

# 2022/2023 Final Service Delivery Budget and Implementation Plan

---

## HARRY GWALA DISTRICT MUNICIPALITY



**40 Main Street, Private Bag x501 IXOPO, 3276**

**TEL: 039-834 8700 FAX: 039-834 1700**

**2022/2023 FINAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

# 2022/2023 Final Service Delivery Budget and Implementation Plan

---

## Contents

<b>MAYOR'S FOREWORD</b> .....	<b>3</b>
<b>Official Sign- Off</b> .....	<b>6</b>
<b>1. Introduction</b> .....	<b>7</b>
<b>2. Legislative Framework</b> .....	<b>7</b>
<b>2.1. The White Paper on Local Government (1998)</b> .....	<b>7</b>
<b>2.2. The Municipal Systems (Act 32, 2000)</b> .....	<b>7</b>
<b>2.3. Municipal Performance Management Regulations (2006)</b> .....	<b>8</b>
<b>2.4. Municipal Finance Management Act (2003)</b> .....	<b>8</b>
<b>3. Long Term Objective</b> .....	<b>8</b>
<b>4. SWOT ANALYSIS</b> .....	<b>9</b>
<b>5. Vision</b> .....	<b>10</b>
<b>6. Mission Statement</b> .....	<b>10</b>
<b>7. Core Values</b> .....	<b>10</b>
<b>8. Principles Governing PMS</b> .....	<b>10</b>
<b>8.1. Simplicity</b> .....	<b>10</b>
<b>8.2. Political driven</b> .....	<b>10</b>
<b>8.3. Incremental Implementation</b> .....	<b>10</b>
<b>8.4. Transparency and accountability</b> .....	<b>10</b>
<b>8.5. Integration</b> .....	<b>11</b>
<b>8.6. Objectivity</b> .....	<b>11</b>
<b>9. Why do we need Service Delivery Budget and Implementation Plan (SDBIP)</b> .....	<b>11</b>
<b>10. 2022/2023 OBJECTIVES (OUTPUTS)</b> .....	<b>12</b>
<b>11. PERFORMANCE INDICATORS AND TARGETS AND BASELINE</b> .....	<b>12</b>
<b>12. Risk Management</b> .....	<b>19</b>
<b>13. Process of the Service Delivery Budget and Implementation Plan (SDBIP)</b> .....	<b>28</b>
<b>14. SCHEDULE FOR PERFORMANCE REVIEW</b> .....	<b>30</b>
<b>15. Performance Evaluation Committee</b> .....	<b>32</b>
<b>16. Financial Management Perspective</b> .....	<b>33</b>
<b>16.1. BUDGETING PRINCIPLES</b> .....	<b>33</b>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

---

<b>MONTHLY PROJECTIONS OF REVENUE TO BE COLLECTED .....</b>	<b>33</b>
<b>MONTHLY PROJECTIONS OF EXPENDITURE AND REVENUE .....</b>	<b>34</b>
<b>BUDGETED PERFORMANCE INDICATORS AND BENCHMARKS .....</b>	<b>35</b>
<b>DETAILED CAPITAL WORKS.....</b>	<b>36</b>
<b>2022/2023 FINAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN .....</b>	<b>40</b>
<b>CONCLUSION .....</b>	<b>57</b>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

---

## MAYOR'S FOREWORD

Service Delivery Budget and Implementation Plan (SDBIP) is a one-year implementation tool, which gives effect to the IDP and budget of the municipality. It serves as a yardstick to detect early warning signs of non-performance. As this council together with the administration, we are determined to deliver basic services efficiently and effectively to the communities that we are serving. As mandated by the Municipal Finance Management Act No. 56 of 2003 that we must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget, Co-ordinate the annual revision of the integrated development plan (IDP) as quoted in section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development is to be taken into account or revised for the purposes of the budget; and then take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year; also ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget; as a council of this municipality we ensured that the IDP, budget and the SDBIP are tabled and approved. We are looking forward to the success of the implementation of these strategic documents as we are about to begin the new financial year of 2022/2023. The SDBIP will be used to align the budget to the IDP. Harry Gwala DM views a Service Delivery Budget and Implementation Plan as a contract not just between council and administration but also with its communities. Moreover, as such we are committed in delivering high quality and uninterrupted services to the general public.

This council together with its administration assisted by the general public commits itself in delivering quality basic services. We remain committed to account to our communities and to report challenges and progress at all times. We dare not accept average and mediocrity in our quest to giving out our best. Working together with other spheres of government; Harry Gwala DM assures its communities constant continuity in service delivery. To improve service delivery to our communities, we have incorporated the Back to Basics Indicators in our 2022/2023 SDBIP. In his speech when the Back to Basics was launched for the first time in 2014, the president said: *“Out of this Summit must emerge a focused action plan to strengthen local government by getting the basics right, and local government, together with other spheres of government, must provide basic services efficiently and effectively and in a caring manner”*.

In explaining the essence of the back to basics the then Minister of COGTA presented the five pillars of back to basics as follows:

- a) “Put people first and their concerns first and ensure constant contact with communities through effective public participation platforms.
- b) Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore services with urgency.

## 2022/2023 Final Service Delivery Budget and Implementation Plan

---

- c) Be well governed and demonstrate good governance and cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability.
- d) Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
- e) Build and maintain sound institutional and administrative capabilities administered and managed by dedicated and skilled personnel at all levels".

These five pillars have 35 indicators that need to be achieved by municipalities depending on the category of each municipality. Going forward, Harry Gwala will be implementing these indicators to ensure efficient and effective service delivery to the communities that we are serving.

We trust that the financial year 2022/2023 will be the year of success and great achievement for the entire Harry Gwala community.

We have received a mandate from you to lead a District Municipality that has thus far, been under good stewardship, with capable executives- working together with a dedicated team from the Municipal Manager's Office, Various Heads of Departments and the entire labour force of this municipality.

There are crucial priorities that we hope to focus on during our term of office namely, affirming the fundamental and legislative mandate of the municipality, enhancing the Municipal capacity to deliver on mandatory and basic services and deliver on targets that we set for ourselves.

Going the extra mile to serve, educate, empower and uplift the livelihood of our people is also what we intend continuing doing as well in 2022/2023 financial year.

More so, we must ensure at all times, that the Municipal vision and strategic direction is aligned to national plans such as the National Development Plan as well as other growth and development targets set out in the Integrated Development Plan (IDP).

Abiding by these statutory imperatives, will not necessarily increase undesirable red tape processes, but will rather, be aimed at enhancing the following:

- Professionalization of the culture, reputation and manner in which the municipality does business with.
- Encouraging a code of good governance and ethical practice.
- Strengthening an environment that creates synergy with the administrative duties and those of a political nature.

Before I conclude, I would like to convey humble words of appreciations to the Municipal Manager, senior management team, IDP unit, budget unit and all the officials that have made it possible for us to be where we are today. Your tireless efforts will never go unnoticed. I know that sometimes in the course of doing our work we can be a bit pushy and offend one another.

## 2022/2023 Final Service Delivery Budget and Implementation Plan

---

Nevertheless, be rest assured that there will never be a deliberate intention to humiliate or offend anyone but as common course in the course doing our work, we may be sometimes a bit pushy and harsher because we want things done.

To all other stakeholders we have seen the spirit of cooperative governance in action and you complemented our work in many ways that we can imagine and for that, we will always be grateful to you.

A special thanks to my fellow councillors, your commitment to serve and the robust oversight that you have provided over the years and during this financial year is remarkable. You have raised the bar with debates, very frank and sometimes a bit offensive but that has enriched our work dearly.

I am determined that due to the collective leadership and teamwork we will continue to do our work smoothly and for that, I am grateful to all of you colleagues.

I thank you



**His Worship the District Mayor: Cllr. Z.D. Nxumalo**

## 2022/2023 Final Service Delivery Budget and Implementation Plan

### Official Sign- Off

It is hereby certified that this Service Delivery Budget and Implementation Plan: Was developed by the management of the Harry Gwala District Municipality under the guidance of Honourable Mayor: Cllr. Z.D. Nxumalo. Accurately reflects the strategic outcome oriented goals and objectives which the Harry Gwala District Municipality will endeavour to achieve over the period of 1 year.

It has thereafter been finalised within 28 days after the approval of the 2022/2023 Annual Budget, in line with the Municipal Finance Management Act. It has been prepared in alignment with the final budget as is in accordance with the Municipal Finance Management Act and the regulations made under that Act, and is consistent with the Integrated Development Plan of the municipality.

<b>Submitted for approval by:</b> Print Name : Mrs T.T. Thiyane-Magaqa Acting Municipal Manager of Harry Gwala District Municipality (DC 43)  Signature:  Date: 23 June 2022	<b>Received and approved by:</b> Print Name : Cllr Z.D. Nxumalo The Mayor of Harry Gwala District Municipality (DC 43)  Signature:  Date: 23 June 2022
---	---

# 2022/2023 Final Service Delivery Budget and Implementation Plan

---

## 1. Introduction

Performance management is a requirement for all local government in South Africa. It is primarily a mechanism to monitor, review and improve implementation of its IDP. The performance management system monitors actual performance against set targets and serves as a contractual obligation between the municipality and the community. Performance management system was established to measure performance of the municipality. The most valuable reason for measuring performance is that what gets measured gets done.

The performance of a municipality is integrally linked to that of staff. If the employees do not perform, the municipality will fail. The relationship between the municipal performance and employees starts from the planning stage that is the first phase of the municipal performance management system (PMS). The key output is development of the IDP that is utilized to plan future developments in the municipal area.

The IDP has a lifespan of 5 years that is directly linked to the term of office for councillors. The IDP is broken down into short-term goal achievable in one year. The implementation of the IDP is given effect through the Service Delivery Budget and Implementation Plan (SDBIP).

SDBIP is the implementation tool used to align the budget and the IDP. It is the second phase of municipal performance system. The SDBIP is the management and implementation tool that sets in-year targets and link each service delivery output to the budget of the municipality to ensure that key objectives and priorities are budgeted for and achieved. Working towards achieving the long term goal, Harry Gwala district municipality as a water service authority focuses on provision of clean drinkable water and dignified sanitation in the form of VIP toilets and water borne sewer system which is output oriented. The needs identified during the IDP roadshows form base of the SDBIP. Figure 1 illustrates the results chain framework.

## 2. Legislative Framework

### 2.1. The White Paper on Local Government (1998)

The white paper of the Local Government (1998) acknowledges that involving the communities in developing some municipal Key performance indicators increases the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query, others will prioritise the cleanliness of an area or the provision of water to a certain number of households, whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased and public trust in the local government system is enhanced.

### 2.2. The Municipal Systems Act (Act 32, 2000)

The Municipal Systems Act (2000) enforces the idea of local government PMS and requires all municipalities to:

- Develop a performance management system
- Set targets, monitor and review performance based on indicators linked to their IDP
- Publish an annual report on performance for the councillors, staff, public and others spheres of government.



## 2022/2023 Final Service Delivery Budget and Implementation Plan

- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.
- Conduct an internal audit on performance before tabling the report
- Involve the community when setting indicators and targets and reviewing municipal performance.

### 2.3. Municipal Performance Management Regulations (2006)

The Municipal Performance Management Regulations set out how performance of managers directly accountable to the municipal manager will be uniformly monitored and improved. The regulations address both the employee contract and the performance agreements of the municipal manager and managers directly accountable to the municipal manager. The regulations provide a guideline on how the employee contract and the performance agreement should contain. It outlines the purpose of the agreement as to:

- Specify objectives and targets defined and agreed with the employee and to communicate with the employee the expectations of the employer and accountability in aligning the Integrated Development Plan (IDP), Service Delivery budget and Implementation Plan (SDBIP) and the Budget of the municipality.
- Specify accountability as set out in a performance plan, which forms an annexure to the performance agreement.
- Monitor and measure performance against set targets

### 2.4. Municipal Finance Management Act (2003)

The Municipal Finance Management Act states requirements for a municipality to include its municipal performance report with its financial statements and other requirements in constituting its annual report. The municipal council must deal with this within 9 months of the end of the municipal financial year.

### 3. Long Term Objective

KEY PERFORMANCE AREA	LONG TERM OBJECTIVE
Basic Services	To ensure the provision of infrastructure, water and sanitation services in a sustainable manner
Social and Local Economic Development	<p>To promote local economic development</p> <p>To promote agricultural and tourism activities</p> <p>To create a conducive environment for business opportunities for both local and foreign investors</p> <p>To uplift the economic well-being of Harry Gwala residence access to the environment that is not harmful to their health being.</p>

## 2022/2023 Final Service Delivery Budget and Implementation Plan

KEY PERFORMANCE AREA	LONG TERM OBJECTIVE
	To have a disaster management that prevents, mitigate and respond effectively immediately after a disaster has been declared
Municipal Institutional Transformation	To transform our institution to cater for the previously marginalized.
Good Governance and Public Participation	To promote and enhance community participation in the affairs of the municipality
Municipal Financial Viability	To provide reasonable assurance that is sound and sustainable management of the fiscal and financial affairs of the district is accomplished.

### 4. SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> <li>1. Young and dynamic staff compliments that is willing to learn and grow</li> <li>2. A conducive working environment where potential can be untapped</li> <li>3. Accessibility of senior management</li> <li>4. Strong administrative leadership</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of rare skills i.e. engineers</li> <li>2. Inexperienced staff compliment</li> <li>3. limited funding to effectively deal with backlog</li> <li>4. Rural based municipality—</li> </ol>
OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> <li>1. Easy access to major cities</li> <li>2. large pool of labour</li> <li>3. World class tourism destination</li> <li>4. stable political environment</li> </ol>	<ol style="list-style-type: none"> <li>1. Disasters</li> <li>2. Unskilled labour</li> <li>3. poor infrastructure</li> <li>4. Brain drain to major cities</li> <li>5. Theft (stock theft)</li> <li>6. Crime</li> </ol>

## 2022/2023 Final Service Delivery Budget and Implementation Plan

---

### 5. Vision

By 2030, Harry Gwala will be a leading water services provider in the KZN province with its communities benefitting from a vibrant agriculture and tourism sector.

### 6. Mission Statement

Working together with its communities and stakeholders Harry Gwala District Municipality will ensure the provision of clean, drinkable uninterrupted water services and proper sanitation facilities and strive to improve its agriculture and tourism sector to enhance human dignity.

### 7. Core Values

1. Transparency
2. Accountability
3. Consultation  
Commitment
4. Honesty

### 8. Principles Governing PMS

#### 8.1. Simplicity

The system must be a simple user- friendly system that enables the municipality to operate it within its existing capacity of its financial, human resources and information management system.

#### 8.2. Political driven

Legislation clearly tasks the municipal council and the mayor as the owners of the performance management system. The Executive **MUST** drive both the implementation and improvement of the system. Legislation allows for the delegation of responsibility or aspects of it to the municipal manager or other appropriate structure as the executive may deem fit.

#### 8.3. Incremental implementation

It is important that while a holistic performance management system is being developed, the municipality should adopt a phased approach to implementation, dependent on the existing capacity and resources within the municipality.

It is also important to note that municipal performance management is a new approach to local government functioning and therefore requires adequate time to be given to the organisation's process to change. The performance management system will not be perfect from the start it should be constantly improved based on its workability.

#### 8.4. Transparency and accountability

Members of the organisation whose performance will be monitored and measured must ensure that the process of managing performance is inclusive open and transparent. This can only be achieved by taking effective participation in the design and implementation of the system within the municipality.

Again, the process must involve and empower communities so that they are able to understand how the municipality and its departments are run, how resources are spent, and who is in charge of particular

## 2022/2023 Final Service Delivery Budget and Implementation Plan

---

services. Similarly, all information on the performance of the departments should be available for other managers, employees, public and specific interest group.

### 8.5. Integration

The performance management system should be integrated into other management processes in the municipality, such that it becomes a tool for more efficient and effective management rather than an additional reporting burden. It should be seen as a central tool to the ongoing management functions.

### 8.6. Objectivity

Performance management must be founded on objectivity and credibility. Both the processes of managing performance and the information on which it relies need to be objective and credible. Sources of data for measuring indicators should be scrutinized to enhance credibility of information and therefore objective decisions making.

## 9. Why do we need Service Delivery Budget and Implementation Plan (SDBIP)

The IDP which is the planning tool for the municipality have a lifespan of 5 years which is then broken down into short term goals that can be achieved in 1 year. The SDBIP, which is the implementation tool, is developed to implement the IDP. It is used to align the budget to the IDP. The focus of the SDBIP is on both financial and non-financial measurable performance objectives. It links each service delivery outputs to the budget of the municipality. The SDBIP provides a comprehensive picture of the performance of each department within the municipality. It consists of objectives, strategies, indicators and targets.

### Figure 1: Results chain framework

**OUTPUTS** – What we produce or deliver?

(The final product, goods and services produced)



**ACTIVITIES** – What we do?

(The actions or process that uses a range of inputs to produce the desired outputs)



**INPUTS** – What we use to do work?

(The resources we use to produce the product e.g. financial resources and human resources)

## 2022/2023 Final Service Delivery Budget and Implementation Plan

### 10. 2022/2023 OBJECTIVES (OUTPUTS)

Objectives state clearly the intention of the municipality, what it intends to produce in order to achieve its strategic output. The organisational objectives are SMART (specific, measurable, attainable, relevant and time-bound) and performance targets set are achievable. The table below illustrates the 2020/2021 objectives.

OBJECTIVES 2022/2023
To improve the coverage, quality, efficiency, and sustainability of water and sanitation services in all urban and rural communities
To ensure a smooth functioning of council and that staff complement is able to deliver as per the IDP
To have improved systems and procedures that enhance administrative function and improve interaction between the municipality and members of the public
To Increase the Gross Domestic Product of the District and ensure full participation in the economy to benefit the Harry Gwala community and especially the youth
To create a functional urban, regional and human settlements whilst protecting the environment
To improve the Financial Viability and management of the Municipality in order to fund more quality projects

### 11. PERFORMANCE INDICATORS AND TARGETS AND BASELINE

A set of performance indicators were identified in order to track the ongoing performance of the organisation. The indicators reflect equity and the value for money in the use of resources. They are related to outputs that will assist in achieving the organisational strategic outcome. The key stakeholders are consulted to identify the key performance indicators. The key performance indicators are aligned to the national outcome. The present baseline information that is recorded prior to the planning period is stated clear in numbers in respect of each project objective and indicator. The SMART targets are set relating to the budget year of the MTEF. The table below illustrates the targets, indicators and baseline set in the organisational Scorecard.

#### Key Performance Indicators and Targets

## 2022/2023 Final Service Delivery Budget and Implementation Plan

<b>KEY PERFORMANCE AREA: BASIC SERVICE DELIVERY</b>			
<b>IDP STRATEGIC OBJECTIVE: TO IMPROVE THE COVERAGE, QUALITY, EFFICIENCY AND SUSTAINABILITY OF WATER AND SANITATION SERVICES IN ALL URBAN AND RURAL COMMUNITIES</b>			
<b>KEY CHALLENGE: LACK OF WATER RESOURCES AND PROVISION OF CLEAN DRINKING WATER AND PROPER SANITATION</b>			
<b>Water Services Department (WSD)</b>			
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>
1.1.1.1 Percentage of households with access to basic water for the first time through new projects (403 HH)	1.1.1	100%	Signed Consultant Report
1.1.1.2 Percentage of households with access to basic water through refurbishment work (241 HH)		100%	Signed Consultant Report
Percentage of expenditure spent on capital projects (WSIG)	1.1.2	100 %	Expenditure report
Percentage of households with access to basic sanitation for the first time (217 HH)	1.2.	100%	1. Beneficiary List 2. Happy Letters with Identity Documents
Date in which water services policies were adopted by council.	2.1.1.	30-Jun-23	Council resolution for reviewed water policies.
Date in which Afrikaans Interpreted Water Services Bylaws were adopted by council	2.1.2.	30-Jun-23	Council Resolution for Afrikaans Interpreted water services bylaws
Number of water quality monitoring reports submitted to DWS.	2.2.1.	24	Water quality monitoring reports.
Number of wastewater quality monitoring reports submitted to DWS.	2.2.2.	24	Wastewater quality monitoring reports.
Number of Water Treatment Works Process Audits completed and adopted by council.	2.2.3.	9	Process audits Council Resolution.
Number of awareness campaigns/ war rooms initiated.	2.2.4.	16	1. War room reports 2. War room and awareness campaign attendance registers
Number of customer care awareness roadshows conducted	2.2.5.	2	Roadshow attendance register.
Number of customer satisfaction survey conducted	2.2.7.	400	Customer Satisfaction survey report.
Percentage of complaints resolved within 48 hours	2.3.1	55%	Customer care report

## 2022/2023 Final Service Delivery Budget and Implementation Plan

Date in which the: 1. WSDP was reviewed and adopted by council  2. Infrastructure Asset Management Plan was adopted by the Council.  3. Sewer Master Plan was adopted by the Council.	2.3.2	30-Jun-23	Council Resolution
Number of Technical Feasibility Reports prepared	2.4.	4	Technical Feasibility Reports
Number of projects with completed Designs.	2.5.	4	Design Reports and Drawings
<b>KEY PERFORMANCE AREA: BASIC SERVICE DELIVERY</b>			
<b>IDP STRATEGIC OBJECTIVE: TO IMPROVE THE COVERAGE, QUALITY, EFFICIENCY AND SUSTAINABILITY OF WATER AND SANITATION SERVICES IN ALL URBAN AND RURAL COMMUNITIES</b>			
<b>KEY CHALLENGE: LACK OF WATER RESOURCES AND PROVISION OF CLEAN DRINKING WATER AND PROPER SANITATION</b>			
<b>INFRASTRUCTURE SERVICES DEPARTMENT</b>			
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>
Percentage of households with access to basic water for the first time (945 HH)	1.1.1.	2,06%	Signed Consultant Report
1.1.3.1.Percentage of expenditure spent on capital projects (MIG)	1.1.2.	100 %	Signed Certificate of Expenditure by the Municipality
Total number of households connected to sewer water borne for the first time	1.3.	334	Signed Consultant Report / Completion certificate, Register indicating the beneficiaries (Street name and House numbers)
Number of jobs created through EPWP Grant	1.4.1.	170	Employment contract(s)
Number of jobs created through capital projects.	1.4.2.	45	Employment contract(s)
Percentage of request resolved	1.5.2	70%	Summary with the total number of requests received vs total number of requests resolved
<b>KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION; MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>			
<b>IDP STRATEGIC OBJECTIVE: TO HAVE IMPROVED SYSTEMS AND PROCEDURES THAT ENHANCE ADMINISTRATIVE FUNCTION AND IMPROVE INTERACTION BETWEEN THE MUNICIPALITY AND MEMBERS OF THE PUBLIC; TO ENSURE A SMOOTH FUNCTIONING OF COUNCIL AND THAT STAFF COMPLEMENT IS ABLE TO DELIVER AS PER THE IDP</b>			
<b>KEY CHALLENGE: FULL ADHERENCE TO THE LEGISLATIVE PRESCRIPT THAT GOVERNS LOCAL GOVERNMENT</b>			
<b>Office of The Municipal (OTMM)</b>			
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>



## 2022/2023 Final Service Delivery Budget and Implementation Plan

Date by which the order for marketing material is issued	3.1.	31-Dec-22	Order
Number of audit committee meetings held	3.3.1.	4	Attendance Register
Number of Risk Ethics and Anti-Fraud Committee meetings held	3.3.3.	4	Attendance Register
Date in which risk assessment workshop is conducted	3.3.4.	30-Jun-23	Attendance Register
Number of Newsletters developed and published	4.6.	4	Copy of newsletters
<b>KEY PERFORMANCE AREA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT</b>			
<b>IDP STRATEGIC OBJECTIVE: TO ENSURE A SMOOTH FUNCTIONING OF COUNCIL AND THAT STAFF COMPLEMENT IS ABLE TO DELIVER AS PER THE IDP</b>			
<b>KEY CHALLENGE: SKILLS DEVELOPMENT OF MUNICIPAL EMPLOYEES IN ORDER FOR THEM TO DELIVER SUCCESSFUL BASIC SERVICES</b>			
<b>Corporate Services</b>			
KPI	Target No	2022-2023 Annual Target	Portfolio Of Evidence
Number of trainings conducted	4.1.1.	25	Attendance register(s)
Percentage of budget spent on Workplace Skills plan	4.1.2.	100%	Expenditure report with a detailed calculation (G040)
Date in which WSP was submitted to LGSETA	4.1.3.	30-Apr-23	Proof of submission/Acknowledgement letter
Number of officials trained on SCM	4.2.	20	Attendance register
Number of Health and wellness activities Implemented	4.3.	7	1. Attendance register 2. Invoices only for fire extinguishers & signages
Date by when the Employment Equity Plan is submitted to the Department of Labor	4.4.1.	15-Jan-23	Acknowledgement letter and EEA2, EEA4 Reports
Number of Previously Disadvantaged Individuals employed	4.4.2.	5	Appointment letter
Date by when the fleet management system is installed	4.4.3.	31-Mar-23	Installation Certificate
Number of software licenses renewed	4.5.	6	Proof of renewal and invoice
Date in which the procurement and clustering of server was completed.	4.7.1.	31-Mar-23	Invoice and server pictures
Number of ICT awareness conducted	4.7.2.	4	Attendance Register
Percentage on filling of S54A/56 management positions	4.8.1.	100%	A gender report & A gender /race report



## 2022/2023 Final Service Delivery Budget and Implementation Plan

Percentage gender representation on S54A/56 management positions	4.8.2.	50% 50%	
<b>KEY PERFORMANCE AREA: MUNICIPAL FINANCIAL VIABILITY</b>			
<b>IDP STRATEGIC OBJECTIVE: TO IMPROVE THE FINANCIAL VIABILITY AND MANAGEMENT OF THE MUNICIPALITY IN ORDER TO FUND MORE QUALITY PROJECTS</b>			
<b>KEY CHALLENGE: LOW REVENUE BASE AND NON-PAYMENT OF SERVICES BY SOME CUSTOMERS</b>			
<b>Budget and Treasury Office(BTO)</b>			
KPI	Target No	2022-2023 Annual Target	Portfolio Of Evidence
Percentage of Collection from the billed consumers	5.1.	60%	Debt Collection
Number of existing households with access to free basic services in terms of the indigent register	5.2.1.	3000	Indigent Register
Date in which indigent register is approved by Council	5.2.2.	30-Jun-23	Council Resolution
Number of consumers added to database	5.3.	12000	Age analysis
Date in which the 2023/2024 final budget was approved by Council	5.4.	31-May-23	Council Resolution
Date in which the Interim Financial Statements are submitted to Internal Audit	5.5.1.	31-Mar-23	Proof of submission
Date in which AFS are submitted to the Auditor General	5.5.2.	31-Aug-22	Proof of submission
Date in which fixed asset register was updated	5.6.	31-Aug-22	Soft copy of an Updated fixed asset register
<b>KEY PERFORMANCE AREA: LOCAL ECONOMIC AND SOCIAL DEVELOPMENT; CROSS CUTTING INTERVENTIONS</b>			
<b>IDP STRATEGIC OBJECTIVE: TO INCREASE THE GROSS DOMESTIC PRODUCT OF THE DISTRICT AND ENSURE FULL PARTICIPATION IN THE ECONOMY TO BENEFIT THE HARRY GWALA COMMUNITY AND ESPECIALLY THE YOUTH; TO CREATE A FUNCTIONAL URBAN, REGIONAL AND HUMAN SETTLEMENTS WHILST PROTECTING THE ENVIRONMENT</b>			
<b>KEY CHALLENGE: ATTRACTING INVESTMENT AND GROWING THE ECONOMY OF HARRY GWALA DISTRICT AND INTERPRETATION OF SPATIAL PLANNING AND LINKING IT TO INFRASTRUCTURE PLANNING AND DEVELOPMENT OF HARRY GWALA TOWNS</b>			
<b>Social Services and Development Planning</b>			
KPI	Target No	2022-2023 Annual Target	Portfolio Of Evidence
Percentage of reported incidents responded to within 6 hours	6.1.1.	100%	Assessment form
Date in which the Disaster Management Communication System is procured	6.1.2.	30-Jun-23	Appointment letter

## 2022/2023 Final Service Delivery Budget and Implementation Plan

Date in which the installation of and training on the Disaster Management Communication System takes place	6.1.3.	30-Jun-23	Attendance register
Number of Health and Hygiene education awarenesses conducted	6.3.1.	16	Attendance register
Number of water samples submitted to Laboratory for analysis	6.3.2.	200	Water sample results
Number of notifications received for investigation of communicable diseases	6.3.3.	1	Investigation report
Number of applications received for pauper burial/desitute/exhumation	6.3.4.	1	Application documents
Date by which the Air Quality Management Plan was developed	6.4.	30-Jun-23	Appointment letter
Date by which the Fire Beaters and Nap sack tanks were procured	6.7.1.	31-Mar-23	Invoice
Number of trainings conducted on the use of fire beaters	6.7.2.	12	Attendance Register and Proof of delivery
Date by which the Disaster Management Stakeholder Engagements take place	6.7.3.	31-Dec-22	Attendance Register
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>
Date by which the District Youth Council will be relaunched:	7.1.1.	31-Mar-23	Attendance Register/Photos
Date by which Harry Gwala District Youth Summit will be held.	7.1.2.	31-Mar-23	attendance Register/ Photo/ Resolutions
Date by which students will be assisted with tertiary registration fees	7.1.3.	31-Mar-23	Invoice
Date by which the Youth day commemoration will be held	7.1.4.	30-Jun-23	Attendance register / photos
Date in which the Harry Gwala marathon was hosted	7.2	31-May-23	Winning Certificate(s)
Date in which HGDM participated in Dundee July	7.3.1	30-Jul-22	Photos
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>
Number of municipal events held	3.2.	4	Attendance Register and Photos
<b>KPI</b>	<b>Target No</b>	<b>2022-2023 Annual Target</b>	<b>Portfolio Of Evidence</b>

## 2022/2023 Final Service Delivery Budget and Implementation Plan

Date in which a Plotter is procured	7.8.2.	31-Mar-23	Invoice
Date by when the GIS equipment is procured	7.8.3.	31-Mar-23	Invoice
Number of IDP roadshows conducted	7.9.1	8	Attendance register
Date in which the IDP document is approved by Council	7.9.2	31-May-23	Council resolution
Date in which the SDF document is approved by Council	7.9.3	31-May-23	Council Resolution
Date in which the Annual Report is submitted to Council for noting.	7.9.4.	31-Jan-23	Council Resolution
Date in which the Oversight Report is submitted to Council for adoption	7.9.5.	31-Mar-23	Council Resolution

## 2022/2023 Final Service Delivery Budget and Implementation Plan

### 12. Risk Management

The risk management implementation plan for the Harry Gwala District Municipality was prepared to give effect to the implementation of the risk management policy and strategy and sets out all risk management activities planned for the 2022/2023 fiscal year. The table below illustrates the strategic risks that were identified and the mitigation plans to ensure that the risks do not hinder the realisation of the strategic objectives.

Ref ID	Top Objectives	Key Performance Areas	Risk identified	Footprints	Consequences	Inherent risk exposure		Residual Risk Exposure		Risk Owner	Action (s)	Action Owner	Due date		
						Index	Definition	Index	Definition						
SR-01	To ensure a smooth functioning of council and compliance with the IDP	Municipal Transformation	Inadequate skills	<ol style="list-style-type: none"> <li>1. Non submission of targeted (CFO) continued professional development programme by departments</li> <li>2. Limited resources and personnel</li> </ol>	<ol style="list-style-type: none"> <li>1. Compromised service delivery</li> <li>2. Losing V&amp;A jobs</li> <li>3. Dependence on consultants</li> <li>4. Ability to service delivery requirements efficiently</li> </ol>	5	4	4	4	Subsidiary	<ol style="list-style-type: none"> <li>1. Lack of skills</li> <li>2. No plan</li> <li>3. Training</li> <li>4. LGSETA consultancy grant</li> <li>5. FMS grant</li> <li>6. Market readings (Infrastructure and Water)</li> </ol>	<ol style="list-style-type: none"> <li>1. Municipal Manager</li> </ol>	<ol style="list-style-type: none"> <li>1. Initiation of return on investment forms by departments and to be submitted to skills development</li> <li>2. Initiation of Skills development policy and library</li> <li>3. FMS grant requirements</li> <li>4. Market readings</li> <li>5. FMS grant requirements</li> <li>6. Market readings</li> </ol>	<ol style="list-style-type: none"> <li>1. All staffs</li> <li>2. EDC</li> <li>3. All staffs</li> <li>4. All staffs</li> </ol>	<ol style="list-style-type: none"> <li>1. Monthly</li> <li>2. 30 June 2023</li> <li>3. 31 December 2023</li> <li>4. 31 March 2023</li> </ol>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

HARRY GWALA DISTRICT MUNICIPALITY  
2022/2023 STRATEGIC RISK REGISTER

Strat No	IDP Objective	Key Performance Area	Risk Description	Risk Cause	Categorisation	Inherent risk exposure		Control effectiveness		Residual Risk	Risk Register	Risk Owner	Action Center	Dates		
						Index	Definition	Index	Definition							
SR-02	To improve the coverage, quality, efficiency and sustainability of water and sanitation services in all urban and rural communities.	Water Service Delivery	1. Inability to provide sufficient potable water	1. Financial constraints 2. Capacity constraints 3. Non-revised of water services development plan 4. No sanitation master plan in place 5. Natural disasters/Climate Change e.g. Floods 6. Load shedding/ engine failure due to shortage of power supply on SITES	1. Public service (Water) 2. WJMS (Water) 3. Non-compliance to Integrated Risk Information System (IRIS) 4. Loss of WSA status	5	10	40	60	Subsidiary	15	Category (Medium)	Treat	Municipal Manager	1. Increase budget for O&M 2. Rehabilitation of infrastructure through the implementation of infrastructure assessment plan. 3. Application of the water services job order to be sent to corporate services for the completion of the job 4. Request to be sent to corporate services for the completion of the job 5. Climate Change strategy must be reviewed/updated. 6. Submission of assessment report on sites which needs back-up energy supply e.g. generators	1. 31 March 2023 2. 31 December 2023 3. 31 December 2023 4. 31 May 2023 5. 30 September 2023 6. 31 December 2023
SR-03	To improve the coverage, quality, efficiency and sustainability of water and sanitation services in all urban and rural communities.	Basic Service Delivery	Vulnerability Drought	1. Climate change	1. Loss of water sources 2. Community unrest 3. Loss of revenue 4. Water borne disease	2	10	60	40	Good	4	Category (Low)	Tolerate	Municipal Manager		
SR-04	To create a functional urban regional and human settlement which provides the environment.	Local Economic Development	Fragmentation on the implementation of spatial planning and infrastructure development of Harry Gwala town	1. Non-alignment of Spatial Framework & Infrastructure development 2. Dispersed human settlement patterns and existing geographical terrain within H&M	1. Non-credible DP & budget 2. Delays implementation of projects (due to non-compliance with legislation)	5	10	60	40	Good	4	Category (Low)	Tolerate	Municipal Manager		

# 2022/2023 Final Service Delivery Budget and Implementation Plan

Ref No	Obj	Key performance Area	Risk description	Risk name	Consequences		Inherent risk rating		Inherent risk exposure		Control effectiveness		Residual Risk	Risk Owner	Action plan	Action Center	Due date
					Unlikelihood	Impact	Index	Definition	Index	Definition	Index	Definition					
89-02	To ensure a smooth running of council and that staff commitment is able to deliver as per IDP.	Good Governance	Failure to maintain and effective collection of debt necessary and continuity in the event of a disruption.	1. The business continuity plan in place	1. Inadequate of debt 2. Negative staff culture 3. Negative impact on service delivery. 4. Litigation & Physical loss. 5. Reputational Risk.	5	5	15	Subsatisfactory	40	Satisfactory	15	Conditional (Medium)	Manager	1. Check business continuity management policy (budget/annual) 2. Establishment of business continuity steering committee 3. Conduct business impact analysis 4. Conduct risk assessment for Business Continuity 5. Development of business continuity strategy and plan 6. Testing the plan	1. Senior Manager: Risk 2. Senior Manager: Risk 3. Senior Manager: Risk 4. Senior Manager: Risk 5. Senior Manager: Risk 6. Senior Manager: Risk	1. 30 June 2023 2. 30 June 2023 3. 30 June 2023 4. 30 June 2023 5. 30 June 2023 6. 30 June 2023

# 2022/2023 Final Service Delivery Budget and Implementation Plan

SAP No	SAP Objective	Key performance Area	Risk Identified	Root cause	Consequences		Inherent risk exposure		Control effectiveness		Residual Risk Exposure Index	Risk Owner	Action plan	Action Owner	Due date			
					Likelihood	Impact	Index	Detraction	Index	Residual Index						Detraction	Index	
SP-06	To have improved systems and processes that enhance administrative function and improve interaction between the business and members of the public	Local Government	Ability to achieve clean audit	<ol style="list-style-type: none"> <li>1. Non-compliance of Internal &amp; External audit</li> <li>2. Non-compliance of AG action Plan</li> <li>3. Non-Implementation of risk mitigation plans</li> <li>4. Non-adherence to performance management framework</li> <li>5. Fragmented process of handing over of projects with physical assets</li> <li>6. Non-compliance with rules and regulations</li> <li>7. Non-performance of monthly reconciliations</li> <li>8. Poor records management and poor reporting</li> </ol>	<ol style="list-style-type: none"> <li>1. Regulatory</li> <li>2. Exposure to Fraud &amp; Corruption</li> </ol>	4	4	4	Medium	<ol style="list-style-type: none"> <li>1. Risk register with report</li> <li>2. Audit committee</li> <li>3. Risk Committee</li> <li>4. AG Report</li> <li>5. Audit working committee</li> <li>6. File Plan</li> <li>7. PMS</li> </ol>	60	Satisfactory	5.6	Conditional (Medium)	Trust	<ol style="list-style-type: none"> <li>1. Development of schedule of departmental monthly meeting and send to the CEO, risk and IA units.</li> <li>2. Risk, PMS and IA to be standing items in departmental meetings</li> <li>3. Awareness campaign on institutional records management</li> <li>4. Completion of the Public Sector Risk Management Framework (PSRM), Senior Managers, Managers and Risk Champions</li> <li>5. Departmental involvement on the development of the AG action plan</li> </ol>	<ol style="list-style-type: none"> <li>1. AG Heads</li> <li>2. All HODs</li> <li>3. LED</li> <li>4. Corporate Services</li> <li>5. All HODs</li> <li>6. CFO</li> </ol>	<ol style="list-style-type: none"> <li>1. Monthly</li> <li>2. Monthly</li> <li>3. Monthly</li> <li>4. 31 July 2021</li> <li>5. Quarterly</li> <li>6. Monthly</li> </ol>



# 2022/2023 Final Service Delivery Budget and Implementation Plan

IDP Objective	Key performance areas	Risk identified	Root cause	Consequences (Health) Impact	Inherent risk rating		Influence risk exposure		Control effectiveness		Residual risk Exposure	Risk Owner	Action plan	Action Owner	Due date
					Health	Impact	Index	Definition	Index	Definition					
To improve coverage, quality, efficiency and sustainability of service provision in all urban and rural communities by 2023	Municipal buildings maintenance	Inadequate municipal office spaces	<ol style="list-style-type: none"> <li>Increase staff complement</li> <li>Non-compliance in building headlamps</li> <li>Trend of operating working environment</li> </ol>	<ol style="list-style-type: none"> <li>1. Life of employees in danger</li> <li>Litigation</li> </ol>	3	4	20	High	20	High	High	Manager	<ol style="list-style-type: none"> <li>1. Detailed planning of the office buildings by office task Team</li> <li>1.1 Development of Terms of Reference</li> <li>1.2. To conduct a costing on the cost of maintaining the buildings</li> <li>2. To conduct a research on the design and cost of constructing a new office buildings</li> <li>3. To conduct a research on how we can accommodate obsolete premises in existing HSDM buildings</li> <li>4. To assess plan to secure funding for maintenance of buildings</li> <li>5. Assessment of underground parking spaces, EPCO parking to be utilized</li> <li>6. Assessment of Urgent plan, for the construction of parking for HSDM employees</li> <li>7. Budget for the construction of parking lot</li> <li>8. Interaction with DCS and Legal Services on the erection of Intubants in the Urgent plan</li> <li>9. Development of an implementation plan that is informed by a budget</li> <li>10. Allocation of parking space to employees</li> <li>11. Establishment of park and ride services for employees</li> </ol>	<ol style="list-style-type: none"> <li>1. Lc. Dr: Infr</li> <li>2. Ed: Infr</li> <li>3. Ex. Dir: Infr</li> <li>4. Ex. Dir: Infr</li> <li>5. Ex. Dir: Infr</li> <li>6. Ex. Dir: Infr</li> <li>7. Ex. Dir: Infr</li> <li>8. Ex. Dir: Infr</li> <li>9. Ex. Dir: Infr</li> <li>10. Ex. Dir: Infr</li> <li>11. Ex. Dir: Infr</li> </ol>	<ol style="list-style-type: none"> <li>1.1. 31 May 2022</li> <li>2. 30 June 2023</li> <li>3. 31 December 2022</li> <li>4. 31 December 2022</li> <li>5. 31 July 2022</li> <li>6. 31 July 2023</li> <li>7. 31 May 2023</li> <li>8. 30 September 2023</li> <li>9. 30 June 2023</li> <li>10. 30 September 2022</li> <li>11. To be confirmed</li> </ol>



# 2022/2023 Final Service Delivery Budget and Implementation Plan

Ref No	TOP Objective	Key performance Area	Risk Identified	Root Cause	Cause/Issues	Inherent risk		Control effectiveness		Residual Risk	Risk Register	Risk Owner	Action plan	Action Owner	Due Date
						Index	Definition	Index	Definition						
08	To ensure that WSA is fully complying to the standards as set by the Department of water and sanitation	Operational and maintenance	Excessively high cost of sewerage treatment	<ol style="list-style-type: none"> <li>Increase in population growth (demand)</li> <li>Disposal of foreign objects into the sewer system.</li> <li>Ageing sewer infrastructure</li> <li>Inappropriately designed sewer system</li> <li>Non removal of water meter plan</li> </ol>	<ol style="list-style-type: none"> <li>Environmental pollution</li> <li>Illnesses outbreak</li> <li>Healthcare issues of the municipality</li> <li>Community unrest</li> </ol>	<p>Index: 3</p> <p>Definition: High</p>	<p>Index: 4</p> <p>Definition: High</p>	<p>Index: 20</p> <p>Definition: Weak</p>	<p>Index: 10</p> <p>Definition: Weak</p>	<p>Index: 10</p> <p>Definition: Weak</p>	<p>Index: 10</p> <p>Definition: Weak</p>	<p>Index: 10</p> <p>Definition: Weak</p>	<ol style="list-style-type: none"> <li>Develop Business Plan for sewer meter plan to seek funding</li> <li>Appointment of second service provider for the unbidding of sewerage systems</li> <li>Awareness campaigns to educate the community to report sewer network and leaks.</li> <li>Engage with consultants to assist in the development of business plan.</li> </ol>	<ol style="list-style-type: none"> <li>LED: Water services</li> <li>ED: Water Services</li> <li>LED: Water services</li> <li>ED: Water Services</li> </ol>	<ol style="list-style-type: none"> <li>31 March 2023</li> <li>31 March 2023</li> <li>30 September 2023</li> <li>30 September 2023</li> </ol>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

Ref No	IDP Objective	Key performance areas	Risks Identified	Ecof cause	Consequences	Inherent risk rating		Residual risk rating		Control effectiveness	Risk: Exposed	Risk: Director	Action plan	Action Owner	Due date
						likelihood	impact	Index	Factor						
SB-09	To improve coverage, quality, efficiency and sustainability of water supply in all urban and rural communities by 2023	Basic Service Delivery	Failure to deliver water within reasonable periods	<ol style="list-style-type: none"> <li>1. Poor performance by water providers</li> <li>2. Market Research constraints</li> <li>3. Budget constraints</li> <li>4. Legal connections by communities</li> <li>5. Vendorism</li> <li>6. Non standardisation of M documents</li> <li>7. Lack of forward planning by implementing departments</li> <li>8. Delays in performing environment assessments</li> <li>9. Delays in Supply Chain Management processes.</li> <li>10. Escalation of cost due to unforeseen circumstances</li> <li>11. Limited resources [Vehicles]</li> <li>12. Poor project Management</li> <li>13. Subcontracting agreements</li> <li>14. Land use agreements</li> <li>15. Unreliable flow projections</li> <li>16. Late registration of PMS Projects</li> </ol>	<ol style="list-style-type: none"> <li>1. Compromised service delivery.</li> <li>3. Limited image of the municipality.</li> <li>4. Community unrest.</li> <li>5. Unauthorized expenditure.</li> <li>6. Compromised service delivery.</li> <li>7. Delays in commissioning of projects</li> <li>8. Delays in completion of projects</li> <li>9. Project failure</li> </ol>	High	High	20	80	Weak	High	Executive Director	<ol style="list-style-type: none"> <li>1. Development and approval of project business plan</li> <li>2. Submission of projects for registration with H&amp;S and MIS System</li> <li>3. Development of project implementation plan</li> <li>4. Review the SOP Policy</li> <li>5. Conduct market research to drafting evaluation</li> <li>6. Development of checklist to be utilised in the tendering from competition to implementation</li> <li>7. Progress report on the tendering process and cash flow projections</li> <li>8. Implementation of General Conditions of Contracts</li> <li>9. Review the tender checklist from implementation to operations and maintenance, costs and GIS</li> </ol>	<ol style="list-style-type: none"> <li>1. ED: Water Services</li> <li>2. ED: Water &amp; Infra</li> <li>3. ED: Water Services</li> <li>4. CFO &amp; Manager</li> <li>5. CFO &amp; Manager</li> <li>6. ED: Infrastructure</li> <li>7. ED: Infrastructure</li> <li>8. ED: Infrastructure</li> <li>9. ED: Water Services</li> </ol>	<ol style="list-style-type: none"> <li>1. 31 July 2022</li> <li>31 October 2022</li> <li>31 January 2023</li> <li>31 July 2022</li> <li>Monthly</li> <li>31 July 2022</li> <li>Monthly</li> <li>31 July 2022</li> </ol>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

HARRY GWALA DISTRICT MUNICIPALITY 2022/2023 STRATEGIC NSM REGISTER													
Ref No	IDP Objective	Key performance Area	Risk identified	Root cause	Consequences	Inherent risk rating		Residual risk exposure		Risk Owner	Action plan	Action Owner	Due date
						Relevance	Impact	Index	Definition				
						Control effectiveness		Residual Risk Exposure					
						Index	Risk Rating	Index	Definition				
SR-10	To have improved systems and procedures that enhance administrative function and improve interaction between the municipality and members of the public	Good Governance	Non-adherence to the legislative principles that govern local government	<ul style="list-style-type: none"> <li>1. Lack of knowledge</li> <li>2. Budget constraints</li> <li>3. Non reviewed compliance register</li> </ul>	<ul style="list-style-type: none"> <li>1. Single audit outcome</li> <li>2. community unrest</li> <li>3. Inflows &amp; wasteful expenditure</li> </ul>	5	5	40	5	Satisfactory	<ul style="list-style-type: none"> <li>1. To monitor the implementation of the Municipal compliance register.</li> <li>2. Monitoring of compliance notices issued by DMS</li> </ul>	<ul style="list-style-type: none"> <li>1. Municipal Manager</li> <li>2. ED: Water Services</li> </ul>	<ul style="list-style-type: none"> <li>1. Monthly</li> <li>2. Monthly</li> </ul>
SR-11	To have improved systems and procedures that enhance administrative function and improve interaction between the municipality and members of the public	Good Governance	Vulnerability to fraud and corruption	<ul style="list-style-type: none"> <li>1. Lack of supervision</li> <li>2. Oversight on internal control</li> <li>3. Inadequate user access levels</li> <li>4. Lack of knowledge on fraud &amp; corruption</li> <li>5. No disciplinary board in place</li> </ul>	<ul style="list-style-type: none"> <li>1. Financial loss</li> <li>2. Reputational risk</li> <li>3. Poor workmanship</li> </ul>	5	5	40	60	satisfactory	<ul style="list-style-type: none"> <li>1. Anti-Fraud &amp; Corruption Policy</li> <li>2. Internal audit report</li> <li>3. Audit committee</li> <li>4. Risk Committee</li> <li>5. AG Report</li> <li>6. fraud risk register</li> <li>7. Whistle blowing policy</li> </ul>	<ul style="list-style-type: none"> <li>1. Municipal Manager</li> <li>2. Senior Manager: Risk Management</li> <li>3. Municipal Manager</li> </ul>	<ul style="list-style-type: none"> <li>1.30 September</li> <li>2. 31 December 2022</li> <li>3. Monthly</li> </ul>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

HARRY GWALA DISTRICT MUNICIPALITY 2022/2023 STRATEGIC RISK REGISTER															
Risk No.	Risk Objective	Key Performance Area	High Potential	Risk Cause	Inherent risk rating		Inherent risk exposure		Control effectiveness		Risk Register	Risk Owner	Due date		
					Method	Impact	Index	Effusion	Index	Risk Factor				Index	Definition
SR-12	To improve the financial stability and management of the municipality in order to fund quality projects.	Municipal Financial Viability	Financial sustainability	<ol style="list-style-type: none"> <li>1. Non-economic tariff</li> <li>2. Fuel cost exposure</li> <li>3. Low revenue</li> <li>4. Non-revenue water</li> <li>5. Aging infrastructure</li> <li>6. Unstable and theft of infrastructure</li> <li>7. Poor planning</li> <li>8. Incomplete budget register</li> <li>9. Inadequate financial management</li> </ol>	5	5	4	60	40	60	Medium	<ol style="list-style-type: none"> <li>1. Esobha enhancement</li> <li>2. Smart Meter</li> <li>3. Budget control report</li> </ol>	<ol style="list-style-type: none"> <li>1. Planning and design to done in-house.</li> <li>2. To conduct a research on procurement of diesel in-house.</li> <li>3. Payments must be checked with PAYOFFS before being paid.</li> <li>4. To send a request for the training must be done to Water services staff on PMS Systems</li> <li>5. To train water services staff on PMS</li> <li>6. Payments to be made on the 15th and 30th each month - Two payments intervals with the exceptions of December and June</li> </ol>	<ol style="list-style-type: none"> <li>1. 30 June 2023</li> <li>2. 30 September 2023</li> <li>3. Monthly</li> <li>4. 31 July 2023</li> <li>5. 30 September 2022</li> <li>6. Monthly</li> </ol>	
SR-13	To have improved systems and procedures that enhance administrative function and improve interaction between the municipality and members of the public.	Governance and ICT Risk	Cyber Crime Escalation in large scale cyber attacks	<ol style="list-style-type: none"> <li>1. Disgruntled staff</li> <li>2. Lack of skills to manage security of information</li> <li>3. Cyber warfare sponsored by terrorist organisations</li> <li>4. Negligence from users</li> </ol>	5	5	4	60	40	60	High	<ol style="list-style-type: none"> <li>1. Back-up system</li> <li>2. ICT Disaster Recovery Plan and ICT Business Continuity Plan</li> <li>3. Penetration</li> <li>4. ICT Security Policies and Procedures</li> <li>5. Anti-Virus</li> <li>6. Awareness Campaigns</li> </ol>	<ol style="list-style-type: none"> <li>1. Loss of information which may result in disclosure of the audit opinion</li> <li>2. Increased cost of doing business due to increased handling costs</li> </ol>	<ol style="list-style-type: none"> <li>1. Workshop employees on cyber attacks</li> <li>2. Vulnerability checks on the internet</li> <li>3. To train employees on how to mitigate cyber attacks</li> <li>4. MOAs to invite ICT to conduct awareness campaigns on cyber attacks</li> </ol>	<ol style="list-style-type: none"> <li>1. Quarterly</li> <li>2. Monthly</li> <li>3. Daily</li> <li>4. 30 September 2022</li> </ol>

## 2022/2023 Final Service Delivery Budget and Implementation Plan

---

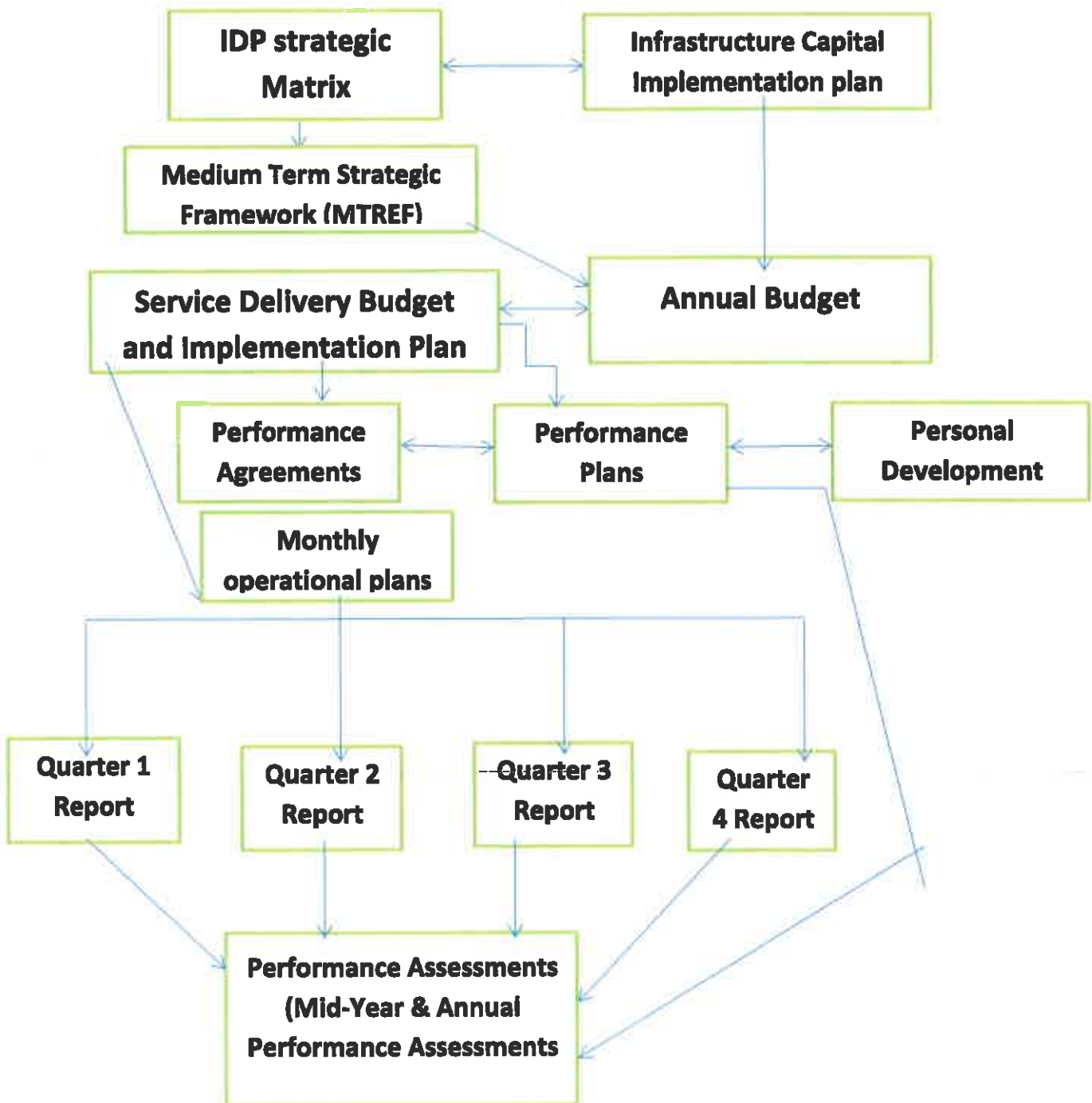
### 13. Process of the Service Delivery Budget and Implementation Plan (SDBIP)

The SDBIP process plan is developed with the IDP process plan and is tabled to council for adoption. The draft SDBIP and the final SDBIP is submitted to the mayor not later than 28 days after the adoption of the budget and to the Provincial and National Treasury not later than 10 days after the adoption of the budget. The SDBIP is publicised through the local newspapers and the website of the municipality.

#### 13.1. Planning, budgeting and reporting

This section will give a brief overview of the documents that the municipality is mandated to produce in relation to planning, budgeting, implementation, reporting, and monitoring. All these documents are tabled in relevant committees. Above all, published on the municipal website for public consumption. For the planning purpose, the IDP is developed which is a five-year plan. IDP process plan is tabled by the mayor as well as the budget timetable to Council by 31 August for approval (10 months before the beginning of the next budget year). The schedule of key deadlines indicates the processes relative to the review of the IDP as well as the preparation of the medium term revenue and expenditure framework (MTREF) budget and the revision of the annual budget. These target dates follow the prescriptions of the Municipal Finance Management Act as well as the guidelines set by National Treasury. Strategic planning session is convened in September/October with senior managers to determine the IDP priorities that will form the basis for the preparation of the MTREF budget. By 31 March, the Mayor tables the draft IDP and MTREF budget to council (90 days before the beginning of the new budget year) together with the draft resolutions and budget related policies. The Mayor approves the Service Delivery and Budget Implementation Plan (SDBIP) not later than 28 days after the approval of the Budget by Council. The SDBIP is submitted to Provincial and National Treasury not later 10 days after it has been approved by council.

## 2022/2023 Final Service Delivery Budget and Implementation Plan



## 2022/2023 Final Service Delivery Budget and Implementation Plan

### 13.2. Public Consultation

The public is consulted through IDP and Budget road shows. An extensive consultation is held with the ward committee members and the ward councillors to deliberate on the Key performance indicators.

#### 13.3.1. Implementation

SDBIP is the actual implementation of the Integrated Development plan (IDP) which is done over a single year cycle. It is known as a management tool used to monitor performance. It focuses on both financial and non-financial measurable performance objectives. SDBIP is essentially an implementation tool to ensure alignment of budget to the IDP. To measure performance, targets are set for each indicator. To achieve better service delivery, the municipality has the responsibility to ensure responsible spending, given the nature of public funds. The results must be linked to budget expenditure to ensure value for money. Monthly performance and budget reports are prepared as per Section 71 of the MFMA and Section 41 (1) (e) of the Systems Act, Section 166 (2) (a) (v) and (vii) of the Municipal Management Finance Act (MFMA) and Regulation 7 of Municipal Planning and Performance Management Regulations. The SDBIP is revised once during the budget adjustment and amendments are done where necessary and then tabled to council.

#### 13.3.2. Monitoring and Reporting

Monitoring is conducted to collect, analyse and report performance data. It provides continuous information on whether progress has been made towards achieving the results (inputs, activities and outputs). It assists to identify the strengths and weaknesses in each project. The information collected during reporting enhance learning and improves decision –making. Monthly operational reports are prepared and discussed in a MANCO and in the Portfolio committees to continuously track performance against what was planned. In order to comply with regulation 28 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly accountable to the Municipal manager, the quarterly reports are prepared and tabled to the Executive committee, Performance Audit Committee and Council. Sections 121 and 127 of the MFMA, as read with Section 46 of the Systems Act and Section 6 of the Systems Amendment the municipality must prepare the Annual performance report (APR) and clearly state the IDP objectives, planned targets, reasons and corrective measures provided where targets were not met. The APR forms part of the annual report. The Annual report is tabled to Council by 31 January. The draft and approved document is published by 31 March each year. It is submitted to MPAC, Council, Audit Committee, Auditor-General, Auditor-General, National Treasury and Provincial Treasury. Figure 2, illustrates the schedule for performance review.

### 14. SCHEDULE FOR PERFORMANCE REVIEW

REPORT	PERIOD	LEGISLATION	OVERSIGHT
First Quarter report	July – September	Regulation 28 of Local Government: Municipal Performance Regulations for Municipal Managers	<ul style="list-style-type: none"> <li>• Internal Audit unit (IA)</li> <li>• Performance Audit committee (PAC)</li> <li>• Portfolio Committees</li> </ul>



## 2022/2023 Final Service Delivery Budget and Implementation Plan

REPORT	PERIOD	LEGISLATION	OVERSIGHT
		and Managers Directly accountable to Municipal Manager, 2006	<ul style="list-style-type: none"> <li>• Executive committee (Exco)</li> <li>• Municipal Public Accounts Committee(MPAC)</li> <li>• Council</li> </ul>
Second Quarter/ Mid-Year	October - December	<ul style="list-style-type: none"> <li>• Regulation 28 of Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly accountable to Municipal Manager, 2006</li> <li>• Regulation 13 of Local Government: Municipal Planning and Performance Management Regulations, 2001</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Audit unit</li> <li>• Audit committee</li> <li>• Portfolio Committees</li> <li>• Executive committee</li> <li>• Municipal Public Accounts Committee</li> <li>• Council</li> <li>• Provincial and National Treasury</li> </ul>
Third Quarter	January - March	Regulation 28 of Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly accountable to Municipal Manager, 2006	<ul style="list-style-type: none"> <li>• Internal Audit unit</li> <li>• Audit committee</li> <li>• Portfolio Committees</li> <li>• Executive committee</li> <li>• Municipal Public Accounts Committee</li> <li>• Council</li> </ul>
Fourth quarter/ Annual Performance	April - June	<ul style="list-style-type: none"> <li>• Regulation 28 of Local Government: Municipal Performance Regulations for Municipal Managers and</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Audit unit</li> <li>• Audit committee</li> <li>• Portfolio Committees</li> <li>• Executive committee</li> <li>• Municipal Public Accounts Committee</li> <li>• Council</li> </ul>



## 2022/2023 Final Service Delivery Budget and Implementation Plan

REPORT	PERIOD	LEGISLATION	OVERSIGHT
		Managers Directly accountable to Municipal Manager, 2006 • Regulation 13 of Local Government: Municipal Planning and Performance Management Regulations, 2001	<ul style="list-style-type: none"> <li>• Provincial and National Treasury</li> <li>• Department of Co-operative Governance and Traditional Affairs (CoGTA)</li> <li>• SA Auditor General (AG)</li> </ul>

### 15. Performance Evaluation Committee

Performance Evaluation committee was established as per the regulation 27 of Local Government: Municipal Performance Regulations for Municipal Manager and Managers directly accountable to Municipal Manager, 2006. The performance evaluation panel for the purpose of assessing the Municipal manager constitutes the following persons:

- 1. The Mayor**
- 2. Chairperson of the Performance Audit committee (PAC) or Chairperson of the Audit Committee in the absence of the PAC.**
- 3. Member of the Executive committee**
- 4. Mayor from another municipality**
- 5. Member of the ward committee as nominated by the Mayor.**

For the purpose of evaluating performance of managers directly accountable to the municipal manager, the panel constitutes the following persons:

- 1. Municipal Manager**
- 2. Chairperson of the Performance Audit committee (PAC) or Chairperson of the Audit Committee in the absence of the PAC.**
- 3. Member of the Executive committee**
- 4. Municipal manager from another municipality**

As stipulated In Section 72 of the MFMA, the Mid-Year assessment report is prepared and submitted to the mayor, Provincial and National Treasury by 25 January of each financial year.

# 2022/2023 Final Service Delivery Budget and Implementation Plan

## 16. Financial Management Perspective

### 16.1. BUDGETING PRINCIPLES

The municipality should not budget for a deficit and should ensure that revenue projections in the budget are realistic taking into account actual collection levels and equitable share. Expenses may only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget. Harry Gwala district Municipality has prepared a three-year budget (medium term revenue and expenditure framework (MTREF)) and will be reviewed annually and approved by Council. The MTREF budget must at all times be within the framework of the Municipal Integrated Development Plan.

### MONTHLY PROJECTIONS OF REVENUE TO BE COLLECTED

DC43 Harry Gwala - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year v1 2022/24	Budget Year v2 2024/25
<b>Revenue by Vote</b>																
Vote 01 - Summary Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office		36 655	36 655	36 655	36 655	36 655	36 655	36 655	36 655	36 655	36 655	36 655	36 655	438 660	489 423	602 038
Vote 04 - Summary Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Summary Social Services & Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Summary Infrastructure Services		26 129	26 129	26 129	26 129	26 129	26 129	26 129	26 129	26 129	26 129	26 129	26 129	317 654	373 401	410 862
Vote 07 - Summary Water Services		6 031	6 031	6 031	6 031	6 031	6 031	6 031	6 031	6 031	6 031	6 031	6 031	72 370	76 486	80 838
Vote 08 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>70 716</b>	<b>646 884</b>	<b>810 318</b>	<b>888 827</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 01 - Summary Council		1 690	1 690	1 690	1 690	1 690	1 690	1 690	1 690	1 690	1 690	1 690	1 690	18 983	19 798	20 699
Vote 02 - Summary Municipal Manager		1 992	1 992	1 992	1 992	1 992	1 992	1 992	1 992	1 992	1 992	1 992	1 992	23 904	26 477	28 624
Vote 03 - Summary Budget And Treasury Office		6 929	6 929	6 929	6 929	6 929	6 929	6 929	6 929	6 929	6 929	6 929	6 929	83 148	88 764	90 804
Vote 04 - Summary Corporate Services		7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 620	7 619	91 438	96 200	99 484
Vote 05 - Summary Social Services & Development		4 897	4 897	4 897	4 897	4 897	4 897	4 897	4 897	4 897	4 897	4 897	4 897	55 989	57 896	59 728
Vote 06 - Summary Infrastructure Services		9 162	9 162	9 162	9 162	9 162	9 162	9 162	9 162	9 162	9 162	9 162	9 162	109 044	118 433	121 987
Vote 07 - Summary Water Services		17 341	17 341	17 341	17 341	17 341	17 341	17 341	17 341	17 341	17 341	17 341	17 340	208 082	217 248	227 624
Vote 08 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 290</b>	<b>521 467</b>	<b>616 793</b>	<b>648 797</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 426</b>	<b>267 898</b>	<b>380 816</b>	<b>347 730</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/deficit of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 424</b>	<b>21 426</b>	<b>267 898</b>	<b>380 816</b>	<b>347 730</b>	

# 2022/2023 Final Service Delivery Budget and Implementation Plan

## MONTHLY PROJECTIONS OF EXPENDITURE AND REVENUE

DC43 Harry Gwala - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
<b>Revenue By Source</b>																	
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315	4 315
Service charges - sanitation revenue		1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101	1 101
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent of facilities and equipment		380	380	380	380	380	380	380	380	380	380	380	380	380	380	380	380
Interest earned - external investments		847	847	847	847	847	847	847	847	847	847	847	847	847	847	847	847
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228	37 228
Other revenue		49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and grants)</b>		<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>	<b>44 828</b>
<b>Expenditure By Type</b>																	
Employee related costs		19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786	19 786
Remuneration of councillors		740	740	740	740	740	740	740	740	740	740	740	740	740	740	740	740
Debt impairment		2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388
Depreciation & asset impairment		7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817	7 817
Finance charges		42	42	42	42	42	42	42	42	42	42	42	42	42	42	42	42
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388	2 388
Contracted services		9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891	9 891
Transfers and subsidies		1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417	1 417
Other expenditure		6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207	6 207
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>	<b>49 291</b>
<b>Surplus/(Deficit)</b>		<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>	<b>(5 263)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888	28 888
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Share of surplus/(deficit) of associate--		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>	<b>21 434</b>

# 2022/2023 Final Service Delivery Budget and Implementation Plan

## BUDGETED PERFORMANCE INDICATORS AND BENCHMARKS

DC43 Harry Gwala - Supporting Table SA8 Performance Indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue Management</b>											
Credit Rating		2,70%		1,4%	0	0,6%	0,8%	0			
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	0,8%	0,4%	0,2%	0,2%	0,1%	0,1%	0,0%	0,1%	0,1%	0,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	4,7%	2,6%	1,2%	1,6%	0,6%	0,5%	0,0%	0,6%	0,6%	0,6%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	0,7	0,7	5,0	1,0	1,0	1,0	1,3	1,0	1,2	1,4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,7	0,7	5,0	1,0	1,0	1,0	1,3	1,0	1,2	1,4
Liquidity Ratio	Monetary Assets/Current Liabilities	0,3	0,3	4,8	0,5	0,6	0,6	0,8	0,5	0,7	0,8
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0,0%	0,0%	182,1%	77,6%	85,8%	85,6%	114,2%	82,2%	82,0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0,0%	0,0%	182,1%	77,6%	85,6%	85,8%	114,2%	82,2%	82,0%	81,7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13,5%	12,8%	10,1%	11,6%	9,7%	9,7%	16,6%	10,3%	10,6%	10,3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA's 68(a))										
Creditors to Cash and Investments		83,9%	147,3%	-88,4%	199,2%	-305,2%	-305,2%	-169,6%	134,0%	113,6%	97,6%
<b>Other Indicators</b>											
-Electricity Distribution Losses (2)	Total Volume Losses (kWh)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)	1 355	1 355	2 905	-	-	-	2 905	2 908	2 908	2 908
	Total Cost of Losses (Rand '000)	8584273	8584273	6581224	0	0	0	6581224	6581224	6581224	6581224
	% Volume (units purchased and generated less units sold)/units purchased and generated	5	5000,0%	5100,0%	0,0%	0,0%	0,0%	5100,0%	5100,0%	5100,0%	5100,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	39,0%	40,3%	42,6%	48,3%	48,4%	48,4%	41,8%	45,0%	44,7%	43,8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	40,6%	41,8%	44,1%	48,1%	50,2%	50,2%	48,6%	48,6%	48,4%	46,4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7,5%	4,3%	6,9%	7,0%	10,1%	10,1%		7,1%	7,0%	6,8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	16,5%	15,7%	15,7%	16,1%	16,5%	16,5%	13,9%	17,4%	17,2%	16,8%
<b>IDP regulation financial viability indicators</b>											
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	30,6	14,6	19,4	19,4	19,4	14,9	16,8	17,0	16,0
II. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	102,8%	88,0%	78,6%	80,9%	75,7%	75,7%	140,6%	83,6%	85,5%	84,0%
III. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,2	1,6	(8,7)	1,4	(0,6)	(0,6)	(1,4)	1,4	1,5	1,8



















# **2022/2023 Final Service Delivery Budget and Implementation Plan**

---

## **2022/2023 FINAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

2022/2023 Final Service Delivery Budget and Implementation Plan

KEY PERFORMANCE AREA: BASIC SERVICE DELIVERY  
 TOP STRATEGIC OBJECTIVES TO IMPROVE THE COVERAGE, QUALITY, EFFICIENCY AND SUSTAINABILITY OF WATER AND SANITATION SERVICES IN ALL URBAN AND RURAL COMMUNITIES  
 KEY CHALLENGE: LACK OF WATER RESOURCES AND PROVISION OF CLEAN DRINKING WATER AND PROPER SANITATION

WSP Ref No.	SDG Ref No.	Obj No.	Objective	Strategy	Project	Output	Key Indicators	Unit of Measurement	Baseline	Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	2022-2023 Total	Priority 10 Milestone
01.000.002/2022/2023	6	1.1	To improve coverage, quality, efficiency and sustainability of water in all urban and rural communities	By ensuring that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner	Water projects	Increased percentage of households with access to basic water	1.1.1.1 Percentage of households with access to basic water through new projects (SDG HW)	Person days	0	100%	0	0	0	0	100%	Signal Consultant Report
01.000.002/2022/2023	6	1.1	To improve coverage, quality, efficiency and sustainability of water in all urban and rural communities	By ensuring that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner	Water projects	Increased percentage of households with access to basic water	1.1.1.2 Percentage of households with access to basic water through rehabilitation work (SDG HW)	Person days	0	100%	0	0	0	0	100%	Signal Consultant Report
01.000.002/2022/2023	6	1.2	To improve coverage, quality, efficiency and sustainability of water in all urban and rural communities	By ensuring that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner and that all water projects are implemented in a timely manner	Sanitation (WSP)	Increased percentage of households with access to basic sanitation	1.2 Percentage of households with access to basic sanitation for the first time (SDG HW)	Person days	0	100%	0	0	0	0	100%	1. Beneficiary List 2. Progress Letters with Monthly Documents







# 2022/2023 Final Service Delivery Budget and Implementation Plan

REP No. of 2022/23	SO/S	2.1	To research, plan and design water and sewerage for the provision of providing sustainable water and sanitation services	By conduct feasibility studies, Englobe and Project (the, legal, technical, financial and operating) design water and sewerage treatment or	Design of Specialist Projects	Projects design and drawings	2.1. Number of projects with completed designs	Number of projects	2.2. Design Drawings	2.1. CREDIT- INVESTMENT Water Supply Phase 4	2.2. Mechanical Water Supply 2.3. Electrical Water Supply 2.4. Distribution Water Supply	2.3. Design and drawings	2.4. Design and drawings	2.5. Design and drawings	2.6. Design and drawings	2.7. Design and drawings	2.8. Design and drawings	2.9. Design and drawings	2.10. Design and drawings
1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1

## KEY PERFORMANCE INDICATORS DELIVERY

### TOP STRATEGIC OBJECTIVES TO IMPROVE THE CURRENT QUALITY, EFFICIENCY AND SUSTAINABILITY OF WATER AND SANITATION SERVICES IN ALL URBAN AND RURAL COMMUNITIES

#### TOP CHALLENGES LACK OF WATER INFRASTRUCTURE AND PROVISION OF CLEAN DRINKABLE WATER AND PROPER SANITATION

REP No. of 2022/23	SO/S	1.1	To improve coverage, quality, efficiency and sustainability of water supply in all urban and rural communities	By covering the lack of water projects to be undertaken to provide water supply with the standard use. Hence, quality improved design.	Water projects	1.1. Percentage of households with access to basic water (PWS %)	1.1.1. Percentage of households with access to basic water (PWS %)	1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)	1.1.1.1.1.1.1.1.1.1.1.1.1.1. Percentage of expenditure spent on capital projects (PWS)
1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1













2022/2023 Final Service Delivery Budget and Implementation Plan

WFO Ref No.	Proj No.	Obj No.	Objective	Strategy	Project	Output	IP No.	IP1	UNIT OF MEASURE	PERFORMANCE INDICATOR	Activities / Items	Locality / Region / District	Category / Sub-Category	Source of Funding	Budget	Number of Financial and Treasury Officers	Delivery D	MOCK ON	START DATE	END DATE	FA YTD	Q1/23	Q2/23	Q3/23	Q4/23	YTD	Percentage of Performance
WFO Ref No. 2022/23 5.1	SP40 27	5.1	To ensure improved revenue collection	Reduce credit control and debt management policy	Debt Collection	Total amount collected from customers per month	S.1	Percentage of Collection from the initial consumers	Person type	No. Verified Mispays	S.1. Verify Statements 2. Subsequent of debt collector	All Lines	Revenue and Revenue	Expendable items	S.1. R 200 000,00 S.1.1 000,00 S.1.1 000,00	Budget and Treasury Officers	100%	15%	01-Dec-22	31-Dec-22	0%	0%	0%	0%	0%	0%	0%
WFO Ref No. 2022/23 5.2	SP40 28	5.2	To ensure updated and reliable budget collar information	Update the budget management policy	Budget register	Updated budget register	S.2	Number of amendments with access to their basic services in terms of the budget register	Number	No. Verified Mispays	S.2. Updated budget register 1. Validation of budget register 2. Approval of the budget register	All Lines	Revenue and Revenue	Expendable items	S.2. R 500 000,00	Budget and Treasury Officers	1	0	13-Oct-22	31-Dec-22	0%	0%	0%	0%	0%	0%	0%
WFO Ref No. 2022/23 5.3	SP40 29	5.3	To ensure updated and reliable budget collar information	Reduce the budget management policy	Budget register	Approved budget register	S.2	Number of amendments with access to their basic services in terms of the budget register	Date	No. Verified Mispays	S.2. Updated budget register 1. Validation of budget register 2. Approval of the budget register	All Lines	Revenue and Revenue	Expendable items	R 600	Budget and Treasury Officers	30-Jan-23	0	31-Dec-22	0%	0%	0%	0%	0%	0%	0%	
WFO Ref No. 2022/23 5.4	SP40 30	5.4	To ensure compliance with the IFRA and improve budgeting reporting processes	Update the consumer debt-collars	Data clearing	Updated debt	S.5	Number of consumers added to database	Number	No. Verified Mispays	S.5. Updated Consumer Debt Collars 1. Collection of consumer information 2. Update the consumer database	H20M	Revenue and Revenue	Expendable items	R 0,00	Budget and Treasury Officers	100%	0%	12-Oct-22	31-Dec-22	0%	0%	0%	0%	0%	0%	
WFO Ref No. 2022/23 5.5	SP40 31	5.5	To ensure the monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Prepare monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Budget	Budget approved in compliance with IFRA	S.5	Date in which the 2022/2023 final budget was approved by Council	Date	No. Verified Mispays	S.5. Approved BUDGET 1. Prepare of Budget	H20M	Budget and Reporting	Expendable items	R 0,00	Budget and Treasury Officers	21-May-23	0	27-May-22	0%	0%	0%	0%	0%	0%	0%	
WFO Ref No. 2022/23 5.5	SP40 32	5.5	To ensure the monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Prepare monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Interim Financial Statement	Interim Financial Statement (IFS) submitted to Interim Auditors	S.5	Date in which the Interim Financial Statements are submitted to Interim Auditor	Date	No. Verified Mispays	S.5. IFS 1. Preparation of Interim financial statements 2. Preparation of annual statements	All Lines	Budget and Reporting	Expendable items	R 0,00	Budget and Treasury Officers	31-May-22	0	31-May-22	0%	0%	0%	0%	0%	0%	0%	
WFO Ref No. 2022/23 5.5	SP40 33	5.5	To ensure the monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Prepare monthly progress report compliance and the year ending June 2023 and submit to the Auditor General on time	Annual Financial Statement	Annual Financial Statement (AFS) submitted to the Auditor General	S.5	Date in which AFS are submitted to the Auditor General	Date	No. Verified Mispays	S.5. AFS 1. Preparation of annual statements 2. Preparation of annual statements	H20M	Budget and Reporting	Expendable items	R 0,00	Budget and Treasury Officers	31-May-22	0	31-May-22	0%	0%	0%	0%	0%	0%	0%	











## 2022/2023 Final Service Delivery Budget and Implementation Plan

Document	Strategic priority document	SDP (FOKAS)	7.A. 2	Date to which document is approved by Council	Date	WZ	7.A. 3	7.A. 4	7.A. 5	31-Mar-23	31-May-23	31-May-23	31-May-23	Council Resolution
		SDP produced	7.A. 3	Date in which the SDP document is approved by Council	Date	WZ	7.A. 3	7.A. 4	7.A. 5	31-Mar-23	31-May-23	31-May-23	31-May-23	Council Resolution
		Annual Report	7.A. 4	Date in which the Annual Report is submitted to Council for approval	Date	WZ	7.A. 4	7.A. 5	7.A. 5	31-Mar-23	31-May-23	31-May-23	31-May-23	Council Resolution
		Overnight Report	7.A. 5	Date in which the Overnight Report is submitted to Council for adoption	Date	WZ	7.A. 5	7.A. 5	7.A. 5	31-Mar-23	31-May-23	31-May-23	31-May-23	Council Resolution

## 2022/2023 Final Service Delivery Budget and Implementation Plan

### CONCLUSION

As part of igniting excellence and taking service delivery to a higher level, the departmental performance monitoring will be done through the quarterly departmental SDBIP's which will also be cascaded down to the senior managers' performance agreements. The implementation of sound financial planning and budgeting will ensure sustainable service delivery that would result in growth for the municipality. These budgets and strategies have been developed to ensure that backlogs are addressed and that future financial problems are avoided and timeously corrected. It is also to ensure that projects are adequately funded and that future projects can be realistically planned and budgeted.

The Harry Gwala District Municipality invites all the Stakeholders, to make this Service Delivery and Budget Implementation Plan (SDBIP) a reality.

<b>PRESENTED TO COUNCIL BY THE MAYOR:</b>	<b>PREPARED BY:</b>
<p><b>The Mayor</b> <b>Harry Gwala District Municipality</b> <b>40 Main Street</b> <b>Private Bag x 501</b> <b>IXOPO</b> <b>3276</b></p> <p><b>Tel.: 039 834 8700</b> <b>Fax: 039 834 1700</b> <b>Email: <a href="mailto:ChilizaN1@harrygwalam.gov.za">ChilizaN1@harrygwalam.gov.za</a></b></p>	<p><b>The Acting Municipal Manager</b> <b>Harry Gwala District Municipality</b> <b>40 Main Street</b> <b>Private Bag x 501</b> <b>IXOPO</b> <b>3276</b></p> <p><b>Tel.: 039 834 8700</b> <b>Fax: 039 834 1700</b> <b>Email: <a href="mailto:MagagaT@harrygwalam.gov.za">MagagaT@harrygwalam.gov.za</a> / <a href="mailto:MbaniwaS@harrygwalam.gov.za">MbaniwaS@harrygwalam.gov.za</a></b></p>