

2015/16 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

1. PURPOSE

The purpose of the report is for the Council to consider and note the mid-year budget and performance assessment of Buffalo City Metropolitan Municipality for the 2015/16 financial year.

2. AUTHORITY

Executive Mayor

3. LEGAL / STATUTORY REQUIREMENTS

The Constitution of the Republic of South Africa, 1996

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71

Municipal Budget and Reporting Regulations, 2009

4. BACKGROUND

In terms of Section 72, of the Municipal Finance Management Act No. 56, 2003, Chapter 8, the accounting officer of the municipality must, by 25 January of each year, submit a mid-year performance assessment report of the municipality to the mayor of the municipality.

In terms of the Section 54 (1), (2) and (3) of the Municipal Finance Management Act No. 56, 2003 Chapter 7, the following applies: -

“(1) on receipt of a statement or report submitted by the accounting officer of the Municipality

In terms of section 54 (1), the mayor must –

- (a) consider the statement or report;*
- (b) check whether the municipality’s approved budget is implemented in accordance with the service delivery and budget implementation plan;*
- (c) consider and ,if necessary make any revisions to the service delivery*

and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;

- (d) issue any appropriate instructions to the accounting officer to ensure –
 - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and*
 - (ii) that spending of funds and revenue collection proceed in accordance with the budget;**
- (e) Identify any financial problems facing the municipality , including any emerging or impending financial problems ; and*
- (f) In the case of a section 72 report , submit the report to the council by 31 January of each year.*

In terms of Section 52 (d) of the Municipal Finance Management Act No 56, 2003 Chapter 7, *“the Mayor must within 30 (thirty) days of the end of each quarter, submit a report to Council on the implementation of the budget and the financial state of affairs of the Municipality”*.

According to the Municipal Budget Reporting and Regulations (MBRR), 2009, *“the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of of S168(1) of the Act” (MFMA)*.

This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format).

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5. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

The SDBIP is a management, implementation and monitoring tool which assists the Executive Mayor, Councillors, Accounting Officer, Senior Managers and the community with the realisation of Municipality's strategic objectives as contained in the Integrated Development Plan. It also seeks to ensure monitoring and execution of the budget, performance of senior management and the achievement of the service delivery objectives set by Council. SDBIP enhances the principle of democratic and accountable local government as enshrined in section 152 of the Constitution. The SDBIP should therefore contain information that pertains to performance indicators, service delivery targets as well as measurement source. The SDBIP for the 2015/2016 financial year per vote is informed by Council resolutions to improve the quality of life of residents and citizens of BCMM. In doing so, Council is renewing its pledge to create "a City that grows with you".

The BCMM 2015/16 Service Delivery Targets and Performance Indicators as well as actual performance achieved are attached as Annexure F.

Below is the summary of the first six months SDBIP performance per directorate.

SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS - SECOND QUARTER 2015/16 PER DIRECTORATE

Executive Support Services

The Executive Support Services Directorate has set 14 Key Performance Indicators (KPI's) on their SDBIP. The total of KPI's achieved is 9, not achieved is 3, and not for reporting is 2. Therefore, the overall 2nd Quarter Performance for Executive Support Services is standing at 75%.

Human Settlements

The Human Settlements Directorate has set 7 Key Performance Indicators (KPI's) on their SDBIP. The total of KPI's achieved is 4 , not achieved is 3. Therefore, the overall 2nd Quarter Performance for Human Settlements is standing at 57%.

Chief Financial Officer

The Chief Financial Officer Directorate has set 10 Key Performance Indicators (KPI's) on their SDBIP. The total of KPI's achieved is 8, not achieved is 2. Therefore, the overall 2nd Quarter Performance for CFO is standing at 80%.

Corporate Services

The Corporate Services Directorate has set 7 KPI's on their SDBIP. The total of KPI's achieved is 1 not achieved is 6. Therefore, the overall 2nd Quarter Performance for Corporate Services is 14%.

Infrastructure Services

The Infrastructure Services Directorate has set 26 KPI's on their SDBIP. The total of KPI's achieved is 18 and not achieved is 6. Not for reporting for this quarter is 2. Therefore, the overall 2nd Quarter Performance for Infrastructure Services is 75%.

Development and Spatial Planning

The Directorate of Development and Spatial Planning has set 8 KPI's on their SDBIP. The total of KPI's achieved is 5, not achieved is 2 and not for reporting is 1. Therefore, the overall 2nd Quarter Performance for Development and Spatial Planning is 71%.

Health/Public Safety and Emergency Services

The Directorate of Health/Public Safety and Emergency Services has set 11 KPI's on their SDBIP. The total of KPI's achieved is 2 and not achieved is 9. Therefore, the overall 2nd Quarter Performance for Health/Public Safety and Emergency Services is standing at 18%.

Municipal Services

The Directorate of Municipal Services has set 14 KPI's on their SDBIP. The total of KPI's achieved is 9 and not achieved is 5. Therefore, the overall 2nd Quarter Performance for Municipal Services is 64%.

Economic Development and Agencies

The Directorate of Economic Development and Agencies has set 11 KPI's on their

SDBIP. The total of KPI's achieved is 5 and not achieved is 6. Therefore, the overall 2nd Quarter Performance for Economic Development and Agencies is 45%.

The overall performance of the organisation is 59%. The second quarter performance for the institution has declined by 11% compared to the previous quarter.

6. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

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|----------------------------|
| QUALITY CERTIFICATE |
|----------------------------|

I, NCEBA NCUNYANA, the Acting City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

Mid-year budget and performance assessment (Section 52 Report)

for the period ending **December 2015** has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print name:

Acting City Manager of Buffalo City Metropolitan Municipality, BUF

Signature:

Date:

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