

***Ugu District  
Municipality***

***Together Building A Better District***

# **UGU DISTRICT MUNICIPALITY PERFORMANCE MANAGEMENT REVIEW**

## **2019/2020 QUARTER 3 PERFORMANCE ANALYSIS REPORT**



**Ugu District  
Municipality**

# **PRESENTATION OVERVIEW**

1. PURPOSE OF THE REPORT AND BACKGROUND
2. KEY PERFORMANCE AREAS
3. REPORTING METHODOLOGY
4. DEPARTMENTAL PERFORMANCE
5. OVERALL ORGANISATIONAL PERFORMANCE
6. CLOSURE



***Ugu District  
Municipality***

# 1. PURPOSE AND BACKGROUND OF THE REPORT

## Purpose

- To provide performance analysis for the 2019/2020 Quarter 3 financial year.
- To identify early warning signs where targets are not going to be achieved and areas of delivery lagging behind
- To evaluate the quality of the actual results delivered by programmes in the attainment of strategic objectives
- To provoke recommendations and suggestions for service delivery improvement
- To ensure accountability between the administration; political component and the public
- Promotes a culture of performance
- Support municipal oversight
- Promote Developmental Local Government
- Facilitates decision making to allow for efficient and effective allocation of resources



**Ugu District  
Municipality**

# Background

- SDBIP serves as a contract between administration, Council and community set by Council as quantifiable outcomes to be implemented over 12 months.
- It provides vital link between the Mayor, Exco and administration and facilitates the process for holding management accountable for its performance
- It is the management implementation and monitoring tool which sets in-year, quarterly service delivery and monthly budget targets and links each service delivery output to the budget of the municipality. The SDBIP is politically driven and managed by Exco

## Milestones achieved to date

- 2019/2020 SDBIP approved within legislative framework prescription
- 2019/2020 SDBIP published within 14 days of approval
- Performance agreements for S54 and 56 were signed with the legislative timeframe- 11 July 2019
- Performance report together with the draft 2018/19 submitted to AG within compliance timeframe 31 August 2019
- All performance reviews conducted within the compliance timeframe

## 2. KEY PERFORMANCE AREAS

### 1. Municipal Transformation and Institutional Development

- Performance Management System
- Human Resources Development And Management
- Legal Services
- Secretariat and Auxiliary services
- Information Communication Technology (ITC)
- Fleet Management
- Occupational Health And Safety

### 2. Local Economic Development

- Local Economic Development
- Job Creation facilitation
- Poverty Alleviation facilitation
- Economic sector development
- Improvement of community socio-economic conditions
- Creation of an enabling environment for business investment and thriving
- Economic Research and Development

## **2. KEY PERFORMANCE AREAS**

### **3. Basic Service Delivery**

- Provision and management of Water And Sanitation
- Water And Sanitation Infrastructure development and Maintenance
- Provision of Free Basic Services

### **4. Good Governance and Community Participation**

- Internal Audit And Risk Management
- Community Participation
- Mayoralty And Communication
- Intergovernmental Relations
- Special Programmes
- Youth Development
- HIV And AIDS



***Ugu District  
Municipality***

## **2. KEY PERFORMANCE AREAS**

### **5. Municipal Financial Viability and Management**

- Municipal budget management
- Municipal Revenue Collection and Expenditure Management
- Municipal Assets Management
- Municipal Supply Chain management

### **6. Cross-cutting Intervention**

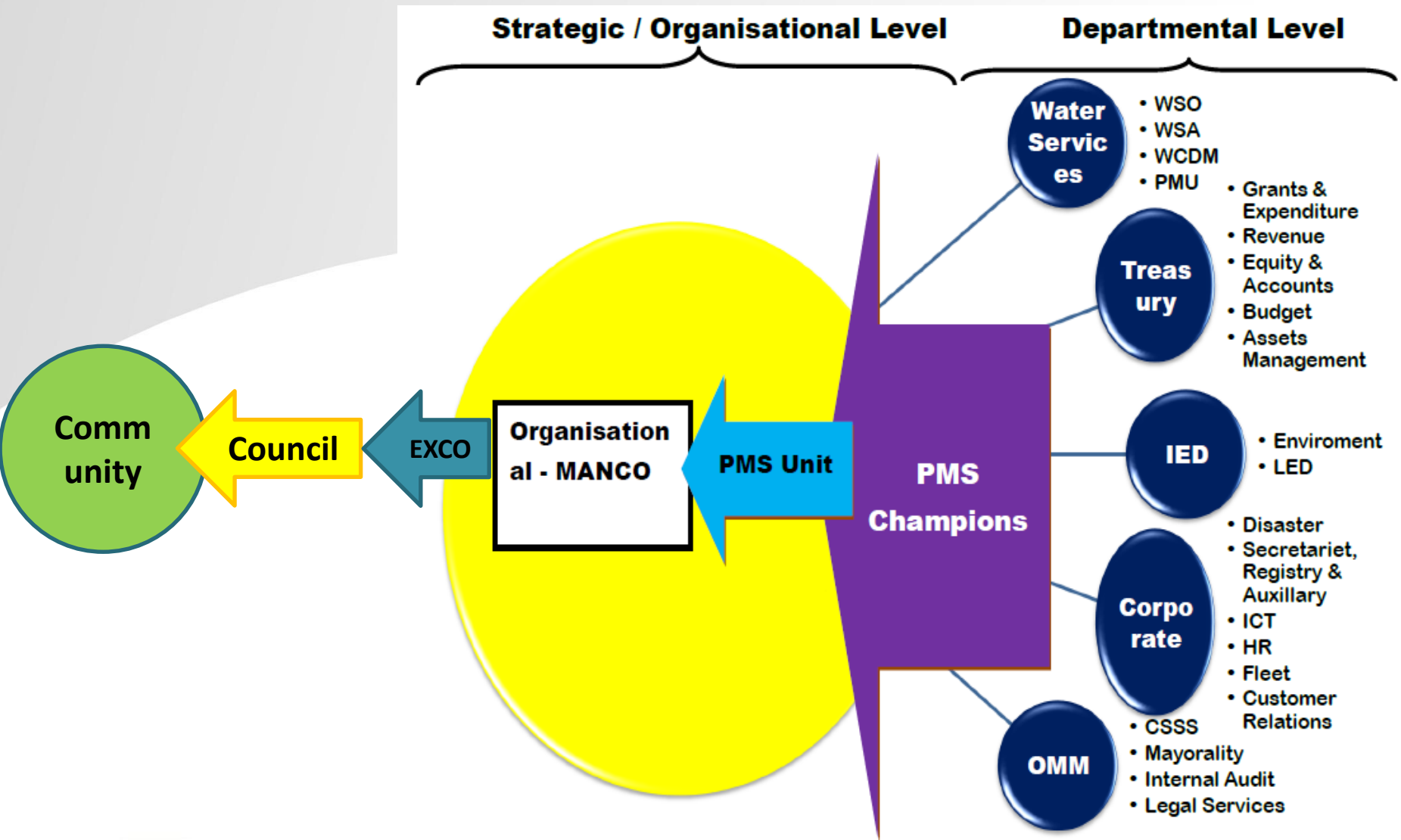
- Development, Statutory and Strategic Planning
- Environmental Services
- Disaster Management and services



**Ugu District  
Municipality**



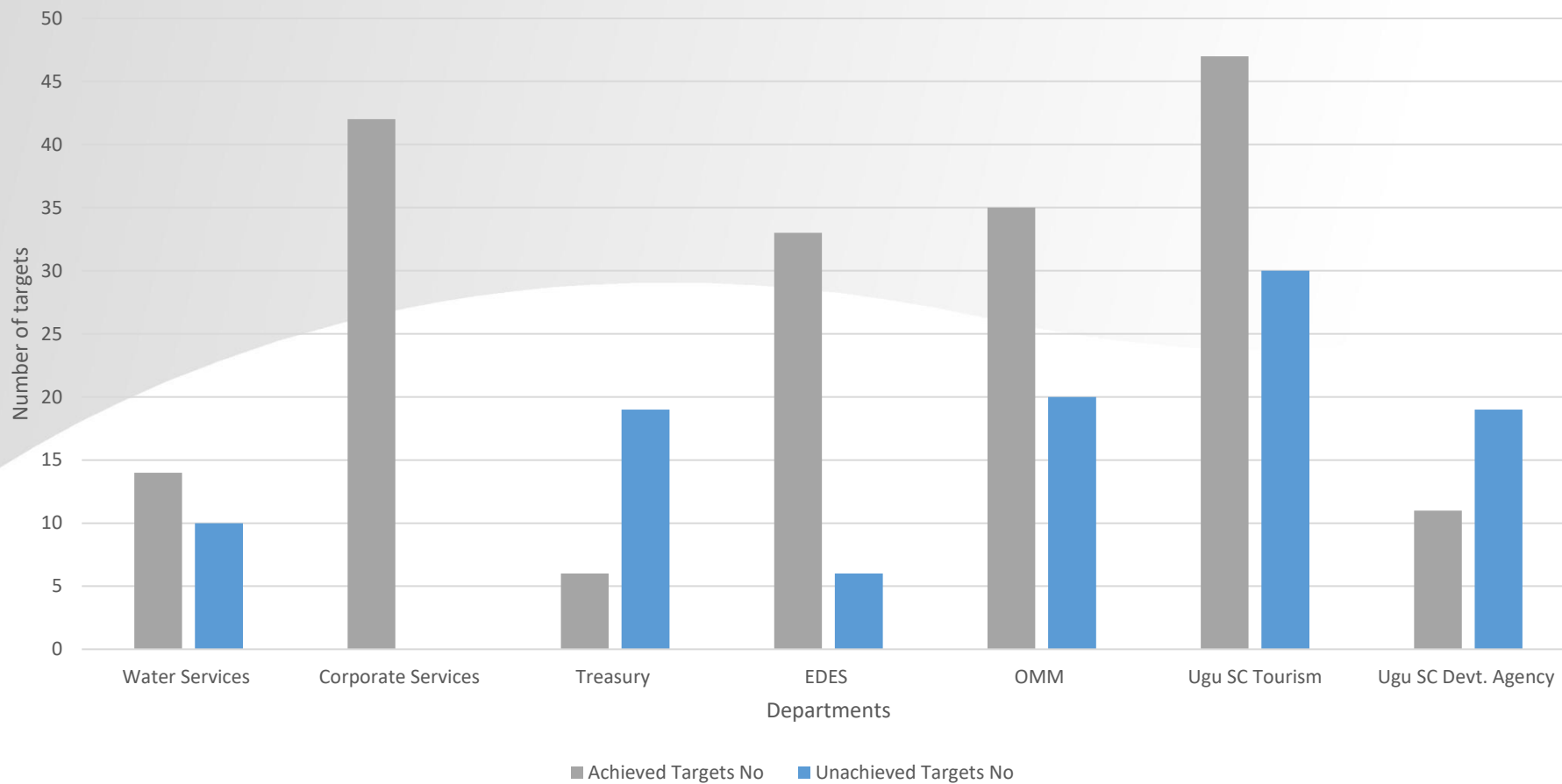
### 3. REPORTING METHODOLOGY



# DEPARTMENTAL PERFORMANCE: 2019/20 – QUARTER THREE

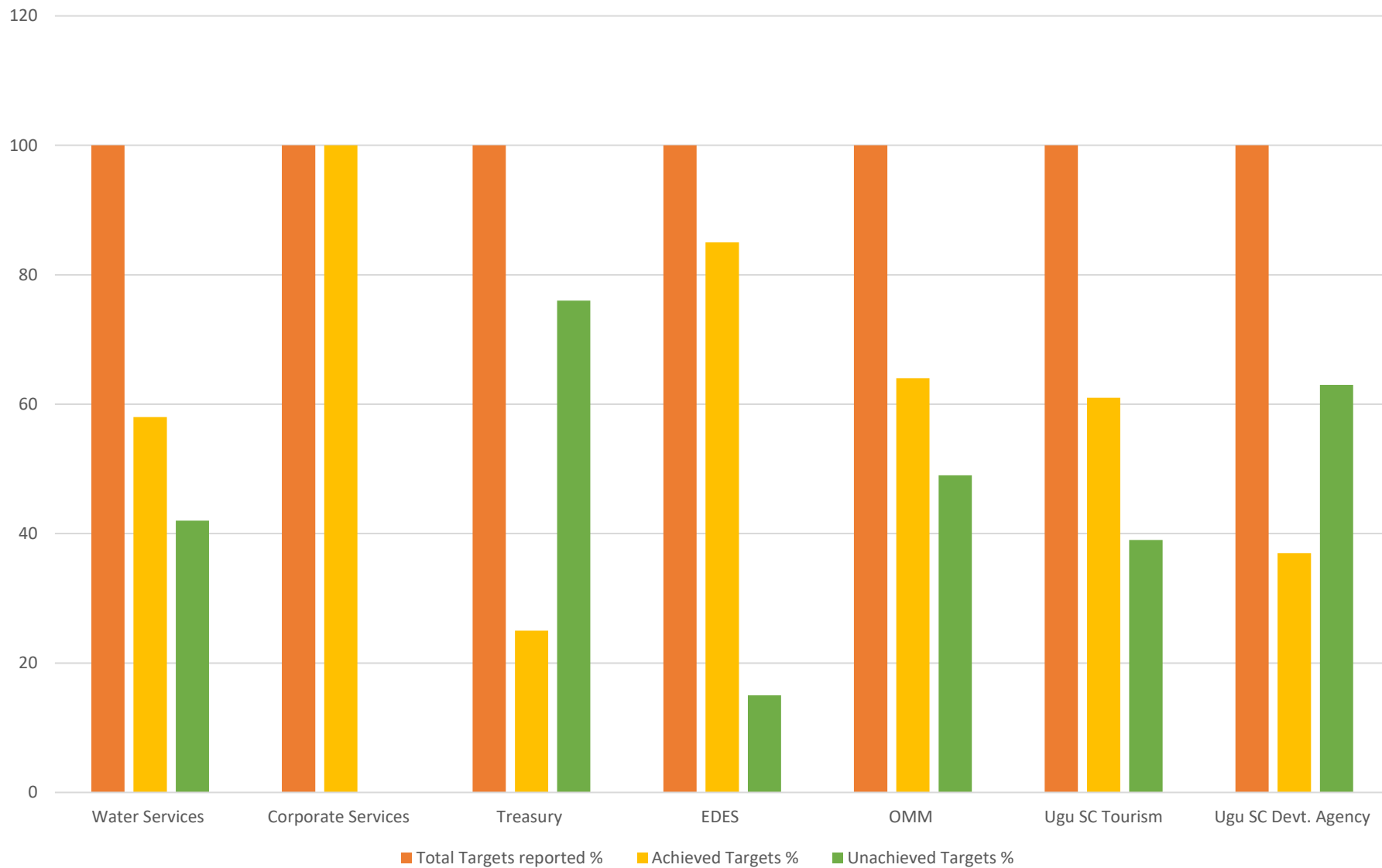
| PMS Review Performance Analysis |                        |     |                  |     |                    |    |
|---------------------------------|------------------------|-----|------------------|-----|--------------------|----|
| Department                      | Total Targets reported |     | Achieved Targets |     | Unachieved Targets |    |
|                                 | No                     | %   | No               | %   | No                 | %  |
| Water Services                  | 24                     | 100 | 14               | 58  | 10                 | 42 |
| Corporate Services              | 42                     | 100 | 42               | 100 | 0                  | 0  |
| Treasury                        | 25                     | 100 | 6                | 25  | 19                 | 76 |
| EDES                            | 39                     | 100 | 33               | 85  | 6                  | 15 |
| OMM                             | 55                     | 100 | 35               | 64  | 20                 | 49 |
| Ugu SC Tourism                  | 77                     | 100 | 47               | 61  | 30                 | 39 |
| Ugu SC Devt. Agency             | 30                     | 100 | 11               | 37  | 19                 | 63 |
| Total                           | 292                    | 100 | 188              | 62  | 104                | 38 |

GRAPH SHOWING 2019/2020 Q3 PMS ANALYSIS

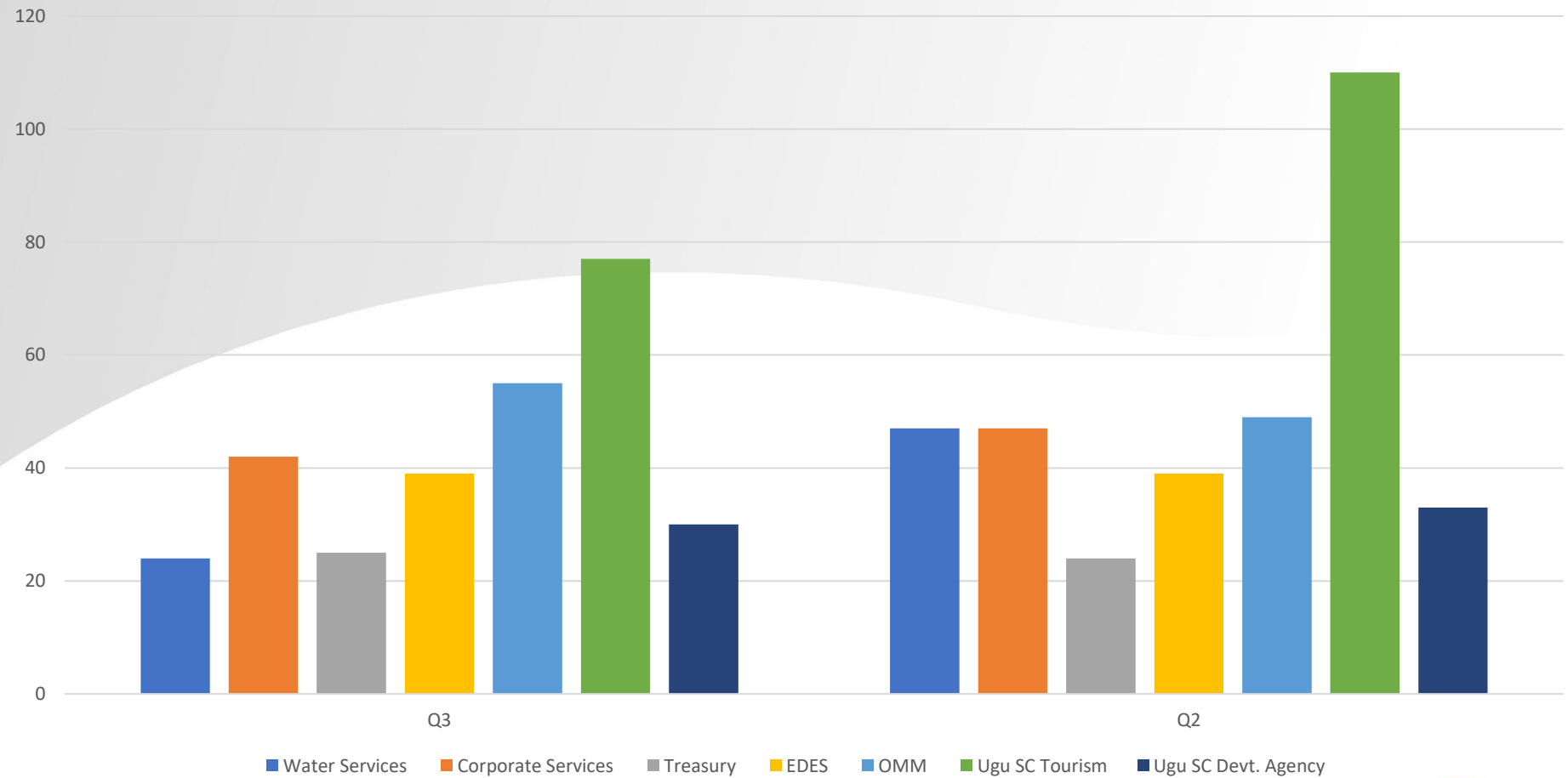


**Ugu District  
Municipality**

Graph Showing % Achieved vs Unachieved



GRAPH SHOWING 2019/2020 Q2 AND Q3 PERFORMANCE ANALYSIS



**Ugu District  
Municipality**

# GENERAL CHALLENGES

## WATER SERVICES

Mechanical and budgetary challenges

## BUDGET AND TREASURY

Emergency work done had exceeded the budget allocation

The payments for road reinstatements, emergencies and all

Low collection from consumers and High Spending on Projects

Municipality is experiencing Cash flow challenges, and delays the payment of service providers.

Municipality is experiencing Cash flow challenges, and incur interest for late payment of invoices from service providers.

The municipality is experiencing cash flow challenges and have cut down the use of external water tankers to supply water to the communities

The September quarterly report was delayed and only submitted to council in

December - Revised timeframe = 31 March 2020

Low collection from consumers and High Spending on Projects



**Ugu District  
Municipality**

# **GENERAL CHALLENGES**

## **BUDGET AND TREASURY Conti.....**

9. The implementation of the mSCOA compliant financial system with regards to the Billing module is now in its 2nd year but we still have unresolved issues regarding the billing of accounts. Some of the processes are compromising the credibility and accuracy of the invoices that we sent out to the customers. This has led to customers raising disputes on their account and not paying their accounts.
10. The service provider could not read all the meters due to bad weather conditions since it was the rainy season
11. Poor performance by the service provider, citing complexities related to mSCOA.

# GENERAL CHALLENGES

## ECONOMIC DEVELOPMENT AND ENVIRONMENTAL SERVICES

1. Focus changed as COVID 19 trainings had to be prioritised and tracing contacts
2. Fleet challenges, vehicles sent for repairs
3. Facilities closed down due to unreliable water supply & sugar cane stocks affecting productivity

## OFFICE OF THE MUNICIPAL MANAGER

1. Financial performance including cashflow challenges have led to the overall negative scores
2. Suspended shop stewards case is still pending, postponed further due to covid 19 pandemic.
3. Leave forms were submitted without the managers reviewing properly
4. Financial constrains experienced by the Entity
5. Follow up of Risk mitigation plan has not been conducted by Provincial Treasury



**Ugu District  
Municipality**



# GENERAL CHALLENGES

## OFFICE OF THE MUNICIPAL MANAGER cont.....

1. Financial performance including cashflow challenges have led to the overall negative scores
2. Suspended shop stewards case is still pending, postponed further due to covid 19 pandemic.
3. Leave forms were submitted without the managers reviewing properly
4. Financial constrains experienced by the Entity
5. Follow up of Risk mitigation plan has not been conducted by Provincial Treasury
6. Follow up of Risk mitigation plan has not been conducted by Provincial treasury
7. No Human resource to perform the function



**Ugu District  
Municipality**

# GENERAL CHALLENGES

## OVERALL CHALLENGES

1. PMS not taken seriously in the organisation
2. Departments still interfering with provided template resulting in incorrect reporting
3. Lack of truthful reporting which shows true reflection of operations
4. Lack of responsibility and ownership
5. Late submission of report
6. Departments not amending reports as per recommendations from the pre-reviews
7. Targets not SMART



**Ugu District  
Municipality**

# THANK YOU



**Ugu District  
Municipality**