

REPORT TO THE EXECUTIVE MAYOR

File No.: 3/1/2

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SUBMISSION OF BUFFALO CITY METROPOLITAN MUNICIPALITY SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN, PERFORMANCE AGREEMENTS AND PERFORMANCE PLANS FOR MUNICIPAL MANAGER AND SECTION 56 MANAGERS FOR 2026/2027 FINANCIAL YEAR

1. PURPOSE

The purpose of the report is for Executive Mayor to **APPROVE** BCMM Service Delivery and Budget Implementation Plan, Performance Agreements and Performance Plans of the Municipal Manager and Senior Managers appointed in terms of Section 56 of Municipal Systems Act for 2026/2027 financial year.

2. AUTHORITY

The Executive Mayor

3. LEGAL / STATUTORY REQUIREMENTS

- 3.1. The Constitution of the Republic of South Africa, 1996
- 3.2. Municipal Systems Act, Act 32 of 2000 and Regulations
- 3.3. Municipal Budget and Reporting Regulations, 2001
- 3.4. Municipal Finance Management Act 56 of 2003;

4. BACKGROUND

Section 53(1) of the MFMA, states that:

“the Accounting Officer must not later than 28 days after the approval of an annual budget submit to the mayor –

- a. A service delivery and budget implementation plan for the budget year, and

- b. Annual performance agreements as required in terms of section 57 (1)(b) of the Municipal Systems Act for the municipal manager and all senior managers”

5. EXPOSITION OF FACTS

BCMM Council adopted the Integrated Development Plan and Budget for 2026/2027 on the 28 May 2026. Subsequent to that, the City embarked in a process of developing the SDBIP 2026/2027. Various meetings were held with all Directorates in developing their SDBIPs. The contents of SDBIP are aligned with the set objectives and annual targets set in the IDP. There is a new circular 88 Addendum introduced by National Treasury, which resulted to an increase in indicators. In implementing C88, BCMM management resolve to implement C88 in phases as the Institutional state of readiness and insufficient resources limits the full implementation of C88.

Therefore, the following circular 88 indicators could not be included in the 2026/2027 SDBIP:

- 5.1. Percentage of municipal bus services 'on time'
- 5.2. Percentage of scheduled municipal bus trips that are universally accessible.
- 5.3. Number of scheduled public transport access points added.
- 5.4. KMs of new municipal road network
- 5.5. Number of title deeds registered to beneficiaries.

New indicators that have been introduced for trading services (i.e., Electricity and Energy, Water and Sanitation Services & Solid Waste Management) are incorporated into BCMM SDBIP 2026/2027 financial year are as follows:

- 5.6. Percentage functionality of municipality weighbridge infrastructure.
- 5.7. Percentage compliance of waste management facilities.
- 5.8. Percentage of landfill sites with airspace monitoring
- 5.9. Percentage of repairs coverage.
- 5.10. Industrial and commercial metering performance.
- 5.11. Prepayment efficiency
- 5.12. Percentage of automated meter reading coverage.

5.13. Percentage of metering performance:

The year 2026 is election year, Council should note the following adjustments:

There will be no quarter two targets set for two circular 88 indicators stated below. Quarter two is the period that starts from the 1st October to 31st December 2026. This period will be characterised by election campaigning and subsequently elections that will take place on the 4th November 2026. Therefore, this will be a transition period during which the following two indicators cannot be reported.

5.14. Percentage of ward committees with 6 or more ward committee members
(Excluding the ward councillor)

5.15. Percentage of wards that have held a quarterly councillor-convened community meeting

6. CHALLENGES

A lot of reforms were introduced by National Treasury ie. Trading Services and circular 88, this requires capacitation of management and the unit coordinating organisational performance management unit.

7. OTHER PARTIES CONSULTED

- 7.1. City Manager
- 7.2. All Heads Of Directorates
- 7.3. All General Managers
- 7.4. All Senior and Programme Managers

8. FINANCIAL IMPLICATIONS

None

9. STAFF IMPLICATIONS

None

10. RECOMMENDATIONS

It is recommended that:

The Executive Mayor **APPROVES**:

- 10.1. Buffalo City Metropolitan Municipality Service Delivery and Budget Implementation Plan (SDBIP) 2026/2027,
- 10.2. Performance Agreements of the Municipal Manager and Officials appointed in terms of section 56 of the local Government: Municipal System Act.
- 10.3. Performance Plans of the Municipal Manager and Officials appointed in terms of section 56 of the local Government: Municipal System Act.
- 10.4. The amendments made due to upcoming Local Government Elections.



N. SIDUKWANA

HEAD OF DIRECTORATE: EXECUTIVE SUPPORT SERVICES

DATE: 25/06/2026

SUPPORTED

~~NOT SUPPORTED~~



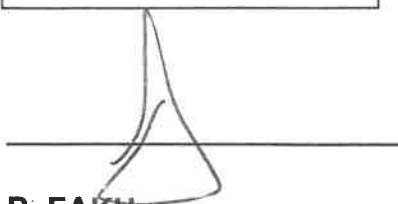
M. YAWA

CITY MANAGER: BUFFALO CITY METROPOLITAN MUNICIPALITY

DATE: 25/06/2026

APPROVED

~~NOT APPROVED~~


P. FAKU

EXECUTIVE MAYOR: BUFFALO CITY METROPOLITAN MUNICIPALITY

DATE: 26/06/2026

ANNEXURES

Annexure A: 2026/2027 Performance Agreements and Performance Plans of Municipal Manager and Section 56 Managers

Annexure B: Quarterly projections of service delivery targets and performance indicators for each vote (SDBIP 2026/2027)

Annexure C: Monthly projections of Revenue to be collected by source.

Annexure D: Monthly projections of expenditure (operating and capital) for each vote.

Annexure E: Ward Information for expenditure and Service Delivery and Detailed capital works plan broken down by ward over 3 years.