

ITEM: MAY 01 08/2015

OFFICE OF MUNICIPAL MANAGER: ANNUAL MUNICIPAL INSTITUTIONAL/CORPORATE PERFORMANCE REPORT FOR THE 2014/15 FINANCIAL YEAR (4TH QUARTER)

(5/10) (JN) (MAYORAL COMMITTEE MEETING: 18 AUGUST 2015)

The Municipal Manager reports as follows:

In compliance with chapter 6, section 41(e) of the municipal systems act (act no. 32 of 2000) each municipality is required to establish a process of regular reporting to its Council and other approved structures. In order to align institutional performance reporting with the schedule for performance reviews in terms of the performance regulations of August 2006, Council adopted a quarterly reporting system which has also been captured in the approved performance management policy of the municipality.

The institutional/corporate performance report is a high level performance report that provides an overall assessment of the municipality's performance for a particular period. Furthermore, the performance of the municipality is measured on set performance targets which were reviewed and re-set with regard to development priorities and objectives as captured in the service delivery and budget implementation plan (SDBIP) for the specific financial year (2014/15).

The key performance indicators (KPI's) as being reflected in the service delivery and budget implementation plan (SDBIP) for the 2014/15 financial year are directly linked to the development priorities and objectives as set out in the reviewed integrated development plan (IDP) of the municipality pertaining to the 2014/15 financial year. In compliance with the act and the PMS regulations there **must** be a seamless link between the IDP, the SDBIP and the budget for the particular financial year. In measuring and reporting on the performance of the municipality, the details in the operational plans of units, sections and departments must therefore be directly linked to the development priorities and objectives set for the municipality in the IDP.

The quarterly, mid-year and annual performance reports will hence be high level reflections of the cumulative performance of the municipality as a whole, culminating from the internal assessments in every unit, section and department of the municipality.

The attached annual institutional municipal performance report (*bonded separately*) therefore provides an overall high level assessment of the actual performance of the municipality regarding the 2014/15 financial year. (01 July 2014 to 30 June 2015).

The Municipal Manager recommends as follows:

RECOMMENDATION

1. **Council considers the annual institutional performance report for the period 01 July 2014 to 30 June 2015.**

Issues raised

- *The 2014/15 performance audit by the Auditor General will focus on the reliability and correctness of performance information.*
- *However, for the 2016/17 financial year, the AG will audit the actual performance of municipalities.*

RECOMMENDATION TO COUNCIL

1. **Council takes note of the report.**

RESOLVED

1. **Council took note of the report.**

FRANCES BAARD DISTRICT MUNICIPALITY

MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15

REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)

ANNUAL PERFORMANCE REPORT FOR 2014/15

KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviations	REASON(S) FOR DEVIATION	
SUB KPA'S					PoE					
1. SUSTAINABLE MUNICIPAL INFRASTRUCTURE DEVELOPMENT AND BASIC SERVICE DELIVERY.										
1.1 Improved access to sustainable basic services in the district.										
	1	Percentage support and assistance in identification, prioritisation and review of projects for the 2015/16 financial year.	Infrastructure needs list: 2015/16 LM's	100% approved allocations	% Completion	Council resolution project reports	100%	100.0%	0.0%	
	2	Actual spending and % progress in the provision of potable water to households in the district for the 2014/15 financial year.	Allocation for 2014/15 (R 6 800 000)	100% spending of the 2014/15 allocation (R 6 800 000)	Amount spent % progress	Quarterly project reports and spending	R 6 800 000.00 100%	Projects spending: R 5 692 837.00 Projects progress: 86,0%	Spending deviation: R 1 107 163.00 Projects deviation: -14,0%	SPLM claimed only 80% of the cost of material on site. There has been a delay in the PLM water project which necessitated a roll-over.
	3	Actual spending and % progress in the provision of sanitation facilities to all households in the district for the 2014/15 financial year.	Allocation for 2014/15 (R 8 980 000)	100% spending of the 2014/15 allocation (R 8 980 000)	Amount spent % progress	Quarterly project reports and spending	R 8 980 000.00 100%	Projects spending: R 8 484 681.00 Projects progress: 100,0%	Spending deviation: R 495 319.00 Projects deviation: 0,0%	The project has been completed with a saving of R 495 319,00.
	4	Actual spending and % progress in the provision of electricity to households in the district for the 2014/15 financial year.	Allocation for 2014/15 (R 2 700 000)	100% spending of the 2014/15 allocation (R 2 700 000)	Amount spent % progress	Quarterly project reports and spending	R 2 700 000.00 100%	Projects spending: R 2 218 170.00 Projects progress: 84,0%	Spending deviation: R 481 830.00 Projects deviation: -16,0%	DLM electricity master plan project was rolled over to the 2015/16 FY due to state of readiness of the municipality.
	5	Actual spending and % progress on roads related projects in the local municipalities of the district for the 2014/15 financial year.	Allocation for 2014/15 (R 2 000 000)	100% spending of the 2014/15 allocation (R 2 000 000)	Amount spent % progress	Quarterly project reports and spending	R 200 000 100%	Projects spending: R 1 051 200.00 Projects progress: 53,0%	Spending deviation: R 948 800.00 Projects deviation: -47,0%	The level of cooperation between FBDM and PLM led to the roll-over of the project to the 2015/16 Financial year.
	6	Actual spending and % support in maintenance of municipal infrastructure in the district for the 2014/15 financial year.	Allocation for 2014/15 (R 10 000 000)	100% spending of the 2014/15 allocation (R 10 000 000)	Amount spent % progress	Quarterly project reports and spending	R 10 000 000 100%	Projects spending: R 9 988 122.00 Projects progress: 100,0%	Spending deviation: R 11 878.00 Projects deviation: 0,0%	The project has been completed with a saving of R 11 878,00.
		: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD		Deviation = 0% (Target reached) = +% Negative deviation = -%				Full compliance: 0% deviation	Under-performance: - % deviation	Over-performance: + % deviation

FRANCES BAARD DISTRICT MUNICIPALITY

MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15

REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)

ANNUAL PERFORMANCE REPORT FOR 2014/15

KPA'S SUB KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviations	REASON(S) FOR DEVIATION	
					PoE					
1. SUSTAINABLE MUNICIPAL INFRASTRUCTURE DEVELOPMENT AND BASIC SERVICE DELIVERY.										
1.2 Facilitation of the creation of sustainable human settlements in the district.										
7	Number of households facilitated in the reduction of the housing backlog in the 14/15 financial year.	711 h/h	459 h/h 100%	% Number	Quarterly reports	459 h/h 100%	459 h/h 100,0%	0,0%		
8	Number of households with access to basic municipal services in informal settlements.	711 h/h	459 h/h 100%	% Number	Quarterly reports	459 h/h 100%	459 h/h 100,0%	0,0%		
2. LOCAL ECONOMIC DEVELOPMENT (LED)										
2.1 Facilitation of growth and diversification of the district economy.										
9	Percentage identified support in the diversification of the agricultural and mining sectors in the district for the 2014/15 financial year.	Approved projects for 2014/15	4 Projects 100%	% Progress	Quarterly reports	4 / 100%	4 / 100%	0.0%		
10	Percentage support and facilitation of SMME programmes for the 2014/15 financial year according to the SMME support policy.	Selected programmes	Selected programmes 100% completed <small>(i.e. New venture creation training, Ritchie development centre and LED Expo)</small>	% Progress	Quarterly reports	100%	100.0%	0.0%		
11	Percentage completion of 2 incentive policies for local municipalities in the district for the 2014/15 financial year.	Completed research programme	Two (2) completed policies: 100%	Number / %	Quarterly reports	2 / 100%	2 / 100,0%	0.0%		
12	Percentage support to local municipalities in the facilitation of EPWP projects in the district for the 2014/15 financial year.	Introductory workshop: 100%	2 Workshops 100%	Number / %	Quarterly reports	100%	100,0%	0.0%		
13	Percentage support to LED structures (local municipal structures) in the district for the 2014/15 financial year.	Identified coordination	100%	%	Quarterly reports	4 / 100%	4 / 100,0%	0.0%		
2.2 Development of a vibrant tourism sector economy in the district.										
14	Percentage support to tourism development in the L/M's of the district for 2014/15 financial year. (programmes & projects)	4 Info Centres 100%	5 Progr. - 100% <small>(i.e. Support to regional tourism development and marketing agencies, Exhibitions, Tourism website, tour guide training and Tourism schools business plan competition)</small>	Number / % Compliance	Quarterly reports	4 / 100%	4 / 100,0%	0.0%		
15	Percentage facilitation in the expansion of a vibrant and sought-after destination brand in the district for the 2014/15 financial year.	Selected programmes	3 Activities 100% <small>(3 Exhibitions, Advertising and Promotions)</small>	Number / % Compliance	Quarterly reports	3 / 100%	3 / 100,0%	0.0%		
16	Percentage facilitation of strategic partnerships between tourism role players in FBDM tourism activities.	3 Associations 75% functional	3 Associations 85% functional	% Functionality	Quarterly reports	3 / 85%	3 / 85,0%	0.0%		
: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD		Deviation = 0% (Target reached) = +% Negative deviation = - %		Positive deviation		Full compliance: 0% deviation		Under-performance: - % deviation		Over-performance: +% deviation

FRANCES BAARD DISTRICT MUNICIPALITY													
MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15													
REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)								ANNUAL PERFORMANCE REPORT FOR 2014/15					
KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviation	REASON(S) FOR DEVIATION				
SUB KPA'S					PoE								
3. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION.													
3.1 Environmental health management in the district.													
	17	Percentage improvement of municipal health services for the 2014/15 financial year. (Quality of drinking water - Magareng & Dikgatlong)	150 Activities completed 100%	5% Improvement (5 progr: 100% completed)	% on activities	Quarterly reports	100%	106.7%	+6.7	Additional sanitation and HIV/AIDS campaigns were conducted because a need was identified.			
	18	Percentage improvement of environmental planning and management in the district for the 2014/15 financial year.	24 Programmes completed 100%	5% Improvement (7 progr: 100% completed)	% on activities	Quarterly reports	100%	108.5%	+8.5%	Additional environmental awareness campaigns were conducted after littering was prevalent in certain communities due to community unrests.			
3.2 Disaster management in the district.													
	19	Percentage insitutional disaster management capacity building in three local municipalities for 2014/15 financial year.	80%	Develop & implement 100%	% Compliance	Quarterly reports	100%	100.0%	0.0%				
	20	Percentage implementation of response recovery mechanisms for the district pertaining to the 2014/15 financial year.	80%	Develop & implement 100%	% Compliance	Quarterly reports	100%	100.0%	0.0%				
	21	Percentage fire-fighting capacity building in the 3 participating local municipalities in the district for the 2014/15 financial year.	Current status 60%	100%	% Compliance with D/M plan	Monthly reports	100%	41.6%	-58.3%	The project has been rolled over to the next financial year due to insufficient funds in the 2014/15 financial year.			
	22	Percentage upgrading, maintenance and improvement of security systems in FBDM for the 2014/15 financial year.	60%	80%	% Compliance with D/M plan	Monthly reports	80%	68.0%	-12.0%				
3.3 Human resource development in the district.													
	23	Percentage compliance with HR requirements at FBDM for the 2014/15 financial year.	100%	100%	% Compliance	Quarterly reports	100%	95.8%	-4.2%	Not all positions in the staff establishment could be filled within the prescribed 90 days period.			
	24	Percentage compliance with HR capacity building requirements in 3 local municipalities of FBDM district for the 2014/15 financial year.	100%	100%	% Compliance	Quarterly reports	100%	100.0%	0.0%				
	25	Percentage compliance with a functional individual performance management system aligned to the institutional PMS of the municipality for 2014/15.	100%	100%	% Compliance	Quarterly reports	100%	100.0%	0.0%				
3.4 Records management.													
	26	Percentage compliance with the national archives act in FBDM and LM's in the district for the 2014/15 financial year.	90%	100%	% Compliance	Quarterly reports	100%	112,5%	+12,5%	Additional records disposals were conducted due to the transfer of older files to the new Khotso Flatela Provincial Archives building.			
	27	Percentage of an effective and cost-efficient office support function rendered to FBDM for 2014/15.	94%	100%	% Compliance	Quarterly reports	100%	100,0%	0,0%				
	28	Percentage maintenance rendered to FBDM buildings for the 2014/15 financial year.	95%	100%	% Compliance	Maintenance reports	100%	100,0%	0,0%				
		: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD	Deviation = 0% (Target reached)				Positive deviation = +%		Negative deviation = -%		Full compliance: 0% deviation	Under-performance: - % deviation	Over-Performance: + % Deviation

FRANCES BAARD DISTRICT MUNICIPALITY												
MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15												
REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)								ANNUAL PERFORMANCE REPORT FOR 2014/15				
KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviation	REASON(S) FOR DEVIATION			
SUB KPA'S					PoE							
3. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION CONTINUE ...												
3.5 Information communication technology (ICT).												
	29	Percentage accessibility to improved ICT infrastructure in FBDM and 3 local municipalities of the district in the 2014/15 financial year.	85%	100%	% Improved accessibility	Quarterly reports on accessibility	100%	82,5%	-17,5%			
	30	Percentage implementation of the ICT disaster recovery plan in FBDM and 3 L/M's for the 2014/15 financial year.	60%	80%	% Compliance	Quarterly reports	80%	50,0%	-30,0%	District ICT forum could not sit for two quarters due to the lack of commitment from other stakeholders.		
	31	Percentage alignment of municipal IT objectives with governance IT principles.	0%	100%	% Compliance	Quarterly reports	100%	75,0%	-25,0%	The project will be carried out internally in the 2015/16 FY, for efficiency purposes.		
3.6 Integrated development planning (IDP).												
	32	Percentage facilitation of IDP processes in the district for the 2014/15 financial year in compliance with legislation and policies.	5 / 100%	5 / 100%	% Credible IDP processes completed	Quarterly reports / process plans	100%	100,0%	0,0%			
	33	Percentage of 5 IDP's in the district reviewed for the 2014/15 financial year.	5 / 100%	5 / 100%	% of IDP reviews completed	Quarterly reports / reviewed sector plans	100%	100,0%	0,0 %			
3.7 Performance Management (PMS).												
	34	Percentage support and assistance to local municipalities in the district with the implementation of compliant institutional performance management systems for the 2014/15 financial year. (PMS capacity building)	20%	50%	% Compliance	Quarterly reports and assessments	50%	50,0%	0,0%			
	35	Percentage compliance with a functional institutional performance management system in FBDM for the 2014/15 financial year.	100%	100%	% Requests addressed	Quarterly reports	100%	100,0%	0,0%			
3.8 Town and regional planning.												
	36	Percentage facilitation of the development of urban areas in accordance with approved spatial plans for the 2014/15 financial year.	1 LM's - 100%	100% of new applications	% Support requested	Monthly reports & approved applications	100%	100,0%	0,0%			
	37	Percentage implementation and review of the spatial development framework of the district.	4 LM's - 100%	100% of new applications	% Support requested	Monthly reports	100%	100,0%	0,0%			
	38	Percentage facilitation of the preparation of township establishment in Dikgatlong Local Municipality for the 2014/15 financial year.	2 Approved layout plans	100% compliance with 2 layout plans	% Completed	Monthly & quarterly reports + completed plans	KPI not measured - The EIA report received in the 2nd quarter from the Department of Environmental Affairs highlighted the need to conduct a biodiversity study before any further work could be undertaken on the site. The project has been rolled-over to the 2015/16 FY to allow for the biodiversity study to be concluded.					
: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD			Deviation = 0% (Target reached)		Positive deviation = +%		Negative deviation = -%		Full compliance: 0% deviation		Under-performance: -% deviation	Over-performance: +% deviation

FRANCES BAARD DISTRICT MUNICIPALITY											
MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15											
REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)							ANNUAL PERFORMANCE REPORT FOR 2014/15				
KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviation	REASON(S) FOR DEVIATION		
SUB KPA'S					PoE						
3.9 Geographical Information System (GIS).											
	39	Percentage implementation of GIS shared services in the district for the 2014/15 financial year.	Phase 2 - 100% completed	Phase 3 100%	Completed activities/% completion	Quarterly reports	100%	100.0%	0.0%		
	40	Percentage accessibility to GIS as an essential management and planning tool for the 2014/15 financial year.	100%	100%	% Compliance	Quarterly reports	100%	100.0%	0.0%		
4. GOOD GOVERNANCE AND PUBLIC PARTICIPATION.											
4.1 Communication.											
	41	Number of communication activities implemented in order to sustain a positive public opinion about service delivery in the district for the 2014/15 financial year.	32 Activities completed 100%	7 Activities completed 100%	Number activities completed % progress	Monthly & quarterly reports	7 / 100%	6 / 84,1%	-15.8%	Inefficiencies in the implementation of CFS monitoring system. Challenges in sourcing content for newsletters.	
	42	Number of communication programmes facilitated to improve on the collaboration of government activities to achieve a "one message" approach in the district.	40 programmes completed 100%	2 Programmes completed 100%	Number of programmes completed % progress	Quarterly reports	2 / 100%	2 / 75,0%	-25.0%	Risks that are associated with political office bearers' ever changing schedule were not taken into consideration during the development of the community participation schedule.	
	43	Percentage completion and implementation of a support plan for staff morale and motivation for the 2014/15 financial year.	100%	1 / 100%	% Progress	Quarterly surveys and reports	100%	60.0%	-40.0%	Inability to adequately implement the support plan due to unforeseen and unavoidable circumstances.	
	44	Percentage compliance with legislative procedures and requirements regarding community participation in terms of planning, budgeting, implementation, monitoring and reporting for the 2014/15 financial year.	100%	100%	% Progress	Quarterly reports & minutes of meetings	100%	100.0%	0.0%		
4.2 Managerial Support											
	45	Percentage support to FBDM management in complying with local government legislation and initiatives for the 2014/15 financial year.	100%	100%	% Compliance	Quarterly reports	100%	100.0%	0.0%		
: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD		Deviation = 0% (Target reached) Positive deviation = +% Negative deviation = -%					Full compliance: 0% deviation		Under-performance: - % deviation		Over-performance: + % deviation

FRANCES BAARD DISTRICT MUNICIPALITY

MUNICIPAL INSTITUTIONAL PERFORMANCE REPORT: 2014/15

REPORTING PERIOD: ANNUAL PERFORMANCE REPORT/ 4TH QUARTER (01 JULY 2014 TO 30 JUNE 2015)										ANNUAL PERFORMANCE REPORT FOR 2014/15	
KPA'S	Key Performance Indicators (KPI's)	Baseline	Annual targets	Unit of measure	Verification	Quarterly Target (4th Qtr.)	Actual performance	% Deviation	REASON(S) FOR DEVIATION		
SUB KPA'S					PoE						
4.2 Internal Audit.											
	46	Percentage assistance and guidance regarding internal risk management processes in FBDM for the 2014/15 financial year.	0%	0% Risk = 100%	Monthly activities processed	Monthly statements and reports	100%	100.0%	0.0%		
	47	Percentage compliance with quarterly assessments to evaluate and contribute to the establishment of effective control processes in the district. (FBDM & LM's)	0%	100%	Monthly / quarterly I/A reports	Monthly / quarterly I/A reports	100%	77.0%	-23.0%	The lack of cooperation within the shared-service model led to the non-completion of certain audits in the LM's.	
	48	Percentage capacity building and support regarding internal auditing within the local municipalities of the district for the 2014/15 financial year.	0%	2 L/M's = 100%	Monthly / quarterly I/A reports	Monthly / quarterly I/A reports	100%	64.0%	-36.0%	The lack of cooperation within the shared-service model led to the non-sitting of certain audit and risk committee meetings in the LM's.	
5. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT.											
	49	Percentage compliance in the implementation of sound financial practices for the 2014/15 financial year.	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
	50	Percentage compliance with all financial legislative requirements and related guidelines from National Treasury for the 2014/15 financial year.	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
	51	Percentage compliance with the requirements for debt and revenue generation for the 2014/15 financial year. (Grants)	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
	52	Percentage compliance with the effective management of Council's financial resources for the 2014/15 financial year.	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
	53	Percentage compliance with the legislative requirements for a sound supply chain management system and stores function in the municipality for the 2014/15 financial year.	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
	54	Percentage compliance with the requirements for sound financial self sustained local municipalities in the district for the 2014/15 financial year.	0%	100%	% Compliance	Monthly quarterly reports	100%	100.0%	0.0%		
: INDICATOR NOT MEASURED/ NO TARGET FOR MEASUREMENT PERIOD			Deviation = 0% (Target reached) Positive deviation = +% Negative deviation = -%				Full compliance: 0% deviation		Under-performance: - % deviation		Over-performance: + % deviation

SUMMARY OF MUNICIPAL ANNUAL PERFORMANCE: 01 JULY - 30 JUNE 2015. (4th Quarter)		
Number of Key Performance Indicators as per the SDBIP:	54	100%
1. Targets not Measured	1	1.9%
2. Targets Achieved	37	68.5%
3. Targets Not Achieved	13	24.1%
4. Targets Exceeded	3	5.6%