June 2022	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Number	50	0	0	0	50

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist.	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL33	Corporate Services	Municipal Transformation and Institutional Development	Good Governance	Submit a quarterly report to Council on the execution of council resolutions	Number of reports submitted to Council on a quarterly basis	All	Executive Manager: Corporate Services	2	Number	4	1	1	1	1
TL34	Corporate Services	Municipal Financial Viability and Management	Financial Viability	Spend 90% of the capital budget for ICT by 30 June 2022 [(Actual capital expenditure for ICT/Capital budgeted amount for ICT) x 100]	% of capital budget spent for ICT	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Percentage	90	0	35	0	90
TL35	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Develop a Deployment/Career Pathing/Staff Rationale Strategy and submit to Council by 30 June 2022	Deployment/Career Pathing/Staff Rationale Strategy submitted	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL36	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Capture 95% of permanent employee records on the Electronic Records System by 31 December 2021 [(Number of permanent employee records captured on the Electronic Records System / Number of permanent	% of permanent employees captured on the Electronic Records Systems	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Percentage	95	0	95	0	0

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
				employees) x 100]										
TL37	Corporate Services	Municipal Transformation and Institutional Development	A Skilled Workforce and Communities	Develop a Gender Mainstreaming Action Plan and submit to Council by 30 June 2022	Number of actions plans submitted	All	Executive Manager: Corporate Services	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL38	Planning and Economic Development	Local Economic Development	Grow an Inclusive District Economy	Create job opportunities through the Expanded Public Works Programme (EPWP) for the organisation by 30 June 2022	Number of job opportunities created through the Expanded Public Works Programme (EPWP) by 30 June 2022	All	Executive Manager: Planning & Economic Development	325	Number	297	0	0	0	297
TL39	Planning and Economic Development	Good Governance and Public Participation	Good Governance	Compile and submit the Final Annual Report 2020/21 to Council by 31 December 2021	Final Annual Report for 2020/21 submitted to Council by 31 December 2021	All	Executive Manager: Planning & Economic Development	1	Number	1	0	1	0	0
TL40	Planning and Economic Development	Local Economic Development	Local Economic Development	Submit an integrated progress report on the implementation of the Growth and Development Strategy to Council by 30 June 2022	Number of integrated progress reports submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL41	Planning and Economic Development	Local Economic Development	Local Economic Development	Attend the World Travel Market exhibition and submit a report to MANCOM by 31 May 2022	Report submitted to MANCOM by 31 May 2022	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	0	0	1

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL42	Planning and Economic Development	Local Economic Development	Local Economic Development	Coordinate and attend the quarterly Garden Route Economic Cluster meetings	Number of meetings coordinated and attended	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	4	1	1	1	1
TL43	Planning and Economic Development	Local Economic Development	Local Economic Development	Sign a Service Level Agreement with WESGRO Investment Promotion Unit to market the Garden Route Investment Prospectus by 30 November 2021	Signed Service Level Agreement	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL44	Planning and Economic Development	Local Economic Development	Grow an Inclusive District Economy	Sign a Service Level Agreement (SLA) with the Garden Route Film Commission by 30 November 2021	Signed Service Level Agreement	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL45	Planning and Economic Development	Basic Service Delivery	Good Governance	Review and align the Integrated Human Settlements Strategic Plan and submit to Council by 31 December 2021	the Integrated Human Settlements Strategic Plan submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL46	Planning and Economic Development	Basic Service Delivery	Good Governance	Submit a Project Initiation Document (PID) on the conceptual development framework and business plan for Social Housing and Finance Linked Individual Subsidy	Number of PID's submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	2	0	0	2	0

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
				Programme (FLISP) to Council by 31 March 2022										
TL47	Planning and Economic Development	Basic Service Delivery	Good Governance	Complete and submit an application for "Accreditation Level 1" to Provincial Government by 30 June 2022	Application for "Accreditation Level 1" submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL48	Planning and Economic Development	Basic Service Delivery	Good Governance	Develop and submit the new Integrated Development Plan (IDP) for the 2022-2027 period to Council by 31 May 2022	IDP submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL49	Planning and Economic Development	Basic Service Delivery	Promote sustainable environmental management and public safety	Install a solar energy powered system in at least one of the Municipal Properties by 30 June 2022	Solar energy powered system installed	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL50	Planning and Economic Development	Good Governance and Public Participation	Good Governance	Submit a Turnaround Strategy for Municipal Resorts to Council by 31 December 2021	Turnaround Strategy for Municipal Resorts submitted	All	Executive Manager: Planning & Economic Development	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL51	Roads and Transport Development	Local Economic Development	A Skilled Workforce and Communities	Job creation through the Roads Services by June 2022	Number of Jobs created by 30 June 2022	All	Executive Manager: Roads and Transport Development	New key performance indicator for 2021/22	Number	50	0	25	0	25

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL52	Roads and Transport Development	Basic Service Delivery	Financial Viability	Spent 95% of the roads budget allocation by 30 June 2022 (Actual expenditure divided by approved allocation received)	% of the roads spent by 30 June 2022	All	Executive Manager: Roads and Transport Development	82%	Percentage	95	0	0	0	95
TL53	Roads and Transport Development	Basic Service Delivery	Bulk Infrastructure and Co-ordination	Reseal 27.84 km of roads by 30 June 2022	Number of km's of roads resealed	All	Executive Manager: Roads and Transport Development	33.06	Number	27.84	0	0	0	27.84
TL54	Roads and Transport Development	Basic Service Delivery	Bulk Infrastructure and Co-ordination	Regravel 30.38 km of roads by 30 June 2022	Number of km's of roads regravelled by 30 June 2022	All	Executive Manager: Roads and Transport Development	26.31	Number	30.38	0	0	0	30.38
TL55	Roads and Transport Development	Basic Service Delivery	Bulk Infrastructure and Co-ordination	Compile a business plan for the Rural Road Asset Management Systems (RRAMS) and submit to MANCOM by 30 June 2022	RRAMS business plan compiled and submit to MANCOM by 30 June 2022	All	Executive Manager: Roads and Transport Planning Services	New key performance indicator for 2021/22	Number	1	0	0	0	1
TL56	Roads and Transport Development	Good Governance and Public Participation	Good Governance	Develop a complaints management system by 31 December 2021	Complaints management system developed	All	Executive Manager: Roads and Transport Planning Services	New key performance indicator for 2021/22	Number	1	0	1	0	0
TL57	Roads and Transport Development	Good Governance and Public Participation	Good Governance	Submit a quarterly consolidated report on the progress of all projects to MANCOM	Number of reports submitted to MANCOM	All	Executive Manager: Roads and Transport Planning Services	New key performance indicator for 2021/22	Number	4	1	1	1	1

Top Layer Service Delivery and Budget Implementation Plan 2021/22

Assist	Directorate [R]	National KPA [R]	Strategic Objectives [R]	KPI Name [R]	Unit of Measurement	Ward [R]	KPI Owner [R]	Baseline	Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
TL58	Roads and Transport Development	Good Governance and Public Participation	Good Governance	Submit a bi-annual report to Council on the replacement value of fleet vehicles	Number of reports submitted	- All	Executive Manager: Roads and Transport Planning Services	New key performance indicator for 2021/22	Number	2	0	1	0	1
TL59	Roads and Transport Development	Good Governance and Public Participation	Good Governance	Submit a quarterly progress report to MANCOM on issues raised in the "Roads to Recover Report"	Number of progress reports submitted	All	Executive Manager: Roads and Transport Planning Services	New key performance indicator for 2021/22	Number	4	1	1	1	1

Capital Budget for the 2021/22 Financial Year

Directorate (R)	Function (R)	Project name (R)	Funding source (R)	Planned Start Date (R)	Planned Completion Date (R)	Ward (R)	Month (R)												Total (R)
							Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	Office equipment	Internally generated funds	2021/10/01	2022/05/31	All	0	0	0	8	0	0	0	0	0	0	0	0	32
Financial Services	Finance and Administration: Core Function: Information Technology	ICT Infrastructure and equipment	Internally generated funds	2021/10/01	2022/06/30	All	0	0	0	0	0	0	0	0	0	0	0	6 000	6 000
Financial Services	Finance and Administration: Core Function: Finance	Office equipment	Internally generated funds	2022/06/01	2022/06/30	All	0	0	0	0	0	0	0	0	0	0	0	90	90
Financial Services	Finance and Administration: Core Function: Finance	Office equipment	Internally generated funds	2021/10/01	2022/03/31	All	0	0	0	200	0	0	0	0	200	0	0	0	600
Community Services	Public Safety: Core Function: Fire Fighting and Protection	Office equipment	Internally generated funds	2021/10/01	2022/03/31	All	0	0	0	10	0	0	0	0	10	0	0	0	30
Community Services	Public Safety: Core Function: Fire Fighting and Protection	Fire Station	Internally generated funds	2021/10/01	2022/05/31	All	0	0	0	195	0	0	0	0	195	0	6 415	0	7 000
Planning and Economic Development	Sport and Recreation: Core Function: Recreational Facilities	Calitzaolop Spa Roofs	Internally generated funds	2022/06/01	2022/06/30	All	0	0	0	0	0	0	0	0	0	0	0	2 000	2 000
Planning and Economic Development	Planning and Development: Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	Equipment	Internally generated funds	2022/06/01	2022/06/30	All	0	0	0	0	0	0	0	0	0	0	0	130	130
Community Services	Public Safety: Core Function: Fire Fighting and Protection	Fire Fighting Equipment	Internally generated funds	2021/10/01	2022/05/31	All	0	0	0	50	0	0	0	0	50	0	50	0	200
Community Services	Planning and Development: Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	Office equipment	Internally generated funds	2021/10/01	2022/05/31	All	0	0	0	8	0	0	0	0	8	0	8	0	32
Planning and Economic Development	Planning and Development: Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	Office equipment	Internally generated funds	2021/10/01	2022/01/31	All	0	0	0	30	0	0	0	0	0	0	0	0	60
Community Services	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	Regional Landfill Site	Borrowings	2022/05/01	2022/05/31	All	0	0	0	0	0	0	0	0	0	0	60 000	0	60 000

Capital Budget for the 2021/22 Financial Year

Directorate [R]	Function [R]	Project name [R]	Funding source [R]	Planned Start Date [R]	Planned Completion Date [R]	Ward [R]	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Total
R (000)																			
TOTAL							0	0	0	501	0	0	501	0	471	0	66 481	8 220	76 174

Monthly Cashflow for the 2021/22 Financial Year

Directorate (R)	Function (R)	July			August		
		Revenue (R)	Operational Exp. (R)	Capital Exp. (R)	Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services	Finance and Administration: Core Function: Finance	145	7 078	0	145	7 078	0
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services	Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	0
Community Services	Public Safety: Core Function: Fire Fighting and Protection	0	2 092	0	0	2 092	0
Community Services	Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services	Health: Core Function: Health Services	33	2 995	0	33	2 995	0
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	0	1 616	0	0	1 616	0
Roads and Transport Development	Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	0	0	267	0
Planning and Economic Development	Other Core Function: Tourism	0	35 459	0	0	35 459	0
	TOTAL	35 058	70 958	0	35 058	70 958	0

Monthly Cashflow for the 2021/22 Financial Year

Directorate [R]		Function [R]	September			October		
			Revenue (R)	Operational Exp. (R)	Capital Exp. (R)	Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager		Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services		Finance and Administration: Core Function: Finance	145	7 078	0	145	7 078	405
Corporate Services		Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services		Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services		Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	0
Community Services		Public Safety: Core Function: Fire Fighting and Protection	0	2 092	0	0	2 092	50
Community Services		Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services		Health: Core Function: Health Services	33	2 995	0	33	2 995	8
Planning and Economic Development		Planning and Development: Core Function: Economic Development/Planning	0	1 616	0	0	1 616	30
Roads and Transport Development		Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services		Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development		Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development		Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development		Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development		Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	0	0	267	0
Planning and Economic Development		Other: Core Function: Tourism	0	35 459	0	0	35 459	0
		TOTAL	35 058	70 958	0	35 058	70 958	501

Monthly Cashflow for the 2021/22 Financial Year

Directorate (R)	Function (R)	November			December		
		Revenue (R)	Operational Exp. (R)	Capital Exp. (R)	Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services	Finance and Administration: Core Function: Finance	145	7 078	0	145	7 078	0
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services	Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	0
Community Services	Public Safety: Core Function: Fire Fighting and Protection	0	2 092	0	0	2 092	0
Community Services	Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services	Health: Core Function: Health Services	33	2 995	0	33	2 995	0
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	0	1 616	0	0	1 616	0
Roads and Transport Development	Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	0	0	267	0
Planning and Economic Development	Other: Core Function: Tourism	0	35 459	0	0	35 459	0
	TOTAL	35 058	70 958	0	35 058	70 958	0

Monthly Cashflow for the 2021/22 Financial Year

Directorate [R]	Function [R]	January			February		
		Revenue (R)	Operational Exp. (R)	Capital Exp. (R)	Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services	Finance and Administration: Core Function: Finance	145	7 078	405	145	7 078	0
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services	Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	0
Community Services	Public Safety: Core Function: Fire Fighting and Protection	0	2 092	50	0	2 092	0
Community Services	Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services	Health: Core Function: Health Services	33	2 995	8	33	2 995	0
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	0	1 616	30	0	1 616	0
Roads and Transport Development	Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	0	0	267	0
Planning and Economic Development	Other: Core Function: Tourism	0	35 459	0	0	35 459	0
	TOTAL	35 058	70 958	501	35 058	70 958	0

Monthly Cashflow for the 2021/22 Financial Year

Directorate (R)	Function (R)	March			April		
		Revenue (R)	Operating Exp. (R)	Capital Exp. (R)	Revenue (R)	Operating Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services	Finance and Administration: Core Function: Finance	145	7 078	405	145	7 078	0
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services	Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	0
Community Services	Public Safety: Core Function: Fire Fighting and Protection	0	2 092	50	0	2 092	0
Community Services	Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services	Health: Core Function: Health Services	33	2 995	8	33	2 995	0
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	0	1 616	0	0	1 616	0
Roads and Transport Development	Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	0	0	267	0
Planning and Economic Development	Other: Core Function: Tourism	0	35 459	0	0	35 459	0
	TOTAL	35 058	70 958	471	35 058	70 958	0

Monthly Cashflow for the 2021/22 Financial Year

Directorate (R)	Function (R)	May			June		
		Revenue (R)	Operational Exp. (R)	Capital Exp. (R)	Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	19 525	4 215	0	19 525	4 215	0
Financial Services	Finance and Administration: Core Function: Finance	145	7 078	6 405	145	7 078	6 100
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	0	207	0	0	207	0
Community Services	Community and Social Services: Non-core Function: Disaster Management	0	650	0	0	650	0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	452	1 043	0	452	1 043	2 130
Community Services	Public Safety: Core Function: Fire Fighting and Protection	0	2 092	50	0	2 092	0
Community Services	Health: Non-core Function: Health Services	0	0	0	0	0	0
Community Services	Health: Core Function: Health Services	33	2 995	8	33	2 995	0
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	0	1 616	0	0	1 616	0
Roads and Transport Development	Road Transport: Core Function: Roads	14 893	15 063	0	14 893	15 063	0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	10	273	0	10	273	0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	0	0	0	0	0	0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	0	0	0	0	0	0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	0	0	0	0	0	0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	0	267	60 000	0	267	0
Planning and Economic Development	Other: Core Function: Tourism	0	35 459	0	0	35 459	0
	TOTAL	35 058	70 958	66 471	35 058	70 958	8 230

Monthly Cashflow for the 2021/22 Financial Year

Directorate (R)	Function (R)	TOTAL		
		Revenue (R)	Operational Exp. (R)	Capital Exp. (R)
Office of the Municipal Manager	Executive and Council: Core Function: Municipal Manager, Town Secretary and Chief Executive	R234 300.00	R50 580.00	R 32.00
Financial Services	Finance and Administration: Core Function: Finance	R1 740.00	R24 936.00	R13 720.00
Corporate Services	Finance and Administration: Core Function: Administrative and Corporate Support	R0	R 2 484.00	R0
Community Services	Community and Social Services: Non-core Function: Disaster Management	R0	R 7 800.00	R0
Community Services	Sport and Recreation: Core Function: Recreational Facilities	R5 424.00	R12 516.00	R 2 130.00
Community Services	Public Safety: Core Function: Fire Fighting and Protection	R0	R25 104.00	R 200.00
Community Services	Health: Non-core Function: Health Services	R0	R0	R0
Community Services	Health: Core Function: Health Services	R 396.00	R35 940.00	R 32.00
Planning and Economic Development	Planning and Development: Core Function: Economic Development/Planning	R -	R19 392.00	R 60.00
Roads and Transport Development	Road Transport: Core Function: Roads	R178 716.00	R180 756.00	R0
Community Services	Environmental Protection: Core Function: Biodiversity and Landscape	R120.00	R 3 276.00	R0
Planning and Economic Development	Energy Sources: Non-core Function: Electricity	R0	R0	R0
Planning and Economic Development	Water Management: Non-core Function: Water Distribution	R0	R0	R0
Planning and Economic Development	Waste Water Management: Non-core Function: Sewerage	R0	R0	R0
Planning and Economic Development	Waste Management: Core Function: Solid Waste Disposal (Landfill Sites)	R0	R 3 204.00	R60 000.00
Planning and Economic Development	Other: Core Function: Tourism	R0	R425 508.00	R0
TOTAL		R420 695.00	R851 496.00	R76 174.00

Revenue by Source for the 2021/22 Financial Year

[illegible]



Rationalisation of Planning, Budgeting and Reporting Requirements for the 2021/22 MTREF: Addendum 2

This circular provides an update to all municipalities on the preparation of statutory planning and reporting documents required for the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). It is for the attention of all municipalities and for the first time applies to all categories of municipalities.

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1 Introduction

The Municipal Finance Management Act (MFMA) Circular No. 88 of November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1st addendum to Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). Both were for the attention of all municipalities, while the indicators only applied to metropolitan municipalities.

Experience since the 2018/19 implementation of the original circular has shown that the on-going planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation. Addendum 2 introduces a significant shift in the reforms in four respects: 1) it more closely integrates and guides planning, budgeting and reporting reforms; 2) it significantly expands and revises the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expands the application of the reforms and the indicators to differential

categories of municipalities and levels of readiness, for application in 2021/22 MTREF cycle going forward; and 4) it introduces evaluations in the context of these reforms.

Improved planning by itself will not result in the intended spatial, economic and social transformation. Strengthening the linkages across a holistic cycle of planning, budgeting, reporting and evaluation is much more likely to. Intergovernmental spatial planning and intergovernmental budgeting via an intergovernmental programme and project pipeline is a good starting point in this regard, as the interdependencies bring with them complexity, but also a mutual reinforcement that strengthens with the endurance of commitments over time and space. Therefore, as the urban spatial perspective in the budgeting process moves from introduction to refinement and establishment/institutionalization; as budget information is requested, collated and analysed in a way that promotes the allocation of funding against plans that contributes directly to the spatial transformation of our cities, the increase in the planning and budgeting horizons from 3 to 5, 10, 15 and 20 years carries with them greater promise and certainty of progress. But in order to do this, it will require the simultaneous improvement of the longer-term municipal planning frameworks such as Municipal Spatial Development Frameworks (MSDFs), City Development Strategies (CDSs) and longer-term sector strategies; any legislative, policy or regulatory changes; and the development of a spatial budgeting mix linked to infrastructure asset management and spatial plans of the cities.

Improved budgeting/fiscal/financial reforms such as the introduction of the Municipal Standard Chart of Accounts (*mSCOA*), the policy framework for development charges, the municipal borrowing framework and long-term financial models and strategies will not by themselves result in spatial, economic and social transformation in cities. Neither would reporting reforms by itself result in spatial, economic and social transformation, or evaluations for that matter. If all reforms, and particularly planning, budgeting/fiscal/financial and reporting reforms are strategically aligned, then the likelihood of achieving spatial, economic and social transformation in cities will be greatly increased.

MFMA Circular 88 on Rationalising Planning and Reporting Requirement, first issued on 30 November 2017 and the subsequent update Addenda in 2019, generally focused on the implementation of reporting reforms. This Addendum update issued on 17 December 2020 includes the work to date on planning and budgeting reforms to be factored into municipal planning, budgeting and reporting for the 2021/22 MTREF. The reforms will continue being incrementally implemented in the 2022/23 - 2025-26 MTREF, and apply on a differentiated basis per municipal category, first in metropolitan municipalities, and then to intermediate city municipalities, districts and all remaining municipalities.

2 Planning and budgeting reforms and guidance

Planning reforms were started in the 2014/15 MTREF through the introduction of Built Environment Performance Plans (BEPPs) as a requirement of the annual Division of Revenue Act (DORA). The planning reform programme is a collaborative initiative between the Departments of Cooperative Governance (DCoG); Agriculture, Land Reform and Rural Development (DALRRD then Rural Development and Land Reform); Department of Planning, Monitoring and Evaluation (DPME); and National Treasury (NT) Cities Support Programme (CSP) that focuses on the eight metropolitan municipalities. Once reforms are tried and tested, they are then differentially applicable to the next category of municipalities, that is intermediate city municipalities and the remaining local municipalities.

A tool for reforming planning, budgeting and reporting

For the time of its existence the Built Environment Performance Plans (BEPPs) were an additional planning instrument in the municipal planning system that spanned budgeting and reporting. It was an instrument of change for a limited time period, not a permanent addition to

the range of municipal planning instruments, and it thus ceases to exist in the 2021/22 MTREF and further. However, the lessons learnt from the BEPPs and other planning reforms will continue by being introduced into the existing municipal planning, budgeting and reporting instruments, processes, content and practice. In summary, the lessons learnt are: -

1. Outcomes-Led Planning (OLP) and spatial targeting should be the key approach for all relevant metropolitan plans such as the Growth and Development Strategy/City Development Strategy (GDS/CDS); MSDF; longer term sector strategies; City Infrastructure Delivery Management System (CIDMS); Long Term Financial Model and Strategy (LTF Model and Strategy), and last but not least the IDP. There is a need to move away from compliance-driven planning to integrated, results-based planning;
2. Strategy-Led Budgeting (SLB) ensures that scarce financial resources are aligned to the key priority outcomes in the municipality; and
3. Using spatial targeting to influence and incorporate the relevant provincial, national and state-owned enterprise plans and budgets into municipal spatially targeted areas enables all of government to focus on contributing to outcomes and impact.

Institutionalisation of planning, budgeting and reporting reforms

All metros made commitments to institutionalising their BEPPs and planning, budgeting and reporting reforms during the Annual Assessment of BEPPs and City Plans in 2020. These commitments will be monitored in the 2021/22 MTREF plans and budgets – key content and process from the planning reforms that should be in the 2021/22 IDP are the Intergovernmental Programme Pipeline and Catalytic Land Development Programmes (previously Annexure 2 and 1 of the BEPPs respectively) that should be brought into the IDP.

Translating the lessons learnt into practical activities and outputs requires that we focus on the following going forward until it is successfully institutionalised: -

- a) Planning Approach: The planning approach is outcomes-led, using predetermined outcomes that can be measure the performance of the built environment, to inform the planning process. Transit-oriented development and spatial targeting are key planning concepts that drive the outcomes-led approach and inform the budgeting process;
- b) Planning Content: The planning content is the substance of the plan and the related key outputs of the plan e.g. Catalytic Land Development Programmes; the Intergovernmental Programme Pipeline; budgeting that is led by the planning strategy and outcomes; and results on the performance of the built environment;
- c) Planning Practice: Planning practice is about the professional agency of planners and related built environment practitioners, municipal financial practitioners including monitoring and reporting practitioners; and
- d) Planning Process: The planning process is the collective activities that constitute the Built Environment Value Chain (BEVC), a standardised, logical set of interactive and iterative activities that should result in a well performing built environment that produces the outcome of a compact city that is more inclusive, productive, resilient and sustainable and thus better governed. The process includes intergovernmental planning and budgeting, that is across the spheres of government and including the communities/households and the private sector investment in the built environment.

The planning reforms are being worked into oversight, monitoring and evaluation processes by setting out the criteria in Table 1 to assess the extent to which longer-term frameworks and strategies as well as the IDP incorporates planning reforms. Note that this criteria is an addition to criteria set by the relevant sector departments to assess the plans, and has been tested during 2020 in the process of the independent assessment of city plans.

Support will be provided to all stakeholders in order that the planning reforms outlined above are successfully implemented and institutionalised. The BEPPs Guidelines will be turned into a toolkit for outcomes-led planning and spatial targeting to provide technical guidance for both

longer-term and term-of-office planning. Existing and new knowledge products provide another form of support, as does technical support from the Cities Support Programme. Work has started on bringing professional institutes on board to promote continuing professional development for municipal finance, planning and engineering officials. Specialist capacity building and training institutions such as Municipal Institute of Learning (MILE) and the Tshwane Leadership and Management Academy are being engaged to do training and capacity building. Tertiary education institutions are being approached to factor in the planning reforms into curriculum development.

Table 1: Criteria to assess incorporation of planning, budgeting and reporting reforms in city plans

Criteria	Focus of assessment
1. Theory of Change for City Transformation ¹	<ul style="list-style-type: none"> • Evidence of a clear TOC to address city transformation in line with national policy directives – SPLUMA & IUDF • Evidence of alignment with TOC in all plans and budget
2. Outcomes-Led Planning and Spatial Targeting ²	<ul style="list-style-type: none"> • Have outcome statements been used to directly influence planning? • Has the circle been closed by adopting the Circular 88 indicators? • Are the spatially targeted areas clearly evident from frameworks through to strategies and implementation plans?
3. Strategy-Led Budgeting ³	<ul style="list-style-type: none"> • Is there a longer-term financing strategy to resource the CIDMS? • Is the budget spatialized? • Has mSCOA been implemented?
4. Alignment of Public Infrastructure Investment in spatially targeted areas in metros (Annexure 2 and Part C of BEPPs) – process and outputs ⁴	<ul style="list-style-type: none"> • Has the city managed to get intergovernmental stakeholders to disclose their Programmes and related Budgets? • Is the evidence that there is a move from disclosure to joint planning? • What is the extent of alignment of intergovernmental planning and budgeting?
5. Adoption of spatial planning, prioritisation and budgeting tools ⁵	<ul style="list-style-type: none"> • Does the city have a process or system/tool in place to filter programmes and projects submitted for approval? • What criteria does the city use to approve projects for funding and implementation? • Does the city distinguish between priority programmes and projects? • Do priority programmes and projects have a greater weighting than others?
6. Does the city have longer term frameworks and strategies in comparison to the term-of-Office plan (IDP) or 5-year plans?	<ul style="list-style-type: none"> • Does the city have a SDF and/or CDS/GDS? • Are there longer-term sector strategies for Human Settlements, Public Transport, Economic Development, Climate Resilience, Financial Sustainability, Infrastructure Asset Management

New metropolitan specific IDP Guideline and Assessment Framework

The new metropolitan specific IDP Guideline and complementary metropolitan specific IDP Assessment Framework incorporate the lessons learnt from the BEPPs and planning, budgeting and reporting reforms. These will come into effect for the 2022/23 MTREF once signed by the Minister of Cooperative Governance. The IDP has been confirmed as the term-of-office plan by DCoG.

Longer-Term Intergovernmental Planning and Budgeting

Having institutionalised many of the planning, budgeting and reporting reforms in the IDP for the term-of-office planning, attention is now focused on reforming longer-term planning - while this work is ongoing into 2021 there are clear indications already as outlined below. It is noted that besides the National Development Plan (NDP), longer term planning is not common

practice in government - national sector departments are required to produce 5 year Strategic and Performance Plans aligned to the Medium Term Strategic Framework (MTSF) with the process for the Annual Performance Plan (APP) being focused on annual plans in the context of 3 year rolling plans and budgets and M&E focused on annual performance. While the annual local government planning and budgeting process includes "all of government stakeholders" (provincial, national and SOE), very few of the provincial, national and SOE processes includes municipalities. This situation makes joint planning a very challenging activity unless reforms for national, provincial and SOE planning are implemented as soon as possible. Some strides have been made with particular departments or functions over the last few years as evidenced in Annexure 2 of the BEPPs on the Intergovernmental Programme and Project Pipeline.

Municipal Spatial Development Frameworks and City Development Strategies/Growth and Development Strategies

Metropolitan municipalities on the other hand have a tradition of planning for the longer term with metropolitan spatial development frameworks (MSDFs) always based on at least a 10-year time horizon. Furthermore, metropolitan municipalities worked together with the SACN many years ago to develop their GDS/CDS e.g. Joburg 2040 and Tshwane 2055. While the GDS/CDS is not a legislative requirement, it has been established as good practice and critical to informing the term-of-office planning.

City Infrastructure Delivery Management System and Longer-Term Financial Model and Strategy

All metropolitan municipalities have started implementing the CIDMS and related Framework for Infrastructure Delivery and Procurement Management (FIDPM) and the complementary LTF Model and Strategy, which if correctly implemented should span a 40-year time horizon. DCoG has agreed that the CIDMS replaces any guidelines that it has issued on infrastructure asset management since the CIDMS is based on the full life-cycle management of infrastructure assets and makes the important and direct link of the MSDF informing the spatial location of infrastructure development. There is a customised, less complicated Local Government IDMS to be used by intermediate city municipalities and other local municipalities together with the LTF Model and Strategy.

National Treasury Infrastructure Guidelines

National Treasury has clarified that the various infrastructure guidelines it has issued serves the functions as set out in Table 2.

Longer-Term Sector Strategies

In addition to MSDFs, CDS/GDS CIDMS and LTF Model and Strategy another trend in some metropolitan municipalities is the development of longer-term sector strategies such as Human Settlement/Housing Strategy, Economic Development Strategy, etc. The MSDF Guideline (2017) requires all sector strategies to be integrated and informed by the spatial strategy [SPLUMA s21 (m)].

Table 2: National Treasury Infrastructure Guidelines

Guideline	Purpose
Annual guideline on Budget Facility for Infrastructure	Criteria for accessing the Budget Facility for Infrastructure for very high value infrastructure projects
Annual Guideline for Capital Planning	Guidance to national sector departments on large infrastructure projects
PPP Framework	Guidance on how to design a PPP
Local Government Capital Asset Management Guide (2008)	Accounting treatment of infrastructure assets

Spatial Targeting and City Transformation Indicators (Integrated Outcome Indicators)

The city of Johannesburg has clearly adopted spatial targeting into their MSDF since 2014/15 with the Corridors of Freedom, deprived areas, etc. In 2016 the City of Cape Town incorporated their spatial targeting from the BEPPs into their MSDF. Other metropolitan municipalities can now follow the example of the cities of Cape Town and Johannesburg and work their spatially targeted areas into their MSDFs and/or other longer-term plans/frameworks/strategies. After two years of grappling with reporting on the integrated outcome indicators via the BEPPs, the challenges with reporting on these indicators annually are now well-established. The discontinuation of the BEPPs necessitates finding the relevant longer-term plan in which the integrated outcome indicators would best be placed. This issue will be resolved after further consultation with DALRRD and cities during 2021, but it is clear that the integrated outcome indicators are not well suited to the IDP and annual performance reporting.

Capital Expenditure Framework (CEF) and Capital Investment Framework (CIF)

Many metropolitan municipalities have used their BEPPs as the MSDF requirement for a Capital Expenditure/Investment Framework (CEF/CIF) since there has been no specification from the DALRRD – the good practice established by some metropolitan municipalities can be adopted by other metropolitan municipalities until such time as DALRRD provides clarity. Section 4(e) of the MSA Municipal Planning and Performance Management Regulations (2001) requires that the SDF must set out a capital investment framework. At the same time SPLUMA section 21 (n) requires that a MSDF must determine a capital expenditure framework for the municipality's development programmes depicted spatially. And the MSDF Guideline 2017 requires the municipality to develop a capital investment framework that articulates how the spatial proposals are to be achieved sequentially with attention to what key interventions need to take place, where they need to occur and by whom. This difference between the requirements of the MSA Regulations, the MSDF Guideline and the SPLUMA requires urgent clarification from DCoG and DALRRD.

Note that some intermediate city municipalities have adopted the Guide to Preparing a Capital Expenditure Framework issued by DCoG – this guide was designed specifically for intermediate city municipalities and does not apply to metropolitan municipalities.

District Development Model (DDM) One Plan

DCoG has agreed that the following metropolitan longer-term plans/frameworks/strategies will be used to contribute to the District Development Model (DDM) One Plan (which itself is a longer-term plan): -

- Economic Recovery Plan;
- CDS/GDS;
- MSDF;
- CIDMS and LTF Model and Strategy; and
- longer-term sector strategies.

The One Plan and other longer-term plans mentioned above will be used to inform the term-of-office IDP.

All the above planning provisions are indicative of greater coherence and integration across the different planning and budgeting instruments and their respective horizons. These planning developments take on more significance in relation to developments in the reporting reforms.

3 Expanding and revising the indicator set

The sector and municipal consultations informing this update to MFMA Circular No. 88 have prompted significant expansions and revisions to the indicator set. These expansions and revisions distinguish between: - 1) Further conceptual clarification and increase in the 'compliance' indicators; 2) addition of 'new' sectors to the indicators set; and 3) Further expansion and revision of the existing indicators.

3.1 Clarifying and expanding 'compliance' indicators

The original circular introduced 17 compliance indicators and 4 questions for metropolitan municipalities to report on quarterly. As these indicators were deemed to be for 'compliance' purposes, they were formulated as a singular data elements set without Technical Indicator Descriptions (TIDs). Municipalities were not expected to set targets for these indicators, only to monitor and report on them quarterly in relation to basic legislative compliance and for capacity consideration.

With the benefit of implementation, stakeholders identified the need and value of TIDs for these types of indicators to include a rationale, definition and conceptual clarity. Furthermore, it became apparent that otherwise useful monitoring data and information generated by municipalities did not always fit well within the Output and Outcome results level distinctions, with their attendant short and medium-term accountability requirements in relation to performance targets. Examples of such indicators include the 'Number of protests reported' and the 'Number of registered engineers employed in approved posts' which are very useful indicators, but not necessarily appropriate for performance monitoring and reporting.

Compliance indicators, or lower order results indicators, are therefore considered to be indicators that convey important information about the municipality's legislative and administrative compliance, capacity and staffing, and/or context. They are indicators made up of a single data element for reporting and exist only for monitoring purposes, as opposed to performance monitoring and reporting. Compliance indicators do not have performance targets and their TIDs are shorter and simpler, conveying only the rationale, definition, calculation, frequency of reporting and notes on accumulation.

Across all sectors there has been merit in the introduction of compliance indicators. This has led to the introduction of 74 additional compliance indicators. An additional set of 21 open-ended questions have also been added to allow for open-text submissions, although these do not constitute indicators. Please refer to the update of Appendix A for more information.

3.2 Introducing new sector indicators

MFMA Circular No. 88 introduced indicators informed by metropolitan municipality powers and functions for each of the following sectors: Energy and Electricity; Environment and Waste; Fire and Emergency Services; Good Governance; Housing and Community Facilities; Transport and Roads; Water and Sanitation; and what was called City Transformation (Integrated outcome indicators). As part of this update, the additional sectors of Financial Management and Economic Development were identified and consultations with sector

partners and departments were undertaken. Climate Change indicators were also proposed as a sector focus at the integrated outcome level.

Only the Economic Development indicator consultations were concluded and a complete set of indicators finalised. For the Financial Management sector, the consultations to rationalise and revise existing reporting remain on-going and will only be finalised in the 2021/22 financial year. As a result, this update reinforces existing financial indicator reporting in relation to MFMA Circular No. 71. This includes the 32 indicators suitable for municipalities and municipal entities issued in terms of Section 216(1)(c) of the Constitution and Section 2 of the MFMA. All existing reporting arrangements remain in place currently and there are no separate or additional MFMA Circular No. 88 financial management indicator reporting requirements at this time.

Although the Climate Change indicator consultations were undertaken with the intention to introduce them at the integrated outcome level along with updated City Transformation indicators, consultation on the appropriate planning and reporting mechanisms for integrated outcome indicators remains ongoing. As a result, there are not any integrated outcome indicators included within this update, as these indicators will be linked to a metropolitan longer-term plan/strategy/framework in the future, possibly the MSDF and/or the CDS/GDS.

3.3 Expansion and revision of Indicators

Two years of experience of metropolitan municipality reporting of MFMA Circular No. 88 has informed the consultations with sector departments and municipalities. Concurrent consultations undertaken by the Department of Cooperative Governance (DCoG) have further informed revisions and an update to the MFMA Circular No. 88 indicators. This has led to significant expansion, revision and replacement of the existing indicator set.

With the addition of the Economic Development sector and additional Compliance indicators, as well as the removal of indicators for City Transformation at the Integrated Outcome level, there has been a net increase of over 65 per cent in terms of the total indicator set. Please refer to the overview in Table 3 below as well as the details in Appendix E.

Among the existing indicators, nearly ¼ were altered or revised for further definitional clarity and refinement on the back of metro reporting experience. The alterations to these indicators are captured in detail in Appendix E.

Table 3: Changes in MFMA Circular No. 88 indicators from 2019 to 2020 updates

	2019	2020	NET
City Trans./ Int. Outcome	16	—	-16
Economic Development	—	25	+25
Electricity and Energy	18	21	+3
Environment and Waste	19	24	+5
Fire and Disaster	5	3	-2
Governance	22	22	—
Housing and Co. Fac.	19	22	+3
Transport and Roads	21	20	-1
Water and Sanitation	18	25	+7
Lower ord./Compliance	17	91	+74
	155	253	+98

Table 1 illustrates the maximum number of indicators per category, inclusive of all levels of readiness, based on the updated indicator set. Because these indicators apply on a differentiated basis per municipal category, with the full indicator set originally designed for

metropolitan municipalities, the expanded set of compliance indicators does not apply to metros in their entirety. These were expanded with a view to integrating the Back-2-Basics (B2B) reporting and as a result only 73 of the 91 compliance indicators apply in the case of metropolitan municipalities,¹ meaning that metropolitan municipalities have a total of 235 indicators that apply in practice.

It is important to emphasise that with the application of the reform across other categories of municipalities as a singular, differentially applied set of indicators for all of local government that the maximum number of indicators (253) does not apply in any one case. Among the differentially applied indicators are those that require 'National' or 'Shared' reporting outside the exclusive responsibilities of municipalities, as well as indicators at Tier 3 or 4 levels of readiness, which do not yet apply. As a result, in most cases municipalities are not responsible for reporting on more than half of the proposed indicators in practice at this time.²

3.4 Rationalisation of reporting in practice

With this update to MFMA Circular No. 88 a number of existing reporting requirements are expected to be integrated into the reporting process and practices, and thereby fall away as parallel reports. This includes the following reporting which is now considered integrated within the MFMA Circular No. 88 quarterly and annual reporting provisions:

- Back-2-Basics (B2B) monthly reporting to DCoG;
- Urban Settlements Development Grant (USDG) Performance Matrix reporting;
- BEPPs reporting of the City Transformation indicators; and
- Additional Service Delivery Information reporting to National Treasury.

4 Rolling out the reform to other categories of municipalities

The Department of Cooperative Governance (DCoG) has further advanced the development and application of the MFMA Circular No. 88 indicator set to intermediate cities, districts and local municipalities. With a view to eventually regulating the reform, a broader set of municipal and sector consultations were undertaken in terms of the provisions of Section 43 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) which provides for the Minister of Cooperative Governance and Traditional Affairs, after consultation with MECs for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government.

It is therefore the intention of the Department of Cooperative Governance (DCoG) that the introduction of the MFMA Circular No. 88 indicators across local government serves as a pilot process towards eventual issuing a Regulation. The pilot of the MFMA Circular No. 88 indicators is intended to replace the Local Government: Planning and Performance Management Regulations of 2001, potentially targeted for November 2022.

Unlike the original circular (2017), this Addendum update applies to *all categories of municipalities*. It expands the scope of indicators applicable to the other categories of municipalities beyond metros (8)³ including:

- Intermediate (or secondary) Cities (39);
- District Municipalities (44); and
- Local Municipalities (166).

¹ For instance, 82 compliance indicators apply for intermediate cities; 75 for district municipalities and 74 for local municipalities.

² Metropolitan municipalities have the maximum reporting load with 105 Tier 1 and 2 indicators, 73 applicable compliance indicators and 14 applicable compliance questions per annual reporting cycle, inclusive of National and Shared indicators.

³ References the number of municipalities that are considered within each category.

Each MFMA Circular No. 88 indicator will be differentially applied per category of municipality and in terms of the four-tier readiness system. Only Tier 1 and Tier 2 indicators will apply to all municipalities from 2021/22 financial year onwards for the purposes of piloting.

Table 4: Extract from a TID specifying the categories of municipality an indicator applies and its level of readiness

Reporting responsibility	Applies to Municipal Category		Readiness
Municipality	Metro	Yes	Tier 2
	Intermediate City	Yes	Tier 3
	District	No	N/A
	Local	Yes	Tier 3

In Table 4 above, the indicator would apply to metropolitan municipalities, intermediate cities and local municipalities, but not districts. However, it would only be ready for planning and reporting in metropolitan municipalities for the 2021/22 financial year and would not yet be prescribed to intermediate cities and local municipalities.

4.1 Special pilot provisions for rollout across local government

In order to get the process of planning and reporting on the indicators going, to test the indicators and for municipalities to get the related planning and reporting processes and systems in place, a staggered pilot process will follow for the rest of local government. This is informed by audit considerations and in consultation with the Auditor-General of South Africa (AGSA) to support municipalities to adopt the reform without the risk of receiving audit findings as part of the pilot process.

The existing MFMA Circular No. 88 guidance to give expression to outcome indicators in the IDP (and annual IDP update) and output indicators in the SDBIPs will continue to apply to metropolitan municipalities only.

Due to the pilot process in the 2021/22 financial year, intermediate cities, district and local municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at Tier 1 and 2 levels of readiness.

For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs). No reporting in the MSA section 46 statutory annual performance report (APR) will be required.

Municipalities will continue to plan and report on the KPIs adopted in the indicators tables of the IDP and SDBIP in the section 46 APR as required for 2021/22.

This "parallel" pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. e.g. It will further avoid the situation where municipalities replace or remove existing indicators on a function (e.g. with regard to water) in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance

reporting on the function in the statutory section 46 Annual Performance Report due to the pilot process.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output and compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator;
- Baselines should be established for Tier 1 and Tier 2 outcome, output and compliance indicators and reflected in the IDP reviews/updates from 2021/22 onwards;
- Targets for outcome indicators should be set with a five-year horizon for local government (2025/26);
- Targets for output indicators should be set on an annual basis (2021/22, with potential quarterly targets depending on the frequency of the indicator); and
- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal reporting:

- Quarterly and annual reports will be submitted to Provincial COGTAs and DCoG for all Tier 1 and Tier 2 output and compliance indicators (quarterly and/or annual) and outcome indicators (annual only); and
- During pilot, NO reporting through the Section 46 Annual Performance Report (APR) will be required.

Municipalities can expect the Department of Cooperative Governance (DCoG) to fulfill the following roles and responsibilities as it relates to the introduction of these indicators:

- Coordinate the planning and reporting reform with the other centre of government departments and provide policy direction across municipal categories;
- Develop and issue the relevant planning and reporting templates, guidance notes and updates;
- Receive data from municipalities, and consolidated provincial reports from provincial CoGTA departments analyse and compare data from across municipal contexts and provide feedback;
- Facilitate the development of an ICT system for centralised transmission of data in line with plans for the District Development Model; and
- Issue extracts of the applicable Tier 1 and Tier 2 indicators and their summary definitions for all categories of municipality for ease of reference.

Municipalities can expect Provincial CoGTA departments to fulfil the following roles and responsibilities:

- Provide technical support for piloting and reporting by municipalities to provincial COGTA's and national DCoG;
- Utilise the DCoG guidance documentation and reporting templates;
- Host forums, briefings and platforms to support the uptake and rollout of the indicators;
- Establish a reporting process, follow-up with municipalities, analyse and develop a consolidated provincial report to the DCoG, and provide feedback to municipalities;
- Escalate Frequently Asked Questions to the DCoG and distribute/share/communicate FAQ's by DCoG in the provinces; and
- Provide feedback and suggestions to strengthen the reform rollout.

It is anticipated that the pilot rollout outside of established statutory planning and reporting requirements will provide valuable experience and insight to inform further updates ahead of eventual regulatory reform.

5 Evaluations

MFMA Circular No. 88 drew on the conceptual framing of a suite of policies set out in terms of the *Policy Framework for Government-wide Monitoring and Evaluation* (GWMES) (Presidency, 2007) to advance planning and reporting reforms. In particular, it built on the policy foundations of the *Framework for Managing Programme Performance Information* (FMPPI) (National Treasury, 2007) as well as the *South African Statistics Quality Assessment Framework* (StatsSA, 2010) (SASQAF) to specify results areas for municipal performance indicators and to distinguish between the different data terrains available to state actors for planning, monitoring and reporting purposes.

Figure 1: Three data terrains of the Government-Wide Monitoring and Evaluation System and their policy frameworks

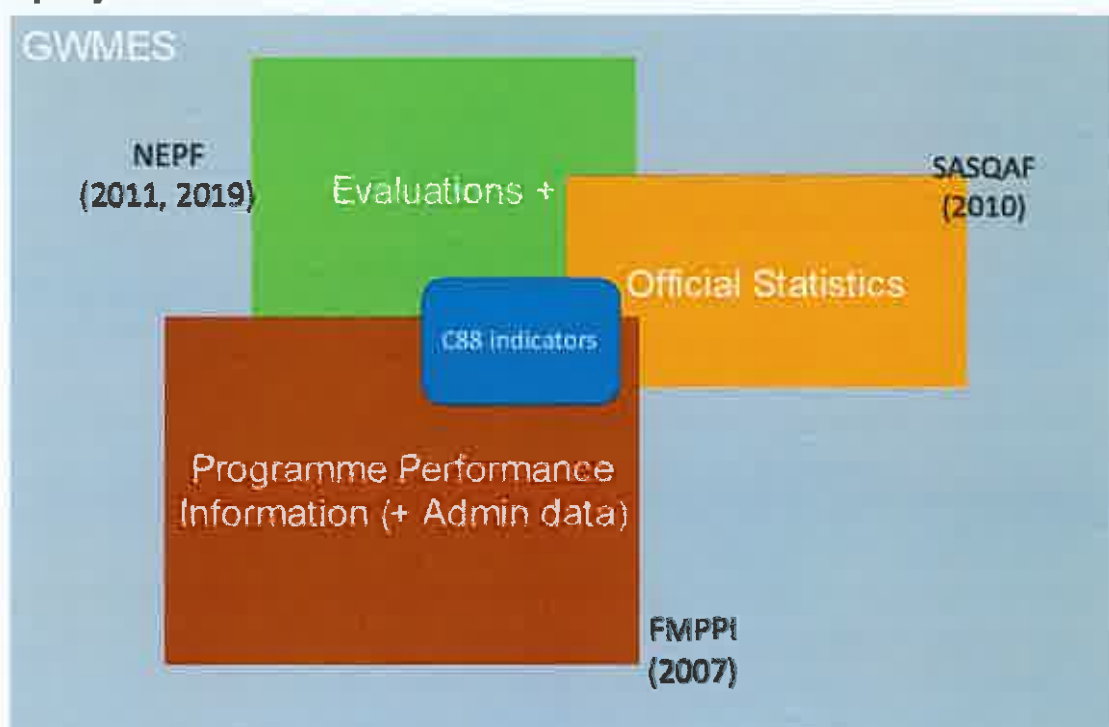


Figure 1 illustrates the three respective data terrains with their accompanying policy frameworks and situates the MFMA Circular No. 88 outcome, output and compliance indicators in relation to the data terrains they draw on. To date, all of the MFMA Circular No. 88 indicators have been developed and formulated with a view to locating them within either one of two data terrains set out in the GWMES: Programme Performance Information; or Official Statistics. However, the *Policy Framework for Government-Wide Monitoring and Evaluation* (GWME) provides for a third data terrain better suited to systematically and comprehensively answering 'How' and 'Why?' questions raised in relation to the achievement of outcomes: Evaluations. This update to MFMA Circular No. 88 reinforces the complementary function of evaluations in relation to planning, budgeting and reporting. It emphasizes that evaluations are the correct means of determining the achievement of outcomes, and that MFMA Circular No. 88 should not be misunderstood to suggest reporting on a set of performance indicators is sufficient to claim achievement of an outcome. Ultimately, municipalities that are able to coordinate and integrate their planning, budgeting, and reporting with periodic evaluation exercises will be in a much better position to advance evidence-based decision-making for improved developmental outcomes.

5.1 Institutionalising evaluation in the local government sphere

The 2019 National Evaluation Policy Framework (NEPF) has clarified the objective of ensuring local government successfully institutionalizes the practice of evaluation, as it is critical to the realization of the outcomes, of the National Development Plan (NDP). Further, the District Development Model provides an opportunity to advance this vital strategic function through better coordinated intergovernmental planning and budgeting. This occurs at a time when the MFMA Circular No. 88 reforms are advancing a differentiated, standardized and comparable set of indicators for all of local government. There are apparent synergies and common reform objectives related to evidence-based decision-making and cost-effectiveness of public sector strategies in this regard.

The NEPF sets out clearly the roles for the Department of Planning, Monitoring and Evaluation (DPME) along with DCoG and Provincial CoGTAs as it relates to evaluation. DPME has developed a three-phase approach to evaluation rollout and there is merit in recognizing how the outcomes areas and indicators that are monitored in relation to them provide ripe opportunities for the identification of objects of evaluation and to better understand what outcomes and impacts municipalities are directly contributing to in practice. This is all the more important when it comes to the realization of spatial transformation and associated integrated outcomes.

The MFMA Circular No. 88 addendum consultations have reinforced the potential value and timing of evaluations as an available data terrain and in relation to the overarching reforms. This addendum update seeks to confirm that planning, budgeting and reporting reforms should be seen within a broader cycle intended to make use of evidence to inform policy for better performance, accountability, knowledge generation and decision-making.

6 Conclusion

This Addendum and its appendices are an update to the MFMA Circular No. 88 dated 30 November 2017, the original circular, as well as the Addendum dated 4 December 2019 – this Addendum must be read together the original circular and the 2019 update and the relevant appendices. This Addendum provides guidance to all categories of municipalities.

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17 December 2020



cooperative governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

Extract of Addendum 2 to MFMA Circular No. 88

**Indicators applicable to District Municipalities
for 2021/22**

Date: 07 June 2021

1. Introduction

The following document reflects an extract of indicators from Addendum 2 to MFMA Circular No. 88 issued on 17 December 2020. The purpose of the document is to make clear to the 44 District Municipalities (see Appendix A for a complete list) the indicators that are applicable to them for the pilot during the 2021/22 financial year. The issuing of Addendum 2 to MFMA Circular No. 88 marks a further step towards the introduction of a singular, differentiated set of indicators for all of local government in line with broader planning, budgeting and reporting reforms. Appendix D provides some background information on the reporting reforms process and explains how the common set of indicators for local government was developed.

The consultations that produced these indicators were undertaken in terms of the provisions of Section 43 of the Municipal Systems Act (MSA) 32 of 2000 which provides for the Minister, after consultation with MECs for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government. The following indicators were developed through the course of engagements with M&E stakeholders in Provincial Departments of Cooperative Governance and consultations with representatives of district municipalities over the course 2019 and 2020. Letters were written to the Municipal Managers of all municipalities, as well as national stakeholders, with an invitation to participate in consultations as well as to submit comments on the draft indicators. All consultative engagements and inputs proved formative in the eventual formulation and crafting of the indicator set. All engagements and written submissions are considered part of the process of intended reform of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

In order to incrementally introduce the reform, these indicators are considered as the basis for a pilot in the 2021/22 municipal financial year. As the following extract from the circular explains:

"... municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at Tier 1 and 2 levels of readiness.

For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs). No reporting in the MSA section 46 statutory annual performance report (APR) will be required.

Municipalities will continue to plan and report on the KPIs adopted in the indicators tables of the IDP and SDBIP in the section 46 APR as required for 2021/22.

This "parallel" pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. e.g. It will further avoid the situation where municipalities replace or remove existing indicators on a function (e.g. with regard to water) in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance reporting on the function in the statutory section 46 Annual Performance Report due to the pilot process."

MUNICIPAL NAME:

GARDEN ROUTE DISTRICT MUNICIPALITY

MFMA CIRCULAR 88 PILOT - ANNEXURE TO THE TOP LAYER SDBIP

Output Planning Template: 2021-22									
Performance Indicator		Ref No.		2021-22		2022-23		2023-24	
				Actual		Planned		Planned	
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