



# **PERFORMANCE MANAGEMENT SYSTEMS**

**1st Quarterly Report  
for  
1 July - 30 September 2011  
MUNICIPAL MANAGER**

## **1. Purpose**

The performance plan defines the Council's expectations of the Municipal Manager's performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

## **2. Key responsibilities**

The following objects of local government will inform the Municipal Manager's performance against set performance indicators:

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development.
- 2.4 Promote a safe and healthy environment.
- 2.5 Encourage the involvement of communities and community organisations in the matters of local government.

## **3. Key Performance Areas**

The following Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

- 3.1 Municipal Transformation and Organisational Development.
  - 3.2 Basic Service Delivery
  - 3.3 Local Economic Development (LED).
  - 3.4 Municipal Financial Viability and Management.
  - 3.5 Good Governance and Public Participation.
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**GOAL 1: To develop sustainable infrastructure for service delivery and strengthen the delivery of basic services**

KPA	Priority Issue	Strategic Objective	Key Performance Indicator	Output Measure	Target	Baseline 2010	Time Frame	Performance Target				Key performance Actions/Activities	Comments/ Reason for variance	Portfolio of Evidence
								1st	2nd	3rd	4th			
Infrastructure Development and Service Delivery	Service Delivery: CIVIL	To ensure infra-structure development and service delivery takes place through service departments	CIVIL - Number of evaluation meeting on service delivery, infrastructure development and maintenance programs: Water: Sanitation: Roads and Storm water: Buildings:	quarterly reports received	4	4	Quarterly	1				Weekly and monthly meetings on performance are held Quarterly performance assessment is conducted Corrective measures are implemented	Weekly and monthly meetings were held on Dept.'s performance Quarterly performance assessment was conducted . The department 'performance is on track except PMU	Notes from weekly and monthly meetings, and a brief report from quarterly assessments.
	Service Delivery: COMMUNITY	To ensure infra-structure development and service delivery takes place through service departments	COMMUNITY: Number of evaluation meetings on service delivery, infrastructure development and maintenance programs: Solid Waste Sites: Cemetery: Swimming Pools: Parks and Gardens: Public Safety:	quarterly reports received	4	4	Quarterly	1				Weekly and monthly meetings on performance are held Quarterly performance assessment is conducted Corrective measures are implemented	Weekly and monthly meetings were held on Dept.'s performance. Quarterly performance assessment was conducted . The department 's performance is on track except PMU	Notes from weekly and monthly meetings, and a brief report from quarterly assessments.
	Service Delivery: ELECTRICAL	To ensure infra-structure development and service delivery takes place through service departments	ELECTRICAL -Number of evaluation meetings on service delivery, infrastructure development and maintenance programs: Electrical Networks: Substations: Mechanical Workshop:	quarterly reports received	4	4	Quarterly	1				Weekly and monthly meetings on performance are held Quarterly performance assessment is conducted Corrective measures are implemented	Weekly and monthly meetings were held on Dept.'s performance Quarterly performance assessment was conducted . The department 'performance is on track except PMU	Notes from weekly and monthly meetings, and a brief report from quarterly assessments.
	Indigents	To maintain and improve the quality of indigent households benefiting from free basic services	No of indigent household known to the Municipality that earn less than R1 200 per month and that have access to free basic services	Approved applications	2500	1256	Quarterly	1268				Review Indigent Register Annually Approved and implement	1730 applications received,1268 applications Approved and 197 applications disapproved	Indigents Register kept by Finance Department

**GOAL 2: To promote social development and co-ordinate and facilitate the development of social amenities for a sustainable livelihood**

KPA	Priority Issue	Strategic Objective	Key Performance Indicator	Output Measure	Target	Baseline 2010	Time Frame	Performance Target				Key performance Actions/Activities	Comments/ Reason for variance	Portfolio of Evidence
								1st	2nd	3rd	4th			
Good Governance and Public Participation	Public participation	Ensure effective and efficient mechanisms for community, stakeholders and customer participation and empowerment	100% participation and attendance at all applicable community and stakeholder engagement initiatives and forums and official report back	Public Participation attended	%	100%	Quarterly	20%				Attend meetings according to schedules	Out of the municipal offices attending other meetings arranged by the provincial govt. and district municipality	Attendance register
	Communication	To ensure that the municipality maintains a effective and efficient communications channels internally and externally	Number of communications reports received and evaluated.	Better communications both internally and externally	4	4	Quarterly	1				Receive quarterly reports Evaluate them and make recommendation	one report received and evaluated . Improvements were suggested for the next quarter	Communication Report
	Customer care	To ensure that the Batho Pele Services Level charter is part of the municipalities day-to-day operation	No of reports evaluated on the efficient mechanisms put in place when dealing with all complaints and compliments received from the community.	Improved service delivery and customer satisfaction	4	4	Quarterly	1				Receive quarterly reports Evaluate them and make recommendation	one report received and evaluated . Improvements were suggested for the next quarter	Customer care Report
	IDP Process  (Outcome 9 - Input 5)	To ensure that the municipality undertake a developmentally orientated planning within all wards.	Compilation of the IDP document	IDP document in accordance with the systems act	Yes	Yes	Annually	Yes				Management of the IDP processes Evaluate the final document	IDP community based planning preparatory meetings were held in all wards	Draft IDP document
			Number of IDP Rep forum and steering committee meetings attended	Attendance of IDP Representative Forum meetings	1	1	Annually	0				Facilitate rep forum meetings Receive reports and evaluate them	IDP representative forum will be held on the second quarter	Minutes of the Representative Forum
	Measuring Performance of Sec 57 Personnel and the Municipality	To ensure effectiveness of measureable performance of the Municipality	Compilation of the SDBIP and monitor implementation	Compiled SDBIP and project implemented	1	1	Annually	1				Manage the compilation of the SDBIP Submit to the Executive Mayor	SDBIP for the whole municipality was compiled and approved	SDBIP document
			Compilation of the PMS document in accordance with the MSA and MFMA	Compiled PMS	1	1	Annually	1				Manage the PMS review and submit to council for approval	PMS fro 2011/12 was reviewed and approved by council	PMS Document for 2011/12
	Performance Monitoring and evaluation	To ensure delivery on our commitments (as identified in the IDP ) through adherence of performance excellence	Number of Rep Forum meetings attended for tabling the draft PMS	Acceptance of the PMS by Rep Forum	1	1	Annually	1				Organise Rep Forum meeting and present the PMS to Rep Forum	Rep Forum meeting on PMS Reviewed as held at Banquet Hall	Minutes of the Representative Forum for PMS review

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								1st	2nd	3rd	4th			
Good Governance and Public Participation	Fraud and Corruption	To ensure a transparent, credible and just administration	No of reports on the prevention of fraud, corruption and theft received and evaluated	Reports received	4	4	Quarterly	0				Receive reports from fraud prevention committee and evaluate the reports and make recommendations	No report was submitted from chairperson of this committee, however changes were made this committee will now be combined with the Risk assessment committee	None
	Non Compliance with legislation	To ensure compliance with all legislation	No of reports received from departments on compliance with relevant legislation	Reports received	4	4	Quarterly	1				Receive reports from departments Evaluate them and make recommendations	Quarter performance report of Departments contained this information	Quarter reports from Departments
	Political interference	To ensure healthy working relationship between political office bearers and administration	No of political interference reported in writing to the office of the speaker and addressed	Reports received	4	4	Quarterly	0				Receive written/verbal complaints and make submission to the office of the Speaker	No political interferences were reported in writing	None
	inter governmental relations	To encourage and ensure co-operative governance in the relations between national, provincial and local government	No of report-backs of provincial and districts workshops/ meetings attended on government programmes that impact on municipal functioning	Attendance of meetings and reports received	4	6	Quarterly	4				Workshops/ meetings attended as per schedules  Report-back	Reports are available	Minutes of meetings, attended (Provincial Local Gov. Seminar, EDM Local Government Seminar, 2nd Prov. Local Government Seminar, Exec Lekgotla, Provincial Meeting with MMs, National Portfolio Meeting on Human Settlement at EDM)

## GOAL 3: To promote sustainable economic development

KPA	Priority Issue	Strategic Objective	Key Performance Indicator	Output Measure	Target	Baseline 2010	Time Frame	Performance Target				Key performance Actions/Activities	Comments / Reasons for Variance	Portfolio of Evidence
								1st	2nd	3rd	4th			
Local Economic Development	Economic Growth  (Outcome 9 - Input 3)	To ensure that Umjindi has continuous economic growth	Number of reports received and evaluated on the implementation of LED initiatives	Reports received	4	4	Quarterly	1				Receive reports from the department of Developmental Planning on LED initiatives	1st quarter report received from Department of DP on LED Initiatives	1st Quarter report
		To ensure that Umjindi has continuous economic growth	Number of reports received and evaluated on the functioning of the Agency	Reports received	4	4	Quarterly	1				Receive reports from the department of Developmental Planning on the functioning of Agency	1st quarter report received from ADUM	1st Quarter report from ADUM
	Job Creation Capital Projects	To contribute on poverty alleviation initiatives through the implementation of Capital Projects of the Municipality	Monitor the temporary jobs created addressing the previously disadvantaged individuals	Reports received	350	300	Quarterly	144				Reports received from all departments on temporary jobs created	Received reports from departments on temporary jobs created.	144 Temporary jobs created
	BCT	To ensure that Umjindi Municipality is kept updated on the financial management and performance of BCT	Number of Audited financial statement received	Audited financial statements received annually	1	1	Annually	0				Attend board meetings Receive reports	Auditing still in progress	None

**GOAL 4: To develop systems that will ensure institutional excellence and encourage continuous transformation**

KPA	Priority Issue	Strategic Objective	Key Performance Indicator	Output Measure	Target	Baseline 2010	Time Frame	Performance Target				Key performance Actions/Activities	Comments / Reasons for Variance	Portfolio of Evidence	
								1st	2nd	3rd	4th				
Municipal Financial Viability and Management	Sound financial Management	Supply Chain Management	To ensure effective, efficient and economic procurement	Evaluate reports on Supply Chain Management to ensure compliance	Reports received	4	4	Quarterly	1				Receive report and evaluate them	SCM report received and evaluated	SCM Report
	Administration of the Municipality	Corporate Services	To ensure effective and efficient functioning of the department	No of quarterly reports received on the functioning of the dept. and evaluate it	Reports received	4	4	Quarterly	1				Receive quarterly reports Evaluate them Make recommendations Hold monthly and quarterly consultation	1st Quarter report was received from Corporate Services	1st Quarter report
		Technical Services	To ensure effective and efficient functioning of the department	No of quarterly reports received on the functioning of the dept. and evaluate it	Reports received	4	4	Quarterly	1				Receive quarterly reports Evaluate them Make recommendations Hold monthly and quarterly consultation	1st Quarter report was received from departments of Civil and Electrical Services	1st Quarter Reports from departments of Civil and Electrical Services
		Community Services	To ensure effective and efficient functioning of the department	No of quarterly reports received on the functioning of the dept. and evaluate it	Reports received	4	4	Quarterly	1				Receive monthly and quarterly reports Evaluate them Make recommendations Hold monthly and quarterly consultation	1st Quarter report was received from Community Services	1st Quarter report from Community Services
		Developmental Planning	To ensure effective and efficient functioning of the department	No of quarterly reports received on the functioning of the dept. and evaluate it	<b>Reports received</b>	4	4	Quarterly	1				Receive monthly and quarterly reports Evaluate them Make recommendations Hold monthly and quarterly consultation	1st Quarter report was received from Development Planning	1st Quarter report from Development Planning
		Chief Operations Officer	To ensure effective and efficient functioning of the unit	No of quarterly reports received on the functioning of the Unit and evaluate it	Reports received	4	4	Monthly Quarterly	1				Receive monthly and quarterly reports Evaluate them Make recommendations Hold monthly and quarterly consultation	1st Quarter report was received from Chief Operations Officer	1st Quarter report Chief Operations Officer

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								1st	2nd	3rd	4th				
Municipal Financial Viability and Management	Administration of the Municipality	Correspondence	To ensure that all Correspondence received are being handled in a given time frame	% of Correspondence respond to within 7 days	Optimum service delivery	100%	100%	Quarterly	100%				Attending to correspondence verbally or in writing within the timeframe	All correspondences are attendee to within 3 days=	correspondences attended
		Council Resolution	To ensure that all Council Resolutions are implemented	% of Council resolutions implemented within 14 days after receive of the minutes.	Optimum service delivery	95%	95%	Quarterly	95%				Obtaining of Council resolution	The implementation of all council resolutions were checked during assessment of Departments performance	Council resolutions
		Report-backs	To ensure that report- backs of conferences are submitted to Council.	Number of report-backs on conferences attended.	Making information available to all employees and Council	4	4	Quarterly	0				Attending of conference and submitting of written report on the contents of the conference	No conference attended	None
		Consultation Meetings	To ensure that proper supervision is undertaken	No of consultation meetings held with Managers reporting to Mm	Consultation meetings	84	84	Monthly	24				Hold meetings	Monthly and weekly Advisory meetings are held	Informal notes available and verbal discussions are held with Managers
		Management Meeting	To ensure the overall control of the municipal core functions.	No of management meetings held	Management Meeting	48	48	weekly	12				Hold meetings	Weekly Management meetings are held	Minutes of Management meeting
	Delegated Powers	Delegated Powers	To ensure effective accountability on delegated powers	Evaluate the effectiveness of delegated powers	Delegated powers	Yes	Yes	Quarterly	Yes				Implementing of delegated powers in accordance with policy	All Departments are adhering to their delegations	Document on Delegated powers

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Municipal Financial Viability and Management	Accountability and governance	Policies and Programmes	To monitor and evaluate the compliance of all Policies, Plans and Programmes of the Municipality	Evaluate the reports received (PMS) from different directorates on the implementation of Policies, Plans and Programmes	Compliance and Reports	yes	Yes	Monthly	Yes				Monitor compliance on monthly and quarterly basis	All Departments 1st Quarter report has assessed	1st Quarter reports from all departments
	(Outcome 9 - Input 7)	Audit Queries	To ensure that all audit queries and management letters are addressed timeously in an appropriate manner	Monitor and evaluate the( Improvement Plan) submitted on the implementation of the recommendation/ corrective measures from the Auditors (Internal/External & AG)	Implementation of the Improvement Plan	4	4	Quarterly	1				Facilitate the development of the improvement plan Monitor implementation Evaluate results	The implementation of the Improvement plan is being monitor	AFS that is GRAP Compliance, Draft Annual Report 2010/11, IDP Doc meeting required standards, upgrading of Financial system in progress, Improvement on Internal Control, Etc.

**GOAL 4: To develop systems that will ensure institutional excellence and encourage continuous transformation**

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									1st	2nd	3rd	4th			
Municipal Financial Viability and Management	Internal Audit	Risk exposure	To ensure that internal/external auditing takes place in accordance with the relevant legislation	Evaluation of the Audit Reports in accordance with the relevant legislation.	Reports received	4	4	Quarterly	2				Receive report and evaluate them	Two report received -Stock Take end year, Salary review	Reports
			To ensure that Managers identify and evaluate the municipality's exposure to risk in order to develop a sound risk management strategy	Evaluate reports received on risk assessments and management	Reports received	4	4	Quarterly	1				Receive report and evaluate them	Risks Assessment Report incorporated in the PMS Report for all Departments	Risks Register and PMS report

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									1st	2nd	3rd	4th			
Municipal Transformation and Organizational Development	Legislative Requirements	Legislative Requirements	To ensure compliance with the Municipal legislation	Monitor compliance with legislative frameworks in the functioning of the Municipality e.g. IDP Process, SDBIP, PMS, Budget, Town Planning, Labour Relations, etc.:	Compliance and Reports	4	4	Quarterly	1				Receive report and evaluate them for compliance	Compliance on this matters is reported as part of the quarter reports of departments	Quarter reports from Departments
	Human Capital development	Skills Development	To ensure that all personnel are adequately capacitated to carry out their assigned duties/functions	Evaluate the reports submitted by the supervisors with regard to training needs of personnel within the department	Reports received	4	4	Quarterly	1				Receive report and evaluate them Approve applications	Quarter performance report of Departments contained this information in particular Corporate Services	Corporates Service's report

## EXECUTIVE SUMMARY

Following is a brief executive summary of the performance of the Municipal Manager during the 1st Quarter of the 2011/2012 financial year

The main activities of the department in addressing the four goals as identified in Umjindi Municipality's Integrated Development Plan are outlined below:

<b>GOAL 1: To develop sustainable infrastructure for service delivery and strengthen the delivery of basic services</b>	
Infrastructure Development and Service Delivery	<p>Service delivery of water, sanitation, electricity, roads and storm water has been going well despite the limited cash flow experienced by the municipality. The Refuse Removal Section has experienced difficulty in rendering the service due to shortage of compact trucks which were later delivered on the last month of the quarter. The Township establishment of Sheba Siding is progressing well.</p> <p>The implementation of capital projects for service delivery is progressing well except for the project Bulk Water Supply at Emjindini Trust and KaMadakwa-Ndlovu. There has been a delay due to late registration of the project to MIG EMS by PMU. Correction measures will be implemented to prevent such occurrences in future.</p>
<b>GOAL 2: To promote social development and co-ordinate and facilitate the development of social amenities for a sustainable livelihood</b>	
Good Governance and Public Participation	Ward Committees for all 9 wards have been established. Community Consultations were held in preparation for the compilation of CBP (Community Base Plan), in all the 9 wards.
<b>GOAL 3: To promote sustainable economic development</b>	
Local Economic Development	<p>Some LED initiatives and processes have been started such as the establishment of LEDF, submission of Business Plan for funding for LED initiatives, etc.</p> <p>The Development Agency of the Municipality is functioning but has internal challenges amongst board members and the Programme Manager. These challenges are receiving attention from the Municipality.</p>
<b>GOAL 4: To develop systems that will ensure institutional excellence and encourage continuous transformation</b>	
Municipal Financial Viability and Management	The conversion of the financial system from Finstel to Sebata is progressing well with some challenges. The big challenge is that the conversion has co-incident with annual Audit General Audit creating a heavy workload in the finance department. The cash flow situation of the Municipality is not looking good, however with the cost curtailment measures and revenue enhancement strategy in place, the financial situation will improve for the future.
<b>GOAL 5:</b>	
Municipal Institutional Development & Transformation	The Municipality has approved the new organogram and the placement policy, however the actual placement of staff in the new organogram has not yet taken place. The filling of vacant posts for senior managers still remains a serious challenge in this municipality, as critical departments like Financial Services remains without a Chief Financial Officer. This poses a serious challenge for the Municipal Manager, in managing those departments that are without directors. Council must seriously consider the filling of these vacant positions for the interest of the community and the better functioning of the municipality.