



uMvoti Municipality
DRAFT ANNUAL
PERFORMANCE REPORT
2022/2023

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1. MUNICIPAL MANAGER'S OVERVIEW

Section 121 of the Municipal Finance Management Act (MFMA) read together with Section 46 of the Municipal Systems Act 32 of 2000 regulates the manner in which the Accounting Officer should prepare the Annual Performance Report. The municipality has been given powers and functions in terms of section 156 of the Constitution of the Republic of South Africa Act 108 of 1996, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.

The municipality has been conducting its affairs through an integrated approach by setting its targets in line with the Key Performance Areas as outlined in the Integrated Development Plan as well as Back to Basics as follows:

- ✚ Basic Services
- ✚ Local Economic Development
- ✚ Financial Viability and Management
- ✚ Municipal Transformation and Organizational Development
- ✚ Good Governance and Public Participation
- ✚ Cross Cutting Interventions

The preparations of this year's annual performance report comes at a time when the country and the local municipality is facing weak position in the economy, as well as electricity crisis resulting in load shedding, however, the municipality has put measures in place to ensure that there are no major disruptions in the day to day running of the entity. Despite the challenges encountered by the municipality during the year under review uMvoti Municipality remains committed to the attainments of its service delivery priorities.

The municipality through Municipal Infrastructure Grant (MIG) during 2022/2023 financial year implemented projects in various municipal wards as follows:

- ✚ Rehabilitation of Urban Greytown Roads
- ✚ Rehabilitation of Dr Wessel
- ✚ Construction of Enhlalakahle Sports field
- ✚ Construction of uMvoti Ward 1 sports field
- ✚ Construction of Candabuthule Sportsfield

The Municipality through Integrated National Electrification Programme (INEP) during the 2022/2023 financial year implemented projects in various municipal wards as follows:

- ✚ Esitikitikini electrification
- ✚ Vovonya electrification

The Municipality commend Budget and Treasury Office on implementing the Council decision on debt incentive programme to reduce the debtors book which gave a positive impact. The municipality was able to collect revenue up to 102% as at 30 June 2023 which impacted on reducing the debtor's book by 2%.

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The municipality was able to maintain its financial obligation in the year under review. The municipality is in a process of reducing the utilisation of contracted services to improve the financial health of the organization.

In conclusion, it is important to note the support that has been received from His worship the Mayor, Deputy Mayor, Speaker, Executive Committee and Council as it was encouraging during difficult times. The municipality would like to take this opportunity to thank the Internal Audit, Audit Committee, Municipal Public Accounts Committee and stakeholders most particular KZN COGTA, Provincial Treasury, KZN Department of Human Settlements, the office of the Auditor General and all other key stakeholders for their continued dedication and support in the 2022/2023 financial year.

NP Ndaba (Ms)

Municipal Manager

1. INTRODUCTION

UMvoti Municipality 2022/2023 Annual performance report reflects the institution's service delivery and developmental achievements, as well as challenges, in recognition of the municipality's obligation to be an accountable, transparent and efficient organization, and the municipality's financial position. The compilation of this report is done in compliance to various pieces of legislation. Key amongst such legislations is Local Government: Municipal Systems Act (MSA) No. 32 of 2000, Local Government: Municipal Finance Management Act No 56 of 2003, and National Treasury Circulars (circulars 11 and 63). Section 46 of MSA state that a municipality must prepare for each financial year a performance report and further that the referred to report must form part of the municipality's annual report for each financial year in terms of chapter 12 of the MFMA . This annual performance report is a reflection of the municipality's actual performance in relation to what was planned for in the IDP and SDBIP. It is therefore a post-reflection of planned targets and their actual performance with a provision for reasons for variance as well as mitigating/corrective measures taken. This report of the uMvoti Municipality is aligned to the municipal IDP and Budget for the 2022/2023 financial year and that it is aligned to the Service Delivery and Budget Implementation Plan and in-year reports.

2. PURPOSE OF THE ANNUAL INSTITUTIONAL PERFORMANCE REPORT

This Annual Performance Report Seeks To Attain The Following Purposes:

- a. The provision of a report on performance in service delivery and budget implementation plan for the 2022/2023 financial year ;
- b. To promote transparency and accountability for the activities and programmes of the municipality in relations to the six key performance areas ;
- c. To provide a record of activities of the municipality for the 2022/2023 financial year to which this report relates.

3. LEGISLATIVE REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of Section (46) of the Local Government Municipal Systems Act, 32 (Act 32 of 2000) which stipulates as follows:

- (1) A municipality must prepare for each financial year a performance report reflecting
 - a) The performance of the municipality and each external service provider during the financial year.
 - b) A comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year and
 - c) Measures taken to improve performance.

In addition , Regulation (7) of the Local Government Municipal Planning and Performance Management Regulations, 2001 states that “A municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and process of performance planning , monitoring , measurement , review , reporting and improvement will be conducted, organized and managed , including determining the roles of the different role players .” Performance management is not only relevant to the organization as a whole but also to the individuals employed in the organization as well as external service providers and the municipal entities.

4. THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

- a. The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the Municipality are implemented. It also allocates responsibility to departments to deliver the services in terms of the IDP and Budget.
 - a) *The MFMA Circular No.13 prescribes that:*
 - b) *The IDP and budget must be aligned;*
 - c) *The budget must address the strategic priorities;*
 - d) *The SDBIP should indicate what the municipality is going to do during next the 12 months; and*
 - e) *The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.*
- b. The SDBIP was prepared and adopted Council on the 29 June 2022. The adjustment budget 2022/2023 and the Service Delivery Budget Implementation Plan was reviewed and adopted by Council on the 27th February 2023.
- c. The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

COLOUR	CATEGORY	EXPLANATION
Blue	Target Exceeded	Actual vs Target 101% and above
Green	Target Achieved	Actual vs Target 100% Achieved
Red	Target Not Achieved	Actual vs Target less than 50%

5. PERFORMANCE MANAGEMENT PROCESSES

The Performance Management Framework and performance procedures and processes for uMvoti Municipality were reviewed internally and was adopted by Council on the 29 June 2022, furthermore the performance agreements for the Senior Managers were signed on the 06th July 2022 and submitted to the Department of Cooperative Governance and Traditional Affairs on the 06th July 2022.

The Organizational Performance Management framework was implemented and monitored on a monthly and quarterly basis in the 2022/2023 financial year through various Municipal Governances Structures. The informal Organizational Performance Management Reviews were conducted in various Management Committee and Extended Management Committee meetings in order to be in line with the Organizational Performance Management Framework.

The Audit and Performance Audit Committee was fully functional during the year under review. The Committee meetings were convened on a quarterly basis in order for the committee to exercise its oversight role and seven committee meetings were held for the year under review, 5 Audit and Performance Audit committee meetings and 2 Special Audit and Performance Audit Committee Meetings

The Municipal Public Accounts Committee was functional during the year under review and exercised its oversight role in monitoring the financial and organizational performance of the municipality, five (5) MPAC meetings were held for the year under review.

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6.1 COMPLIANCE CHECKLIST

No.	DESCRIPTION	DUE DATE	STATUS
1	Adopted IDP – S25 MSA.	30 May 2022	Adopted by Council on the 30 th May 2022 and advertised on the 15 June 2022
2	Post IDP on Website – S75 MFMA.	30 June 2022	Posted on municipal website on the June 2022
3	Submit adopted IDP to MEC – S32 MSA	Within 14 days after adoption of the IDP.	Submitted to COGTA on the 9 June 2022
4	Approved SDBIP – S44 MSA	30 June 2022	Adopted by Council on the 29 June 2022 and advertised on the 9 th July 2022
5	Signed S57 Managers' Performance Agreements – S53 MFMA and S57 MSA.	14 Days after approval of the SDBIP, submission to COGTA by 06 th July 2022	Signed on the 06 th July 2022, advertised on the 9 th July 2022 and submitted to COGTA on the 06 July 2022
6	Mid-year budget and performance assessment submitted to the Mayor – S72 MFMA.	27 January 2023	27 January 2023
7	Changes to SDBIP targets are approved	Mid-Year	Approved by Council 27 February 2023
8	Review PMS Framework and prepare draft PMS scorecard for inclusion into draft IDP (Ensure draft scorecard indicators are aligned to IDP objectives).	30 June 2022	30 August 2022
9	Draft 2021/2022 Annual Performance Report – S46 MSA.	31 August 2022	31 ugust 2022

7. THE ROAD MAP

The attached SDBIP report of the uMvoti Municipality is a product of in-year reports, which have been consistently submitted to council and its committees. Upon the Council approval of the 2022/2023 SDBIP on the 29th June 2022, the Municipality facilitated the signing of performance plans and agreements by the Senior Management team led by the Acting Accounting Officer.

8. AUDITOR-GENERAL'S ISSUES RAISED IN THE 2021/2022 ANNUAL PERFORMANCE REPORT AND MANAGEMENT'S CORRECTIVE MEASURES

8.1 2021-2022 AUDIT OUTCOMES

The 2021/2022 Report issued by the office of the Auditor-General highlighted issues that need to be corrected by management of uMvoti Municipality. The issues included compliance to legislation, internal controls and governance related issues. The Management of uMvoti Municipality developed an Audit Action Plan to address the issues raised in the Auditor-General's Report. The Audit Action Plan was submitted to Council, Internal Audit, Audit Committee and KZN COGTA with the measures in place to address the issues raised. This was done to ensure that management measures are adequate to correct the issues raised.

Management was responsible for the implementation of the 2021/2022 AG Action Plan. Coordination and the monitoring for the implementation of the Action Plan was done through the office of the Municipal Manager supported by all five (5) directorates. In terms of providing oversight to the process, the AG Action plan was discussed monthly at MANCO meetings to monitor progress on the implementation of the 2021/2022 AG Action Plan. The AG Action Plan was tabled to Council. At the time of compiling this report, the municipality had 21 findings and 19 were completely resolved and 2 were ongoing. In the 2 that are ongoing the municipality is trying other means to resolve them

8.2 The 2021/2022 Auditor General Queries on Performance Management and the status of addressing these queries are as follows:

No	FINDING NAME	AUDIT FINDING	ROOT CAUSE	AUDIT RECOMMENDATION	MANAGEMENT PLANNED ACTION	TARGET DATE	PROGRESS TO DATE	OVERALL STATUS
1	Performance targets not specific	"a) The following targets were not specific to enable data to be collected and measured consistently. - Percentage of motor vehicles and plant serviced by 30 June 2021 (Outsourced) - Percentage of motor vehicles and plant repaired by 30 June 2021 (outsourced)"	Management did not perform adequate reviews to ensure that developed targets are specific in terms of what was planned to be achieved.	Management should ensure that all indicators are well defined so as to ensure that the data is collected and reported consistently.	Indicators and planned targets will be reviewed to ensure that all indicators are well defined.	31 January 2023	The planning documents (SDBIP) has been reviewed and aligned to recommendations made by AG. The SDBIP review was approved by Council on the 27th February 2023...	Complete
2.	AOPO: Reported achievement is not accurate (overstated)	The reported targets and achievement on the indicator includes the prepaid customers who are not billed by the municipality on a	Management did not implement proper record keeping in a timely manner to ensure that	Management should ensure that adequate controls are implemented to ensure that reported information is accurate as supported by portfolio of evidence.	The performance targets will be reviewed at Midyear to only include customers who are billed on usage.	31 January 2023	The planning documents (SDBIP) has been reviewed and aligned to recommendations made by AG. The SDBIP	Complete

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		monthly basis as they are not billed on usage. The reported achievement of 5254 cannot be corroborated by the portfolio of evidence therefore resulting in an overstatement.	complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management did not perform adequate reviews to ensure that reported information is supported by accurate portfolio of evidence.				review was approved by Council on the 27th February 2023.	
3	AOPO: Reported achievements are not accurate (understated)	Indicators that have been understated: Number of billed businesses with access to electricity (municipal licensed area), Number of billed households	Management did not implement proper record keeping in a timely manner to ensure that	Management should ensure that adequate controls are implemented to ensure that reported information is accurate as supported by portfolio of evidence.	The Municipality will ensure that the reported achievement as at year end (APR) is the highest customers within the financial year	31 August 2022	Management has ensured that the reported achievement on a quarterly basis is the highest customers within the quarter and	Complete

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		with access to weekly solid waste removal(Licensed Area- ward 5,7,9 and 10); Number of billed businesses with daily access to solid waste removal (Licensed Area-ward 5,7,9 and 10)	complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management did not perform adequate reviews to ensure that reported information is supported by accurate portfolio of evidence.		and not that as at 30 June.		not the last month of the quarter. The actual in the APR will be the highest for the financial year and not the last month of the financial year.	
4	AOPO: Measures to improve performance not supported by appropriate evidence	Indicator: Percentage of Khokhoba Road completed by 30 June 2022. The planned target for the indicator was 15% of progress	Management did not implement proper record keeping in a timely manner to ensure that	Management should ensure that measures to improve performance are supported by appropriate audit evidence.	Management will ensure that detailed reasons for non-achievement supported by appropriate audit evidence is	quarterly and 31 August 2023 (APR)	The Reasons for non-achievement and corrective measures are NOW included on a quarterly basis and are	Quarterly reportProject has been completed

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		however the municipality only achieved 10%	complete, relevant and accurate information is accessible and available to support financial and performance reporting. Management did not implement adequate controls over the process of compiling and reviewing the APR in order to achieve accurate reporting.		provided on a quarterly basis and for the APR.		supported by evidence if required.	
5	AOPO: Reported indicator is not well defined	Indicator: Number of HPS and MV Streetlights replaced to LED in wards 7, 9 and 10 by 31 June 2021. The indicator is not	Management did not review and monitor compliance with applicable	Management should improve on the review of the SDBIP prior to approval	Management will ensure that a detailed review of the SDBIP is conducted at Midyear, taking into consideration	31 January 2023	The planning documents (SDBIP) has been reviewed and aligned to recommendations made by AG.	Complete

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		well defined as the date documented for the target is 31 June 2021 and through enquiry with management it was noted that this was a human error.	laws and regulations. Management did not perform adequate reviews to ensure that developed indicators are well defined.		comments from Internal audit.		The SDBIP review was approved by Council on the 27th February 2023.	
6	AOPO- The municipality does not have documented Technical indicator	The municipality does not have documented Technical indicator descriptions for the KPA's, as a result some of the indicators are not well defined.	Management did not develop and monitor the implementation of action plans to address internal control deficiencies. Management did not ensure that all indicators have TID's	Management should ensure that technical description indicators are developed for the development priorities.	Technical Indicator descriptions are in the process of being developed in consultation with COGTA.	30 June 2023	The Municipality has sourced assistance from COGTA , who is assisting the Municipality to develop TID's. The TIDs will be considered for SDBIP 23/24	Ongoing – COGTA is providing guidance and support for 23/24 TIDs

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9. RISK MANAGEMENT SUMMARY 2022/2023

Section 62(i) (c) of MFMA requires a municipality to have and maintain an effective, efficient and transparent system of risk management.

A risk assessment was facilitated by the Risk Management Committee Chairperson, Ms T Mpetsheni on the 09th June 2022 and the risk register was updated capturing all risks identified and confirmed by management during the assessment. A risk register monitor was identified as being a prerequisite to effective risk management. Risk register monitoring has continued throughout the financial year. The municipality's risk maturity profile has moved from low to moderate.

Council is committed to risk management and processes are in place to improve the risk management maturity profile. Key to this was the development and approval by council of the risk management framework and risk management policy and strategy. To entrench the concept of risk management in the day-to-day activities of management, the focus and implementation of risk management continues to be an integral part of the balanced scorecards of senior management. In order to evaluate and drive the municipality's performance in risk management the process is guided by a risk committee. It is recognized that risk management is an ongoing process and procedures are in place to identify and include in the monitoring process any emerging risks that might occur.

a. TOP TWO (2) RISKS PER DEPARTMENT, MITIGATING MEASURES, AND STATUS TO DATE

MUNICIPAL MANAGER							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
1	Decline of Municipality's going concern	To source funding from DBSA to replace the electricity metering system from conventional to prepaid. -To source funding from Development Bank of South Africa to replace the Electricity Metering System from conventional to prepared.	Ongoing	Conversion of 4481 households in wards 7,9 and 10 to prepaid metering system	2811 Households have been converted as at the 30 June 2023	To finalise the conversion of 1670 households by the 2023/2024 Financial Year.	Not Applicable as this risk is ongoing.
2	Ineffective implementation of	To develop and update the Risk Profile of the Municipality.	Achieved	Development and Review	Strategic, Operational		

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risk management processes	<ul style="list-style-type: none"> - Development of the Strategic Risk Register; - Updating of the Operational Risk Register; -Updating of the ICT Risk Register; -Development of the Fraud Risk Register. 		all of Strategic, Operational and ICT Risk Registers	and ICT risk registers were reviewed during annual risk assessments in the month of April 2023		
	<ul style="list-style-type: none"> To submit inputs for the position of the Risk Manager: -To submit inputs for the position of the Risk Manager during the review period of the municipal organogram. 	Not Achieved	To submit the Risk Manager position in the Organogram	Position will be incorporate in 2024/2025 financial year, due to the Municipal financial constraints	The risk management officer was appointed in the Risk Management Unit	Not applicable as the is a risk management officer assigned to perform the unit tasks
	Capacitate Risk Management Officer and Departmental Risk Champion	Achieved	Provision of training to the Risk Management Officer and Departmental Risk Champions	Training for departmental risk champions was conducted on the 16 September 2022, and the Risk Management Officer attended the CIGFARO conference		

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					which was held in October 2022.		

PLANNING SERVICES							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
1.	Inadequate compliance with the town planning and building control legislations and by-laws	To implement the Single Land Use Scheme	Achieved	Processing of SPLUMA Development application	Applications are processed upon receipt		
		Implementation of the Town Planning and Building Control By-Laws.	Achieved	Ensuring that Town Planning and Buildings Control By-Laws are adhered to,			
		To implement the educational outreach program: - To implement a plan outlining the various activities and platforms to be utilised to reach out to the community and share information on regular basis. -quarterly	Not Achieved	Ensuring that on a quarterly basis the Planning departments conducts outreach programs on the Town Planning and Building Control By-Laws	None	Plan to be re-developed and implementation for 2023/2024 financial year.	
2.	Inadequate monitoring and strengthening	To develop a business compliance action plan	Not Achieved	Develop the business compliance plan	None	Plan to be re-developed and implementation for	

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of compliance within the formal and informal business sector (licenses, trainings)	-to include security related issues - peace officer (inspections)				2023/2024 financial year.	
	To follow-up on the approval and implementation of Informal Traders Tariffs: - To follow-up on the approval of informal traders tariffs by the magistrate court for informal traders operating without permits.	Not Achieved	Implementation of Informal Traders Tariffs	None		
	To resuscitate the LED forum	Achieved	Re-forming of the LED Forum	Invitations have been sent to Stakeholders for formulation of the Forum	Forum to start convening as from the 1 st quarter of 2023/2024 Financial Year.	

COMMUNITY SERVICES							
RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS		ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
Delayed response time to disaster management i.e.	To secure the fire engine for the Disaster Management Unit.	Achieved	Securing the Fire Engine		Fire engine has been allocated for Umvoti Local		

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COMMUNITY SERVICES							
RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS		ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
fire, rescue and natural disasters					Municipality for a period of 12 months		
	To acquire disaster rescue equipment for disaster management vehicles	Not achieved	acquire disaster rescue equipment for disaster management vehicles		None	To make budget provisions.	
	Conduct quarterly inspections on disaster resources (fire hydrants)	Achieved	quarterly inspections on disaster resources		Serving and inspection of all fire hydrants		
Inadequate testing station facilities	To acquire land to expand the testing station: - To follow up with the Planning Department on the processes of acquiring land to expand the testing station as per the developed business plan.	Achieved	To acquire land to expand the testing station: - To follow up with the Planning Department on the processes of		Follow up were done by the Director Community Services to Director Planning in terms of finalisation		

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COMMUNITY SERVICES							
RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS		ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
			acquiring land to expand the testing station as per the developed business plan.		of land swop.		
	To report progress on expansion of the testing station to Governance Structures: - To report progress on expansion of the testing station to all Governance Structures on a quarterly basis.	Not achieved	To report progress on expansion of the testing station to all Governance Structures on a quarterly basis.	None	No portfolio of evidence was provided.	Land expansion to be a standing MANCO item (testing station)	

BUDGET AND TREASURY OFFICE							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE

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1.	Awarding of contracts to poor performing service providers	Explore other Verification methods of information supplied by service providers -reference letters -Projects	Achieved	Verification methods of information supplied by service providers.	2 verifications were done.		
2.	Inadequate functionality of the inventory management system	Monitoring of the Fuel Management System: - Share the report on a monthly with Fleet Management Unit	Not Achieved	Monitoring of the Fuel Management System	None	Budget provisions for 2023/2024 Financial year to be made available, for repairing of the system.	
		Develop an action plan to address system challenges	Not Achieved	Develop an action plan to address system challenges	None		

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TECHNICAL SERVICES							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
1.	High rate of electricity distribution losses within municipal licensed areas	To monitor and implement the roll out of the Infrastructure Development Plan: - To report progress of the rollout on a quarterly basis.	Achieved	To report progress of the rollout on a quarterly basis.	various activities were carried out in terms of implementation of Infrastructure Development Plan which includes the conversion of metering system, hard disconnection, street light maintenance		
		To install LED and Solar streetlight in outstanding areas as per the plan.	Achieved	install LED and Solar streetlight	1135 have been installed		
		To finalise the roll-out of the installation of smart electricity meters: -Installation of Smart meters with data concentrator. Conversion to prepare electricity	Achieved	Conversion of 4481 households in wards 7,9 and 10 to prepaid	2811 Households have been converted as at the 30 June 2023	To finalise the conversion of 1670 households by the 2023/2024	Not Applicable as this risk is ongoing.

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TECHNICAL SERVICES							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
				metering system		Financial Year.	
		. To finalise the installation of motorised kiosk boxes	Achieved	Installation of 95 motorised kiosk boxes	95 motorised kiosk boxes were installed.		
		To facilitate training for Electrical Compliance	Achieved	Submission of training for Electrical Compliance	Submission was made to HRM unit for facilitation.		
2.	Delays in completion of project within specified timeframes.	To monitor the conduction of background verification of completed projects by Service Providers: -Background verification of completed projects prior appointments. -Verification of all service providers appointed as from 01 July	Not Achieved	monitor the conduction of background verification of completed projects by Service Providers	None		

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CORPORATE SERVICES							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
OT	Inadequate Occupational Health and Safety Management.	To conduct Occupational Health and Safety workshops to all health and safety committee members, first aiders and municipal officials - Sharing of municipal Occupational Health and Safety response measures as per the approved policy and plan.	Achieved	conduct Occupational Health and Safety workshops to all health and safety committee members, first aiders and municipal officials	The OHS workshop was conducted on the 28-29 September 2022		
		To conduct fire drills: - To be conducted at least twice a year.	Not Achieved	To be conducted at least twice a year.	None, No fire drills were conducted, some buildings do not have emergency exits which is hampering the issue of fire drills	Action to remain in the Risk register until addressed.	
		Signing off on health and safety reports by the Manager for Human	Achieved	ensure functionality of the unit	This is conducted monthly.		

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		Resources to ensure functionality of the unit and reporting incidents thereof		and reporting incidents thereof			
		To develop and adopt the Terms of Reference for the Occupational Health and Safety Committee.	Achieved	Develop and adopt the Terms of Reference for the Occupational Health and Safety Committee.	The Terms of Reference for the Occupational Health and Safety Committee were adopted on the 28 October 2022.		
2.	Inadequate Fleet Management.	To prioritize and allocate budget for procurement of a fleet tracking system	Not Achieved	prioritize and allocate budget for procurement of a fleet tracking system	None, due to insufficient budget availability,	Action to remain in the Risk register until addressed.	
		To audit the accidents and monthly reports for the fleet management unit and reporting to MANCO on a monthly basis to curb the risk of financial loss to vehicles.	Not Achieved	audit the accidents and monthly reports	None	The reports will go to MANCO in the 23/24 Financial Year	

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CORPORATE SERVICES- IT UNIT							
NO.	RISK	STRATEGY TO MITIGATE RISK	CURRENT STATUS	TARGETS	ACTUALS	CORRECTIVE MEASURE	NON-COMPLIANCE
1.	<p>Exposure of critical data and systems to acts of irregularity.</p> <p>-Hacking and system attacks;</p> <p>-Internet and e-mail misuse;</p> <p>-Manipulation of critical data, etc.</p>	Conduct and Enforce User Awareness Training on an Annual Basis	Achieved	User Awareness Training on an Annual Basis	User awareness presentation and awareness emails are being sent out to all users on a regular basis		
2.	<p>Possible failure to recover municipal data and systems in the event of a disaster /disruptions to operations.</p>	To implement the Disaster Recovery as a Service (DRaaS).	In- progress	implement the Disaster Recovery as a Service (DRaaS	Technical requirements have been submitted to SITA on the 29.06.2023, currently awaiting a feedback meeting with the SITA team to discuss the solution		

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SUMMARY OF RISKS IDENTIFIED AND ACTIONS TO MITIGATE RISKS AS AT 30 JUNE 2023			
DEPARTMENT	RISKS IDENTIFIED	NUMBER OF ACTIONS TO MITIGATE RISKS	ACTIONS COMPLETED
Municipal Managers Office	08	15	09
Budget and Treasury Office	07	09	04
Planning and Economic Services	04	11	06
Corporate Services	10	26	14
Corporate Services IT Unit	06	11	05
Technical Services	04	14	07
Community Services	06	12	07
OVERALL	45	98	52

10. PERFORMANCE AND SUPPORTING INFORMATION

The Municipal Service Delivery and Budget Implementation Plan reflects the six (6) national KPAs with set targets for the financial year under review. The following subsections focuses on the performance of the municipality per KPA, challenges and measures taken to improve performance.

The six KPA's with their set targets and indicators are linked to the Municipality's objectives is contained in the 2022/2023 Integrated Development Plan (IDP).

11. SUMMARY

11.1 Performance Achievements:

It is must be noted that not all the planned targets for the year under review were achieved. There were challenges that led to the non-achievement of some of the targets. The municipality has instituted various measures that are put in place in order to address the performance challenges that include but are not limited to the revision of the performance targets in line with the municipal resources and submission of monthly Service Delivery and Budget Implementation Plan progress reports to Portfolio Committees on the basis of oversight.

The Municipality had six directorate, during the period under review. Those directorates were:

1. Budget and Treasury
2. Corporate Services
3. Community Services
4. Planning and Economic Services
5. Technical Services
6. Office of the Municipal Manager.

All the six directorates cumulatively contributed to the annual performance report of the Municipality for the period under review. The 2022/2023 SDBIP and Annual Performance Report is arranged in terms of the six Key Performance Areas of Local Government:

1. Basic Service Delivery
2. Municipal Transformation and Institutional Development
3. Local Economic Development
4. Good Governance and Public participation
5. Financial Viability
6. Cross Cutting interventions.

The municipality had a total of 116 targets and managed to achieve seventy eight (78) targets while thirty one (31) targets were recorded as unachieved due to various reasons highlighted on a detailed report below .Seven (07) off the total targets planned for the year under review exceeded achievement. The Council at a meeting held on the 27 February 2023, approved the adjustments to the 2022/2023 SDBIP to integrate KPIs relating amended KPI's

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The below gives a comparison of 2021/2022 and 2022/2023 financial year performance:

TRAFFIC LIGHT STATUS	NUMBER	2021/2022 PERCENTAGE	NUMBER	2022/2023 PERCENTAGE
NUMBER OF TARGETS FOR THE YEAR	114		116	
TARGETS EXCEEDED	15	13%	7	6%
TARGETS ACHIEVED	70	61%	78	67%
OVERALL ACHIEVEMENT	15+70=85	74%	7+78=85	73%
TARGETS PARTIALLY ACHIEVED	20	18%	0	0
TARGETS NOT ACHIEVED	9	8%	31	27%

The above table reflects:

- 11.1.1 Performance targets exceeded for the year of review amounts to 6% however presenting a decreased by 7% as compared to the 2021/2022 financial year
- 11.1.2 Performance targets met during the year of review amounts to 67% presenting an increased by 6% when compared to the 2021/2022 financial year
- 11.1.3 Performance overall, the overall achievement remained the same at 73 % for the both resulting in a decrease of 1%.
- 11.1.4 Performance Targets partially achieved amounts to 0% during the year under review.
- 11.1.5 Performance targets not achieved amounts to 27% presenting and has increased by 19% when compared to the 2021/2022 financial year

11.2 *Municipal Transformation and Organisational Development*

The Key Performance indicators for this KPA is linked to the Municipality's objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To ensure Functional Performance Management System
- ii. To improve institutional and organizational capacity
- iii. To enhance and ensure the effectiveness of the Information Communication(ICT) Systems
- iv. To promote a safe working environment
- v. To ascertain the rate of confidence in the municipality's ability to provide basic services

Eleven (11) targets were planned for this KPA in the year under review. Six (6) targets of the eleven (11) targets planned were achieved. Zero (0) target of the eleven (11) targets exceeded achievement, and five (5) targets of the eleven (11) targets planned were not achieved.

11.2.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Achieved	Not
11	6	0	5	

11.2.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) Performance Agreements for the Managers directly accountable to the Acting Municipal Manager were signed on the 06 July 2022.
- b) Four quarterly Performance management reviews were conducted by internal Audit.
- c) The Employment Equity report was submitted to the Department of Labour on the 15 January 2023.
- d) Four ICT Steering Committee quarterly meetings held during the financial year
- e) Nil (0) health and safety incidents were required to be reported/responded to within the 7 days as per the Compensation of Injuries and Disaster Act.
- f) 100% submitted complains submitted via the official complaints system attended too on quarterly basis

11.2.3 CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE ON NON ACHIEVED AND PARTIALLY ACHIEVED PERFORMANCE TARGETS

NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
1	OPMS Framework and Procedure Manual reviewed and approved by Council by 30 June 2023	The OPMS Framework and Procedure Manual was reviewed but not adopted by Council, due to political instability which led to the non-sitting of committees on time	The OPMS Framework and Procedure Manual will be tabled to council by 30 September 2023
2	Number of quarterly formal and informal assessments conducted	Informal assessments were done in Quarter 1 and Quarter 3 and formal assessments could not be conducted due to political instability.	The Municipality is planning to conduct the senior managers assessments by 30 September 2023
3	Number of 2021/2022 Annual Performance Assessments conducted by 30 June 2023	Due to political instability The 2021/2022 oversight report was adopted by council on the 27 June 2023, that led to Annual assessments not to be conducted by 30 June 2023	The 2021/2022 Annual Performance Assessments will be conducted by 30 September 2023
4.	Percentage of Section 54 and 56 Managers posts filled annually	There are 2 vacant positions. (The Director Planning resigned on the 30 th May 2023 and CFO's contract ended on 31st March 2023. The CFO was then on month to month from May until 30 June 2023	The post for Director Planning was advertised and interview was held on the 29 August 2023 The post for the CFO was advertised
5	Number of capacity building interventions implemented by 30 June 2023	Rerouting of funds to respond to demand on basic services, which led to 1 training not taking place in the month of June 2023	Trainings will take place in the month of July 2023

11.3 Basic Service Delivery

The Key Performance indicators for this KPA is linked to the Municipality’s objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To improve access to electricity services
- ii. To ensure provision of recreational facilities
- iii. To ensure provision of community facilities in rural areas
- iv. To improve access to solid waste removal services
- v. To ensure provision and maintenance of parks, gardens and cemeteries
- vi. To promote the development of sustainable human settlements and quality housing
- vii. To improve access to roads and pavements
- viii. To maintain Municipal vehicles, Plant and Equipment
- ix. Free Basic Services

Twenty (20) targets were planned for this KPA in the year under review. Thirteen (13) targets of the twenty (20) targets planned were achieved. One (1) target of the twenty (20) targets were exceeded. Six (6) of the twenty (20) targets were not achieved.

11.3.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Not Achieved
20	13	1	6

11.3.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) One thousand five hundred and five (1505) street lights were maintained as per the routine maintenance plan.
- b) All parks and gardens were maintained on a monthly basis.
- c) All cemeteries were maintained on a monthly basis.
- d) Four (4) quarterly housing forum meetings convened in the year under review
- e) Roads and Storm water drains were maintained as per the routine maintenance plan.
- f) Planned targets set in the year under review for the road rehabilitation programme were met.

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- g) Percentage of Urban Roads (Phase 2 Voortrekker Street and Kelly Street) in Ward 9 and 10 was rehabilitated as per the implementation plan
- h) One thousand one hundred and sixteen (1116) approved indigent consumers had access to indigent services. (electricity and solid waste removal services)
- i) 70 of the municipal vehicles licences, renewed within the 21 days time frame
- j) Housing Sector Plan reviewed and adopted by 29 June 2023
- k) Seventy seven (77) Municipal Vehicles licenses were renewed during the financial year.
- l) 745 billed households with access to electricity (municipal licensed area)
- m) 445 billed businesses with access to electricity (municipal licensed area)
- n) 514 billed businesses with daily access to solid waste removal (Licensed Area- ward 5,7,9 and 10)

11.3.3 CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE ON NON ACHIEVED AND PARTIALLY ACHIEVED PERFORMANCE TARGETS

NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
1	Number of new electricity connections completed in Esitikitikini/Dambe Electrification Project (Wards , 12 and 14) as per the implementation plan by 30 June 2023	Contractor had a challenge of the material with the supplier and also delivering Materials to their respective posts for this project, due to poor road access and inclement weather conditions it was difficult to get materials which therefore affected the anticipated project completion by 30/06/2023.The Contractor is behind the work programme.	The contractor will find an alternative supplier for material. The Ward Cllr. will assist the contractor to find a site office where it going to be easy to deliver the material. The contractor will use their plant to fix the access roads to get into the respective posts of the project as the municipality is having too much backlog of road maintenance. The contractor will claim for an extension of time for the delays encountered. The implementation plan will be revised and monitor the contractor closely to complete the project in next financial year quarter 2.

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NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
2.	Number of new electricity connections completed in Vovonya Electrification Project (Ward 11) as per the implementation plan by 30 June 2023	The contractor has completed the construction, there is an outstanding of outages from ESKOM.	The municipality is currently waiting ESKOM to give out the outage date to energize the house connections.
3	Percentage of activities Enhlalakahle Sports field in Phase 2 (Ward 7) as per the implementation plan Completed by 30 June 2023	1. There was a site shut down by the local business forum demanding the 30% of CPG. 2. Due to the additional work the original scope was amended 3. Inclement weather condition. 4. The Contractor is behind the work programme.	There was an engagement with the Ward Cllr for intervention. The public was informed about procurement processes of local Subcontractors for compliance with 30% CPG. The VO will be approved for additional scope of works. The contractor will claim for the extension of time for the delays encountered. The implementation plan will be revised and monitor the contractor closely to complete the project in next financial year quarter 2.
4	Percentage of outstanding activities in Ward 1 Sports field completed as per the implementation plan by 30 June 2023	The projection is based on the performance on site (Slow progress by the contractor). The Contractor is behind the work programme.	The two slow progress letter has been issued to the contractor and the contractor has responded with the turnaround strategy to add more plant, buy lead material and increase the team on site in order to fast track progress. The implementation will be revised and monitor the contractor closely to complete the project in next financial year quarter 2.

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NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
5	Percentage of outstanding activities in Candabhuthule sports field in (Ward 3) constructed as per the implementation plan 30 April 2023	Progress has been delayed due to heavy rains, Land issues, Unsuitable Material, Dump Rock Procurement for Pioneer Layer, Contractor was denied an access to the borrow pit. The contractor was also disturbed by Amadelangokubona (UMvoti Business Forum) which delayed the project.	The contractor found an alternative borrow pit. . With all the involvement of all stakeholders and Leadership intervention the land issue was resolved. The implementation plan will be revised and monitor the contractor closely to finish the project in next financial year quarter 2.
6	Percentage of outstanding activities of Urban Roads (Dr. Wessels street) in Ward 10 rehabilitated as per the implementation plan by 30 June 2023	1. Business Forum Stoppage demanding 30% CPG (28 November 2022 - 15 December 2022) 2. Inclement weather conditions (30 days). 3. Delay of appointment for Sub-Contractors. 4. The Contractor is behind the work programme.	There was an intervention of the Ward Councillors for Ward 10 and 7 to resolve an issue of the Business Forum. The Contractor to submit an Extension Of Time. The Sub Contractor start working on site on the 06 June 2023 and increased the number of teams. The Contractor to revise the work programme and the project to be completed in the next financial year in quarter 2.

11.4 Local Economic Development

The Key Performance indicators for this KPA are linked to the Municipality's objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To create an environment conducive to economic growth and development

Four (4) targets were planned for this KPA in the year under review. Three (3) targets of the four (4) targets planned were achieved and one (1) target of the four (4) planned targets exceeded achievement.

11.4.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Achieved	Not
4	3	1	0	

11.4.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) Five hundred and nine (509) Jobs were created through EPWP Programmes.
- b) SMME's/Cooperatives training was facilitated, supported and implemented.
- c) All compliant CIPC registrations received were completed.
- d) The LED strategy was reviewed internally and submitted to Council together with the IDP on the 29 June 2023.

11.5 Good Governance and Public Participation

The Key Performance indicators for this KPA is linked to the municipality's objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To promote social cohesion and address the needs of vulnerable groups
- ii. To ensure effective public engagement and participation in municipal affairs
- iii. To improve the Municipal Audit outcome, Corporate Governance and Accountability
- iv. To ensure that Council is Functioning Effectively and Efficiently
- v. To ensure safeguarding of municipal records
- vi. To identify and prioritise risk events
- vii. To ensure maximum compliance with legislative framework

Thirty nine (39) targets were planned for this KPA in the year under review. Twenty two (22) targets were achieved. One (1) targets of the thirty nine (39) targets planned were exceeded. And sixteen (16) targets planned were not achieved.

11.5.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Achieved	Not
39	20	1	18	

11.5.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) Nineteen (19) Special Programmes were implemented during the year under- review.
- b) Communication activities were implemented quarterly during the year under review
- c) The Internal Audit plan was developed and approved by the Audit Committee.
- d) All internal audit reports were concluded as per the internal audit plan.
- e) 2021/2022 AG Audit Action Plan developed and approved by the Municipal Council by 31 January 2023
- f) 90% of the 2021/2022 Auditor General queries were addressed/attended to in the year under review.
- g) The 2021/2022 Annual Financial Statements was submitted timeously to the Auditor General on the 31st August 2022.
- h) 2021/2022 Annual performance report was submitted timeously to the Auditor General on the 31st August 2022
- i) 2021/2022 Draft Annual Report tabled to Council by 31 January 2023
- j) 2021/2022 Final Annual Report tabled to Council by 27 June 2023
- k) 2021/2022 oversight report prepared and adopted by Council by 27 June 2023
- l) Eleven (11) council meetings were held during the year under review
- m) Five (5) Municipal Public Accounts Committee (MPAC) meetings were held during the year under review
- n) Four (4) of Municipal Public Accounts Committee (MPAC) reports submitted to Council by 30 June 2023
- o) Six (6) Local Labour Forum (LLF) meetings were held during the year under review
- p) Seven (7) Audit Committee meetings were held during the year under review
- q) Two (2) of Audit Committee reports submitted to Council by 30 June 2023
- r) The risk assessments and the review of the risk register were concluded in the year under review.
- s) All of awarded bid documents were safeguarded in the year under review.

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- t) All of legislated provisions as contained in the compliance checklist was complied with by 30 June 2023
- u) Two (2) Risk Committee meetings held by 30 June 2023

11.5.3 CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE ON NON ACHIEVED AND PARTIALLY ACHIEVED PERFORMANCE TARGETS

NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
1.	Special Programmes Plan reviewed and adopted by 30 June 2023	The Special Programmes Plan was reviewed but not adopted by Council, due to political instability which led to non-sitting of committees on time	The Special programmes plan will be tabled to council by 30 September 2023
2.	Communication Policy reviewed and adopted by 30 June 2023	The Communication Policy was reviewed, but not adopted by council due to the political instability which led to the non-sitting of committees on time	The Communication policy will be tabled to council by 30 September 2023
3.	Communication strategy Reviewed by 30 June 2023	The Communication Strategy were reviewed but not adopted by council due to the political instability which led to the non-sitting of committees on time	The Communication strategy will be tabled to council by 30 September 2023
4.	Number of ward committees meetings held per quarter	Poor Performance of ward structures	Honourable Speaker has sent a communique to councillors to provide monthly reports in respect of the sitting of the ward committee meetings
5.	Percentage of 2021/2022 Internal Audit queries addressed by 30 June 2022	All Internal findings could not be addressed, the main reason being budget constraints. It was also noted that Fleet Management and OHS has repeat audit findings in the 22/23 year.	As remedial action management to investigate and ensure Fleet management unit is fully capacitated and ensure funds are utilised for urgent matters

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NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
6.	Number of monthly Corporate Services departmental reports submitted to the Corporate and Community Portfolio meetings by 30 June 2023	The departmental reports were prepared and included in the Portfolio Committee agenda's however due to political instability which led to the non-sitting of committees on time	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved
7.	Number of monthly Planning and Economic services departmental reports submitted to the Planning and Economic Services Portfolio meetings by 30 June 2023	The departmental reports were prepared and included in the Portfolio Committee agenda's however due to political instability which led to the non-sitting of committees on time	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved
8.	Number of monthly Technical Services departmental reports submitted to the Technical Services and Finance Portfolio meetings by 30 June 2023	The departmental reports were prepared and included in the Portfolio Committee agenda's however due to political instability which led to the non-sitting of committees on time	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved
9.	Number of monthly Community Services departmental reports submitted to the Corporate and Community Portfolio meetings by 30 June 2023	The departmental reports were prepared and included in the Portfolio Committee agenda's however due to political instability which led to the non-sitting of committees on time	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved
10	Number of EXCO meetings held per annum	Due to political instability which led to the non-sitting of committees on time	By 30 June 2023 the situation has improved
11.	Number of Portfolio Committee meetings held and attended per annum (Finance, Planning and Economic Services, Technical Services, Community & Corporate Services)	Committee Agendas were prepared however due to political instability which led to non-sitting of the committees on time.	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved

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NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
12.	Number of Portfolio Committee reports (Resolution registers) submitted to ExCo by 30 June 2023	The Portfolio Committee Meetings did not convene due to political instability which led to the non-sitting of the committees on time	The reports will be submitted to the next Portfolio Committee Meeting for consideration. As of 30 June 2023 the situation has improved
13.	Percentage of top 2 risk actions addressed per department by 30 June 2023	Due to budget constraints the top 2 risk actions could not be achieved	The top 2 risk actions to be addressed by Quarter 2.
14.	Enterprise Risk Management Framework and Strategy reviewed and approved by council by 30 June 2023	The Enterprise Risk Management Framework and Strategy was reviewed, but not adopted by council due to political instability which led to the non-sitting of committees on time	The Enterprise Risk Management Framework and Strategy will be tabled council by 30 September 2023
15.	Anti-Fraud and Corruption Strategy & Policy reviewed and approved by council by 30 June 2023	The Anti-Fraud and Corruption Strategy & Policy was reviewed, but not adopted by council due to political instability which led to the non-sitting of committees on time	The Anti-Fraud and Corruption Strategy & Policy will be tabled to council by 30 September 2023
16	Number of Risk registers updated annually by 30 June 2023 (Strategic Risk Register, Operational Risk Register, ICT Risk Register and Anti-Fraud and Corruption Risk Register).	The Strategic, Operational and ICT Risk Registers were delayed due to political instability which led to the non-sitting of the committees on time	The Strategic, Operational and ICT Risk Register to be tabled to the next Risk Management Committee and will be tabled to council by 30th September 2023
17.	Number of 2023/2024 Enterprise Risk Management Register submitted to Council for approval by 30 June 2023	The 2023/2024 Enterprise Risk Management Register was not approved by council due to political instability which led to the non-sitting of the committees on time	The 2023/2024 Enterprise Risk Management will be tabled to council by 30 September 2024
	Number of Section 44 reports submitted to Council per annum	The Section 44 report could not be submitted to council due to political instability which led to the non sitting of committee meetings	As of 30 June 2023 the situation has improved and the report will be tabled to council

11.6 Financial Viability

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The Key Performance indicators for this KPA are linked to the municipality's objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To ensure achievement of expenditure targets
- ii. To improve budget implementation in the municipality
- iii. To ensure optimal revenue collection
- iv. To ensure capital expenditure management
- v. To effectively manage municipal financial resources in a sustainable and accountable manner
- vi. To ensure compliance with the MFMA on expenditure management
- vii. To ensure compliance with the MFMA on liability management
- viii. To achieve sustainability and liquidity ratios
- ix. To safeguard Municipal Assets
- x. To achieve effective financial reporting
- xi. To improve budget implementation in the municipality
- xii. To Improve budget implementation in the municipality

Twenty six (26) targets were planned for this KPA in the year under review. Twenty two (22) targets of the twenty six (26) targets planned were achieved. One (1) of the twenty six (26) was exceeded. Three (3) targets of the twenty six (26) targets planned were partially achieved.

11.6.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Achieved	Not
26	22	1	3	

11.6.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) Supply Chain Management quarterly reports were submitted to Council on a quarterly basis.
- b) 0% of UIFW expenditure incurred
- c) The percentage of collection of debtors in respect of service billings was 102% as at 30 June 2023.

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- d) Stock taking was conducted on a quarterly basis.
- e) Twelve monthly updates were undertaken on the contract register in the year under review
- f) 100% spent on Capital expenditure programme
- g) 102% spent on operational budget on repairs and maintenance
- h) 100% of compliant invoices were signed within 10 days by user departments.
- i) 100% of compliant invoices were paid within 30 days.
- j) Assets verification were conducted on a quarterly basis.
- k) Twelve (12) monthly updates were undertaken on GRAP compliant asset register in the year under review.
- l) Interim financial statements were prepared in the year under review.
- m) Section 71 reports were prepared on a monthly basis in the year under review.
- n) Section 52d reports were prepared on quarterly basis in the year under review
- o) Service Providers monitored and evaluated as per the updated contract register in the year under review
- p) All budget related policies were adopted by council with the budget during the financial year.
- q) The 2022/2023 Budget Adjustment was adopted by Council as per the legislated time frame.
- r) The 2022/2023 Mid-Year Performance Assessment was submitted to the Mayor on the 25th January 2023.
- s) The 2022/2023 adjustment budget adopted by Council on the 28 February 2023
- t) The 2022/2023 Draft Budget was adopted by Council on the 29 April 2023.
- u) 2023/2024 annual budget adopted by Council by 27 June 2023
- v) current ratio 1.5:1
- w) Cash coverage ratio in days

11.6.3 CHALLENGES AND MEASURES TAKEN TO IMPROVE PERFORMANCE ON NON-ACHIEVED AND PARTIALLY ACHIEVED PERFORMANCE TARGETS

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NO.	INDICATOR	CHALLENGES	MEASURES TAKEN TO IMPROVE PERFORMANCE
1	% of items procured as contained in the procurement plan	Departments have not adhered to their procurement plans.	Monitoring of the procurement plan, constantly reminding user departments to initiate SCM processes
2	% of reduction in the debtors book	Prescribed debtors, inactive accounts which are not finalised or approved council and applicants for the deceased has increased	Inactive and closed accounts will be written off upon Council approval. An item will be submitted in September 2023.
3	Bad Debts written off as a percentage of bad debts provision	The Item for Bad Debts written off was deferred by the Council, for further investigation	The approval of the write off item for the prescribed and inactive debtors will improve the position of the provision for bad debt.

11.7 Cross Cutting Interventions

The Key Performance indicators for this KPA are linked to the Municipality's objectives is contained in the Integrated Development Plan (IDP). These objectives are:

- i. To ensure efficient and credible strategic and spatial municipal planning
- ii. To ensure effective disaster management
- iii. To mitigate disaster incidents in communities
- iv. To mitigate the effect of disasters and ensure improved responses
- v. To provide a safe and secure environment
- vi. To promote Library and related Services
- vii. To promote Museum and related Services

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Sixteen (16) targets were planned for this KPA in the year under review. Thirteen (13) targets of the Sixteen (16) targets planned were achieved. Three (3) targets of the Sixteen (16) targets planned were exceeded.

11.7.1 Performance Highlights for 2022/2023

Planned Targets	Targets Achieved	Targets Exceeded	Targets Achieved	Not
16	13	3	0	

11.7.2 HIGHLIGHTS ON ACHIEVED AND EXCEEDED PERFORMANCE TARGETS

- a) The 2023/2024 IDP /Budget Process plan was adopted by Council.
- b) The draft 2023/2024 IDP review was adopted by Council on the 20th April 2023.
- c) The final 2023/2024 IDP review was adopted by Council on the 29 June 2023.
- d) 100% of compliant applications considered and concluded per annum
- e) 100% of compliant building plans and signage applications considered and concluded per annum
- f) The SDF was reviewed internally and submitted to Council for adoption on the 29th June 2023.
- g) The Disaster Management Sector plan was reviewed and adopted by Council on the 29 June 2023.
- h) Four (4) of Disaster Management Forum Meetings held per annum
- i) Sixteen (16) Disaster Awareness campaigns were conducted during the year under review.
- j) All reported disasters were attended to.
- k) Thirty six (36) road blocks were conducted during the year under review.
- l) All reported accidents were attended to within the prescribed turnaround time of two (2) hours.
- m) Illegal trading, Building Regulations, Environmental and Health, prevention of land invasion municipal by-laws were enforced on a monthly basis.
- n) Five (5) library awareness campaigns were conducted during the year under review.

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- o) Twelve (12) museum awareness campaigns were conducted during the year under review.
- p) Five hundred and seventy three (573) Section 56 notices (Traffic Violation summons) issued by 30 June 2023

12 KEY AREAS TO NOTE

12.1 Improving Performance

The Organizational Performance Management framework has been reviewed in the 2022/2023 financial year, taking into account Internal Audit and Audit Committee recommendations, which outlines performance-reporting criteria that will assist the municipality to improve its performance. The Performance Management processes and procedures are now in place and will assist in ensuring that organisational performance is improved and in line with the legislated requirements.

In an effort to improve the performance planning, implementation, measurement and reporting the institution will strive to implement the following during the 2023/2024 financial year.

- a) Striving to ensure that the Service Delivery and Budget Implementation Plan is implemented and progress is reviewed regularly (monthly and quarterly) by all municipal structures to ensure improved oversight.
- b) Ongoing monitoring of the implementation process of both the IDP and where there are gaps to ensure amendment processes during the mid-year review.
- c) The municipality is in the process of cascading of Performance Management to lower levels with the assistance from SALGA.
- d) Umvoti Municipality has been identified as a beneficiary for cascading performance management from SALGA , the support entails ongoing training of officials.
- e) The municipality has commenced with the appointment of a service provider to provide E-PMS tool to assist the municipality in cascading performance Management to lower levels.

13 LESSONS LEARNT AND WAY FORWARD

Umvoti Municipality did not achieved all set out targets due numerous challenges experienced during the 2022/2023 financial year including cash flow, political instability and shortage of human resources.

The municipality has put in place alternative ways to conduct business in a manner that will minimise disruption in delivering on its constitutional mandate.

The municipality has instituted various measures and put them in place in order to address the performance challenges that include but are not limited to the revision of the performance targets in line with the municipal resources.

The municipality remains committed to respond to the expectations of the residents and local business fraternity by the provision of access to quality and affordable basic services while doing our utmost to maintain and improve on the existing levels of development

Umvoti Municipality continues to strive to be a well –functioning local government institution because of effective, efficient but most importantly, responsible use of its resources. The IDP five year plan of the municipality bears testimony to the municipality's acknowledgement that all is not yet done but continues to clearly articulate the social, economic and infrastructure needs of the uMvoti Municipality in the remaining years in the term of office. The participation of the members of the local community in the planning processes and governance structures of the municipality remains an imperative for the success of this municipality.

i. **PERFORMANCE OF EACH EXTERNAL SERVICE PROVIDER DURING 2022/2023 FINANCIAL YEAR**

The municipality is compelled in terms section 46 (1) (a) of Municipal Systems Act to prepare for each financial year a performance report reflecting performance of each external service provider during that financial year. Here under follows the performance of each external service provider during the referred financial year. Performance rating in respect of contracted service providers during 2022/2023 financial year. The assessment of the performance of service providers will be based on the following rating scale.

14.1 LEVEL TERMINOLOGY DESCRIPTION

- a) **(5) Excellent/Outstanding Performance:** Performance far exceeds the standard expected of the service provider at this level. The appraisal indicates that the service provider has achieved above fully effective results against all performance criteria and indicators as specified in the awarded contract.
 - b) **(4) Very Good/Performance:** significantly above expectations performance is significantly higher than the standard expected in the job awarded. The appraisal indicates that the service provider has achieved above the fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the period of the contract awarded.
 - c) **(3) Good/fully effective Performance:** fully meets the standard expected in all areas of the job awarded. The appraisal indicates that the service provider has fully achieved effective results against all significant performance criteria and indicators as specified in the awarded contract.
 - d) **(2) Fair /not effective Performance:** is below the standard required for the specified job. Performance meets some of the standards expected for the job and the assessment indicates that the service provider has achieved below fully effective results against more than half of the key performance criteria and indicators as specified in the awarded contract.
- b. **(1)Poor /unacceptable Performance:** does not meet the standard expected for the job awarded. The assessment indicates that the service provider has achieved below fully effective results against all of the performance criteria and indicators as specified in the awarded contract. Further that the service provider failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.
 - c. The performance of each external service provider during 2022/2023 financial year is attached as **annexure "B"** to this report.