



**AUDITED ANNUAL PERFORMANCE
REPORT**

**2017– 2018 FINANCIAL
YEAR**

NGQUSHWA LOCAL MUNICIPALITY



Acronyms

AAP	Audit Action plan
AG	Auditor General
CWP	Community Works Programme
EPWP	Expanded Public Works Programme
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IT	Information Technology
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LLF	Local Labour Forum
LM	Local Municipality
MFMA	Municipal Financial Management Act of 2003
MIG	Municipal Infrastructure Grant
MoU	Memorandum of Understanding
MSA	Municipal Systems Act of 2000
PMS	Performance Management System
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SLA	Service Level Agreement
SPU	Special Programmes Unit



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DETAIED INSTITUTIONAL OVERAL PERFORMANCE



CERTIFICATION

I certify that this annual performance report has been prepared in accordance with Section 46 of the Municipal Systems Act 32 of 2000 as amended. I further certify that to my knowledge that the information contained within the report is a true reflection of the performance of the municipality during the 2017/18 financial year.

This information is based on the performance of the municipality as per the Service Delivery and Budget Implementation Plan [SDBIP] of the Ngqushwa Local Municipality as approved by the Honorable Mayor, Cllr. T.M. Siwisa

Mrs .M.P Mpahlwa
Municipal Manager

31/08/2018
Date



RECIPT BY THE MAYOR

I, MDIKELO SIWISA, the Mayor of the Ngqushwa Local Municipality, hereby accept the Annual Performance Report for the 2017/2018 FINANCIAL YEAR as prepared in accordance with Section 46 of the Municipal Systems Act 32 of 2000 as amended

Cllr. T.M. Siwisa
Honorable Mayor

31/08/2018
Date



1. STATUS OF THE REPORT

This report is prepared in terms of Municipal Systems Act of 2000 as amended (MSA). Section 46 of the MSA states that a municipality must prepare for each financial year a performance report reflecting:

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

The Section further states that the annual performance report must form part of the municipality's annual report.

2. BACKGROUND

This annual performance report is based on the annual indicators and targets set in the Integrated Development Plan and budget of Ngqushwa Local Municipality for the 2017/18 financial year as approved by the Council. The adoption of the IDP and budget culminated into the drafting and approval of Service Delivery and Budget Implementation Plan (SDBIP) by the Mayor of the Municipality.

The SDBIP is a detailed plan approved by the Mayor in terms of Section 53 (1) (c) (ii) for implementing the IDP and Budget. The plan contained annual performance indicators and targets that were measured and evaluated throughout the year through compilation of various in-year reports which were presented to the various committees of Council. These included Sections 52 (d), 71 and 72 reports which were prepared in terms of the Municipal Finance Management Act of 2003 (MFMA).

This report therefore provides an annual overview of progress achieved towards the attainment of the set performance indicators and targets for the institution during the 2017/18 financial year.



3. ANALYSIS OF DEPARTMENTAL PERFORMANCE FOR THE 2017/18 FINANCIAL YEAR.

The following is the departmental performance for the aforementioned period, it illustrates the total overall of targets achieved, not achieved and partially achieved and the overall performance for each directorate including the institution in general. The report is presented in line with the six (6) Key Performance Areas (KPA) of the Local Government Strategic Agenda. These are:

- **INSTITUTIONAL DEVELOPMENT AND DESIGN ;**
- **QUALITY BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT;**
- **LOCAL ECONOMIC DEVELOPMENT (LED);**
- **FINANCIAL VIABILITY AND MANAGEMENT ;**
- **GOOD GOVERNANCE AND PUBLIC PARTICIPATION ;**
- **SPATIAL DEVELOPMENT**

The following methodology is utilized in determining the % achievement for each KPA

3.1 CALCULATION METHODOLOGY FOR EACH KEY PERFORMANCE AREA.

3.1.1 KPA: INSTITUTIONAL DEVELOPMENT AND DESIGN

• Total targets	= 1	$\frac{1 \times 100}{1}$
• Targets Achieved	= 1	1
• Targets Not Achieved	= 0	= 100%
• Targets Partially Achieved	= 0	

The KPA at hand has received **100 %** for the 2017/18 financial year, which shows improvement by **21 %** as compared to **79 %** of the 2016/17 financial year.

3.1.2 KPA: QUALITY BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

• Total targets	= 21	$\frac{13 \times 100}{21}$
• Targets Achieved	= 13	21
• Targets Not Achieved	= 1	= 62%
• Targets Partially Achieved	= 7	

The KPA at hand has received **62 %** for the 2017/18 financial year, which shows decrease by **22%** as compared to **84 %** of the 2016/17 financial year.



3.1.3 KPA: LOCAL ECONOMIC DEVELOPMENT

• Total targets	=	10	10×100
• Targets Achieved	=	10	10
• Targets Not Achieved	=	0	= 100 %
• Targets Partially Achieved	=	0	

The KPA at hand has received **100 %** for the 2017/18 financial year, which shows improvement by **33%** as compared to **67%** of the 2016/17 financial year.

3.1.4 KPA: FINANCIAL VIABILITY AND MANAGEMENT

• Total targets	=	3	3×100
• Targets Achieved	=	3	3
• Targets Not Achieved	=	0	= 100 %
• Targets Partially Achieved	=	0	

The KPA at hand has received **100 %** for the 2017/18 financial year, which shows improvement by **5%** as compared to **95%** of the 2016/17 financial year.

3.1.5 KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

• Total targets	=	17	12×100
• Targets Achieved	=	12	17
• Targets Not Achieved	=	4	= 71 %
• Targets Partially Achieved	=	1	

The KPA at hand has received **71%** for the 2017/18 financial year, which shows decrease by **8%** as compared to **79%** of the 2016/17 financial year.

3.1.6 KPA: SPATIAL DEVELOPMENT

• Total targets	=	6	3×100
• Targets Achieved	=	3	6
• Targets Not Achieved	=	0	= 50%
• Targets Partially Achieved	=	3	

The KPA at hand has received **50 %** for the 2017/18 financial year.



4. INSTITUTIONAL OVERALL PERFORMANCE

Ngqushwa Local Municipality overall performance for the 2017/18 financial year is at **72%**, which shows decrease by **8%** as compared to **80 %** of the 2016/17 financial year.

Priority Area	Total Annual Targets	Targets Achieved	Targets Partially Achieved	Targets Not Achieved	% Achievement
Institutional Development and Design	1	1	0	0	100%
Quality Infrastructure Services and Infrastructure Development	21	13	7	1	62%
Local Economic Development	10	10	0	0	100%
Financial Viability and Management	3	3	0	0	100%
Good Governance and Public participation	17	12	1	4	71%
Spatial Development	6	3	3	0	50%
Total Targets	58	42	8	5	72%



Conclusion

This document represents Ngqushwa Local Municipality's detailed report back to citizens and stakeholders on the municipality's performance during 2017/18 financial year. This report therefore provides the detailed performance of the municipality in terms of assessing achievements in efforts to realise the objectives as set by Council for the year under review. All the reported positive results attained are as a result of the continued commitment and cooperation between our communities, administration and political leadership. As such, this report not only reflects on milestones and challenges experienced, but also on the on-going commitment to progressively deepen accountability to the citizens of the whole of Ngqushwa Local Municipality area.