

SUBMISSION OF THE FINAL 2021/2022 PERFORMANCE MANAGEMENT SYSTEM (TOP-LAYER SERVICE DELIVERY & BUDGET IMPLEMENTATION PLANS (TLSDBIP) AND THE FINAL 2021/2022 PERFORMANCE MANAGEMENT FRAMEWORK (MM 2/1/2/1): JUNE 2021

EXECUTIVE SUMMARY

The Performance Management Unit is responsible for the monitoring and evaluation of performance information for Newcastle Municipality. The development, implementation and monitoring of the Performance Management System (PMS) is a requirement of The Local Government Municipal Systems Act 32 of 2000; and The Local Government Municipal Finance Management Act 56 of 2003. The Service Delivery Budget Implementation Plan (SDBIP) is a detailed one year plan of the municipality that is informed by the Integrated Development Plan (IDP) and the budget of the municipality.

The 2021/2022 Performance Management System comprises of the following:

- The Top-Layer SDBIP aligned to the draft Integrated Development Plan (IDP) Review 2021/2022 (Annexure A)
- The 2021/2022 Performance Management Framework for Newcastle Municipality (Annexure B)

RECOMMENDATIONS:

- (a) That in terms of Section 53 of The Local Government Municipal Finance Management Act 56 of 2003 read with Chapter 6 of The Local Government: Municipal Systems Act 32 of 2000 – the Final Performance Management System (PMS Framework, Top-Layer SDBIP for the 2021/2022 Financial year be approved for inclusion in the IDP
- (b) That where practical, the general KPI's as per the Municipal Planning and Performance Management Regulations, 2001 be customized to cater for its measurability as per the resources of the municipality in line recommendations by National Cogta and the Auditor-General's office.
- (c) That the Top-layer SDBIP be cascaded into the Service Delivery Budget Implementation plans per department and Individual Performance Plans for the Accounting Officer and Managers reporting directly to the Accounting Officer in terms of Section 55 and 56 of The Local Government Municipal Systems Act 32 of 2000, Section 53 of The Local Government Municipal Finance Management Act 56 of 2003 and the Section 57 of The Local Government Municipal Structures Act 117 of 1998 accordingly;
- (d) That the final PMS 2021/2022 be aligned to the approved budget and be incorporated into the final IDP Review 2021/2022 accordingly prior to submission to Cogta and publishing to the website.
- (e) That the approved PMS 2021/2022 be submitted to National and Provincial Treasury, Cogta and be published for public perusal.

- (f) That the Performance Agreements must be signed for all employees appointed in an Acting capacity in terms of Section 54 and 56 of The Local Government Municipal Systems Act 32 of 2000 (As amended) for any period of 3 months, or an extension thereof (as approved by Council), if applicable.

BACKGROUND:

In terms of Section 16 of The Local Government Municipal Finance Management Act 56 of 2003, the Mayor of the municipality must table the annual budget for the municipality at a council meeting at least 90 days before the start of the new financial year. To present the Final 2021/2022 Top-Layer SDBIP and Final Performance Management Framework for the 2021/2022 financial year and to seek the Executive Committees/ Council's approval for the Final 2021/2022 Performance Management System as part of the IDP.

PURPOSE:

To provide the Executive Committee and Council with a report on the 2021/2022 Performance Management System in terms of Section 54 and 56 The Local Government Municipal System Act 32 of 2000, Section 16 and 53 The Local Government Finance Management Act 56 of 2003 and Section 57 The Local Government Structures Act 117 of 1998.

REPORT:

As outlined in Section 40 of The Local Government Municipal Systems Act 32 of 2000, Newcastle Municipality must establish mechanisms to monitor and review its Performance Management System (PMS) so as to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels. Section 34 of The Local Government Municipal Systems Act 32 of 2000, furthermore points out that the Integrated Development Plan (IDP) has to be reviewed on an annual basis, and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets are reviewed and this review will form the basis for the review of the municipal PMS and Performance Contracts of Section 57 Managers.

The Performance Management System (Top-Layer SDBIP) must be aligned to the Budget and IDP for the relevant financial year. The development of the PMS is re-affirmed in the approved IDP/Budget/PMS process plan with the Draft PMS being submitted to Council with the tabling of the Budget in March 2021. The Draft PMS as included in the Draft IDP Review 2021/2022 was published for public comment during April 2021 and there no comments received from the public on the 2021/2022 Performance Management System.

According to the requirements of The Local Government Municipal Systems Act 32 of 2000 develop a performance management framework for Newcastle Municipality. This framework caters for the development, implementation and roll-out of performance management within Newcastle Municipality. This includes the alignment of the PMS process to that of the IDP and budget as is required in terms of the Municipal Finance Management Act 56 of 2003.

The Final 2021/2022 Performance Management System comprises of the following

- Top-Layer SDBIP aligned to the approved IDP Review 2021/2022 and the 2021/2022 budget.
- The Final 2021/2022 Performance Management Framework for Newcastle Municipality.

CONCLUSION:

If we serious about service delivery, we all need to firstly have one common goal of service delivery and hold each other accountable into daily tasks. The vision of Newcastle Municipality is: ***"By 2035, Newcastle will be a resilient and economically vibrant city, promoting service excellence to its citizens,"*** this vision cannot be achieved without appropriate planning, implementation and monitoring. Therefore, it is imperative that Newcastle Municipality approve the Performance Management System to ensure that officials are held accountable for the performance of the municipality.



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MR V GOVENDER
ACTING MUNICIPAL MANAGER
NEWCASTLE

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