

Council: 2024-10-31

A146 1st QUARTER PERFORMANCE INFORMATION REPORT FOR THE QUARTER ENDED 30th SEPTEMBER 2024 (6/15/2/1; 14/1/2/24)

Report: Executive Mayor: 2024-10-16

1. PURPOSE

1.1 To submit the 1st quarter performance information report for the period ended 30th September 2024, in line with the approved 2024/2025 Service Delivery and Budget Implementation Plan (SDBIP) and the performance agreements that were signed within the 1st quarter.

2. SUMMARY

2.1 To provide an analysis of departmental and institutional performance against the approved 2024/2025 SDBIP for the 1st quarter period of 1st July – 30th September 2024.

3. DISCUSSION

3.1 Background

3.1.1 The 2024/2025 SDBIP was approved by the Executive Mayor on 2024-07-02 and a memorandum was issued informing departments of the approval of the SDBIP as well as dates by which quarterly reports will be due for submission.

3.1.2 This SDBIP report is done in line with the National Key Performance Areas (KPA) for Local Government which are:

- (a) Basic service delivery
- (b) Municipal transformation and organisational development
- (c) Local economic development
- (d) Municipal financial management and viability
- (e) Good governance and public participation
- (f) Spatial rational

3.2 Legislative Background

3.2.1 This Performance Report is submitted in compliance with the following legislative requirements:

- (a) Section 52(d) of the Municipal Finance Management Act, Act 56 of 2003 which requires the Mayor to within 30 days of the end of each quarter submit a report to Council on the implementation of the budget and the financial state of affairs of the Municipality.
- (b) Regulation 28 of the Municipal Budget and Reporting Regulations, 2009 (GN 393) which prescribes the format of the Section 52(d) Report and requires that the report be submitted to National Treasury within 5 days of it being tabled.
- (c) Regulation 30 of the Municipal Budget and Reporting Regulations, 2009 (GN 393) which require that the Section 52(d) Report be publicised by placing it on the Municipal Website in accordance with Section 75(1)(k) of the MFMA.
- (d) Regulation 14 of the Municipal Planning and Performance Regulations, 2001 (GN R796) which requires the Internal Auditor to audit the Municipality's performance and submit quarterly reports thereon to the Municipal Manager and the Audit Committee.

- (e) MFMA Circular 13 requires the Municipality to report quarterly on its Service Delivery and Budget Implementation Plan (SDBIP), of which the Municipal Finance Management Act, Act 56 of 2003 (MFMA) defines the SDBIP as;
“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:
 - (a) projections for each month of;
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
 - (b) service delivery targets and performance indicators for each quarter”.

3.3 **Formulation of the problem**

- 3.3.1 It must be noted that as and when submissions are received, the information is checked against the supporting portfolio of evidence (PoE) to check if the report and supporting PoE corresponds. Communication has been ongoing to ensure submissions are made as required. As and when reports and supporting PoE were received, the information was reviewed for Departments to update as required.
- 3.3.2 A Request for Information (RFI) was issued on 2024-10-03 by Internal Audit for submissions to be made by 2024-10-08. It is commendable to note that Departments are submitting information as required , which allows time for review of information before submitting to Internal Audit.

3.4 **Discussion of alternatives**

3.4.1 In the absence of an automated performance management system, there are currently no alternative means for these quarterly reports to be prepared for consideration.

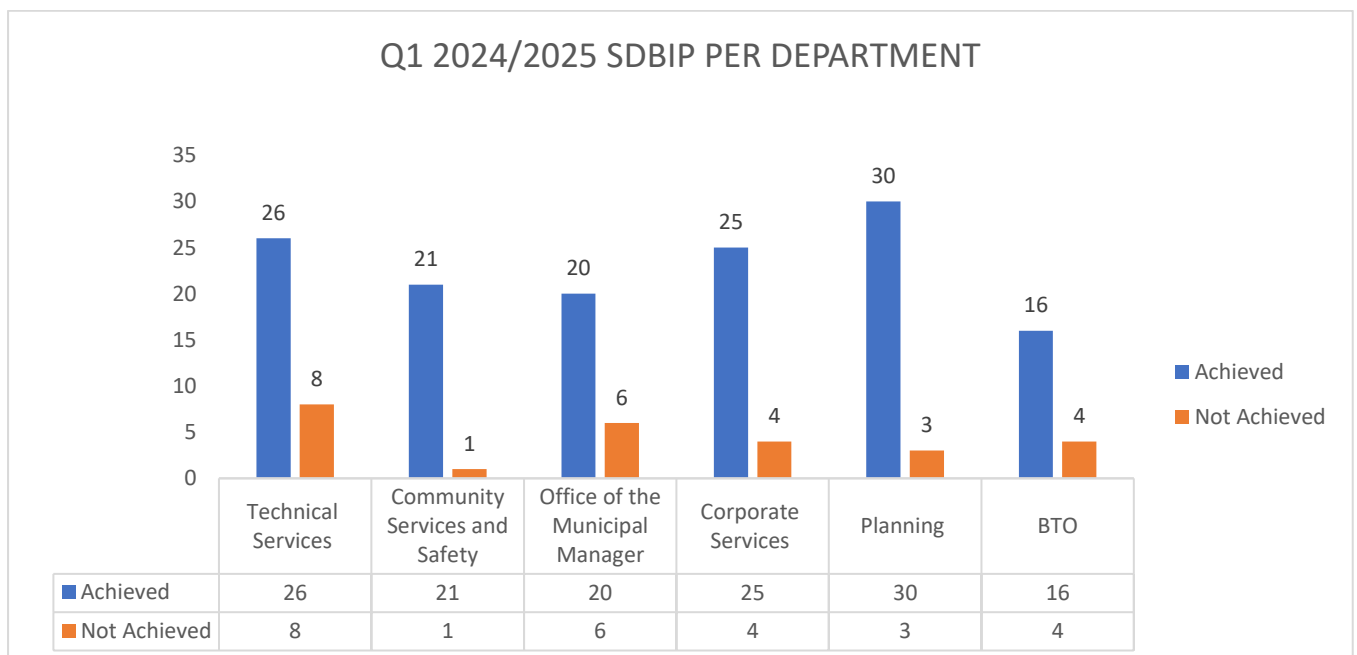
3.5 **Organisational and Personnel Implications**

3.5.1 The report intends to outline progress against predetermined objectives in line with the approved 2024/2025 SDBIP;

3.5.2 The table below is a summary of performance per Department for the 1st quarter for the period ended 30th September 2024:

DEPARTMENT	KPIs ACHIEVED	% KPIs ACHIEVED	KPIs NOT ACHIEVED	% KPIs NOT ACHIEVED
Office of the Municipal Manager	20	77	6	23
Budget & Treasury	16	80	4	20
Technical Services	26	76	8	24
Community Services & Safety	21	95	1	5
Planning & economic Development	30	91	3	9
Corporate Services	25	86	4	14

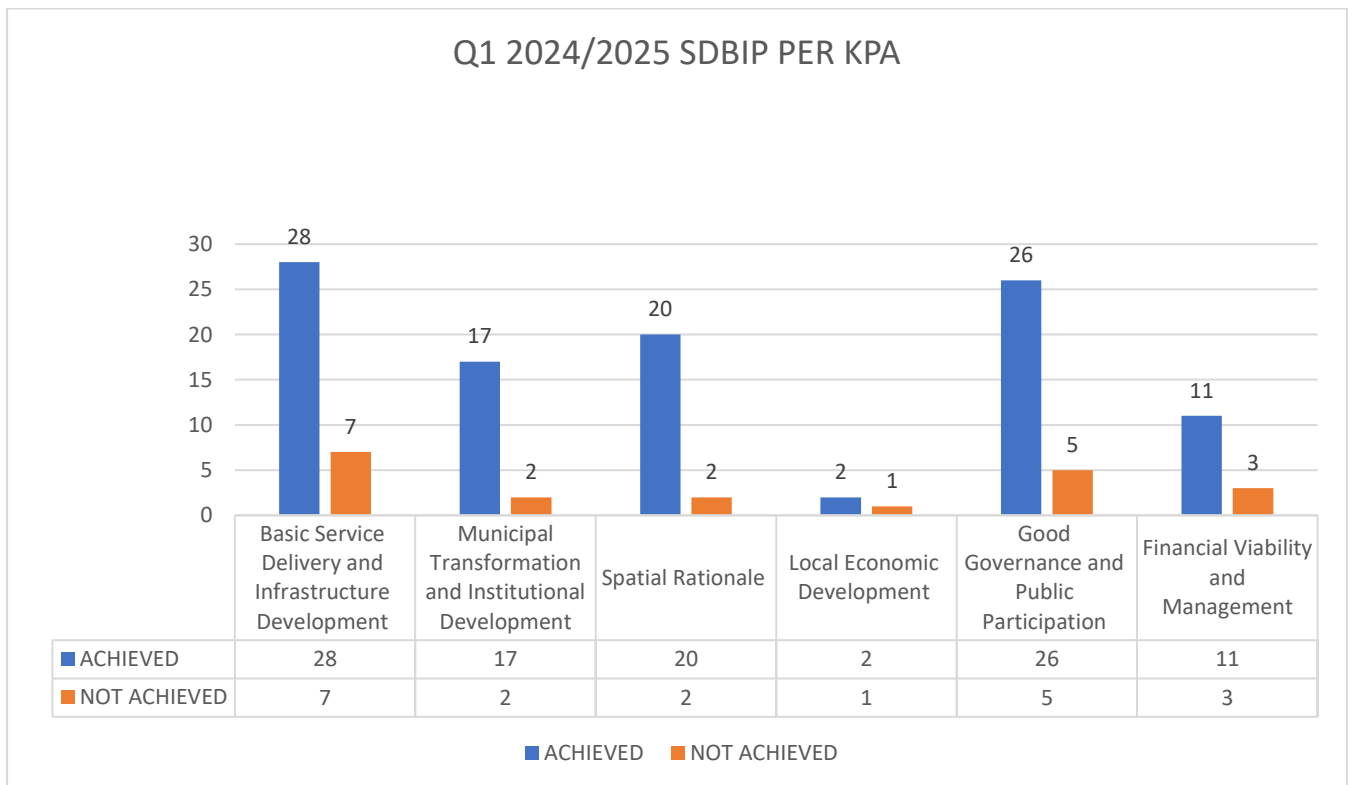
3.5.3 The following is a graphic representation of performance per Department as at the 1st quarter ended 30th September 2024:



3.5.4 The 1st quarter performance is based on the audited performance reports and herewith is a summary of the audited performance information per Key Performance Area (KPA):

KPAs	KPIs ACHIEVED	% KPIs ACHIEVED	KPIs NOT ACHIEVED	% KPIs NOT ACHIEVED	KPIs FOR REPORTING IN Q1
Basic Service Delivery and Infrastructure Development	28	80	7	20	35
Municipal Transformation & Institutional Development	17	89	2	11	19
Spatial Rationale	20	91	2	9	22
Local Economic Development	2	67	1	33	3
Good governance and public Participation	26	84	5	16	31
Financial Viability and Management	11	79	3	21	14
TOTALS	104	82%	20	18%	124

3.5.5 The following is a graphic representation of performance per KPA as at the 1st quarter of the 2024/2025 financial year:



- 3.5.6 In respect of overall performance, the following is noted
- (a) Overall 1st quarter performance against targets is at 82%, which is 104 out of 124 targets achieved for reporting in the 1st quarter;
 - (b) 20 (18%) targets were not achieved;
 - (c) The overall performance at 82% which is slightly lower than the 84% achieved for the 1st quarter of 2023/2024.

3.5.7 The 1st quarter SDBIP performance report is attached to the report as **Annexure “A”**;

3.6 **Financial Implications**

- 3.6.1 The indirect financial implication of this report is that spending must be commensurate and in line with the approved budget;
- 3.6.2 There must also be a direct correlation between financial and non-financial performance.

3.7 **Communication Implications**

- 3.7.1 In terms of paragraph 3.4.3 above, it is required by the Regulations that the Section 52(d) report be publicised by placing it on the municipal website in accordance with section 75(1)(k) of the MFMA.

3.8 **Legal Implications**

- 3.8.1 This matter being a legislated matter may have legal implications if the report is not tabled as required which may also eventually adversely affect the audit opinion of the Municipality if legislative compliance is not adhered to.

4. **STRATEGIC FOCUS**

- 4.1 As head of administration, the municipal manager is, subject to the policy directions of the municipal council, responsible and accountable for, among others, the formation and development of an economical, effective, efficient and accountable administration equipped to carry out the task of implementing the municipality’s strategic plan, i.e the Integrated Development Plan (IDP) through the approved 2024/2025 SDBIP;

5. **IMPLEMENTATION PLAN**

- 5.1 Noting that the report is to be tabled on a quarterly basis, the schedule of submission deadlines informs the implementation plan for the remainder of the financial year.

6. **OTHER DEPARTMENTS/BODIES CONSULTED**

- 6.1 The content of the report was consulted upon with Departments through the Internal Audit unit as each Department is required to sign off on the audited performance report.

RECOMMENDATIONS BY THE EXECUTIVE MAYOR

- (1) That the report of the Executive Mayor regarding the 1st quarter performance information report for the period 1st July to 30th September 2024, as submitted in line with the approved 2024/2025 SDBIP **BE NOTED** including the following:
- (a) Overall 1st quarter performance against targets is at 82%, which is 104 out of 124 targets achieved for reporting in the 1st quarter;
 - (b) 20 (18%) targets were not achieved;

- (c) The overall performance at 82% which is comparatively similar to the 81% achieved for the 1st quarter of 2023/2024.