

**WEST RAND DISTRICT MUNICIPALITY: 2019/20 MIDTERM PERFORMANCE REPORT
(Quarter 1 and 2)**

List of Acronyms and Abbreviations	
AOPO	Audit of the predetermined objectives
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
MFMA	Municipal Financial Management Act
MLAP	Management Letter Action Plan
MMCs	Members of the Mayoral Committee
RePMS	Regional Electronic Performance Management System
RFQ	Request for Quotations
SDBIP	Service Delivery and Budget Implementation Plan
WRDM	West Rand District Municipality

1. INTRODUCTION

In terms of Section 72(1) (a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year taking into account:-

- I. the monthly statements referred to in section 71 for the first half of the financial year;
- II. the municipality’s service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- III. the past year’s annual report, and progress on resolving problems identified in the annual report; and
- IV. the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entity.

A report on such assessment must in terms of Section 72 (1) (b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

3. LIMITATIONS

-  The scope of work for performance information data integrity limited to capacity;
-  Inefficiency of flow of information by end-user departments; and
-  Limited performance information review by respective line manager(s)

2. STATUS OF PERFORMANCE INFORMATION AGAINST INDICATORS AND TARGETS

The Executive Mayor, approved the 2019/20 SDBIP on 24 July 2019, which include key performance indicators and targets for the financial year under review.

In order to comply with MFMA Section 72 and the Municipal Budget and Reporting Regulations (Regulation 33 – 35) the Division, Regional Planning and Performance Management performed a mid-year (term) assessment, which consolidated Quarter one (1) and two (2) of the 2019/20 financial year into a mid-year (term) assessment report.

The process entailed progress reporting online, including the provision of variance comments for performance gaps/deficiencies and improvements plans documented, where relevant.

Focus during the mid-year (term) assessment was on the following:

- Submission dates and flow of performance information;
- Adjustment budget consideration;
- Adjustments of targets and indicators in alignment with the adjustment budget process in February 2020;
- Auditor General outcomes on the 2018/19 Audit of the Predetermined Objectives;

Early indications are that, a few projects / indicators / targets are lagging behind for innumerable reasons, such as highlighted hereunder:

- Financial constraints;
 - Municipal cash flow position at an all-time low;
 - Project(s) ground to a halt due to the dire financial resource constraint
- Supply chain constraints;
 - Inability to implement the procurement plan effectively, due to municipal cash flow position;
- Human resource constraints;
 - Staff shortage across front and back office service delivery operations
 - High turnover of staff;
 - High vacancy rate in key positions;
 - Staff morale at an all-time low
- Intergovernmental Relations constraints;
 - Ineffective oversight and coordination of the constituent local municipalities

Below are some of the performance highlights for the first half of the financial year ending 31 December 2019:

-Financial and non-financial performance outlook

- ✚ Municipality obtained a group unqualified audit opinion with findings on non-compliance which is an initial step of achieving clean audit (i.e. group unqualified audit report with no findings)
- ✚ Municipality maintains an unqualified audit on predetermined objectives

-Service delivery outlook

- ✚ > more inspections done for funeral undertakers
- ✚ > more water samples taken for analysis in line with SANS 241 – due to due to collaboration with municipal departments
- ✚ > more food samples taken for Analysis

-  > more inspection report and certificate of acceptability on new premises issued
-  > more pest control inspections conducted on municipal buildings
-  > more ECDCs inspected
-  > more people reached on HIV and Aids education
-  > more disability programmes coordinated
-  > more air quality inspections conducted
-  > more assessments conducted on water bearing infrastructure/Wet Services to mitigate possible formation of sinkholes
-  > more Evacuation/Contingency/Emergency Plans developed/revised – due to high demand
-  > more evacuation drills conducted to ensure safe passage for people during disaster related incidences – due to high demand

Detailed below are the achievement for the first half of the financial year ending 31 December 2019, which measures the various departments in alignment with the fourteen regional outcomes as well as overall performance of the municipality.

Midterm			
Regional Outcome	Projected	Actual	% Performance
Outcome 1: Basic Service Delivery Improvement	23	23	100
Outcome 2: Accountable Municipal Administration	6	5	83
Outcome 3: Skilled, Capacitated , Competent and Motivated Workforce	7	6	86
Outcome 4: Ethical Administration and Good Governance	7	7	100
Outcome 5: Safe Communities	32	31	97
Outcome 6: Educated Communities	4	4	100
Outcome 7:Healthy Communities	20	16	80
Outcome 8: Sustainable Environment	7	6	86
Outcome 9: Build Spatially Integrated Communities	6	6	100
Outcome 10: Socially Cohesive Communities	2	2	100
Outcome 11: Reduced Unemployment	5	5	100
Outcome 12: Economic Development	1	1	100
Outcome 13: Robust Financial Administration	13	12	92
Outcome 14: Institutional Planning and Transformation	16	13	81

Municipal performance is at 92% as of 31 December 2019

Departmental performance per outcome

Health and social development >>> outcome 6, 7,8,10 = **91.5%**  **up by 12.15%**

Public safety >>> outcome 5 = **97%**  **up by 12%**

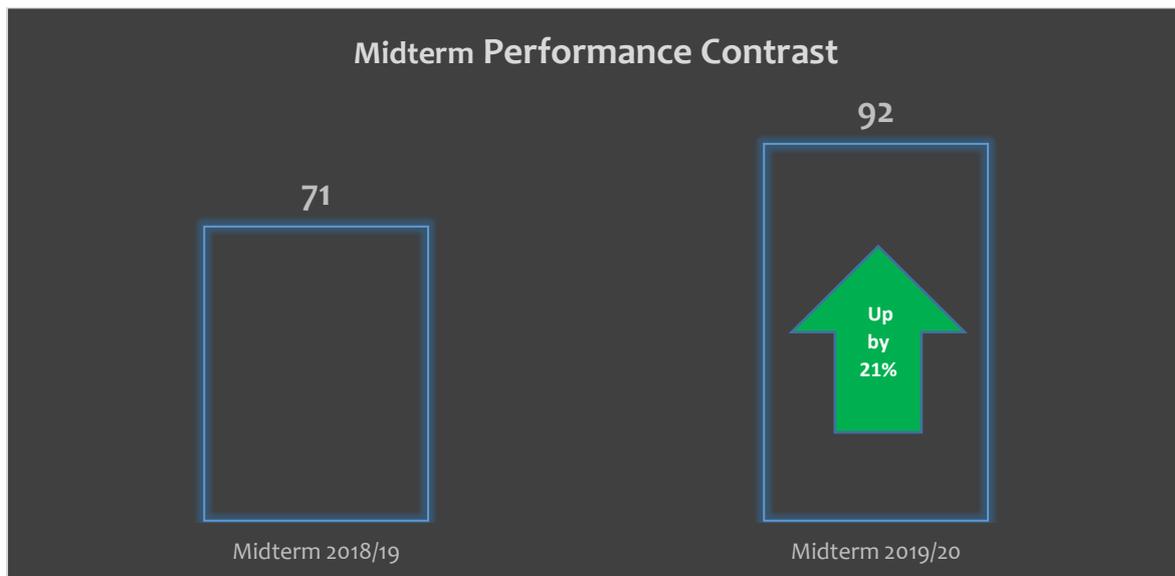
Regional planning and re-industrialisation >> outcome 1, 9, 11, 12 = **100%**  **up by 74.93%**

Financial services >>> outcome 13 = **92%**  **up by 40**

Corporate services >>> outcome 3, 14 = **90%**  **up by 21.5**



Office of the MM >>> 2,4,14 = **86 %** *up by 30*



The information above provides a positive depiction of municipal performance for the midterm review ending 31 December 2019, where performance is up by 21% in contrast to the 2018/19 midterm.

Given the current financial constraints, where municipal cash flow position is at an all-time low, the municipality strives for improved service delivery, albeit its circumstances.

3. PROPOSED ADJUSTMENTS

The following indicator(s) be considered for adjustment during the adjustment period in February 2020:

Outcome	Indicator	Reason for change	New indicator
3	Number (1) of reports on funded positions filled	The target was erroneously captured. It will be submitted at the end of year.	Target to be moved to the 4 th quarter

4. KEY FINDINGS AND OBSERVATIONS

- Possible lack of accountability as a result of:
 - ✚ Delayed completion of progress reports;
 - ✚ Variances and improvement plans for performance gaps and deficiencies not documented in line with the framework for managing programme performance information;
 - ✚ Indicator listings not documented;
 - ✚ Limited performance information review by respective line manager(s)

5. RECOMMENDATIONS THAT:

- The Executive Mayor notes the report as submitted; and
- The report be forwarded to relevant stakeholders in line with the legislative prescripts.