

SUNDAYS RIVER VALLEY MUNICIPALITY



ANNUAL PERFORMANCE REPORT 2018/2019

Sundays River Valley Municipality
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This Annual Performance Report is drafted in terms of Section 46 of the Local Government: Municipal Systems Act, 32 of 2000. The Annual Performance Report 2018/2019 is based on reported information only, and is un-audited.

1. INTRODUCTION

The Annual Performance Report is hereby submitted to the Sundays River Valley Municipal Council in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 on annual reporting. This report covers the performance information from 01 July 2018 to 30 June 2019 and focuses on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP) for the year under review.

This report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) for 2017/2018.

This report will also endeavor to report to Council the Municipality's performance in terms of the National Government's Strategic Key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management and (5) Good Governance and Public Participation and Community and Social Services.

2. LEGISLATIVE REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of section 46 (1) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000); which stipulates as follows:

- (1) A municipality must prepare for each financial year a performance report reflecting—*
- (a) the performance of the municipality and each external service provider during that financial year;*
 - (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and*
 - (c) measures taken to improve performance.*

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." Performance management is not only relevant to the

organization as a whole, but also to the individuals employed in the organization as well as the external service providers and the municipal entities.

3. MUNICIPAL OVERVIEW

Sundays River Valley Municipality is in the Eastern Cape and is one of the seven local municipalities in the Sarah Baartman District. It is a Category B municipality with a collective executive system combined with a ward participatory system established in terms of the Local Government Municipal Structures Act 117.

It is approximately 50km from Coega Industrial Zone in Nelson Mandela Bay Metro. The municipality can boast its ecotourism and agricultural potential. The Addo Elephant National Park and its citrus production are two important drivers in the Sundays River Valley Municipality. The valley is characterised by harsh climate conditions, with summer temperatures rising in excess of 40 ° C. Rainfall is spread over the year and is between 250-500mm per annum. The valley is characterised by wide, fertile flood plains and is associated with low-lying land and steep, less fertile soil. The area outside the Sundays River includes the Paterson area, the coastal belt, and the west of Alexandria.

4. MUNICIPAL VISION

“A people-centred Municipality providing efficient and effective services to communities”

5. PERFORMANCE MANAGEMENT OVERVIEW

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions;

- An electronic performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the directors and Municipal Manager.
- The Municipality endeavored during the development of the Service Delivery and Budget Implementation Plan (SDBIP) that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.

	Performance management Policy?	All MSA s56/7 performance	Audit Committee	Municipal Public Accounts	Quarterly reporting	Annual reporting to
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		agreements signed?		Committee	g to Council?	Council?
In place?	Yes	Yes	Yes	Yes	Yes	Yes

6. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the Municipality are implemented. It also allocates responsibility to Departments to deliver the services in terms of the IDP and Budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next the 12 months; and
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP was prepared as described in the paragraphs below and approved by the Mayor. It was further amended during the adjustment budget phase.

7. PLANNED TARGETS VS ACTUAL RESULTS FOR THE 2018/2019 FINANCIAL YEAR

This section of the Annual Performance Report will report on the Municipality's actual performance against the planned targets as derived from the Municipality's IDP. Due to the fact that the Municipality has developed five (5) Key Performance Areas (KPA's) the Sundays River Valley Municipality will report as such.

8. OVERALL PERFORMANCE PER KEY PERFORMANCE AREA

KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve on performance
1	Annual review and development of IDP/Budget for 2018/19.	% progress of IDP review	100% progress, in review of the IDP and Budget and it was approved by Council on the 31 May 2018.	100%	100% achieved. IDP reviewed and sent to Council for adoption.	-	-
2	To enhance Council oversight	Number of Council resolutions executed	All applicable resolutions of Council implemented.	90% Council resolutions executed	Resolutions implemented not at 90%. Some resolutions need to be better defined.	Monitoring mechanism for the implementation of resolutions are weak.	The Office of the Municipal Manager will undertake to keep a detailed register and monitoring mechanism for all Council resolutions.
3		Number of audit committee meetings held	8 audit and risk meetings held.	4 audit and risk committee meetings	5 Meetings held in the financial year.	-	-
4	To establish and strengthen service delivery partnerships between the municipality, district, sector departments, communities and civil society.	Number of public participation outreach programmes conducted	8 outreaches conducted in the year.	4	5 public participation outreach programmes held during the year	-	-
5		Number of IGR meetings held	2 IGR meetings held in the year.	4	3 IGR Meetings held in the year.	The official only started in the second quarter.	
6	Mainstreaming of vulnerable groups' policy in all municipal directorates	Number of youth and children development programmes and events supported (induction workshop, career exhibition, back to school, youth month, SMME support and sport festivals, career expo)	9 youth programmes conducted in the year.	8 youth development programmes conducted	8 programmes conducted.	-	-

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve on performance
7		Number of women programmes conducted	4 programme for women convened in the year.	4 programmes conducted	4 programmes held		
8		Number of elderly programmes conducted		2	0 programmes conducted.	Financial constraints.	Projects will rollover to the following financial period.
9		Number of disabled programmes conducted		2	0 programmes conducted.	Financial constraints.	Projects will rollover to the following financial period.
10		Number of HIV/AIDS programmes conducted		4	6 programmes conducted	-	-
11	To ensure a fully functional Performance Management System	number of signed performance agreements	5 performance agreements signed in the year; for all section 56 managers.	5	5 Performance agreements signed by all Section 56 managers	-	-
12		number of times performance assessments conducted for all section 56 managers	Only 10 assessments conducted.	15 times	No assessments held during the financial year	Postponements.	The assessments will be centrally coordinated and the dates of assessments to be shared with all relevant personnel at the beginning of the year to move away from the prospects of postponements.
13	Improve functionality, performance and professionalism in the municipality	% Progress in the development of an Annual Report	New KPI	100% Progress in the development of an Annual Report	100% achieved. Annual report developed and submitted to Council.	-	-
14		Timely submission of PMS Policy to Council	New KPI	PMS Policy to be submitted to Council by 31 August	PMS Policy was submitted on 13 December	-	-

KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVELOPEMENT

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve performance
1	Establishment of policy framework for LED related policies and strategies including SMMEs, tourism and agriculture by 2022.	Number of policies and strategies developed/ reviewed	3 LED strategic documents developed/reviewed.	2 SMME policy and strategy reviewed	2 achieved 1 SMME policy reviewed and 1 SMME strategy developed	-	-
2	Create a platform for networking required for effective business decisions.	Number of SMME outreach programmes conducted	12 business development programmes conducted in the year.	3	5 Achieved (1 SMME summit 1 CIPC Annual Returns 1 Small business day (SEDA) 1 SMME seminar(NEF) 1 LRED proposal)	-	-

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve performance
3	Support the capacity and training development of small businesses and increase the number of viable emerging businesses by 2022.	Number of SMMEs trained	New KPI	40 SMMEs trained.	40 SMMEs trained.	-	-
4		Number of business proposals developed and sent for funding	2	1	1 business proposal developed and sent for funding.	-	-
5	To facilitate employment creation	Number of jobs created through infrastructure projects	278 jobs created in the year.	150 jobs to be created	60 jobs created.	Some of the capital projects were delayed and this adversely affected the employment of people.	The number will increase in the coming financial period when our capital projects are underway.
6	Support the establishment and strengthening of enterprises including cooperatives and other forms of collective ownership.	Number of local SMMEs assisted with CSD registration and consolidated SMME database	New KPI	20	38 local SMMEs assisted with CSD registrations.		

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve on performance
7	Facilitate and promote diversified economic growth to enable inclusive beneficiation and overall improved economic life.	% expenditure on SMMEs infrastructure capital projects	New KPI	25%			

KEY PERFORMANCE AREA: COMMUNITY AND SOCIAL SERVICES

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve on performance
1	Communities have sufficient and affordable solid waste disposal options to encourage clean and healthy environment	Number of Clean-up campaigns for targeted areas	3 clean-up campaigns conducted in the year.	4 clean up campaigns	6 clean up campaigns conducted.	-	-
2		The percentage of formal households with access to basic level of solid waste removal	70%. All formal households receive access to basic level of solid waste removal	70%	Achieved	-	-
3		Number of times each landfill site is maintained	6. All 3 landfill sites maintained at least once in the quarter.	All 3 landfill sites maintained at least once in the quarter	Not all 3 landfill sites maintained once in each quarter.	Cash-flow problems and also the level of evidence adduced is not to the level that it represents adequately what was done.	There is going to be improved record keeping and ring-fencing of an amount for this critical activity.
4		Fencing of the landfill site	Two landfill sites upgraded.	1 Landfill site fenced	0 landfill site fenced. Materials have been bought and delivered by year end.	Delays in SCM processes.	Project will be completed in the coming financial period.
5	To ensure provision of water quality monitoring and food control	Number of water samples collected for water quality monitoring	201 water samples tested.	144	180 water samples collected and tested.	-	-

Number	Pre-determined Objective	Key Performance Indicator	Previous year (2017/18) performance	Annual Target	Actual Performance as at 30 June 2019	Reasons for under-performance	Plans to improve on performance
6		Number of food-selling premises inspected for safety compliance	169 inspections carried out in food-selling premises.	160 food selling premises to be inspected	168 food selling premises inspected.		
7	To ensure the provision of effective and efficient fire and disaster management services throughout the SRVM	Number of premises inspected for fire safety compliance	126 premises inspected in the year for fire safety compliance.	100	45	There were staffing shortages in the Fire and Disaster section and this hampered the successful realization of this activity.	The vacant post has been filled.
8		Draft bylaws for fire and disaster section of the municipality developed	New KPI	1	Not achieved.	The process plan for the development of the by-laws clashed with that of other projects.	The project will be prioritized at the coming financial period.
9	To ensure provision of traffic services including improved revenue enhancement	Number of road traffic law enforcement operations conducted	32 road traffic operations conducted in the year.	25	28 road traffic operations in the year.	-	-
10	Communities of SRVM with specific reference to youth have access to suitable and affordable recreational and sport facilities and public amenities.	Number of library programmes conducted	13 library programmes conducted in the year.	12 Library programmes	13 Library programmes conducted	-	-
11	To improve traffic and road safety conditions in targeted areas.	Speed humps erected in Chris Hani Ring Road and Nomathamsanqa Main Road	New KPI	1 to be erected	Not Achieved.	Project that was going to be a catalyst for this activity was abandoned during the year.	Resource mobilization for the project in the coming financial period.
12	To develop and review policies and by-laws	Review of the Integrated Waste Management Plan	New KPI	IWMP reviewed and submitted to Council	Not achieved	The process plan for the review of the policy clashed with that of other projects.	The project will be prioritized at the coming financial period.

KEY PERFORMANCE AREA: INSTITUTIONAL MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

#	Strategic Objective	Key Performance Indicator (KPI)	Baseline	Annual Target	Actual Performance as at 30 June 2018	Reasons for under-performance	Remedial action for underperformance
1	To ensure the municipality approves the organogram and fills vacancies	% progress in the review of the organogram	100%	100% progress in the review of the organogram	100% achieved. Organogram reviewed and submitted to Council for adoption.	-	-
2	Capacity building and empowerment programmes to ensure skills enhancement of staff.	Number of employees trained	35	60	60	-	-
3		% of the municipality's budget actually spent on implementing its workplace skills plan	100%	100%	60%	Targeted training programmes could not all be realized on account of budgetary constraints around year end.	Training to be prioritized in the following financial period.
4		% progress in the development of the WSP	New KPI	100% progress in the development of the WSP	100% progress achieved. WSP developed and submitted to LGSETA.		
5	To ensure that the municipality has employment equity plan and that targets are met	% compliance with employment equity plan targets as stipulated in the EEP in respect of the 3 top levels	8 women at middle management	100% compliance with employment equity plan targets as stipulated in the EEP in respect of the 3 top levels	2 women at middle management level and 8 at middle management level.	The equity plan numbers have made it difficult to plan appropriately and give a fair assessment of what is required.	The EEP needs to be annually reviewed to make it relevant and to make the targets realistic.
6	To ensure effective public participation of ward committees.	Number of ward committee meetings organized as per schedule	8 ward committee meetings	32 ward committee meetings	All meetings were organized and out of the 32 only 10 sat	-	-
7	To optimise the information and communications technology(ICT) function to support organizational performance	% 2016/17 AG ICT audit finding resolved	New KPI	70% of 2016/17 AG ICT audit finding resolved.	18% of the findings resolved.	Capacity constraint and the delay on the workshop of the policies.	More staff needed in the unit and also to speed up the workshop of policies.
8	To enhance employee	number of employee	7	8	9 programmes	-	-

#	Strategic Objective	Key Performance Indicator (KPI)	Baseline	Annual Target	Actual Performance as at 30 June 2018	Reasons for under-performance	Remedial action for underperformance
	wellness through prevention and provision of therapeutic programmes and physical fitness	health and safety programmes conducted			conducted		
9	To ensure effective and efficient records management	Delivery and commissioning 3 module (HR, Property management and Town Planning)	New KPI	3 Modules delivered and commissioned (HR management; property management and town-planning)	Achieved. All 3 planned modules commissioned and delivered.	-	-
10	To develop and review policies	Number of policies reviewed	New KPI	All applicable municipal policies reviewed.	100% progress in the review of policies. 15 policies reviewed and submitted to Council for approval.	-	-

KEY PERFORMANCE AREA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

#	Strategic Objective	Key Performance Indicator (KPI)	Previous year (2017/18) performance	Annual Target	Actual performance as at 30 June 2019	Reason for underperformance	Remedial plan
1	Ensure access and a continuous supply of good quality water and sanitation to each user by 2022	%Progress in the upgrading of the Valencia Bulk Water	Project reached bid adjudication stages	100%	31.2% Site establishment completed Excavations at 2.80 kms	There were delays in the SCM process in Q1 that hampered the achievement of milestones.	The project will be fast-tracked in the coming financial year.
2		% progress on the feasibility study	3 business plans completed which are the following; 1. Augmentation and upgrading of Sewer Network in Paterson 2. Augmentation and upgrading of Sewer Network in Addo 3. Augmentation of Bulk and Reticulation Network in Enon & Bersheba	100% progress on the feasibility study	100% progress on the feasibility study achieved. Feasibility study available.	-	-
3		% progress in the upgrading of the Paterson Waste Water Treatment Works	6 ponds completed 5 ponds lined with pvc liner 1 ponds lined with concrete	100%	100% achieved. Project completed.	-	-

#	Strategic Objective	Key Performance Indicator (KPI)	Previous year (2017/18) performance	Annual Target	Actual performance as at 30 June 2019	Reason for underperformance	Remedial plan
4.		% progress on the upgrade of the Enon Bulk and Distribution Infrastructure	New KPI	30% progress on the upgrade of the Enon Bulk and Distribution Infrastructure (1. Site establishment completed. 2. 1 km of bulk pipeline excavated)	17%. Site established and only 0.152km (152m) of pipeline excavated.	Procurement was not perfected at the targeted date.	To be fast-tracked in the coming financial period.
5		% progress on the upgrades to the sewerage network in Addo	New KPI	100% (a)Site establishment completed (b)500m of sewer pipeline constructed	69% (a) Site established. (b) 345m pipeline constructed.	Procurement was not perfected at the targeted date.	To be fast-tracked in the coming financial period.
6		% progress on the upgrades to the Paterson sewerage network	New KPI	100% (a)Site establishment completed (b)0.5km of sewer pipeline constructed	100% achieved. (a)Site established and (b) 0.760kms of sewer pipeline constructed.	-	-
7	SRVM Community has access to good quality roads built according to applicable standards.	Kms of surfaced roads upgraded to block paving standards	New KPI	1.5kms of surfaced roads upgraded to block paving standards	0.145kms of roads upgraded to block paving standards.	Delays with SCM procedures.	Project to be fast-tracked.
8	To ensure compliant reporting in all respects of all grants	The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial period in terms of the municipality's	MIG 100% INEP 100% SMR 100% EPWP 100%	100%	89% achieved. 100% MIG 100% OTP INEP 89% EPWP 100% WSIG 56%	Invoices could not be paid because there was no money.	

#	Strategic Objective	Key Performance Indicator (KPI)	Previous year (2017/18) performance	Annual Target	Actual performance as at 30 June 2019	Reason for underperformance	Remedial plan
		integrated development plan					
9	Improved efficiency in municipal water usage	Number of new toilet cisterns installed	0 installed	300	495 new toilet cisterns installed. .	-	-
10	To promote programmes of shared economic growth, land redistribution and general economic redress for the poor and disenfranchised	% progress in the land audit	New KPI	100% progress in the land audit project ((a) land audit service provider appointed (b) inception studies completed)	25%. Process is at bid adjudication process of SCM.	There were delays in the awarding of the project.	Project to be prioritized in the coming financial period.
11		% progress establishment of SPLUMA compliant SDF	New KPI	100% progress establishment of SPLUMA compliant SDF ((a) Town-planning service provider appointed (b)Inception studies completed)	25%. Process is at bid adjudication process of SCM.	There were delays in the awarding of the project.	Project to be prioritized in the coming financial period.
12		Establishment of zoning scheme	New KPI	100% ((a) Town-planning service provider appointed (b)Inception studies completed)	25%. Process is at bid adjudication process of SCM.	There were delays in the awarding of the project.	Project to be prioritized in the coming financial period.

#	Strategic Objective	Key Performance Indicator (KPI)	Previous year (2017/18) performance	Annual Target	Actual performance as at 30 June 2019	Reason for underperformance	Remedial plan
13	Upgrade electricity network for future development	% progress on the Kirkwood Bulk Electrical Infrastructure	New KPI	100% progress on the Kirkwood Bulk Electrical Infrastructure	60%. 3 main old substation refurbished by installing equipment and commissioning.	Non-payment.	Will be prioritized in the coming financial period.
14	To enhance internal capacity in order to improve service delivery performance	Number of smart water meters installed	New KPI	300 smart water meters installed	0	Termination of the initial contract in January 2019. This caused delays in the implementation of the project.	This will be prioritized in the coming financial period.
15	To ensure that the poor households access free basic services and that each household has access to a set of basic household services	The percentage of formal households earning less than R1100 per month with access to free basic services	All households in our indigent register receive access to basic service.	80%	80% achieved. All households in the indigent register receive access to basic services.	-	-
16		The percentage of formal households with access to basic level of water, sanitation, electricity and solid waste removal	1. Bersheba communities received water standpipes at 200m radius 2. Enon Greenfields Communities received water standpipes at 200m radius 3. 602 households in Molly Blackburn and Valencia received non-Grid Electricity	70%	The capital projects completed in the financial period to give access to basic level of water, electricity and solid waste removal.	The capital projects that were undertaken in the financial period have not all been completed and the municipality undertakes these as per grant allocation as it does not have sufficient capital reserves to undertake capital projects.	The capital projects are planned for the coming financial period and their successful completion will contribute to give access to households in the Valley.

KEY PRIORITY AREA: FINANCIAL VIABILITY AND MANAGEMENT

#	Strategic objective	Key Performance Indicator (KPI)	Previous years' (2017/18) performance	Annual Target	Actual Performance by 30 June 2019	Reasons for under performance	Remedial Action for under performance
1	To produce financial reports that meet the requirements of National Treasury department	Timely submission of AFS to Council and Auditor General	Timely submission of AFS to Council and Auditor General on/or before 31 August 2017	Timely submission of AFS to Council and Auditor General on/or before 31 August 2019	The AFS were not submitted timeously.	This was due to ICT problems.	-
2		Timely submission of annual and adjustment budget	The budget was ready for tabling on the 28th of May 2018 but was then postponed and later tabled on the 1st of June 2018.	Timely submission of annual budget on/or before 30 May 2019 & timely submission of adjustment budget on/or before 28 February 2019	Both the annual and adjustment budget were submitted on time.	-	-
3		Number of statutory reports submitted on time to AO, Mayor, PT and NT	All sec 71 reports were submitted, some not within 10 working days except for the	12 section 71 reports submitted within 10 days of each new month to AO, Mayor, PT and NT	12 section 71 reports were prepared and submitted to AO, Mayor, PT and NT	ICT problems.	-

#	Strategic objective	Key Performance Indicator (KPI)	Previous years' (2017/18) performance	Annual Target	Actual Performance by 30 June 2019	Reasons for under performance	Remedial Action for under performance
			month.		but not all were submitted on time.		
4			All grants report have been submitted on time i.e within 10 working days	15 grants reports submitted on time to AO, Mayor, PT and NT	All grants reports submitted to time to AO, Mayor, PT and NT.	-	-
5			All section 52d reports prepared and submitted within 30 days of each new quarter.	4 section 52d reports submitted within 30 days of each new month	All 4 section 52d reports prepared and submitted to Council on time.	-	-
6	To ensure compliant reporting in all respects of all grants	% expenditure on FMG grant	100% expenditure for the year.	100%	100% expenditure achieved.	-	-
7	To ensure a sustainable cash flow	Number of days creditors outstanding,	We could not meet the target of 60days due to cash-flow challenges.	60	60 days not achieved.	Receiving late of invoices and general cash flow problems.	
8	To ensure debt is managed sustainably	% increase in revenue collected	An annual collection of R53 448 553.19 has been done for the financial period 2017-2018 with a collection rate of 69 %	10% increase in revenue collected relative to the amount collected in the previous year	20% increase. For the period 2018-2019 a collection of R56 794 642.44 has been done in comparison to the collection of R47 282 421.44 for 2017-2018.	-	-
9	To ensure proper procurement of goods and services in terms of chapter 11 of MFMA	% Irregular expenditure reduced, relative to the previous financial year					
10	To ensure proper asset management	Number of movable asset verifications performed	2 Movable asset verification performed for the year.	2 Movable asset verification performed	2 Movable asset verification performed in 2018/19.	-	-
11		Number of GRAP compliant asset register submitted for external audit	1 GRAP compliant asset register submitted for external audit.	1 GRAP compliant asset register submitted for external audit	1 GRAP compliant asset register submitted for external audit		

#	Strategic objective	Key Performance Indicator (KPI)	Previous years' (2017/18) performance	Annual Target	Actual Performance by 30 June 2019	Reasons for under performance	Remedial Action for under performance
12	Financial viability as expressed by ratios	A = (B-C)/D A - debt coverage B - total operating revenue received C - operating grants D - debt service payments (i.e. interest + redemption) due within the current financial period		45%			
13		A = B/C A - outstanding service debtors to revenue B - total outstanding service debtors C - annual revenue actually received		30 days			
14		A = (B+ C)/D A - cost coverage B - all available cash at a particular time C - investments D - monthly fixed operating expenditure		1 - 3 months			

PERFORMANCE GRID

KPA	TOTAL	KPIs ACHIEVED	KPIs NOT ACHIEVED	KPIs NOT MEASURED
FINANCIAL VIABILITY AND MANAGEMENT	14	7	3	4
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	14	9	5	0
LOCAL ECONOMIC DEVELOPMENT	7	5	1	1
INSTITUTIONAL DEVELOPMENT	10	7	2	1
COMMUNITY AND SOCIAL SERVICES	12	6	6	0
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	16	5	11	0
	73	39	28	6

9. PERFORMANCE COMPARISON ON THE 2018/19 FY AND 2017/18 FINANCIAL YEAR

2018/19 FINANCIAL YEAR				2017/18 FINANCIAL YEAR		
TOTAL KPIs	ACHIEVED	NOT ACHIEVED	NOT MEASURED	TOTAL KPIs	ACHIEVED	NOT ACHIEVED
73	39	28	6	76	51	25

DRAWBACKS AND CHALLENGES NOTED IN THE REPORT

- There were delays with regard to the execution of proper planning and SCM processes that adversely affected the completion of capital projects.
- The above delays in SCM and planning affected service delivery wrt water, roads and storm-water projects, upgrades to water and sanitation plants and the electricity project as well as spending on some of the conditional grants.
- Cash constraints also meant that some of the operational activities were not completed; special programmes, maintenance etc.

AREAS THAT WILL BE IMPROVED UPON

- The municipality ought to and will improve in strategic planning to allow for a seamless execution of capital projects especially from the vintage point of information sharing and planning.
- Performance management should be cascaded to allow for better coordination and accountability and this will necessitate consequence management where it is triggered.
- Strengthen debt management collection strategies to increase and maintain municipal revenue.
- Strengthen of internal controls and proper monitoring of the implementation of council and committee resolutions.
- Adherence to regulations on the performance of managers directly accountable to the municipal manager to make sure that performance assessments are done timeously.

SUBMITTED BY

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MUNICIPAL MANAGER: SIDNEY FADI

DATE