



NDWEDWE LOCAL MUNICIPALITY
QUARTER 3 PERFORMANCE REPORT
1 JANUARY – 30 MARCH 2023

MARCH 2023

THIS REPORT IS PREPARED IN TERMS OF SECTION 72 OF THE MFMA AND IS AUDITED.

Annexure to the Quarter 3 Budget and Performance Assessment Report.

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1. INTRODUCTION

The Municipal Systems Act (MSA) of 2000 mandates municipalities to establish performance management systems, and the Planning and Performance Management Regulations of 2001 describes the Municipality's performance management system as consisting of a framework that articulates and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed and to determine the roles of different stakeholders.

Ndwedwe's Organisational Scorecard continues to be structured according to the six prescribed national Key Performance Areas (KPA's). These are:

- ❖ Basic Service Delivery
- ❖ Local Economic Development
- ❖ Institutional Transformation & Development
- ❖ Financial Viability & Management
- ❖ Good Governance & Public Participation
- ❖ Community Services (Cross-Cutting)

This review covers the period from 1 January 2023 to 30 March 2023 and it marks the third quarter review of three months' performance of the Municipality. It serves to inform the Audit Committee, MPAC, Executive Committee, Council members and other stakeholders of the progress made on the implementation of the Municipality's service delivery budget and implementation plan and the organisational scorecard as well as an update on budget spending during the third quarter reporting for the financial year ending 2022/2023.

During Quarter 3 performance period the Municipality had a total of 85 targets of which 77(91%) targets were reported as achieved and 8 (9%) reported as not achieved. Technical Services and Finance achieved 95%, Community Services achieved 73%, the Office of the Municipal Manager achieved 88%, followed by the department of Corporate Services has achieved 92% of targets and EDP achieved a total of 100%.

1.1 PERFORMANCE MANAGEMENT SYSTEM PROCESSES

According to the Municipal Systems Act (MSA) of 2000, Section 38(a) mandates municipalities to establish performance management systems, and the Planning and Performance Management Regulations of 2001, describes the Municipality's Performance Management System (PMS) as consisting of a framework that articulates and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed as well as to determine the roles of different stakeholders.

The Organisational Performance Framework must be reviewed annually and adopted. The Ndwedwe PMS Framework was reviewed and adopted by Council on 31 August 2022. Organisational Performance forms an integral part of the implementation of the Integrated Development Plan (IDP).

Section 72 of the Municipal Finance Management Act requires that the accounting officer of a Municipality must by 25th January each year: -

- (a) Assess the performance of a Municipality during the first half of the financial year, taking into account.
 - (i) the monthly statements
 - (ii) the Municipality service delivery performance during the first half of the financial year and the indicators and targets as per the service delivery and budget implementation plan
- (b) Submit a report on such assessment to
 - (i) the Mayor of the Municipality
 - (ii) the National Treasury
 - (iii) the relevant Provincial Treasury

The performance management system is a tool that measures the implementation of an organisation's strategy. It also provides a mechanism to measure whether targets meet the strategic objectives that are set by municipalities and employees. In Ndwedwe Municipality the PMS implementation and management process is carried out at phases namely:

- Phase 1: Planning
- Phase 2: Monitoring and managing performance information.
- Phase 3: Performance measurement and analysis
- Phase 4: Performance review and improvement
- Phase 5: Performance report

1.2 PERFORMANCE AND SUPPORTING INFORMATION

According to the Municipal systems act PMS implementation ensures responsibility on individual departments and its employees to collect relevant data and information to support the monitoring process. In this respect, a portfolio of evidence (POE's) of performance is gathered and presented to substantiate claims for performance standards. All portfolios are verified against the reported actual, as it confirms the status of targets met and/or not met.

2. ORGANISATIONAL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN (SDBIP)

The performance reporting at Ndwedwe Local Municipality is in line with the six (6) National KPAs and also focuses on section 46 of the Municipal Systems Act requirements.

2.1 OVERALL SUCCESS RATE FOR QUARTER 3 PERFORMANCE

The Ndwedwe Local Municipality Quarter 3 overall performance was good as 91% reported as achieved and 9% reported as not achieved. The figure below depicts the overall performance. A more detailed look into each department is outlined under Business units.

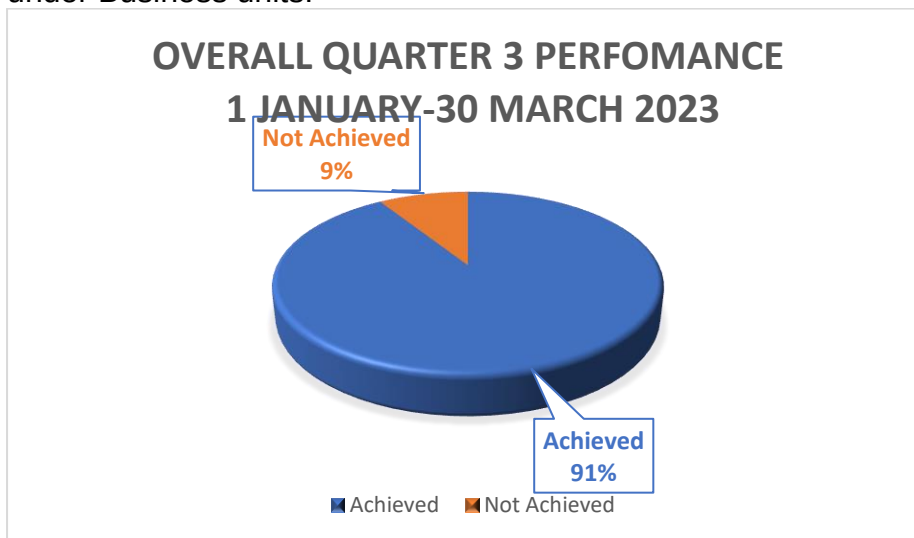


FIGURE 1: QUARTER 3 OVERALL PERFORMANCE

Total targeted KPI's for Quarter 3	Target met	Target not met
85	77	8
	91%	9%

TABLE 1: QUARTER 1 OVERALL PERFORMANCE

The table below depicts the overall performance per Business units.

BUSINESS UNITS	QUARTER 3 TARGET MET % EXCLUDING NON-ACHIEVED
Office of the Municipal Manager department	88%
Corporate Services department	92%
Finance department	95%
Economic Development and Planning department	100%
Technical Services department	95%
Community Services department	73%

TABLE 2: PERFORMANCE PER DEPARTMENT

3. DEPARTMENTAL RESULTS

3.1 OFFICE OF THE MUNICIPAL MANAGER (GOOD GOVERNANCE AND PUBLIC PARTICIPATION)

The table below indicates the status of the total number of targets for Quarter 3.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
31-14 (N/A) =17	15	2	88%

TABLE 3: KPA 5: PERFORMANCE OF TARGETS

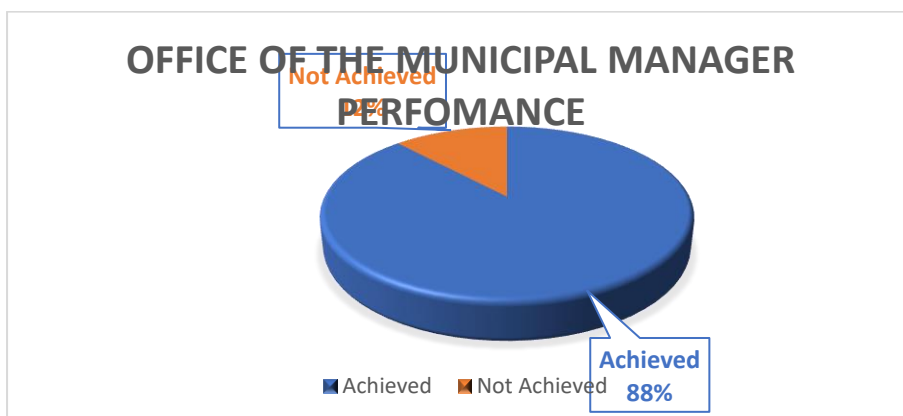


FIGURE 2: PERFORMANCE IN THE OFFICE OF THE MUNICIPAL MANAGER

➤ HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE

- 1 Reports submitted to Audit Committee.
- 1 Submission of Audit Committee Reports to Municipal Council.
- 2021/2022 Annual Report was adopted by Council on 30 March 2023.
- 2021/2022 Oversight Report was tabled to Council and adopted on 30 March 2023.
- 1 Quarterly Performance reviews of Senior Managers conducted.
- 1 2023/2024 Draft IDP was adopted by Council on 30 March 2023.
- 1 Ward Committee meetings held on 9 March 2023.
- Draft Public Participation Strategy submitted.
- 5 Media slots conducted.
- 1 Risk registers updated.
- 4 Ethics/Risk Committee meetings.
- 8 Sports development programs hosted.
- 3 Youth development programs hosted.
- 1 Young Local Artists Support workshop was held on 13 March 2023.
- 1 Youth Council meetings were held on 24 to 26 February 2023.

➤ CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

REASON FOR VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE
MM 24: Mayoral Sports Development Cup Tournament - The target was not achieved due to the memorandum of agreement (MOA) was not yet finalised between the Department of Education and Ndwedwe LM.	The Mayoral Cup is scheduled to take place on 1st June 2023
MM 26: Ndwedwe Rural Horse Racing target was not achieved due to the outbreak of the horses virus.	The Horse racing is scheduled to take on 13 May 2023

3.2 CORPORATE SERVICES DEPARTMENT

The table below indicates the status of the total number of targets for Quarter 3.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
19-6(N/A) =13	12	1	92%

TABLE 4: PERFORMANCE OF TARGETS



FIGURE 3: PERFORMANCE IN CORPORATE SERVICES

➤ HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE

- 13 WSP trainings to be held in accordance with the WSP by deadline.
- 99.73% of budget spent on the municipality WSP.
- 1 Quarterly Internal and External Bursary progress reports submitted HR Portfolio for noting.
- 1 Quarterly ICT Steering Committee meetings was held on 22 February 2023.
- 3 Monthly Fleet management reports generated.
- 3 Council meetings were held on 31 January, 28 February and 30 March 2023.
- 3 EXCO meetings were held. 22/02/23, 24/03/23 and Special EXCO 29 /03/23.
- 13 Portfolio meetings were held (3 Finance: 24/01/23, 17/02/23 and 17/03/23. 3 EDP: 07/02/23, 16/02/23, 15/03/23, 1 LPA&HR: 08/02/23, 2 Com: 09/02/23 and 23/03/23, 2 INFRA: 16/02/23 and 31/03/23 (Special)
- 2 APC meetings were held: 25/01/23 and 23/03/23.
- 2 MPAC meetings were held: 17/02/23 and 28/03/23.
- 1 Quarterly Security Services Reports generated.
- 1 Progress Reports on Risk Management.

➤ CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

REASON FOR VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE
CS 06 OHS Committee meeting did not sit due to no capacity within the Unit.	Management will ensure that 3 OHS meetings take place in quarter 4 in April, May and June in order to meet the Annual target.

3.3 TECHNICAL SERVICES DEPARTMENT

The table below indicates the status of the total number of targets.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
25-4(N/A) =21	20	1	95%

TABLE 5: KPA 2: PERFORMANCE OF TARGETS

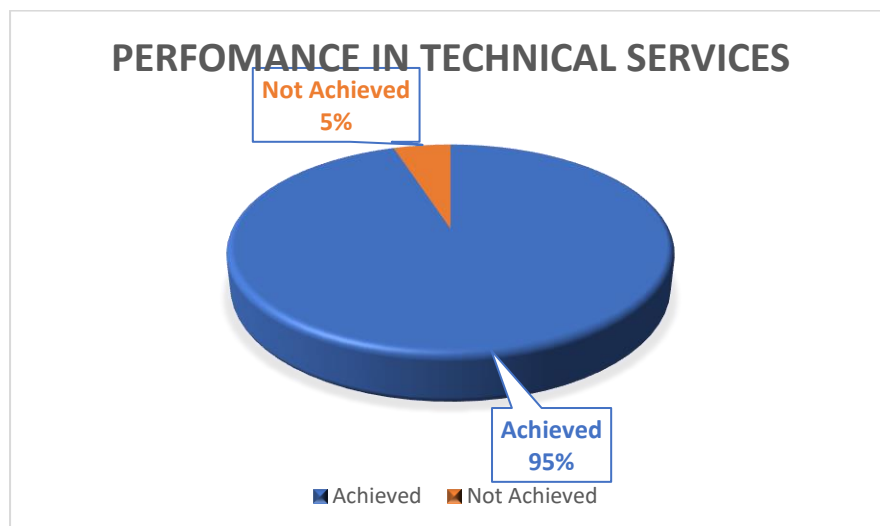


FIGURE 4: PERFORMANCE IN TECHNICAL SERVICES

➤ HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE

- Mdloti Bridge Ward 17, Foundation for the structure, steel reinforcement and concrete for structure completed.
- Isibonelo Community Creche Ward 11, Walls, plastering, Roofing, plumbing works, Paving, completed.
- Mahlabathini Access Road Ward 05, 2km Construction works of Mahlabathini Access Road (Road layer works, base, drainage system) completed.
- Court Access Road Ward 15, Site establishment, Site clearance, grubbing and 0,9km Construction of Court Access Road were completed.
- Refurbishment KwaDeda sports field Public Toilets & Fencing Ward 5, 70% completion refurbishment of sport field light was completed.
- Rehabilitation of water and sewer supply to Bhamshela Thusong Centre in Ward 02, 100% rehabilitation water/sewer (Septic tanks) in Bhamshela Thusong Centre & Ndwedwe Central Offices completed.
- Ndwedwe Testing Station, 78% Construction - (Walls, Roofing, Plastering) were completed.
- INEP Electrification Ward 02, 09, 10 & 13, 80% Construction - (Pole plantation, Installation of electricity reticulation networks infrastructure) were completed.
- Rehabilitation of Water supply at Johnny Makhathini Civic Hall & Ndwedwe Library Ward 15, 100% Rehabilitation of water supply at of Johnny Makhathini Hall and Ndwedwe library was completed in Quarter 2.
- Capital expenditure monitoring, 77% capital expenditure spent.

- Glendale Hall Refurbishment Ward 3, 70% Refurbishment of Glendale Hall was completed.
- Ezimpangeleni Hall Refurbishment Ward 4, 100% Refurbishment of Ezimpangeleni hall was completed.
- Mayelisweni Hall Refurbishment Ward 19, 100% Refurbishment of Mayelisweni hall was completed.
- Upgrade of Water Supply of Dalibho Library, 100% Installation of water pipeline works and Upgrade of water supply of Dalibho library was completed.
- Electrification, Tubing & Fencing of Siyazakha Creche in Ward 6, 100% Electrification, tubing & fencing of Siyazakha creche was completed.
- Renovations & Fencing of Wewe Community Hall Ward 2, 100% Renovations & fencing of Wewe community hall was completed.
- 1 Monitoring performance of effective enterprise risk management report has been completed.
- Chibini Gravel Access Road Ward 04, 65% 2km Construction works of Chibini Access Road (Road formation) was completed.
- COGTA Electrification Ward 02, 07, 09, 10: 45% Construction - (Pole plantation) was completed.
- Ndwedwe Municipal Offices Phase 2, Design report was completed.

➤ CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE

REASON FOR VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE
TS 17: Pentacoste Hall Refurbishment Ward - there were delays in advertisement for Contractor appointment.	Project to be advertised in Quarter 4 on 6 April 2023.

3.4 ECONOMIC DEVELOPMENT AND PLANNING

The table below indicates the status of the total number of targets for Quarter 3.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
13-10(N/A) =3	3	0	100%

TABLE 6: PERFORMANCE OF TARGETS

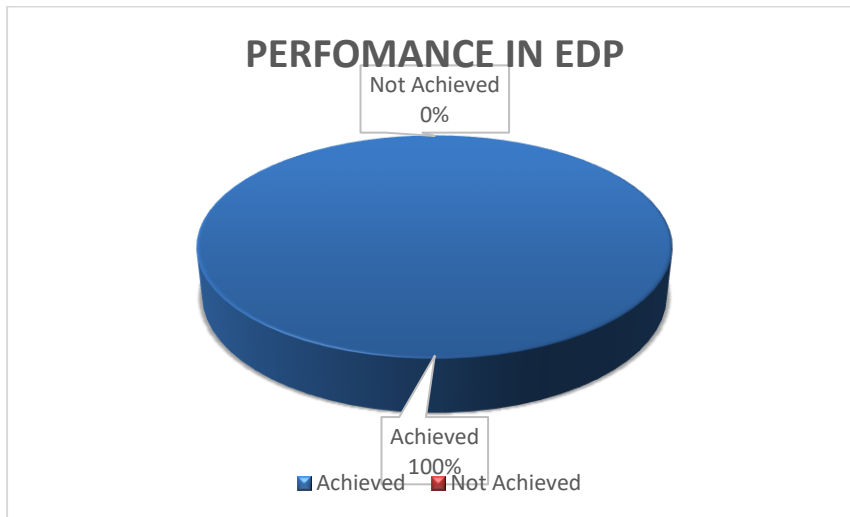


FIGURE 5: PERFORMANCE IN THE ECONOMIC DEVELOPMENT AND PLANNING

➤ HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE

- Draft Development Phase 2 of Bhamshela regeneration study and Design were completed.
- Draft Spatial Development Framework completed.
- 1 Monitoring performance of effective enterprise risk management report completed.

3.5 FINANCE DEPARTMENT

The table below indicates the status of the total number of targets for Quarter 3.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
25- 5(N/A) =20	19	1	95%

TABLE 7: PERFORMANCE OF TARGETS



FIGURE 6: PERFORMANCE IN THE FINANCE DEPARTMENT

➤ **HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE**

- 3 monthly Section 71 MFMA reports submitted and completed.
- 1 MFMA Section 72 was tabled before Council on the 31 January 2023.
- 1 MFMA Section 52 was Quarterly reports submitted.
- Adjusted Budget was adopted by Council on 28 February 2023.
- Draft Budget was approved by Council on 30 March 2023
- 1 Quarterly report generated for Screening of State Employees from SCM database.
- 1 Quarterly SCM reports submitted to Council.
- 3 Monthly Governance Reports (Debtors Reconciliation Book) reports were submitted.
- 3 Monthly Property Rates Reconciliations reports were submitted.
- 3 Bank Reconciliations reports were submitted.
- 3 Monthly Investment registers were submitted.
- 3 Monthly Accurate Grant registers were submitted by deadline.
- Creditors payment done within 30 days of submission.
- 3rd party payments were completed at end of month.
- 45% achieved. The Municipality does not have any borrowings.
- 30 days 'cash on hand target achieved.
- Current Assets / Current Liabilities – 1.5:1
- 1 Progress Reports on Risk Management was submitted.
- Indigent Policy and Register Alignment and Review, service provider has been appointed.

➤ **CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE**

REASON FOR VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE
FIN 06: 3% Revenue collected by deadline instead of 70%, target not achieved due to government department that did not pay revenue on time.	There will be a meeting with government departments to discuss the issue, the proposed date is 15 May 2023. The departments have indicated that payment will be made on 30 April 2023.

3.6 COMMUNITY AND SOCIAL SERVICES DEPARTMENT

The table below indicates the status of the total number of targets for Quarter 3.

TOTAL KPI's	TARGETS MET	TARGETS NOT MET	%TOTAL TARGETS MET
27 - 16 (N/A) =11	8	3	73%

TABLE 8: PERFORMANCE OF TARGETS

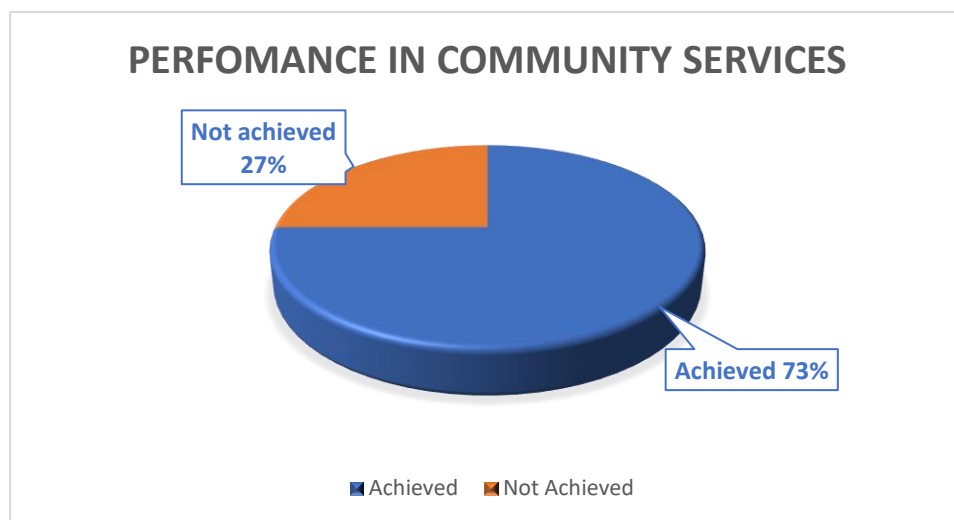


FIGURE 7: PERFORMANCE IN THE COMMUNITY SERVICES

➤ HIGHLIGHTS AND PROGRESS ON ACTUAL PERFORMANCE

- 75 Municipal Waste collected.
- 1 - Orphans and Farm workers program was held on 21 March 2023.
- Civil Society meeting held on 13 February 2023.
- LTT/OSS Meeting was held on 1 March 2023.
- 11 Disaster Campaigns and capacity building were held on 13,17, 27,31 January 2023, 08,14, 20, 23,24 February 2023, 09 &13 March 2023.
- 1- Disaster Advisory forum Meeting was held on 15 March 2023
- 3 Monthly reports submitted to the Provincial disaster management centre.
- 1 Progress Reports on Risk Management.

➤ **CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE**

REASON FOR VARIANCE	MEASURES TAKEN TO IMPROVE PERFORMANCE
CS 08: The target was not achieved due to delays from the Service provider of the delivery of uniforms for Dress a Child campaign.	The delivery of uniforms for Dress a Child campaigns will be achieved and met in quarter 4 on 10 May 2023.
CS 13: Ndwedwe HIV/Aids Day event target was not achieved due to insufficient budget.	The event is scheduled to take place in the new financial year in December 2023.
CS 19: Training and Development for Women target was not achieved due to delays in user department.	The training is scheduled to take place on 15 May 2023.

CONCLUSION

The performance management system continues to improve, and management is gradually getting familiar with the system and where target is not met, meaningful corrective measures are stated to ensure that these tools are really assisting the management and adding value in streamlining their work. The Municipality overall performance for Quarter 3 were good for almost all departments.

The Ndwedwe Local Municipality wishes to reinforce its commitment and dedication in ensuring the service delivery and changing the lives of the people within our local Municipality.

ANNEXURE A:

- ORGANISATIONAL AND MUNICIPAL MANAGER SCORECARD
- TECHNICAL SERVICES - DEPARTMENTAL SDBIP
- FINANCE DEPARTMENT - DEPARTMENTAL SDBIP
- CORPORATE SERVICES - DEPARTMENTAL SDBIP
- LOCAL ECONOMIC DEVELOPMENTAL - DEPARTMENTAL SDBIP
- COMMUNITY AND SOCIAL SERVICES DEPARTMENTAL SDBIP