

# MERAFONG CITY LOCAL MUNICIPALITY


ROUTE FORM

## OFFICE OF THE CHIEF OPERATING OFFICER

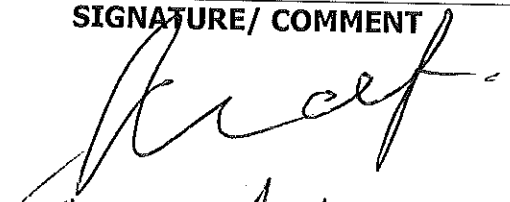
SUBJECT: SUBMISSION OF UNAUDITED Q3 SDBIP PMS REPORT FOR 2018/19  
FINANCIAL YEAR

AUTHOR

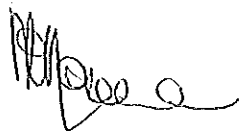
### 1. PROGRAMME MANAGEMENT OFFICE

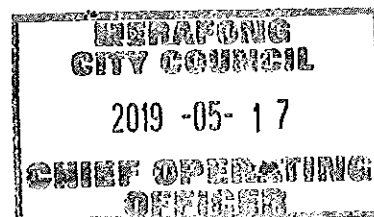
NAME:	NE NGAMASHE	SIGNATURE 
TEL. NO:	X9040	
DATE:	17 MAY 2019	

### 2. CHIEF OPERATIONS OFFICER

NAME:	CWA NIEUWOUDT	SIGNATURE/ COMMENT  Corrected report
TEL. NO:	X9528	
DATE:		

### 3. MUNICIPAL MANAGER

NAME:	MS. MN MOKOENA	SIGNATURE/ COMMENT 
TEL. NO:	X9519	
DATE:		



ITEM:

**SUBMISSION OF THE QUARTER 3 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN REPORT FOR THE 2018/2019 FINANCIAL YEAR**

**1. PURPOSE**

The purpose of this report is to submit the third quarter performance report (January to March 2019) on the implementation of the Service Delivery and Budget Implementation Plan to the Executive Mayor and Mayoral Committee for approval.

**2. BACKGROUND**

In terms of Section 41 of MSA 2000, a Municipality must in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed, monitor measure and review performance at least once a year.

Section 54 of the Municipal Finance Management Act, Act 56 of 2003, further determines that the Executive Mayor must, on receipt of the Section 71 and 72 reports, consider making revisions to the Service Delivery and budget implementation plan provided that revisions to the Service delivery targets and performance indicators in the plan may only be made with the approval of the council following the approval of an adjustment budget.

**3. DISCUSSION**

Council, at its meeting held on 24 January 2019, approved the midterm performance report and resolved that the review of the Service Delivery and Budget Implementation Plan and performance targets and indicators be considered with the mid-year review process. The Midterm Performance Report for 2018/19 financial year was submitted in accordance with Section 72 of the Municipal Finance Act, Act 56 of 2002 read with Section 46(1) and (2) of the Municipal Systems Act (MSA), Act 32 of 2000.

The adjustment budget was approved on the 26 February 2019 and the adjusted service delivery and budget implementation plan, service delivery targets and performance indicators were revised in accordance with the adjustment budget.

In terms of section 54 of the Municipal Finance Management Act, Act 56 of 2003:

*“ On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or section 72, the mayor must-*

*(a) consider the statement or report;*

*(b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;*

*(c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of an adjustment budget,*

During the review session it was resolved to align the municipal KPAs and goals with the 5 legislated goals aligned to the Regional Plan, seeing that the Regional Performance Management System could not accommodate additional goals or Key Performance Areas (KPAs). Municipal Goal 6: Spatial Integration was collapsed into Goal 1: Basic Service Delivery. The responsible departments and sections did not change.

The table below shows the summary of regional outcomes aligned to 5 Key Performance Areas/Goals

STRATEGIC KEY PERFORMANCE AREA	REGIONAL OUTCOMES
Goal 1 : Basic Service Delivery	Outcome 1 : Basic Service Delivery Improvement Outcome 8 : Sustainable Environment Outcome 9 : Build Spatially Integrated Communities
Goal 2 : Local Economic Development and Social Development	Outcome 5 : Safe Communities Outcome 6 : Educated Communities Outcome 7 : Healthy Communities Outcome 10 : Social Cohesive Communities Outcome 11 : Reduced Unemployment Outcome 12 : Economic Development
Goal 3 : Transformation and Organisational Development	Outcome 3 : Skilled, Capacitated, Competent and Motivated workforce Outcome 14: Institutional Planning and Transformation
Goal 4 : Municipal Financial Viability and Management	Outcome 13 : Robust Financial Administration
Goal 5 : Good Governance and Public Participation	Outcome 2 : Accountable Municipal Administration Outcome 4 : Ethical Administration and Good Governance

The Quarter 3 Performance Report is attached as **Annexure "A"**. The report reflects actual performance of the Municipality for Quarter 3 as measured against the performance indicators and targets set in the Service Delivery and Budget Implementation Plan (SDBIP) for the reporting period. The municipality achieved an overall performance of **80.81%** for quarter 3 which is a reflection of the overall performance on the respective goals. The performance of the respective goals achieved is as follow:

Goal 1: Basic Service Delivery achieved 82.71%

Goal 2: Local Economic Development and Social Development achieved 79.78%

Goal 3: Transformation and Organisational Development achieved 86.65%

Goal 4: Municipal Financial Viability and Management achieved 71.52%

Goal 5: Good Governance and Public Participation achieved 83.95%

#### **4. MOTIVATION**

The report is submitted in accordance with the legislated requirements to consider the statement or report, check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan, to consider and if necessary, to make any revisions to the service delivery and budget implementation plan and to issue appropriate instructions to the accounting officer to ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan.

#### **5. ORGANISATIONAL AND PERSONNEL IMPLICATIONS**

None

#### **6. COMMUNICATIONS IMPLICATIONS**

The report will be made public to the applicable Government departments and the community in compliance with Section 21 of the Municipal Systems Act.

#### **7. CONSTITUTIONAL AND LEGAL IMPLICATIONS**

The report is submitted in accordance with the provisions of Section 41 of the Municipal Systems Act of 2000 read with Section 54 of the Municipal Finance Management Act, Act 56 of 2003.

#### **8. FINANCIAL IMPLICATIONS**

The SDBIP is informed by the adjustment budget.

#### **9. OTHER DEPARTMENTS / BODIES CONSULTED**

The report is compiled with input from all departments.

**10. RECOMMENDED:**

1. That the Quarter 3 Performance report on the implementation of the Service Delivery and Budget Implementation Plan be approved in terms of Section 54 of the Municipal Finance Management Act, Act 56 of 2003.
2. That it be noted that the report is submitted with first level of assurance, being management and that it has been submitted to Internal Audit, for second level of assurance after which the PAC will consider the report for submission of an Audit report to Council as third level of assurance.
3. That the document be made public in terms of the provisions of Section 21 of the Municipal Systems Act 32 of 2000.