

# **BA-PHALABORWA LOCAL MUNICIPALITY**



## **2021-2022 SECOND QUARTER PERFORMANCE REPORT**



*The Home of Marula and Wildlife Tourism*

# Contents

## 1. Introduction

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The development, implementation and monitoring of a Service Delivery and Budget Implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA). In terms of Circular 13 of National Treasury, “the SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA.”

As the budget gives effect to the strategic priorities of the municipality it is important to supplement the budget and the IDP with a management and implementation plan. The SDBIP serves as the commitment by the Municipality, which includes the administration, council and community, whereby the intended objectives and projected achievements are expressed in order to ensure that desired Projections over the long term are achieved and these are implemented by the administration over the next twelve months.

The SDBIP provides the basis for measuring performance in service delivery against quarterly targets and implementing the budget based on monthly projections. Circular 13 further suggests that “the SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community.”

## 2. Legislation

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The Municipal Finance Management Act (MFMA) defines a Service Delivery and Budget Implementation Plan (SDBIP) as: a detailed plan approved by the mayor of a municipality in terms of section 53 (1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget, and which must indicate-

- (a) Projections for each month of-
  - (i) Revenue to be collected, by source; and
  - (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter

Section 53 of the MFMA stipulates that the Mayor should approve the adjusted SDBIP within 28 days after the approval of the adjusted budget. The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the adjusted SDBIP are made public within 14 days after their approval.

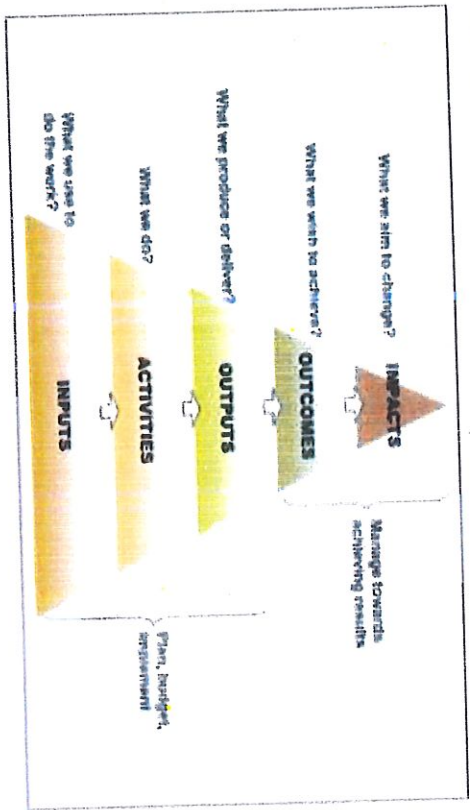
The following National Treasury prescriptions, in terms of MFMA Circular 13, are applicable to the Ba-Phalaborwa Local Municipality:

1. Monthly projections of revenue to be collected by source
2. Monthly projections of expenditure (operating and capital) and revenue for each vote<sup>1</sup> \*
3. Quarterly projections of service delivery targets and performance indicators for each vote
4. Ward information for expenditure and service delivery
5. Detailed capital works plan broken down by ward over three years

### 3. Methodology and Content

The development of the SDBIP was influenced by the Priorities, Strategic Objectives, Programme Objectives and Strategies contained in the IDP ensuring progress towards the achievement thereof. The SDBIP of the Ba-Phalaborwa Local Municipality (BLM) is aligned to the Key Performance Areas (KPA) as prescribed by the Performance Management Guide for Municipalities of 2001, with the addition of Spatial Rationale as another KPA to be focused upon.

The methodology followed by BLM in the development of the SDBIP is in line with the Logic Model methodology proposed by National Treasury as contained in the Framework for Managing Programme Performance Information.





#### 4. Strategic Intent

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**Vision:**

***“Provision of quality services for community well-being and tourism development***

**Mission:**

***“To provide quality infrastructure and affordable services, promote sustainable economic growth, financial viability, sound administration and accountable governance”***

**Values**

- Efficiency and effectiveness;
- Accountability;
- Innovation and creativity;
- Professionalism and hospitality;
- Transparency and fairness;
- Continuous learning and
- Conversation conscious

**Strategic objectives:**

- Promotion of local economy
- Provision of sustainable integrated infrastructure land services

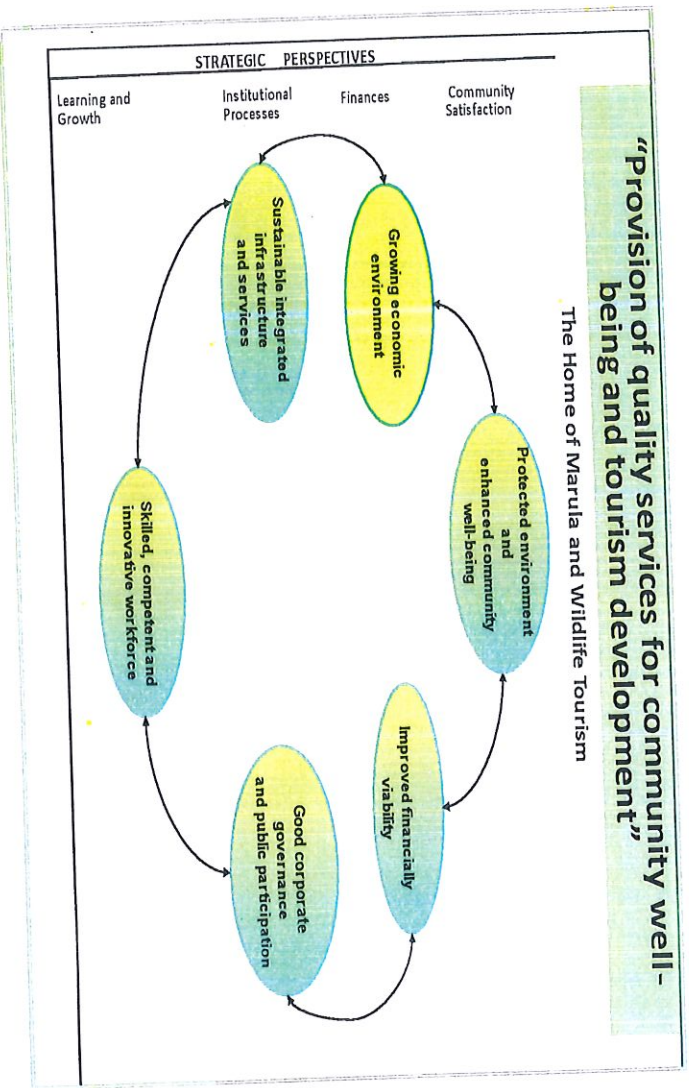


- Sustain the environment
- Improve financial viability
- Good corporate governance and public participation and
- Attract, develop and retain best human capital

Slogan:

*“The home of Marula and wildlife tourism”*

*The strategic objectives are spread across the four perspectives as indicated through the strategic map below:*



## **ACCOUNTING OFFICER'S ASSESSMENT OF PERFORMANCE**

### **1. BACKGROUND OF THE REPORT**

Section 72 of the Local Government: Municipal Finance Management Act, 56 of 2003, requires that the accounting officer of a municipality must by the end of Mid-year assess the performance of the municipality and submit a report on each assessment to the mayor of the municipality; the National Treasury; and the relevant provincial treasury.

In terms of Section 72 (2) of the Act, this report is accompanied by a statement compiled in terms of the provisions of Section 71(1).

### **2. MUNICIPAL SECOND QUARTER PERFORMANCE AS PER THE ASSESSMENT**

The municipality used the top layer SDBIP as approved for implementation during the 2021/22 financial year. The SDBIP is used as a performance monitoring tool for the implementation of the IDP and Budget. The performance target reflected in the SDBIP is as per the IDP objectives. The Administration component is responsible for implementation of the SDBIP and the Political component is responsible for providing oversight. This is done through regular reporting to Council.

Key Performance Area	Second Quarter Target	Target Achieved	Target not Achieved	Target not Performed	% Achievement
Spatial Rationale	1	1	0	0	100%
Basic Services Delivery	12	8	4	0	67%
Municipal Financial Viability	7	5	2	0	71%
Local Economic Development	2	1	1	0	50%
Municipal Transformation and Institutional Development	4	3	1	0	75%
Good Governance and Public Participation	27	25	1	1	96%
<b>Total</b>	<b>53</b>	<b>43</b>	<b>9</b>	<b>1</b>	<b>81%</b>



### **3. PERFORMANCE ANALYSIS**

**Second Quarter –Target Achieved 53/43=81%**

2021 /22 Monthly Projections of Revenue for each Source

R'000

Sources of Revenue	Second Quarter target	Second Quarter Actual Performance	Second Quarter Performance Variance	Challenges	Corrective measures/ Interventions	Evidence Required
Property Rates	67 623	72 959	5 336	None	None	Finance report
Service charges – electricity	80 824	54 406	(26 418)	The variance is due to customers opting for prepaid electricity	To adjust the budget based on the actual	Finance report
Service Charges – Refuse	9 947	10 322	375	None	None	Finance report
Rental of Facilities and Equipment	302	89	(214)	The variance might have been caused by the effect of COVID 19 which does not allow gatherings to take place.	Level one allows gathering to take place and community is now renting municipal facilities	Finance report
Interest on external Investments	1 406	1 306	(101)	None	Variance not material	Finance report
Interest Earned – Outstanding Debtors	31 248	13 061	(18 187)	The variance is due to settlement discount offered to customers	To adjust the budget based on the actual	Finance report
Dividends received	-	-	-			Finance report
Fines	697	78	(620)	The variance is due to culture on non-payment of traffic fines	Traffic department to enforce payment of traffic fines that are due	Finance report
Licenses and Permits	7 478	1 121	3 734	Target for mid-year exceeded	None	Finance report
Agency services	1 557	-	(1 557)	The variance is due to agency fees calculated and not yet processed on the financial system	Journals to be passed for the past six months	Finance report
Transfers recognised - operational	90 053	130 859	40 806	None	None	Finance report
Transfers recognised - capital	26 000	12 899	(13 102)	The variance is caused by Second tranche of MIG not received due to slow implementation of capital projects funded by MIG	Technical department to fast track implementation of all projects funded from grants	Finance report
Other Revenue	994	85 788	84 794	None	To adjust the budget during adjustment budget based on the actual	Finance report
Total Revenue by Source	318 130	392 977	74 847			



**Monthly Projections of Revenue and Expenditure by Vote: (Operating) Second Quarter**

Expenditure and Revenue by Vote	2021-22 Second Quarter Target Opex	2021-22 Second Quarter Actual Performance	2020-21 Second Quarter Actual Performance variance	Remarks/Challenges	Corrective measures	Evidence Required
Executive and council	35 971	27 450	(8 521)	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place	To adjust during adjustment budget	Finance report
Budget and Treasury	53 419	32 552	(20 867)	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place	To adjust during adjustment budget	Finance report
Corporate Services	26 961	27 961	1 000	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place	To adjust during adjustment budget	Finance report
Community and Social Services	46 211	38 842	(7 368)	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place	To adjust during adjustment budget	Finance report
Public Safety			-			Finance report
Economic and Environmental Services	2 991	2 442	(549)	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place		Finance report
Road Transport	51 733	19 075	(32 658)	Low Expenditure affected by non-spending on other line items due to the introduction of lock down regulations which prevented other activities to take place	To adjust during adjustment budget	Finance report
Electricity	74 066	80 154	(6 088)	None	Variance not material	Finance report
Waste Management	3 481	3 115	(366)	None	Variance not material	Finance report
<b>Total by Vote</b>	<b>302 285</b>	<b>236 209</b>	<b>(66 076)</b>			



Monthly Projections of Revenue and Expenditure by Vote: (Capital) Second Quarter

Expenditure and Revenue by Vote	2021-22 Second Quarter Target Capex	2021-22 Second Quarter Actual Performance	2021-22 Second Quarter Actual Performance variance	Remarks/Challenges	Corrective measures	Evidence Required
Executive and council						Finance report
Budget and treasury office						Finance report
Corporate services						Finance report
Road transport	3 921	1 084	(2 837)	None	Variance not material	Finance report
Electricity	8 100	1 683	(6 417)	Delays in appointment of Electricity projects	Electricity projects were recently appointed	Finance report
<b>Total by Vote</b>	<b>12 021</b>	<b>2 767</b>	<b>9 254</b>			

Monthly Projections of Revenue and Expenditure by Vote: (Revenue) Second Quarter

Revenue by Vote	2021-22 Second Quarter Target Revenue	2021-22 Second Quarter Actual Performance	2021-22 Second Quarter Actual Performance Variance	Remarks/Challenges	Corrective measures	Evidence Required
Budget and Treasury	178 044	299 181	121 137	None	None	Finance Report
Corporate Services	392	89	(303)	Covid 19 regulations affected the use or rental of facilities	None	Finance Report
Community and Social Services	9 939	11 352	1 413	None	None	Finance Report
Public Safety			-			Finance Report
Planning and development	36	39	3	None	Variance not material	Finance Report
Road Transport	17 804	13 004	(4 800)	MIG grant second tranche not transferred due to slow implementation of capital project funded by MIG	To fast track implementation of MIG projects	Finance Report
Electricity	98 662	57 164	(41 497)	Illegal connections, Culture of non-payment of services	Currently conducting electricity meter audit	Finance Report
Waste Management	13 253	12 149	(1 104)	None	Variance not material	Finance Report
<b>Total by Vote</b>	<b>318 130</b>	<b>392 977</b>	<b>74 847</b>	<b>None</b>	<b>None</b>	

Detailed Institutional Performance Results for 2021 /22 Second Quarter per Key Performance Areas

Under-Performance	0 - 49%
Partially achieved	50 – 74%
Good Performance	75 – 100%
Over achieved	Over 100%
Non-Performance	

Note:

1. Over achievement Standards does not apply to compliance targets
2. Over achievement standards applies to service delivery targets and core business of the municipality



# **KPA 1: Spatial Rationale**

KPA 1: Spatial Rationale

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
<b>1.1 Spatial Planning</b>														
1.1.2	Governance and Administration	Sustain the environment	Turnaround time of land use & development applications submitted to Mopani Planning Tribunal by 30/06/2022	Senior Manager Planning & Development	Within 60 days of received	Within 90 days of received	OPEx	Within 90 days of received	11 received 06 approved	05 still in process	is within the time frame	None	None	Submission Register

## **KPA 2:**

# **BASIC SERVICE DELIVERY**



KPA 2: SERVICE DELIVERY

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul - 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
2.1.1	Technical Infrastructure	Provision of sustainable integrated infrastructure and service	% on reduction of electricity losses each quarter by 30/06/2021	Senior Manager Technical Services	4.60%	1%	OPEX	0.25%	-4.6%	4.85	Report is preliminary, due to unavailability of information of time of report	Illegal connections	Service provider appointed to do meter audit	EBM billing to consumers
2.1.2	Technical Infrastructure	Provision of sustainable integrated infrastructure and service	Expenditure on electricity capital funding spent per quarter by 30/06/2022	Senior Manager Technical Services	R7m	R23m	INEG ESSDM	R2.5m	R1.7m	R0.8m	EESSM contractor was appointed late	none	none	Payment Certificates and Expenditure Reports
2.1.3	Technical Infrastructure	Provision of sustainable integrated infrastructure and service	Number of HH with access to electricity in Municipal Licenced	Senior Manager Technical	5274	5274	INEG	5274	5274	0	No new developments in town.	None	None	BPM billing to consumers.



KPA 2: SERVICE DELIVERY

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections				Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance Variance					
2.1.4	Technical Infrastructure	Provision of sustainable integrated infrastructure and services	Number of indigent HH receiving free basic electricity by 30/06/2021	Chief Financial Officer	3969	1658	OBEX	1658	506	-1152	Community not registered and Covid 19 restrictions makes it difficult to do registration	Community not buying electricity due to illegal connections	Continue to conduct awareness campaign to encourage community to register for indigent	BPKI billing to consumers.	
2.2.1	Technical Infrastructure	Provision of sustainable integrated infrastructure and services	Number of km of gravel roads upgraded to tar by 30/06/2022 B1 Extension 1km	Senior Manager Technical Services	2,25km	1km	CAPEX	1km	0,00 km's of road upgraded from gravel to tar.	-1km	Appointment of B1 EXT road Phase 2 in Lulekani appointed in December 2021.	Not achieved Contractor was appointed in December 2021. Actual works to commence after Builders Holidays from January 2022.	None	Project Report, completion certificates	
2.2.2	Technical Infrastructure	Provision of sustainable integrated infrastructure	Expenditure on roads capital	Senior Manager Technical Services	R14,3m	R19,5m	CAPEX	R12m	R4 622 911,09	-7 377 088,91	The Contractor of B1 EXT appointed	Not achieved. The	None	Payment Certificates and Expenditure Reports	



KPA 2: SERVICE DELIVERY

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter Target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
			Funding spent per quarter by 30/06/2022											
<b>2.3 Parks and Cemetery</b>														
2.3.1	Protect Environment and Community Well being	Sustain the Environment	Number of quarterly reports on maintenance of developed parks by 30/06/2022	Senior Manager Community Services	4	4	OPEX	2	2	0	None	None	None	Quarterly report to council and council resolution
2.3.2	Protect Environment and Community Well being	Sustain the Environment	Number of quarterly reports on cemetery maintained by 30/06/2022 (Phalaborwa, Lulekani, Namakgale and Gravelotte)	Senior Manager Community Services	4	4	OPEX	2	2	0	None	None	None	Maintenance plan and inspection reports
<b>2.4 Waste Management</b>														
2.4.1	Protect Environment and Community Well being	Sustain the Environment	Number of quarterly reports submitted for	Senior Manager Community Services	4	4	OPEX	2	2	0	None	None	None	Quarterly report to council and council resolution



KPA 2: SERVICE DELIVERY

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter Target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance Variance				
2.4.2	Technical infrastructure	Provision of sustainable integrated infrastructure and services	Number of urban Households with access to basic waste removal services (Phalaborwa town, Gravelote, Mamakgale and Lilekani by 30/06/2022	Senior Manager Community Services	12631	12631	OPEX	12631	12605	-26	Improve clean health and environment	Inability to review the household access to waste removal.	Review the list of the number of households with access of waste removal compare with valuation roll and billing report in order to align	Confirmation of waste collection by ward councillors /Valuation roll
2.4.3	Technical infrastructure	Provision of sustainable integrated infrastructure and services	Number of rural villages with access to basic waste removal services ( Mashishimale & Makhushane by 30/06/2022	Senior Manager Community Services	2	2	OPEX	2	2	0	None	None	None	Confirmation of waste collection by ward councillors



KPA 2: SERVICE DELIVERY

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
2.4.4.	Protect Environment and Community Well being	Sustain the Environment	Number of indigent Households receiving free basic waste removal service by 30/06/2022	Senior Manager Community Services	541	541	OREX	541	506	-35	None	Community members are not applying for free basic services	Continuous Community awareness through different media platforms to apply for indigent	Indigent register

## **KPA 3:**

# **MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**



KPA 3: Municipal Financial Viability and Management

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
<b>3.1 Financial Management</b>														
3.1.6	Governance and administration	Improve financial viability	Number of quarterly movable asset verifications conducted by 30/06/2021	Chief Financial Officer	4	4	OPEX	1	1	0	quarterly movable asset verifications conducted in October 2021.	None	None	Quarterly assets verifications reports
3.1.7	Governance and administration	Improve financial viability	Number of monthly strings uploaded using the LG Portal within 10 days at the end of each month. Treasury by 30/06/2021	Chief Financial Officer	12	12	OPEX	6	6	0	All Monthly strings were submitted within 10 days.	NONE	NONE	Monthly strings Proof of submission within 10 days.
3.1.8	Governance and administration	Improve financial viability	% of improvement in revenue collection monthly (improvement from 65 to 80% by 30/06/2021 budget year	Chief Financial Officer	54%	80%	OPEX	40%	60%	-20%	Culture of non-payment of services	Culture of non-payment of services	Continue to enforce credit control and debt management policy	Quarterly reports on revenue collection
3.1.9	Governance and administration	Improve financial viability	% of Debt collected by 30/06/2021	Chief Financial Officer	56%	80%	OPEX	40%	9%	41%	No enforcement of Credit Control due to payment not allocated (separate system issue)	No enforcement of Credit Control due to payment not allocated (separate system issue)	Continue to enforce credit control and debt management policy	Quarterly reports on current debt collection
3.1.11	Good governance	Improve financial viability	Expenditure spent quarterly on M/G	Chief Financial	R42,372,924m	R31,831m	CAPEX	R15m	R12M	R3M	Tambo project not	Tambo project	Engagement with the	Finance reports, M/G monitoring



KPA 3: Municipal Financial Viability and Management

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
	and administration		by 30/06/2021	Officer										
3.1.12	Good governance and administration	Improve financial viability	% of quarterly Municipal Capital Budget spent by 30/06/2021	Chief Financial Officer	82%	100%	OPEX	50%	16%	34%	Slow implementation on M/G projects	Slow implementation on M/G projects	Engagement with the contractors is ongoing	Finance reports
3.1.13	Good governance and administration	Improve financial viability	% of quarterly Municipal Personnel Budget spent by 30/06/2021	Chief Financial Officer	82%	100%	OPEX	50%	45%	5%	Variance not material	Variance not material	None	Expenditure report

## **KPA 4:**

# **LOCAL ECONOMIC DEVELOPMENT**



KPA 4: Local Economic Development

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul - 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance Variance				
<b>4.1 Job creation</b>														
4.1.3	Economic	Promotion of local economy	Number of quarterly LED Forums meetings held by 30/06/2022	Senior Manager Planning and Development	2	4	OPEX	2	0	2	No LED Forum meeting held for the quarter	LED Forum meetings not held due to the unavailability of the Mayor for scheduled meeting	The Chairperson of the Portfolio Committee to chair the Forum meetings, in the absence of the Mayor.	Invitations, Attendance register and minutes
<b>4.2 Enterprise Support</b>														
4.2.1	Economic	Promotion of local economy	Number of SMMEs supported quarterly through the municipal SCM (procurement) by 30/06/2022	Chief Financial Officer	241	100	OPEX & CAPITAL	50	195	-145	Target Exceeded	None	None	System generated expenditure report with SMME supported

# KPA 5:



# Municipal Transformation and Institutional Development and Institutional Development

KPA 5: Municipal Transformation and Institutional Development														
PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
5.1.3	Good governance and administration	Attract, develop and retain best human capital	Number of prioritised vacant positions to be filled per quarter by 30/06/2022	Senior Manager Corporate Services	56	20	OPEX	15	12	0	The following positions have been filled during the	The appointment for general workers was done in December 2021 but	They are new appointment of general workers which was done in December	Appointment letters, appointment register, details of new employees and copies of adverts



























KPA 5: Municipal Transformation and Institutional Development

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target 30/06/22	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec21)	Second Quarter Actual Performance	Second Quarter Actual Performance variance				
											(03) employees from Parks and Cemetery program on the 24 Nov 2021.			
											Three (03) employees attended the Supply Chain Management workshop from the 8 <sup>th</sup> – 11 <sup>th</sup> Nov 2021.			
											A total number of thirty-seven (37) Councilors attended Integrated Councilors			















## **KPA 6:**

# **GOOD GOVERNANCE & PUBLIC PARTICIPATION**



KPA 6: Good Governance and Public Participation

PMS No. & Performance Area	Cluster	IDP Objective	Key Performance Indicator	Responsible Manager	Baseline (30/06/21)	Annual Target (30/06/22)	Budget	2021/22 Quarterly Projections			Remarks	Challenges	Interventions	Evidence Required
								Second Quarter target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance Variance				
<b>6.1 Council and Executive Management</b>														
6.1.1	Good governance and administration	Good corporate governance and public participation	Number of scheduled quarterly Council meetings held by 30/06/2022	Senior Manager Corporate Services	16	6	OPEX	3	9	6	5 Ordinary and 4 Special Council meetings: 29/07/2021 (O) 25/08/2021 (O) 30/08/2021 (S) 30/09/2021 (O) 20/10/2021 (O) 26/10/2021 (S) 22/11/2021 (O) 25/11/2021 (S) 21/12/2021 (O)	None	None	Minutes of council meetings, attendance registers
6.1.2	Good governance and administration	Good corporate governance and public participation	Number of scheduled monthly Exco meetings by 30/06/2022	Senior Manager Corporate Services	16	11	OPEX	5	5	0	5 Ordinary Exco meetings held: 28/07/2021 (O) 25/08/2021 (O) 29/09/2021 (O) 19/10/2021 (O) 21/12/2021 (O)	None	None	Minutes of EXCO meetings, attendance registers
6.1.3	Good governance and administration	Good corporate governance and public participation	Number of scheduled quarterly MPAC meetings held as per legislation by 30/06/2022	Municipal Manager	9	4	OPEX	2	2	0	19/08/2021 25/08/2021	No meeting held in the 2nd quarter. Members were busy with election processes		Council Approved MPAC schedule of meetings/Attendance registers
6.1.4	Good governance and administration	Good corporate governance and public participation	% of MPAC Quarterly Resolutions implemented by	Municipal Manager	52.4%	100%	OPEX	100%	94%	6%	The implementation is continuously done	The slow pace of implementation of the resolutions	Senior Manager to fast track the implementation	Resolution register







6.2 Public Participation and Ward Committees														
6.2.1	Good governance and administration	Good corporate governance and public participation	Number of IDP REP Forum meetings held by 30/06/2021	Municipal Manager	3	4	OPEX	2	0	2	The Municipality is still busy with the Stakeholder review	Stakeholders were unable to join virtual meetings due to lack of resources	Meetings will start in the month of February since covid-19 regulations allow a large number of people to attend in one venue	Attendance registers, agendas, invitations
6.2.2	Good governance and administration	Good corporate governance and public participation	Number of IDP Steering Committee meetings held by 30/06/2022	Municipal Manager	4	4	OPEX	1	1	0	IDP Steering committee was held 26 July 2021.	None	None	Attendance registers, agendas, invitations
6.2.3	Good governance and administration	Good corporate governance and public participation	Number of scheduled and convened monthly ward Committee meetings by 30/06/2022 (Functionality of ward committees)	Municipal Manager	New	209	OPEX	95	76	-19	No meetings held in November 2021	No ward committees due Local Government Election processes	Establishment of ward committees	Minutes of Batho-pele committee meetings, attendance register and consolidated monthly Batho-pele reports
6.2.4	Good governance and	Good corporate governance and public	Number of quarterly Mayoral	Municipal Manager	4	4	OPEX	2	2	0	No attendance registers	Due to covid-19, Imbizo done through	None	Attendance registers, Imbizo







6.3.5	Good governance and administration	Good corporate governance and public participation	% Implementation of IA Plan per quarter by 30/06/2022	Chief Executive Audit	100%	100%	OPEX	50%	48%	-2%	27 October 2021 28 October 2021 03 November 2021 11 November 2021 18 November 2021 24 November 2021 30 November 2021 5 Exco Audit Committee were held: 14 October 2021 28 October 2021 04 November 2021 14 December 2021	Projects need to be advertised in time to avoid delays	Projects need to be advertised in time to avoid delays	Audit Committee Report to Council.
6.3.6	Good governance and administration	Good corporate governance and public participation	% Implementation of Internal Audit Action Plan by 30/06/2022	Municipal Manager	65%	80%	OPEX	60%	40%	-20%	Management is busy implementing the recommendations.	Continuous implementation process of the resolution	Fast track the implementation process of the resolution	Internal Audit Follow-up Report
6.3.7	Good governance and administration	Good corporate governance and public participation	Number of quarterly Audit Performance Committees and Reports presented to	Chief Executive Audit	6	4	OPEX	1	3	+2	Performance Audit Committee was held as follows: 26 July 2021 29 August 2021 18 October 2021	None	None	Audit Committee Reports and Council Resolution number for presentation of the report







6.4 Risk Management, Fraud & Anti-Corruption														
6.4.3	Good governance and administration	Good corporate governance and public participation	Number of quarterly Institutional Risk Management Committee meetings held by 30/06/2022	Municipal Manager	4	4	OPEX	1	3	+1	21/10/2021 (O) 13/12/2021 (S) 15/12/2021 (S)	None	None	Minutes of the Risk Committee meeting and attendance register
6.4.4	Good governance and administration	Good corporate governance and public participation	% of fraud and corruption cases reported and investigated within 30 working days by 30/06/2022	Municipal Manager	0%	100%	OPEX	100%	100%	0	No case reported	None	None	Investigation reports
6.5 HIV/AIDS														
6.5.1	Good governance and administration	Provision of sustainable integrated infrastructure and services	Number of quarterly outreach programmes conducted by 30/06/2022	Municipal Manager	18	16	OPEX	4	5	+1	19/07/2021 Mandela Day 27/08/2021 COVI D-19, HIV & TB : DCSS –Parks 03/10/2021 Avon Justine Ithemba Walkathon 17/11/2021 COVI D-19, HIV & TB :TIS Workshop 07/12/2021 World AIDS Day	None	None	Outreach programmes reports



6.6 Security management														
6.6.1	Government and Administration	Good corporate governance and public participation	Number of quarterly Security Management reports for Safeguarding of Council Assets by 30/06/2022	Municipal Manager	4	4	OPEX	2	2	0	Continuous safe guarding of municipal assets	None	None	Security Management Reports
6.7 Disaster Management														
6.7.1	Government and Administration	Good corporate governance and public participation	Number of quarterly disaster awareness campaigns conducted by 30/06/2022	Municipal Manager	4	4	OPEX	1	9	+7	24/08/2021 (door to door) 26/08/2021 (Foskor & Tshushkani P.School) 27/08/2021 (Xihlangu P.School) 30/08/2021 (Maseke P.School) 31/08/2021 (St Patric Mathibela & Rehabile P.School) 09/12/2021 10/12/2021	None	None	Invitations, Agenda, Attendance register and reports
6.10 Communication														
6.10.2	Government and Administration	Advance good corporate governance	% for submission of information for publishing on the website as according to legislation checklist by 30/06/2022	Municipal Manager	100%	100%	OPEX	100%	100%	0	All documents required to be publish as per legislation were submitted for publishing	None	None	Legislation checklist
6.10.3	Government and Administration	Advance good corporate	Number of quarterly Local	Communication	New	4	OPEX	1	2	0	14/09/2021	None	None	Invitations, Minutes and attendance



	on	governance	Communicator s Forum held by 30/06/2022	manager										16/11/2021					registers
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# **CAPITAL PROJECTS PER RESPONSIBLE MANAGER**



Vote No.	Responsible Manager	Project Name	Total Capital Budget (R'000)	Planned Start Date	Planned Completion Date	Ward No.	Quarterly Outputs 2021/22				Remarks and Challenges	Evidence required
							Second Quarter Target (1 Jul – 31 Dec 21)	Second Quarter Actual Performance	Second Quarter Actual Performance Variance			
<b>Parks and Cemetery</b>												
	Senior Manager Community Services	New cemetery in Gravelote	R1 500 000	01/07/21	30/06/22		Advertisement	Project not yet advertised	0		Delay in advertisement	Bid Committees minutes and registers, advertisements. Final detailed design reports
<b>Sports Facilities</b>												
	Senior Manager Technical	Selwane Sports Complex	R 1 056 033,55	01/07/21	30/06/22		Construction Site meeting	Phase 1 and 2 are completed. Phase 3 is physical progress- 99%. Outstanding works: grassing of multipurpose hall, pavilion roofing, ablutions and change rooms, storm water drainage access roads, electrical installation, high mast lights, soccer pitch, grassing and irrigation.	On programme	None		Progress reports, and payment certificate



EEDSM											
	Senior Manager Technical	Replacement of streetlights	R3 000 000	01/07/21	30/06/22		Advertise,	Contractor is appointed	On program		Bid Committees minutes and registers, advertisements, Progress reports and Completion report and Completion Certificate
	Senior Manager Technical	Electrification	R20 000 000	01/07/21	30/06/22		Advertise,	Service providers are appointed, Eskom approvals obtained, work to start in January 2022	On program		Bid Committees minutes and registers, advertisements, Progress reports and Completion Certificate
MIG											
	Senior Manager Technical	Refurbishment of Namakgale stadium	R 7 628 700.00	01/07/21	30/06/22		Construction Site meeting		On programme		Progress reports and completion certificate
	Senior Manager Technical	Tambo phase 2 Street paving	R18 000 000.00	01/07/21	30/06/22		Construction Site meeting		On Programme	The Project is on-hold from September 2021 to date due to disputes between contractor and subcontractor over payment of claims. The contractor was given letter of intention to terminate the contract.	Progress reports and payment certificate
	Senior Manager Technical	Upgrading of B1 extension	R 6 272 050.00	01/07/21	30/06/22		Evaluation, adjudication, appointment of contractor, Handover of the site construction	The Contractor was appointed on the 07 <sup>th</sup> December 2021.	On programme	The Contractor to commence with the actual works on site in January 2022 after Builders Holiday.	Progress reports and payment certificate



# Assessment for service providers

## Ratings

Rating	Description of rating
1	Poor Performance
2	Fair Performance
3	Good Performance
4	Very Good Performance
5	Performance Above Expectations



Project name	Scope of work	Name of the Service provider	Source of funding	Start date	Completion date	Budget	Progress to date	Challenges and intervention	Assessment of service provider	
									Poor, Fair, Good, Very good & Above expectations	Quarter 2
Provision of services to the waste disposal site in Ba-Phalaborwa	Compaction, excavation and hauling of gravel material for cover in the landfill site	Theuwedi Trading Enterprise	Ba-Phalaborwa Municipality	01-12-2018	31-01-2022	Operational Budget	Daily operation that is done according to the requirements of the landfill site license.	Monitoring of underground water. Waste quantity entering the landfill site need to be submitted. Waste quantities where submitted to SAWIC. The monitoring of underground water and other needed reports will form part of the new SLA as the current SLA is coming to an end.	Good	
Valuation Roll 2019 – 2023	General valuation roll and Supplementary valuation Roll	DDP Valuers (PTY) (LTD)	Ba-Phalaborwa Municipality	16-01-2019	01-06-2023	R2 300 000,00	General valuation completed and Supplementary 1 to 3 has been completed currently working on supplementary 4	Omissions of properties and difficulties of finding ownerships of unregistered properties	Good	
Transfer of Namakgale D,C and Lulekani A	Transfer of Namakgale D,C and Lulekani A	Mahumani INC.	Ba-Phalaborwa Municipality	July 2020	End of 2022 FY		Namakgale –D completed and busy with Namakgale-C resurveying completed.	Double registration of some properties in Namakgale –C. Some properties are registered in both the old the new number.	Very Good Performance	
Provision of professional services for the preparation of Annual Financial Statements and Compilation of	Preparation of Grap compliance fixed asset register and Annual Financial Statement	Sempro Consulting	Own Funding	01 July 2021	30 June 2024	R 13 839 275,00	2020/21 Grap Compliance FAR and AFS were prepared and audited by AG	None	Good	

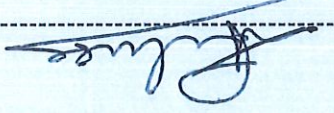


Asset register for period of three years																		
Vat Recovery And Reconciliation For A Period Of Three (3) Years	Preparation and submission of VAT returns	PK Financial Consultants	Own Funding	Jan-19	Dec-21	Rate of 12.5% including vat of all successful Vat recovery on behalf of the municipality	Vat returns were submitted to Sars	AG identified that the VAT recons were not properly done	Fair									
Meter reading and meter maintenance for a period of three years	Meter Readings	Baatshuma Electrical (PTY) LTD	Own Funding	Oct-18	Oct-21	Rates as per the SLA	Water and Electricity meters were read and replaced.	None	Good									
Upgrading of B1 Extension	Upgrading of 1km from gravel to tar, layer works and road surfacing with 30mm continuously graded asphalt	Gumela General Dealer and Projects	MIG	09/12/2021	09/06/2022	R7 019 999.99	Site handed over and the site has been established.	None	None									
Electrification of 500 houses in sebera	Installation of electricity in 500 houses at Sebera Village	Lernat JV Phandzani	INEP	01/10/2021	30/06/2022	R9 000 000.00	Designs approved by Eskom, construction to commence	None	Good									
Electrification of 314 houses in Majeje and 14 in Hectorville	Installation of electricity in 314 houses at Majeje Village	AES JV Capotex	INEP	01/10/2021	30/06/2022	R5 600 000.00	Designs approved by Eskom, construction to commence	None	Good									
Electrification of 300 houses in Graden view	Installation of electricity in 300 houses at Gardenview Village	AES JV Capotex	INEP	01/10/2021	30/06/2022	R5 400 000.00	Designs approved by Eskom, construction to commence	None	Good									
									None									







<p><b>Approval by the Mayor</b></p> <p>This SDBIP is a management and implementation plan (and not a policy proposal) and is therefore not required to be approved by the Council. The approval of the SDBIP is a competency reserved for the Municipal Manager and the Mayor of the Municipality in terms of Section 53 of the MFMA. The Municipal Manager becomes responsible for ensuring that the SDBIP is submitted to the Mayor within 14 days of approval of the adjusted SDBIP and the Budget and approved within 28 days of the approval of the IDP and Budget.</p>	
<p><b>Monitoring</b></p> <p>Implementation of the SDBIP</p> <p>Progress against the objectives set out in the SDBIP will be monitored and reported on a monthly, quarterly, half-yearly and annual basis.</p>	
<p><b>2021-22 Second Quarter Complied by:</b></p> <p>Dr KKL Pilusa            Acting Municipal Manager</p> <p>Date          24/01/2022</p>	<p><b>Signatures</b></p>



# Annexure A

## Methodology

Ba-Phalaborwa Municipality uses the cumulative method on reporting the actual on the Service Delivery Budget Implementation Plan.

## Technical Definitions

**AFS**

AFS stands for Annual Financial Statements

**BPM**

BPM stands for Ba-Phalaborwa Municipality

**HH**

Household

**Baseline**

The performance of the previous year

## Urban Areas

The urban areas refers to Phalaborwa, Namakgale, Lulekani and Gravelotte.

## Reduction in water losses

This is calculated as follows: Lepelle bill less BPM bill / Lepelle bill x 100.

## Reduction in electricity losses

This is calculated as follows: Eskom bill less BPM bill / Eskom bill x 100.

## 2.1 Kilometres of roads upgrade from gravel to tar/paving

This relates 0.8 Benfarm, 0.7 km of Tambo phase 1 and 0.6 Tshelang kgape

## Rehabilitation

Replacement of old road surface (tar) with a new one.



Number of development (land use) applications received/ applications processed in terms of SPLUMA

**No. SPLUMA Applications**

**SPLUMA – Spatial Planning Land Use Management Act 2013**

**SMME- Small, Micro, Medium Enterprise**

**Tourism Indaba – Procurement of promotional materials**

**September Tourism Month – Spring Day, Orchid Show, Heritage Day Celebration, 2 Tourism Workshops and Marathon.**

**Tourism Initiatives Activities**

Arrangement of offices, bringing the machinery and equipment onsite.

**Site Establishment/ Set-up Construction Site**