



**Service Delivery Budget
Implementation Plan
(SDBIP)
- Adjusted-**

2025/26

Table of Contents

| | |
|--|---|
| Summary | 4 |
| Service Delivery Targets and Performance Indicators..... | 4 |
| Introduction..... | 4 |
| The SDBIP Concept | 5 |
| MFMA requirement - Approval of the SDBIP..... | 5 |
| MFMA requirement – Implementation & monitoring | 5 |
| Service Delivery Targets and Performance Indicators..... | 7 |
| Monitoring and the adjustments budget process..... | 7 |
| Adjusted Top Layer Service Delivery and Budget Implementation Plan 2025/26 | 8 |

Municipal Finance Management Act:

Section 54(I) – Approval Council

Submission

Report submitted to Council on 31 March 2026

Municipal Manager of Garden Route District Municipality

Approval

Report approved by Council on 31 March 2026

Municipal Manager of Garden Route District Municipality

Summary

The Municipality is required to produce a Service Delivery and Budget Implementation Plan to show the following:

- Monthly projections of revenue and expenditure for the operating and capital budgets
- Quarterly service delivery targets and performance indicators.

Each month the Municipal Manager must present the Mayor with a report showing how income and spending is progressing against these projections. Every quarter the Mayor must report to Council on the progress of the budget.

Service Delivery Targets and Performance Indicators

Each Directorate has to provide quarterly targets so that performance can be monitored throughout the year. The Municipal Manager's and Director's performance contracts must contain these targets. The targets cannot be changed during the year unless Council approves the changes. The performance targets for 2025/26 are contained in the accompanying Estimates Annexure document.

Introduction

A Service Delivery and Budget Implementation Plan is defined as a detailed plan approved by the Executive Mayor for implementing the municipality's delivery of municipal services and its annual budget.

The Service Delivery and Budget Implementation Plan (SDBIP) functions much like a business plan and is a critical component of the broader financial planning process. Although it is officially approved after the municipal budget, its development takes place alongside the budget formulation. The SDBIP serves as a vital link between the approved budget and the performance agreements of management. It outlines in detail how the budget will be executed, including projected cash flows, service delivery targets, and key performance indicators.

The SDBIP Concept

National Treasury, in MFMA circular 13, outlined the concept of the SDBIP. It is seen as a contract between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months.

It is a management, implementation and monitoring tool that will assist the Executive Mayor, Councillors, Municipal Manager, Senior Managers and community. It is also a performance monitoring tool that enables the Municipal Manager to monitor the performance of senior managers. The MFMA requires that the performance agreements of senior managers be linked to the measurable performance objectives in the SDBIP.

As a vital monitoring tool, the SDBIP should help enable the Executive Mayor and Municipal Manager to be pro-active and take remedial steps in the event of poor performance.

The SDBIP is considered as a layered plan. Whilst only the top layer is made public at council, the budget and performance targets should be broken down into smaller targets and cascaded to middle-level and junior managers. Directorates should be producing their own SDBIP's which roll up into the municipality's SDBIP.

MFMA requirement - Approval of the SDBIP

Under the MFMA the process for approval of the SDBIP is covered under Chapter 7 - Responsibilities of Mayors and Chapter 8 - Responsibilities of municipal officials.

Under chapter 8 the Accounting Officer must submit a draft of the SDBIP to the Executive Mayor within 14 days of the budget being approved as well as drafts of the annual performance agreements required in the Municipal Systems Act.

Chapter 7 of the MFMA requires the Executive Mayor to "take all reasonable steps" to ensure that the SDBIP is approved by the mayor within 28 days after the approval of the budget and that the SDBIP is made public no later than 14 days after that.

MFMA requirement – Implementation & monitoring

Section 54 sets out the responsibilities of the Executive Mayor with regard to budgetary control and the early identification of financial problems.

When a budget monitoring report is received under section 71 or 72 of the MFMA, the Executive Mayor must check whether the budget is being implemented in accordance with the SDBIP.

If it is decided to amend the SDBIP, any revisions to the service delivery targets and performance indicators must be made with the approval of council following an adjustments budget. The Executive Mayor must issue instructions to the accounting officer to ensure that the budget is implemented in terms of the SDBIP.

The revised SDBIP must be promptly made available to the public.

Service Delivery Targets and Performance Indicators

A number of meetings were held with directorates and the performance indicators and targets developed. These targets have been included in the 2025/26 SDBIP.

The targets and indicators attempt to measure a range of activities in the municipality. It will be the responsibility of directorates to provide information on progress towards achieving these targets on a quarterly basis.

Any revision to the SDBIP resulting from a change in Performance Indicators will be reported to Council for approval in terms of Section 54 (c) of the MFMA.

Monitoring and the adjustments budget process

The section 71 and 72 budget monitoring reports required under the MFMA should provide a consolidated analysis of the Municipality's financial position including year-end projections.

As detailed earlier, the Executive Mayor must consider these reports under s54 of the MFMA and then make a decision as to whether the SDBIP should be amended.

The Adjustments Budget concept is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the municipality's finances.

In simple terms, funds can be transferred within a vote but any movements between votes can only be agreed by an adjustments budget.

Draft Top Layer Service Delivery and Budget Implementation Plan 2025/26

| Assist | Directorate | National KPA | Strategic Objectives | KPI Name | Unit of Measurement | Ward | KPI Owner | Baseline | Annual Target | Q1 | Q2 | Q3 | Q4 |
|--------|---------------------------------|--|--|---|---|------|-------------------|----------|---------------|-----|-----|-----|-----|
| TL1 | Office of the Municipal Manager | Good Governance and Public Participation | Good Governance | Complete 85% of the Risk Based Audit Plan (RBAP) for the 2024/25 financial year by 30 June 2026 [(Number of audits and tasks completed for the period identified in the RBAP/ Number of audits and planned tasks in the RBAP) x 100] | % of the Risk Based Audit Plan completed by 30 June 2026 | All | Municipal Manager | 90% | 85% | 25% | 50% | 75% | 85% |
| TL2 | Office of the Municipal Manager | Municipal Financial Viability and Management | Financial Viability and Sustainability | The percentage of the municipal capital budget spent on capital projects by 30 June 2026 [(Actual amount spent on capital projects /Total amount budgeted for capital projects) x 100] | % of capital budget spent by 30 June 2026 | All | Municipal Manager | 26% | 95% | 0% | 10% | 40% | 95% |
| TL3 | Office of the Municipal Manager | Good Governance and Public Participation | Good Governance | Compile and submit the final Oversight Report for 2024/25 to Council by 31 March 2026 | Final Oversight Report for 2024/25 submitted to Council for adoption by 31 March 2026 | All | Municipal Manager | New | 1 | 0 | 0 | 1 | 0 |
| TL4 | Office of the Municipal Manager | Good Governance and Public Participation | Good Governance | Submit an Operation Clean Audit Report (OPCAR) progress report to the Management Public Accounts Committee (MPAC) on a quarterly basis | Number of OPCAR reports submitted to MPAC | All | Municipal Manager | New | 4 | 1 | 1 | 1 | 1 |
| TL5 | Office of the Municipal Manager | Municipal Financial Viability and Management | A Skilled Workforce and Communities | Award 5 external bursaries to qualifying candidates by 31 March 2026 | Number of external bursaries awarded by 31 March 2026 | All | Municipal Manager | 20 | 5 | 0 | 0 | 5 | 0 |
| TL6 | Financial & Corporate Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Achieve cash coverage ratio of 3 months. Financial viability measured in terms of the available cash to cover fixed operating expenditure by 30 June 2026[(Cash and Cash Equivalents - Unspent Conditional Grants – Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding | Number of months that available cash is sufficient to cover the monthly operating expenditure | All | CFO | 4.3 | 3 | 0 | 3 | 0 | 3 |

| Assist | Directorate | National KPA | Strategic Objectives | KPI Name | Unit of Measurement | Ward | KPI Owner | Baseline | Annual Target | Q1 | Q2 | Q3 | Q4 |
|--------|--------------------------------|--|--|---|---|------|-----------|----------|---------------|----|----|----|-----|
| | | | | (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)] | | | | | | | | | |
| TL7 | Financial & Corporate Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Achieve a current ratio of 1.5 (Current assets : Current liabilities) by 30 June 2026 | Number of times the Municipality can pay back its short term-liabilities with its short-term assets by 30 June 2026 | All | CFO | 2.56 | 1.5 | 0 | 0 | 0 | 1.5 |
| TL8 | Financial & Corporate Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Financial viability measured in terms of the municipality's ability to meet its service debt obligations by 30 June 2026 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100] | % of debt coverage | All | CFO | 36.11% | 45% | 0% | 0% | 0% | 45% |
| TL9 | Financial & Corporate Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Compilation of the Annual Financial Statements (AFS) for the 2024/25 financial year and submit to the Auditor- General (AG) by 31 August 2025 | Compilation and submission of the AFS to the AG by 31 August 2025 | All | CFO | 1 | 1 | 1 | 0 | 0 | 0 |
| TL10 | Financial & Corporate Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Compile the Mid-year Financial Statements for the 2025/26 financial year and submit to Audit and Performance Audit Committee (APAC) by 28 February 2026 | Compilation and submission of the Mid-year Financial Statements to APAC by 28 February 2026 | All | CFO | 1 | 1 | 0 | 0 | 1 | 0 |
| TL11 | Financial & Corporate Services | Municipal Transformation and Institutional Development | A Skilled Workforce and Communities | Spend 1% of personnel budget on training by 30 June 2026 [(Actual total training expenditure/total personnel budget) x 100] | % of the personnel budget spent on training by 30 June 2026 | All | CFO | 1% | 1% | 0% | 0% | 0% | 1% |
| TL12 | Financial & Corporate Services | Municipal Transformation and Institutional Development | A Skilled Workforce and Communities | Limit vacancy rate to 10% of budgeted post by 30 June 2026[(Number of funded posts vacant/number of funded posts) x 100] | % vacancy rate | All | CFO | 5.02% | 10% | 0% | 0% | 0% | 10% |

| Assist | Directorate | National KPA | Strategic Objectives | KPI Name | Unit of Measurement | Ward | KPI Owner | Baseline | Annual Target | Q1 | Q2 | Q3 | Q4 |
|--------|-----------------------------------|--|-------------------------------------|--|--|------|--|----------|---------------|----|----|-----|-----|
| TL13 | Financial & Corporate Services | Municipal Transformation and Institutional Development | A Skilled Workforce and Communities | Award 8 internal bursaries to qualifying candidates by 31 March 2026 | Number of internal bursaries awarded by March 2026 | All | CFO | 20 | 8 | 0 | 0 | 8 | 0 |
| TL14 | Financial & Corporate Services | Municipal Transformation and Institutional Development | A Skilled Workforce and Communities | Create training opportunities for EPWP appointees by 30 June 2026 | Number of training opportunities created for EPWP appointees by 30 June 2026 | All | CFO | New | 40 | 0 | 0 | 0 | 40 |
| TL15 | Financial & 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 2025/26 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 | All | CFO | 1 | 0 | 0 | 0 | 0 | 1 |
| TL16 | Planning and Economic Development | Good Governance and Public Participation | Good Governance | Report half yearly to Council on the progress in terms of the Growth and Development Strategy initiatives within the district | Number of reports submitted | All | Executive Manager: Planning & Economic Development | New | 2 | 0 | 1 | 0 | 1 |
| TL17 | 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 2026 | Number of job opportunities created through the Expanded Public Works Programme (EPWP) by 30 June 2026 | All | Executive Manager: Planning & Economic Development | 274 | 250 | 0 | 0 | 100 | 150 |
| TL18 | Planning and Economic Development | Good Governance and Public Participation | Good Governance | Compile and submit the Final Annual Report for Garden Route District Municipality for 2024/25 to Council by 31 December 2025 | Final Annual Report (GRDM) for 2024/25 submitted to Council by 31 December 2025 | All | Executive Manager: Planning & Economic Development | New | 1 | 0 | 1 | 0 | 0 |
| TL19 | Planning and Economic Development | Basic Service Delivery | Good Governance | Review and submit the Integrated Development Plan (IDP) for the 2022-2027 period to Council by 31 May 2026 | IDP Review submitted to Council by 31 May 2026 | All | Executive Manager: Planning & Economic Development | New | 1 | 0 | 0 | 0 | 1 |
| TL20 | Planning and Economic Development | Basic Service Delivery | Good Governance | Review and submit the Spatial Development Framework to | Submission of the SDF to Council by 30 June 2026 | All | Executive Manager: Planning & Economic Development | New | 1 | 0 | 0 | 0 | 1 |

| Assist | Directorate | National KPA | Strategic Objectives | KPI Name | Unit of Measurement | Ward | KPI Owner | Baseline | Annual Target | Q1 | Q2 | Q3 | Q4 |
|--------|------------------------------|--|--|--|---|------|--|----------|---------------|-----|-----|-----|-----|
| | | | | Council for the period 2026-2030 by 30 June 2026 | | | | | | | | | |
| TL21 | Community Services | Municipal Health and Environmental Waste | Promote sustainable environmental management | Quarterly report on the conclusion of the MFMA Sec 33(Regional Waste Management Facility) | Number of reports submitted to Council | All | Executive Manager: Community Service | New | 4 | 1 | 1 | 1 | 1 |
| TL22 | Community Services | Municipal Health and Environmental Waste | Promote sustainable environmental management | Compile a one District Integrated Veld Fire Management Plan by 30 September 2025 | Plan compiled and submitted to Council | All | Executive Manager: Community Service | 0 | 1 | 1 | 0 | 0 | 0 |
| TL23 | Community Services | Municipal Health and Environmental Waste | Promote sustainable environmental management | Compile a one Fire Master Plan by 30 September 2025 | Plan compiled and submitted to Council | All | Executive Manager: Community Service | New | 1 | 1 | 0 | 0 | 0 |
| TL24 | Community Services | Municipal Health and Environmental Waste | Healthy and Socially stable Communities | Execute 4 emission testing (air quality) initiatives by 30 June 2026 | Number of emission testing (air quality) initiatives executed by 30 June 2026 | All | Executive Manager: Community Service | New | 4 | 1 | 1 | 1 | 1 |
| TL25 | Community Services | Municipal Financial Viability and Management | Financial Viability and Sustainability | Spend 95% of the project budget for the Regional Landfill Facility by 30 June 2026 [(Actual amount spent on project /Total amount budgeted for project) x 100] | % of project budget spent | All | Executive Manager: Community Service | 26% | 95% | 5% | 30% | 65% | 95% |
| TL26 | Roads and Transport Services | Local Economic Development | A Skilled Workforce and Communities | Create 60 job opportunities through the Roads Services by 30 June 2026 | Number of Jobs created by 30 June 2026 | All | Executive Manager: Roads and Transport Development | 143 | 60 | 0 | 0 | 0 | 60 |
| TL27 | Roads and Transport Services | Basic Service Delivery | Financial Viability and Sustainability | Spent 95% of the roads budget allocation by 31 March 2026 (Actual expenditure divided by approved allocation received) | % of the roads spent by 31 March 2026 | All | Executive Manager: Roads and Transport Development | 100.79% | 95% | 30% | 50% | 95% | 0% |
| TL28 | Roads and Transport Services | Basic Service Delivery | Bulk Infrastructure Co- ordination | Reseal 25 km of roads by 30 June 2026 | Number of km's of roads resealed | All | Executive Manager: Roads and Transport Development | 25.98 | 25 | 0 | 0 | 0 | 25 |
| TL29 | Roads and Transport Services | Basic Service Delivery | Bulk Infrastructure Co- ordination | Regravel 35km of roads by 30 June 2026 | Number of km's of roads regaveled | All | Executive Manager: Roads and Transport Development | 7.34 | 35 | 0 | 0 | 0 | 35 |

