Section 52(d) Non-Financial Performance Assessment Report

2021/2022

Quarter 3 (01 January 2022 - 31 March 2022)

This report is compiled in terms of Section 52 (d) of the Local Government: Municipal Finance Management Act, No. 56 of 2003

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Disclaimer

This Quarterly Non-Financial Performance Assessment Report is only based on the reported performance and is unaudited. This report is subject to change upon the finalisation of the Internal Performance Audit Report for the second quarter of the 2021/2022 financial year

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QUALITY CERTIFICATE

Knysna Local Municipality - 2021/2022 Section 52(d) Quarter Three Non-Financial Performance Assessment Report

QUALITY CERTIFICATE

I, Johan Jacobs, the Acting Municipal Manager of Knysna Local Municipality, hereby certify that –

	the monthly budget statement
X	the quarterly report on the implementation of the budget and financial state of affairs of the municipality
	the mid-year budget and performance assessment

for the month **March 2022** of the **2021/2022** financial year has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Name: Mr. Johan Jacobs

The Acting Municipal Manager, Knysna Local Municipality (WC048)

Signature: ______________________ **Date:** 03 May 2022

Name: Mr. Levael Davis

The Executive Mayor, Knysna Local Municipality (WC048)

Signature: ______________________ **Date:** 06/05/2022

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INTRODUCTION

Section 52 (d) of the Local Government: Municipal Finance Management Act, No. 56 of 2003, requires of the Executive Mayor to submit a quarterly report to council on the implementation of the budget and the financial states of affairs of the municipality, within 30 days of the end of each quarter.

This Non-Financial Performance Assessment Report represents the quarter three outcomes of the set indicators and targets which are prepared in accordance with Circular 13 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Budget and Reporting Regulations.

The data herein exemplifies the Municipality's Quarter Three Non-Financial Performance Assessment for the period 01 January 2022 to 31 March 2022.

FINANCIAL PERFORMANCE

The financial performance data of the Municipality, for the same reporting period, will be submitted as a separate item for Council consideration.

SERVICE DELIVERY PERFORMANCE ANALYSIS

CREATING A CULTURE OF PERFORMANCE

PERFORMANCE MANAGEMENT CYCLE

The performance management cycle is an integrated approach which focusses on improving performance planning, monitoring, measurement, review, reporting, auditing and improvement. These processes run concurrent with the overall planning, budget and reporting cycle.

The performance management cycle can be summarised as illustrated in the following diagram:

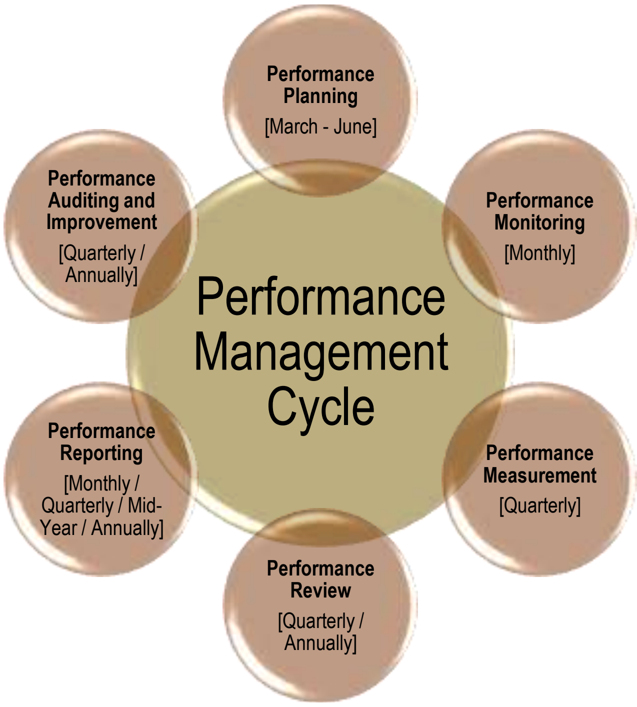


Figure 1 - Performance Management Cycle

PERFORMANCE MANAGEMENT POLICY

At Local Government level performance management is institutionalised through the legislative requirements on performance management. Chapter 6 of the Local Government: Municipal Systems Act, No. 32 of 2000 requires of municipalities to establish a performance management system that commensurate with its resources; which best suit its circumstances; and that is in line with the priorities, objectives, indicators and targets contained in its Integrated Development Plan. The law further requires that a culture of performance management must be created among the political structures, political office bearers and councillors and administration. The established performance management system must administer the affairs of the municipality in an economical, effective, efficient and accountable manner.

In addition, Regulation 17(1) 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 processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players.”*

The Performance Management Policy has been developed with the prescriptions of promulgated local government legislation, regulations and guidelines pertaining to performance management.

The Knysna Local Municipality revised its Performance Management Policy, as approved by Council on 28 May 2020, resolution number C17/05/2020.

PERFORMANCE MANAGEMENT IMPLEMENTATION

The Service Delivery and Budget Implementation Plan gives effect to the Integrated Development Plan and Budget of the municipality and will be possible if the Integrated Development Plan and Budget is fully aligned as required by the Local Government: Municipal Finance Management Act, No. 56 of 2003.

The Service Delivery and Budget Implementation Plan coverts the Integrated Development Plan and Budget into measurable criteria's which indicates how, where and when the strategies, council objectives and normal business process of the Municipality will unfold.

The Service Delivery and Budget Implementation Plan sets in-year targets, such as quarterly service delivery and monthly to yearly budget targets, all of which are linked to the budget and strategic objectives of Council, to be met within a financial year. The plan sets out the responsibilities and outputs for each of the senior managers, all the inputs to be used and the timeframes for meeting each input and for this reason paves the way for the performance agreements of the municipal manager and senior managers.

The 2021 - 2022 Integrated Development Plan (IDP) Review was approved by Council on 31 March 2021, resolution number C03/03/21, together with the 2021/2022 Service Delivery and Budget Implementation Plan on 28 June 2021, as approved by the Executive Mayor.

PERFORMANCE MONITORING

The Service Delivery and Budget Implementation Plan serves as a contract between the administration, council and the community. It serves as a management, implementation and monitoring tool that will assist the Mayor, Councillors, Municipal Manager, Senior Managers and the Community to monitor the execution of the budget, performance of senior management and the achievement of the strategic objectives set by council.

The below diagram illustrates the vital role of the stakeholders in performance management:

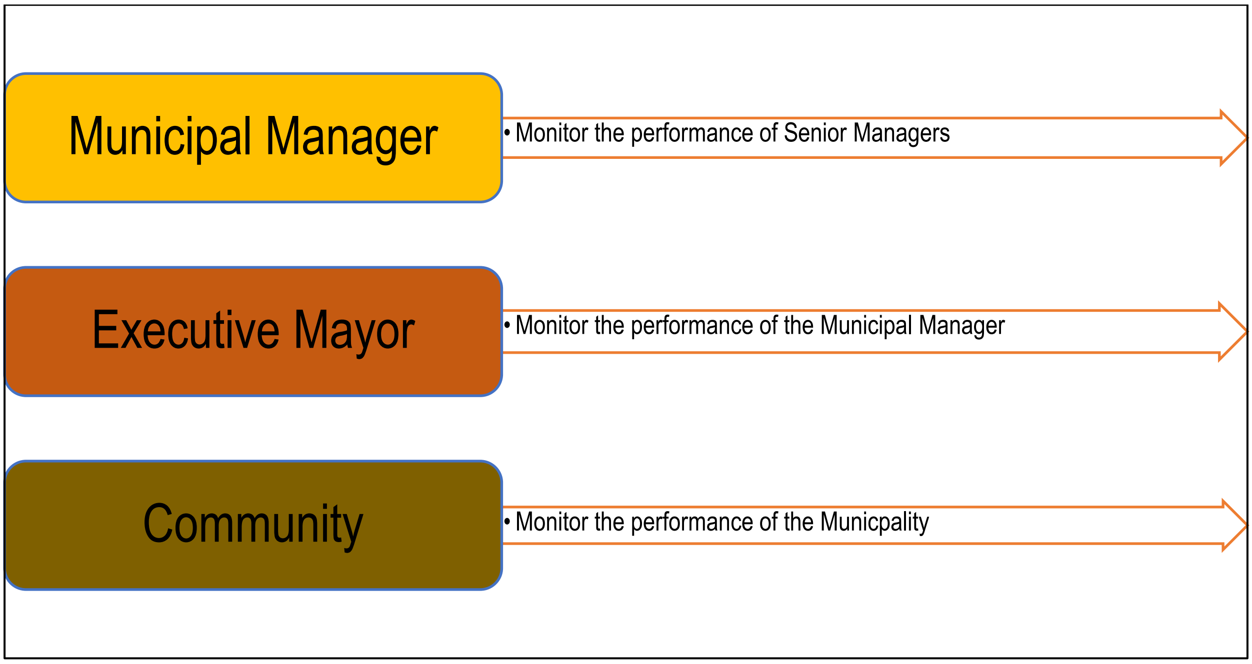


Figure 2 - Stakeholder Role in Performance Management

It is therefore pivotal importance that the Service Delivery and Budget Implementation Plan should determine and align with the performance agreements between the Executive Mayor and Municipal Manager and the Municipal Manager and Senior Management. These performance agreements are determined and concluded at the start of each financial year and may be reviewed as circumstances determine.

The approved Service Delivery and Budget Implementation Plan is transferred onto an electronic web-based performance management system and is monitored on an ongoing basis to determine whether performance targets have been met, exceeded or not met. The system is designed to send automated monthly e-mail reminders to key performance indicator owners for the updating of actual performance against projected targets.

The objective of the performance management system includes:

- Facilitating:
  - Strategy development;
  - Increased accountability;
  - Learning and improvement; and
  - Decision-making.
- Provide early warning signs of under-performance; and
- Creating a culture of best practice.

The overall assessment of actual performance against targets set for Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology (as per the performance management system):

KPI RESULT	CATEGORY	CALCULATION EXPLANATION
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.
R	KPI Not Met	0% <= Actual/Target <= 66.999%
O	KPI Almost Met	67.000% <= Actual/Target <= 99.999%
G	KPI Met	Actual meets Target (Actual/Target = 100%)
G2	KPI Well Met	100.001% <= Actual/Target <= 132.999%
B	KPI Extremely Well Met	133.000% <= Actual/Target

Table 1 - Performance Assessment Criteria

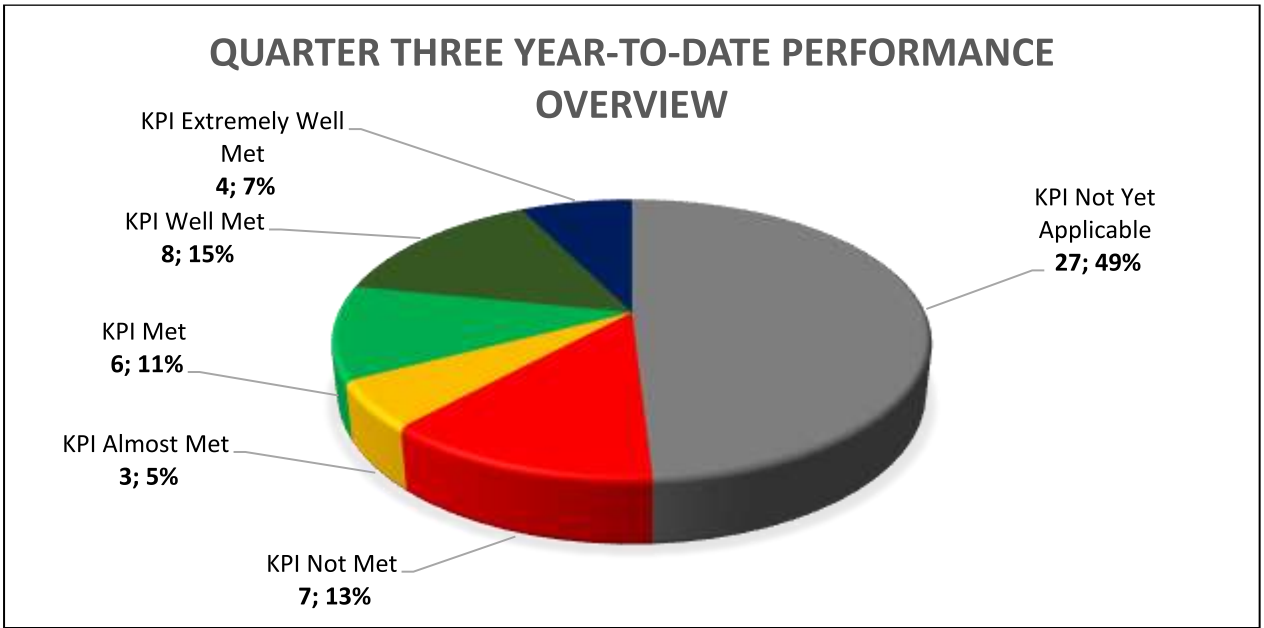
SERVICE DELIVERY PERFORMANCE

The Service Delivery and Budget Implementation Plan is a key management, implementation and monitoring tool. It sets out how the Municipality will deliver on its Constitutional mandate which includes: -

- Providing democratic and accountable government for local communicates;
- Ensure the provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and healthy environment; and
- Encouraging the involvement of communities and community organisations in the matters of local government.

As a Local Government sphere, Knysna Local Municipality strives to achieve its Constitutional mandate within its financial and administrative capacity.

The graph represents an overview of the overall year-to-date performance of the Municipality for the third quarter of the 2021/2022 financial year:



A total of **eighteen (18)** key performance indicators were met for the period under review, **ten (10)** not met and **twenty-seven (27)** indicators are due for the last quarter of the financial year.

The remainder of this report is structured to illustrate the service delivery performance of Knysna Local Municipality per:

- National Key Performance Area;
- Strategic Objective; and
- Directorate.

PERFORMANCE PER NATIONAL KEY PERFORMANCE AREA

Section 43(1) of the Local Government: Municipal Systems Act, No, 32 of 2000, states that:

"The Minister, after consultation with the MECs for local government and organised local government representing local government nationally, may -

(a) by regulation prescribe general key performance indicators that are appropriate and that can be applied to local government generally; and

(b) when necessary, review and adjust those general key performance indicators."

These general key performance areas, hereinafter referred to as National Key Performance Areas (NKPAs) are prescribed in the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The table below illustrates the Municipality's performance against the National Key Performance Areas (NKPA's):

Knysna Municipality Overall National Key Performance Area Performance Result		NATIONAL KEY PERFORMANCE AREA				
		Basic Service Delivery	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development	Good Governance and Public Participation
Not Yet Applicable	**27 (49.09%)**	9 (47.37%)	-	10 (66.67%)	1 (50.00%)	7 (38.89%)
Not Met	**7 (12.73%)**	1 (5.26%)	-	1 (6.67%)	-	5 (27.78%)
Almost Met	**3 (5.45%)**	1 (5.26%)	-	2 (13.33%)	-	-
Met	**6 (10.91%)**	-	1 (100.00%)	1 (6.67%)	-	4 (22.22%)
Well Met	**8 (14.55%)**	7 (36.84%)	-	1 (6.67%)	-	-
Extremely Well Met	**4 (7.27%)**	1 (5.26%)	-	-	1 (50.00%)	2 (11.11%)
Total:	55	**19**	**1**	**15**	**2**	**18**
	100%	**34.55%**	**1.82%**	**27.27%**	**3.64%**	**32.73%**

Table 2 - National Key Performance Area Performance - Overall Result

Annexure A provides a detailed overview of the respective key performance indicators linked to the National Key Performance Areas.

PERFORMANCE PER MUNICIPAL STRATEGIC OBJECTIVES

The Council of Knysna Local Municipality crafted a set of strategic objectives which are aligned to the national strategic focus areas as well as the Provincial Strategic Goals of the Western Cape Government. This is intended to guide directorates within the municipality to develop departmental business plans with specific deliverables and targets to give effect to the strategic objectives of Council.

The following table provides the alignment of Knysna's strategic objectives against the national strategic focus areas and provincial strategic goals:

Strategic Focus Area / National Key Performance Area (NKPA and MKPA)	Strategic Objective (SO)	Priority (PR)
Basic Service Delivery	To improve and maintain current basic service delivery through specific infrastructural development projects	Sanitation
		Electricity
		Streets and Storm Water Management
		Water Supply
		Integrated Human Settlements
	To promote a safe and healthy environment through the protection of our natural resources	Environmental Conservation
		Disaster management
Local Economic Development	To create an enabling environment for social development and economic growth	Decent employment opportunities and job creation
		Rural development
		Youth development
		Care for the elderly
		Opportunities for women and people living with disability
		HIV/Aids awareness
Municipal Financial Viability and Transformation	To grow the revenue base of the municipality	Sound Financial Planning
Municipal Transformation and Organisational Development	To structure and manage the municipal administration to ensure efficient service delivery	Institutional capacity building
Good Governance and Public Participation	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Ward committees System
		Communication
		Responsive and accountable system of Local Government

Table 3 - Alignment Table

The table below illustrates the Municipality's performance against the Strategic Objectives:

Knysna Municipality Overall Strategic Objective Performance Result		STRATEGIC OBJECTIVES					
		To improve and maintain current basic service delivery through specific infrastructural development projects	To promote a safe and healthy environment through the protection of our natural resources	To create an enabling environment for social development and economic growth	To grow the revenue base of the municipality	To structure and manage the municipal administration to ensure efficient service delivery	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication
Not Yet Applicable	27 (49.09%)	5 (31.25%)	4 (100.00%)	-	10 (71.43%)	2 (2 (66.67%)	6 (35.29%)
Not Met	7 (12.73%)	1 (6.25%)	-	-	1 (7.14%)	-	5 (29.41%)
Almost Met	3 (5.45%)	1 (6.25%)	-	-	2 (14.29%)	-	-
Met	6 (10.91%)	-	-	1 (100.00%)	1 (7.14%)	-	4 (23.53%)
Well Met	8 (14.55%)	8 (50.00%)	-	-	-	-	-
Extremely Well Met	4 (7.27%)	1 (6.25%)	-	-	-	1 (33.33%)	2 (11.76%)
Total:	55	16	4	1	14	3	17
	100	29.09%	7.27%	1.82%	25.45%	5.45%	30.91%

Table 4 - Strategic Objectives Performance - Overall Results

PERFORMANCE PER DIRECTORATE

The administrative component of Knysna Local Municipality is headed by the Municipal Manager, who has six directors reporting directly to him in terms of Section 56 of the Local Government: Municipal Systems Act, No. 32 of 2000. Apart from the legislative powers and functions, the Municipality deemed it fit to review and re-design the organisational structure to effectively address local needs, operational requirements, and service delivery demands. Subsequent to a comprehensive consultation process with all internal stakeholders, the new organisational structure of the municipality was adopted by Council on 29 October 2018 (SC09/10/18). The restructuring of the staff establishment was benchmarked against industry norms and financial sustainability was one of the key considerations.

The following tables provides an overview of the organisational structure:

DIRECTORATE	PURPOSE
Office of the Municipal Manager	The Municipal Manager heads the Administration arm of the Knysna Municipality and is therefore responsible and accountable for tasks and functions as provided for in section 55 of the Municipal Systems Act, other functions and tasks as provided for in legislation as well as functions delegated to him/her by the Executive Mayor and Council. According to the Municipal Finance Management Act he/she also assumes the role of Accounting Officer. The office also incorporates the Department Communications & Intergovernmental Relations, Internal Audit & Risk Management and the Department Integrated Development Planning (IDP) & Performance Management.
Corporate Services	The Directorate is responsible for the administrative processes that ensure good governance and the achievement of Council's strategic objectives. The directorate incorporates the Departments of Administration, Committee Services, Customer Relations, Estates, Human Resources, Legal Services, Property and Records Management, and Public Participation.
Financial Services	To manage and provide financial services in order to ensure financial viability, compliance and reporting. The Directorate administrates all finance-related services. These include Financial Management Services, Revenue Services, Supply Chain Management, Information Technology, Assets & Liability Management, and Financial Statements & Compliance, Budget & Reporting as well as the Expenditure department.
Planning and Economic Development	To ensure that the functional and pro-active planning and the implementation of the municipality's constitutional obligations pertaining to land use planning, economic development, human settlements and environmental management
Community Services	To render integrated community services to enhance community development in general and promote a clean and safe environment. The Directorate comprises of four major sections that incorporate services including Disaster Management, Fire and Rescue, Traffic and Law Enforcement, Parks, Waste Management, Libraries, Halls, Cemeteries, Museums, Arts and Culture, Waste Management and Cleansing, Youth and Sport Development.
Infrastructure Services	To manage infrastructure services provisioning in order to ensure the rendering of sustainable and affordable services to the community. Services pertaining mainly to bulk infrastructure are the responsibility of the Director Technical Services. It also incorporates all Electrical & Mechanical services related to distribution of electricity and oversees the municipality's fleet and mechanical workshop.
Human Settlements Administration	The local Directorate of Human Settlements acts as an agent for Provincial Government and is working with them to achieve their vision, to develop sustainable integrated human settlements. Sustainable settlements are residential areas that allow its residents to access social and economic opportunities close to where they live.

Table 5 - Organisational Structure

The table below illustrates the Municipality's performance per Directorate:

Knysna Municipality Overall Directorate Performance Result		DIRECTORATES						
		Office of the Municipal Manager	Corporate Services	Financial Services	Planning and Economic Development	Community Services	Infrastructure Services	Human Settlements Administration
Not Yet Applicable	27 (49.09%)	6 (42.86%)	1 (20.00%)	10 (47.62%)	2 (66.67%)	2 (100.00%)	5 (100.00%)	1 (20.00%)
Not Met	7 (12.73%)	5 (35.71%)	1 (20.00%)	-	-	-	-	1 (20.00%)
Almost Met	3 (5.45%)	2 (14.29%)	-	-	-	-	-	1 (20.00%)
Met	6 (10.91%)	-	2 (40.00%)	3 (14.29%)	1 (33.33%)	-	-	-
Well Met	8 (14.55%)	-	-	8 (38.10%)	-	-	-	-
Extremely Well Met	4 (7.27%)	1 (7.14%)	1 (20.00%)	-	-	-	-	2 (40.00%)
Total:	55	14	5	21	3	2	5	5
	100	25.45%	9.09%	38.18%	5.45%	3.64%	9.09%	9.09%

Table 6 - Directorate Performance - Overall Result

Annexure A - 2021/2022 Quarter Three Performance Assessment Results per National Key Performance Area

National Key Performance Area: Basic Service Delivery

Strategic Objectives:
To improve and maintain current basic service delivery through specific infrastructural development project

To promote a safe and healthy environment through the protection of our natural resources

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL20	Limit unaccounted water losses to less than 25%	Percentage water losses measured by 30 June of the financial year	Reverse Stand-Alone	25%	**0%**	**0%**	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL21	Municipal Streets and Stormwater capital spending measured by the percentage (%) of budget spent	Percentage (%) spent of approved Streets and Stormwater capital projects as approved budget	Last Value	90%	**0%**	**0%**	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL22	90% compliance to general standards with regard to waste water outflow by 30 June of the financial year	% compliance to general standards by 30 June of the financial year	Last Value	90%	**0%**	**0%**	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL23	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June of the financial year	% of water quality level by 30 June of the financial year	Last Value	95%	**0%**	**0%**	N/A	The key performance is not due for the period under review, but is included for completeness.	

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL24	Limit electricity losses to less than 10% by 30 June of the financial year (Number of Electricity Units Purchased and/or Generated Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated)x 100	% Electricity losses by 30 June of the financial year	Reverse Stand-Alone	10%	**0%**	**0%**	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL30	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for water or have prepaid meters as at 30 June of the financial year	Last Value	15,461	**15,461**	**17,253**	G2	17,253 residential properties that are billed for water services as at 31 March 2022.	No corrective measures required, the key performance indicator is met.
TL31	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for electricity or have prepaid meters (Excluding Eskom areas) as at 30 June of the financial year	Last Value	20,839	**20,839**	**22,824**	G2	Conventional Meters (2,933) + Pre-paid Meters (19,891) = 22,824 meters.	No corrective measures required, the key performance indicator is met.

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL32	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for sewerage as at 30 June of the financial year	Last Value	10,928	**10,928**	**13,236**	G2	13,236 Residential Properties billed for Sanitation / Sewerage Services as at 31 March 2022.	No corrective measures required, the key performance indicator is met.
TL33	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June of the financial year	Number of residential properties which are billed for refuse removal as at 30 June of the financial year	Last Value	14,043	**14,043**	**16,314**	G2	16314 Residential Properties that are billed for Refuse Removal as at 31 March 2022.	No corrective measures required, the key performance indicator is met.
TL36	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at 30 June of the financial year	Last Value	1,500	**1,500**	**1,805**	G2	1,805 Indigent households received free basic water.	No corrective measures required, the key performance indicator is met.
TL37	Provide free basic electricity to indigent account holders connected to the municipal electrical infrastructure network	Number of indigent households receiving free basic electricity as at 30 June of the financial year	Last Value	1,500	**1,500**	**1,507**	G2	1,507 Indigent households received free 50 units FBE for Electricity. (this total excludes Rheenendal total of 298 Provided by Eskom (1,805 - 298 = 1,507)	No corrective measures required, the key performance indicator is met.

National Key Performance Area: Basic Service Delivery

Strategic Objectives:
To improve and maintain current basic service delivery through specific infrastructural development project

To promote a safe and healthy environment through the protection of our natural resources

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL38	Provide free basic sanitation to indigent account holders connected to the municipal sanitation infrastructure network	Number of indigent households receiving free basic sanitation as at 30 June of the financial year	Last Value	1,500	**1,500**	**1,805**	G2	1,805 Indigent households received free sanitation services.	No corrective measures required, the key performance indicator is met.
TL39	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June of the financial year	Last Value	1,500	**1,500**	**1,805**	G2	1,805 Indigent households received free refuse services.	No corrective measures required, the key performance indicator is met.
TL52	Service Sites for future housing development through the programme on the Upgrading of Informal Settlements Plan (UISP) and Enhanced People's Housing Process (EPHP)	Number of sites serviced through the Human Settlements Development Grant (HSDG) programmes	Accumulative	103	**30**	**5**	R	Five erven were serviced under Contract T20/2018/19 for the quarter under review, these sites were serviced in January 2022.	The Directorate is using the Contractors who are currently on site to address the under-performance.
TL54	Strategic acquisition of Land and Properties	Strategic land and property acquired	Carry Over	1	**1**	**43**	B	Sales agreements have been submitted. We have received most of the Tittle deeds	This key performance indicator will discontinue, upon Council approval, with the proposed Amended Service Delivery and Budget Implementation Plan due to zero budget for the financial year.

National Key Performance Area: Basic Service Delivery

Strategic Objectives:
To improve and maintain current basic service delivery through specific infrastructural development project

To promote a safe and healthy environment through the protection of our natural resources

Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL55	Construct and provide housing opportunities through the programme on Upgrading of Informal Settlements Plan (UISP); Enhanced People's Housing Process (EPHP); and Integrated Rural Development Program (IRDP)	Number of housing opportunities done through the Human Settlements Development Grant (HSDG) programmes	Accumulative	195	40	31	O	There is no contractor on site.	No correctives measures identified by the Directorate.
TL25	Review the Report on the Rehabilitation of Landfill Sites by 30 June each year	Number of reviewed reports	Carry Over	1	0	0	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL26	Review the Disaster Management Plan and submit to Council for the financial year under review	Disaster Management Plan reviewed and submitted to Council before the end of FY	Stand-Alone	1	0	0	N/A	The key performance is not due for the period under review, but is included for completeness.	
TL49	Review of the Municipal Spatial Development Framework (SDF)	Reviewed SDF submitted to Council as part of the IDP review	Carry Over	1	0	0	N/A	The key performance is not due for the period under review, but is included for completeness.	

National Key Performance Area: Basic Service Delivery Strategic Objectives: To improve and maintain current basic service delivery through specific infrastructural development project To promote a safe and healthy environment through the protection of our natural resources									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL50	Review and submit Draft Climate Change Strategy to Council	Number of Climate Change Strategies submitted to Council with IDP	Carry Over	1	0	0	N/A	The key performance is not due for the period under review, but is included for completeness.	

Table 7 - Basic Service Delivery Performance

National Key Performance Area: Local Economic Development Strategic Objective: To create an enabling environment for social development and economic growth									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL48	Reporting on grant funded EPWP projects for each reporting period of the financial year	Number of reports submitted to Public Works for each reporting period within the financial year	Accumulative	4	1	1	G	The Quarter Two Evaluation Report on the Expanded Public Work Programme was submitted to the Department on 4 February 2022.	No corrective measures required, the key performance indicator is met.

Table 8 - Local Economic Development Performance

National Key Performance Area: Municipal Financial Viability and Transformation Strategic Objective: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL7	Capital conditional grant spending measured by the percentage (%) spent	Percentage (%) of the grant spent i.t.o Budget allocations	Last Value	95%	**70%**	**56%**	O	The conditional grant expenditure for the third quarter equates to 56% (Provincial and National Government Conditional Grant Totals: R 30,550,071 (Available Funds) / R 54, 8000, 956 (Adjusted Budget) = 56%)	The remainder of the budget expenditure is planned for the remainder financial year.
TL8	Operational conditional grant spending measured by the percentage (%) spent	Percentage (%) of the grant spent i.t.o Budget allocations	Last Value	95%	**60%**	**52%**	O	The total operational conditional grant expenditure for the third quarter equates to 52% [Total actual: R 32,789,516 / Total Budget: R 63,440,848 * 100]	The remainder of the budget expenditure is planned for the remainder financial year.
TL12	The percentage of the municipality capital budget actually spent on capital projects by 30 June 2022 {(Actual amount spent on projects/Total amount budgeted for capital projects)X100} as approved in the Capital Budget as at 30 June of the financial year	% of municipality's capital budget spent on capital projects approved in the capital budget for the 2021/2022 financial year	Last Value	90%	**0%**	**0**	N/A	The key performance is not due for the period under review, but is included for completeness.	

National Key Performance Area: Municipal Financial Viability and Transformation Strategic Objective: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL18	The percentage of a municipality's operating budget actually spent on implementing its workplace skills plan by 30 June 2022 {(Actual total training expenditure divided by total training (budget) x100}	% of municipality's training budget actually spent on implementing its workplace skills plan as at 30 June of the financial year.	Last Value	90%	**60%**	**2.80%**	R	2.8% of Budget Spent for March 2022 for Basic Cleaning Services.	The user department advertised the following RFQ`s: - Internal Audit advertised on 10/12/2021 - Basic Accounting advertised on 10/12/2021 - Project Management on 13/12/2021 - Safe Cleaning Skills 13/12/2021 - Regulation 21 refresher 14/12/2021 Re-advertised: - Project Management 14/01/2022 - Basic Accounting 14/01/2022 - NQF 3 Water and Waste Water Process Control 15/01/2022 - Inventory Management 14/01/2022 - Safe Cleaning Skills 15/01/2022 RFQ's have closed and the following were none-responsive: - Basic Accounting Principles - Inventory Management - The Water and Waste Water Processes Control was above R200 000 and had to be a Tender. - Project Management Evaluated with document still at SCM. The National Treasury suspension on tenders and RFQ`s following the declaration of invalidity of the PPF Regulations has a serious hampering effect. In order to prevent a similar challenge in future

National Key Performance Area: Municipal Financial Viability and Transformation Strategic Objective: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL34	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services) measured by 30 June of the financial year	Reverse Stand-Alone	50%	0%	0%	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL35	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents Unspent Conditional Grants Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for bad debts, Impairment and Loss on disposal of assets)	Stand-Alone	1.1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL40	Compliance with GRAP to ensure effective capital asset management (PPE; Intangible; Investment Property, Biological and Heritage Assets)	Submit GRAP compliant asset register to Auditor-General by 31 August	Stand-Alone	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL41	Financial viability measured in terms of the Municipality's ability to meet its service debt obligations (NKPI Proxy MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - conditional operating grants received) / (Debt service payments due within the year)) measured by 30 June of the financial year	Reverse Stand-Alone	15	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

National Key Performance Area: Municipal Financial Viability and Transformation Strategic Objective: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL42	Sound financial management by maintaining an acceptable Liquidity Ratio	Liquidity: Current Ratio, Calculated as (Current Assets / Current Liabilities	Stand-Alone	1.2	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL43	Financial viability measured in terms of the collection period (average number of days) as at 30 June ((Gross Debtors Bad Debt Provision) / Billed Revenue)) Ã- 365	Debtors ratio in number of days	Reverse Stand-Alone	80	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL44	Achieve an average payment percentage of 91% by 30 June [Gross Debtors (Opening Balance + Billed Revenue Gross Debtors Closing Balance Bad Debts Written Off) / Billed Revenue x 100]	Gross Debtors (Opening Balance + Billed Revenue Gross Debtors Closing Balance Bad Debts Written Off) / Billed Revenue x 100	Stand-Alone	91%	0%	0%	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL45	Financial statements submitted to Auditor General	Financial statements submitted to AG by 31Â August	Stand-Alone	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

National Key Performance Area: Municipal Financial Viability and Transformation Strategic Objective: To grow the revenue base of the municipality									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL46	Financial viability measured in terms of number of days taken for creditors to be paid [Trade creditors outstanding/creditors purchases (operating and capital) x 365]	Number of days to pay creditors	Reverse Stand-Alone	50	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL47	Review Long Term Financial Plan and submit to Council by 31 March of the financial year	Number of Developed / Reviewed Long Term Financial Plan submitted to Council by 31 March of the financial year	Stand-Alone	1	1	1	G	Long-Term Financial Plan (LTFP) submitted with the Budget-related documents for Council approval on 30 March 2022.	An updated LTFP will be submitted with the May 2022 Annual Budget.

Table 9 - Municipal Financial Viability and Transformation Performance

National Key Performance Area: Municipal Transformation and Organisational Development Strategic Objective: To structure and manage the municipal administration to ensure efficient service delivery									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL14	To structure and manage the municipal administration to ensure efficient service delivery	Develop and submit the 2020/2021 Annual Performance Report (APR) to the Auditor-General of South Africa (AGSA) by end August	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL17	To structure and manage the municipal administration to ensure efficient service delivery	The number of people from EE target groups employed in three highest levels of management which comply with the Employment Equity Plan, measured by the number of people from employment equity target groups employed (newly appointed) in the three highest	Carry Over	1	0	1	B	The number of people from EE target groups employed in three highest levels of management are reflected on the Employment Equity Report for March 2022 extracted from the system.	No corrective measure required
TL19	To structure and manage the municipal administration to ensure efficient service delivery	Submit the Workplace Skills Plan to the LGSETA by 30 April of the financial year.	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

Table 10 - Municipal Transformation and Organisational Development Performance

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL1	Submit to the Executive Mayor the draft 2021/2022 SDBIP for consideration by no later than 14 days after the approval of the annual budget in terms of the Local Government: Municipal Finance Management Act, No. 56 of 2003	2021/2022 Top Layer SDBIP approved by the Executive Mayor within 28 days after the approval of the main budget	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL2	Conclude signed performance agreements in terms of Section 57 of the Local Government: Municipal Systems Act, No. 32 of 2000 for the Municipal Manager and Managers directly accountable to the Municipal Manager	Number of signed performance agreements of Section 54A managers concluded within the legislative required timeframe.	Carry Over	7	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL3	Conduct formal performance evaluations of the Municipal Manager and Managers directly accountable to the Municipal Manager in line with the signed performance agreements	Number of scheduled performance evaluations completed for section 54A managers	Accumulative	12	6	4	R	The Formal Mid-Year Performance Appraisal for the 2021/2022 financial year took place on 7 February 2022 for the Directors: - Planning and Economic Development; - Infrastructure Services; - (Acting) Financial Services; and - Community Services. Incomplete performance evaluations: - The Acting Director: Human Settlements was on leave. - The Director: Corporate Services (resigned) was invited for the evaluation but did not attend. - Acting Municipal Manager indicated that his performance should only be conducted after all the Directors evaluation has been completed.	The continuation / completion of the performance evaluation will be determined after consultation with the Acting Municipal Manager.

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL4	Risk based audit plan submitted to Audit Committee for approval by end March of the financial year	Risk based audit plan submitted by end March of the financial year	Carry Over	1	1	0	R	This target has been adjusted to be met by 30 June 2022 as per the amended SDBIP. The target is therefore not applicable to this quarter. The risk based audit plan follows the risk assessment process which takes place in May every year and therefore the adjustment was requested.	The amended target date to be complied with in line with the amended SDBIP.
TL5	Functional performance audit committee measured by means of meetings where committee dealt with performance reports	Number of Performance Management Reports which served before the Audit Committee for the financial year	Accumulative	2	1	2	B	A Special Audit Committee meeting took place on 16 February 2022 where the Quarter Two Section 52(d) and Mid-Year Non-Financial Performance Assessment Reports were tabled.	No corrective measures required, the key performance indicator is met.
TL6	Submit the IDP/Budget Time Schedule to Council for approval by 31 August 2021	IDP/Budget Time schedule submitted to Council	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL9	Review and prioritisation of risk register for submission to the Risk Management Committee by February of the financial year	Reviewed and prioritised risk register by February of the financial year	Carry Over	1	1	0	R	IN progress - Completion by end April 2022.	IN progress - Completion by end April 2022.
TL10	Comply with all the relevant legislation and procedures tested annually by the Auditor-General of South Africa	Less than three findings in the Auditor General's report on material noncompliance with laws and regulations	Reverse Stand-Alone	3	0	2	R	The municipality received 2 material findings on non-compliance.	None required as the target has been met.
TL11	Develop and submit the Section 46 Report and Oversight Report to Council in terms of the Local Government: Municipal Systems Act, No. 32 of 2000	Section 46 Report and Oversight Report submitted to Council	Accumulative	2	1	0	R	Key Performance Indicator is refined based on the Internal Audit Report. Refined KPI report to be submitted after approval of Reviewed/Amended SDBIP.	
TL13	Ensure IDP is reviewed and presented to Council for consideration before start of new FY	IDP approved by before start of new FY	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL15	Number of Council Meetings held	Number of council meetings held per annum	Accumulative	4	1	1	G	Council meeting held as set for the quarter	No corrective measures required, the key performance indicator is met.

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication										
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL16	Number of Council Portfolio committee meetings held	Number of Portfolio Committee meetings held per annum	Accumulative	20	5	5	G	Five Portfolio Committee meetings were held for Quarter three	No corrective measures required, the key performance indicator is met.
TL27	Develop and submit quarterly section 52 report to Council before the end of the month following the end of the quarter	Section 52(d) report submitted to Council	Accumulative	4	1	1	G	The quarterly section 52 report for quarter 2 ending 31 December 2021 was tabled at a special council meeting dated 31 January 2022.	No corrective measures required, the key performance indicator is met.
TL28	The main budget is considered by Council by the legislative deadline	Submit Main Budget before the end of May for Council consideration	Stand-Alone	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	
TL29	The adjustment budget is considered by Council by the legislative deadline	Submit Adjustments Budget before the end February for Council approval	Stand-Alone	1	1	1	G	The 2021/2022 Adjustments Budget served before a Special Municipal Council meeting held on 24 February 2022.	No corrective measures required, the key performance indicator is met.
TL51	Facilitate seven Public Housing in the Greater Knysna Municipal Area on the human settlements pipeline for the financial year	Number of Public Housing held	Accumulative	7	3	7	B	Meetings were attended and attendance register attached.	No corrective measures required, the key performance indicator is met.

National Key Performance Area: Good Governance and Public Participation Strategic Objective: To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication									
Reference	KPI Name	Unit of Measurement	Calculation Type	Annual Target	Overall Performance 01 January - 31 March 2022			Overall Performance Comment	Overall Corrective Measures
					Target	Actual	R		
TL53	Review Human Settlements Master Plan and submit to the Portfolio Committee by 30 June of the financial year	Reviewed Human Settlements Master Plan submitted to the Portfolio Committee by 30 June of the financial year	Carry Over	1	0	0	N/A	The key performance indicator reporting not due for the period under review, but is included for completeness.	

Table 11 - Good Governance and Public Participation Performance