



**SECTION 72 MID-YEAR
PERFORMANCE ASSESSMENT REPORT**

2021/2022

QUARTER 1 + QUARTER 2

(01 July – 31 December 2021)

FOR THE 2021/2022 FINANCIAL YEAR

*Prepared in terms of the Local Government Municipal Finance Management Act, 2003: Municipal Budget
and Reporting Regulations
Performance Report for the mid-year ending 31 December 2021*

ACCRONYMS AND ABBREVIATIONS

MSA	Local Government: Municipal Systems Act, 32 (Act 32 of 2000)
KHM	Karoo Hoogland Municipality
SDBIP	Service Delivery and Budget Implementation Plan
MFMA	Municipal Finance management Act
KPA	Key Performance Area
KFA	Key Focus Areas
KPI	Key Performance Indicators
MM	Municipal Manager

GRADING OF MUNICIPALITY

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a **category B municipality** as determined in terms of Municipal Structures Act (1998). **In terms of Section 9 of the Local Government: Municipal Structures Act (No. 117 of 1998) KHM is a Category B municipality with a plenary executive system combined with a ward participatory system. Since 1 November 2021 the Structures Act was amended and Karoo Hoogland Municipality is now a Category B municipality with a collective executive system combined with a ward participatory system.**

The establishment of the municipality fulfilled the local government transformation process as articulated by the White Paper on Local Government, 1998. The White Paper envisaged the form and nature of new local government structures in the country. The new local government structures are mandated to improve the quality of life of their citizens and residents. In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the **functions** as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions.

OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review individual performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the Municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

Some of the legislative prescripts include: Section 152 of the Constitution of the Republic (1996), section 152 local government to be "democratic and accountable government". Section 195 (1) of the Constitution requires the following from local government, inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration,
- to be transparent by providing information,
- to be responsive to the needs of the community, and
- to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

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PART 1 : NON FINANCIAL PERFORMANCE INFORMATION

1. INTRODUCTION

Performance management is prescribed by Chapter 6 of the MSA, Act 32 of 2000 and the Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation states that **“A municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players.”** This framework, inter alia, reflects the linkage between the IDP, budget, Service Delivery Budget Implementation Plan (SDBIP) and individual and service provider performance. Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organisation as well as the external service providers and the municipal entities.

In order to improve on performance planning, implementation, measurement and reporting, the institution implemented the following actions.

- Departmental operational plans were developed for monitoring and reporting operational programmes;
- An electronic performance management system is operational within the Municipality. The same system forms the basis of performance evaluations of the Directors (senior managers) and Municipal Manager.
- The Municipality endeavoured during the development of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. Emphasis was placed on ensuring that targets were specific and time bound, thus making it measurable.
- The Integrated Development Plan (IDP) was developed for 2017- 2022 and was reviewed, during the 2020/2021 Financial YEAR.
- Care has been taken to ensure that the mSCOA regulations are adhered to at all times.

	Performance Policy & Performance Management Framework	All MSA s57/56 Performance contracts signed	Audit Committee	Performance Audit/Management Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to Council	Mid-Year Performance Reporting to Council	Annual Reporting to Council
In place?	√	√	√	To be established	√	√	√	√

TABLE 1: Performance Management System Checklist

The Municipal Scorecard (Top Layer SDBIP) consolidate service delivery targets set by the Council/Senior Management and provide an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities.

Components of the Top Layer SDBIP for 2021/2022 included:

- One-year detailed plan, but should include a three year capital plan;
- The 5 necessary components includes:
 - Monthly projections of revenue to be collected for each source
 - Expected revenue to be collected NOT Billed
 - Monthly projections of expenditure (operating and capital) and revenue for each vote
 - Section 71 format(Monthly budget statements)
 - Quarterly projections of service delivery targets and performance indicators for each vote
 - **Non financial measurable performance objectives in form of targets and indicators**
 - Output NOT input /internal management objectives
 - Level and standard of service being provided to the community
 - Ward Information for expenditure and service delivery
 - Detailed Capital project plan broken down by ward over three years

Top Layer KPI's prepared based on the following:

- KPI's identified during the IDP processes and KPI's that need to be reported to key municipal stakeholders.
- KPI's to address the required National Agenda, priorities and minimum reporting requirements.
- KPI's to give effect to the Strategic Objectives and to the Budget for Implementation thereof.
- National KPI set through legislation

It is important to note that the MM needs to implement the necessary systems and processes to provide the PoE's for reporting and auditing purposes.

2. PURPOSE

In complying with Section 72(1)(a) and 52(d) of the Local Government: Municipal Finance Management Act (MFMA), Act 56 of 2003 the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year.

A report on such assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury. Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

The Mayor approved the Top Layer SDBIP for 2021/2022 in terms of Section 53(1)(c)(ii) of the MFMA, MFMA Circular No.13 and the Municipal Budget and Reporting Regulation which include the Municipality's key performance indicators (KPIs) for 2021/2022. It is worth mentioning that the Top Layer SDBIP 2021/2022 was revised and approved by Council on 27 October 2021.

- a) The purpose of this report is to inform Council regarding the progress made with the implementation of the Key Performance Indicators (KPIs) in the realisation of the development priorities and objectives as determined in the Municipality's Integrated Development Plan (IDP) as well as in the Revised Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the **FIRST Quarter (01 July 2021 – 30 September 2021)** and **SECOND Quarter (1 October 2021 – 31 December 2021)** of the 2021/2022 financial year as approved by the Mayor on 28 June 2021 and tabled to Council on 31 August 2021 and revision approved by Council on 27 October 2021.
- b) The Municipal Systems Act, No 32 of 2000 and in particular chapter 5 and 6 of the aforesaid Act, the Municipal Planning and Performance Management regulations 2001 and other current legislation, compel all municipalities as part of their developmental mandate, to develop and implement a performance management system.

FINANCIAL/BUDGET PERFORMANCE

A report setting out the half yearly budgetary achievements will be submitted by the Chief Financial Officer in due course but within the stipulated time frame. *(Already submitted on 24 January 2022 to the Mayor)*

3. LEGISLATIVE REQUIREMENTS

- a) The SDBIP is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 (Act 56 of 2003) (MFMA), and the format of the SDBIP is prescribed by the MFMA Circular 13.
- b) Section 41(1)(e) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000) (MSA), prescribes that a process must be established of regular reporting to Council. The process of reporting is detailed in the Performance Management Policy and Framework of the municipality.

- c) The **quarterly reports** are a requirement in terms of Section 52 of the MFMA which provide for:
- The Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial affairs of the municipality;
 - The Accounting Officer, while conducting the above, must consider the:
 - ❖ Section 71 Reports;
 - ❖ Performance in line with the Service Delivery and Budget Implementation Plans.

Take Note that the Section 52, Quarterly Budget Monitoring Report for the second quarter will be incorporated in this report. The requirements of Section 52(d) will be met in this Mid-year Budget and Assessment Report.

- d) The **mid-year report** are a requirement in terms of Section 72 of the MFMA which provide for:
- a. The Mayor, to submit an assessment of the performance of the municipality during the first half of the financial year to Council before 31 January in terms of Section 54 of the MFMA;
 - b. The Accounting Officer, must by 25 January of each year assess the performance of the municipality and submit this report to the Mayor.

4. BACKGROUND TO THE FORMAT AND MONITORING OF THE SDBIP

FORMAT

- a) The Municipality's SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each individual Department.
- b) The Top Layer SDBIP measures the achievement of performance indicators and targets that have been determined with regards to the provision of basic services (operational services delivery) as prescribed by Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of Karoo Hoogland Municipality. The Top Layer SDBIP 2021/2022 was approved by the Mayor on 28 June 2021 and will be revised by Council on 27 October 2021.
- c) The Revised Top Layer SDBIP for 2021/2022 was tabled to Council with the First Quarter Performance Assessment and the revised Top Layer SDBIP was approved by Council on 27 October 2021.
- d) The Departmental SDBIP measures the achievement of performance indicators that have been determined regarding operational service delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans have been approved by the Municipal Manager.
- e) The Quarterly Performance Assessment Report is structured to report on five (5) Municipal Key Performance Areas which is the same as the National Key Performance Areas.
- f) **The overall assessment of actual** Quarterly and annual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT		
Colour	Explanation on SyStem	Category Meaning
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met
G	Achieved target (100% - 132.9%)	KPI Met
Y	Below Target (66% - 99.9%)	KPI Almost Met
R	Unsatisfactory (0% - 65.9%)	KPI Not Met
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)

- h) The Performance Management System is part of the Sebata EMS system which is an integrated system. All KPI's are linked to the IDP, Projects/Activities in the Budget and the Approved SDBIP.
- i) Progress on KPI's are captured quarterly into the system and reports are then extracted for reporting purposes to the municipal manager, audit committee and council on a quarterly, half yearly and annual basis.
- j) This report is based on the Top Layer SDBIP and comprises of the following:
 - i. A summary of the overall performance of the Municipality in terms of the National Key Performance Area's for Local Government
 - ii. A summary of the overall performance of the Municipality in terms of the five Municipal Key Performance Area's.
 - iii. A detailed performance review per Municipal Key Performance Area (MKPA).

MONITORING

- a) The Municipality utilises the EMS system that is updated monthly or at the end of the quarter with actual performance. The PM Module within the EMS is the platform to capture KPI's and record proof of evidence electronically.
- b) The system administrator in consultation with the performance management unit (as delegated by the MM) determines the closure dates for updates of the previous quarters actual performance as a control measure to ensure that performance is updated and monitored on a quarterly basis. No access for updating is available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a period in the various levels at which reporting takes place. Departments must motivate to the Municipal Manager should they require the system to be re-opened once the system is closed for a quarter.
- c) The system provides management information in the form of a dashboard as well as graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
- d) The system requires that each key performance indicator is linked to a custodian post as well as a responsible post to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
- e) In terms of Section 46(1)(a)(iii) of the MSA the Municipality must reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system requires that comments, reasons as well as corrective actions to be taken must be captured for targets not achieved.
- f) In the event of targets being overachieved comments for over achievement must be captured as well as the budget implications if any.
- g) The Performance Management Officials, after receiving input per KPI from the KPI Owners must document the following information on the performance system:
 - i. The actual result in terms of the target set
 - ii. The Performance Comment on achieving the KPI
 - iii. The calculation of the actual performance report (if%)

- iv. Financial implication, if any
- v. Portfolio of evidence can be uploaded to support actual results
- vi. Actions to improve (corrective actions) the performance against the target set, if the target was not achieved
- vii. A clear indication if there was no target then - Not Measured
- viii. Indication if target was put on hold and the reason therefore

5. CONSOLIDATED PERFORMANCE OF THE MUNICIPALITY IN IMPLEMENTING THE SDBIP

ACTUAL PERFORMANCE FOR THE FIRST QUARTER – 01 JULY – 30 SEPTEMBER 2021 AND SECOND QUARTER - 1 OCTOBER 2021 – 31 DECEMBER 2021

- a) The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments on corrective measures with regard to targets not achieved.
- b) A detailed analysis of actual performance for the first and second quarter of the 2021/2022 financial year is provided in the Annexure A on the A3 printed sheets.
- c) The overall performance (dashboard) per National and Municipal Key Performance Areas is provided for in the next section of this report.

OVERALL PERFORMANCE OF THE MUNICIPALITY

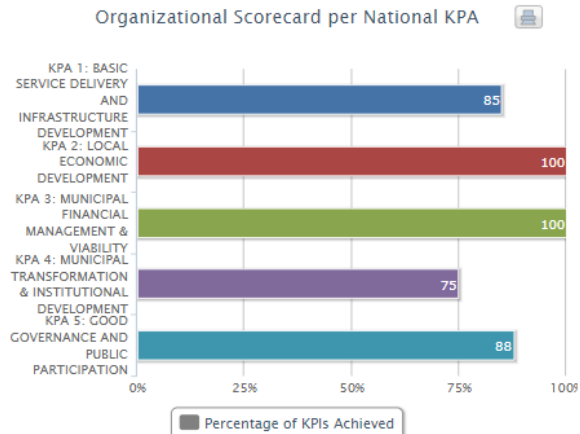
- 1. Dashboard summary per National Key Performance Area (NKPA) for the period 1 July 2021 – 30 September 2021 and 1 October 2021 to 31 December 2021.
- 2. The full SDBIP (Top Layer and Departmental) consists of 167 KPI's.
- 3. The Top Layer SDBIP only has 57 KPI's.
- 4. See Annexure A for Q1 performance reporting

QUARTER 1

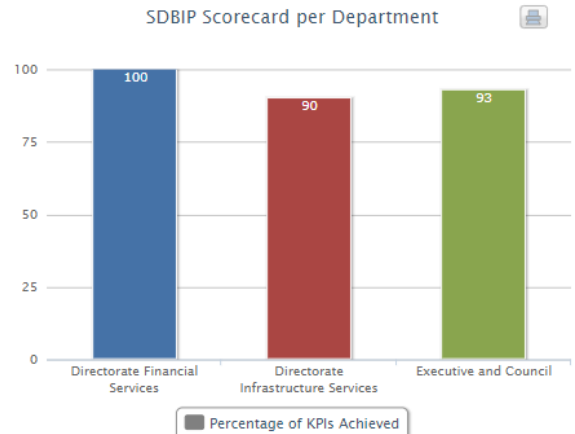
Q1 Organisational Scorecard vs Full SDBIP (Percentages Achieved)

KPA 1: 85%	92%
KPA 2: 100%	100%
KPA 3: 100%	100%
KPA 4: 75%	92%
KPA 5: 88%	92%

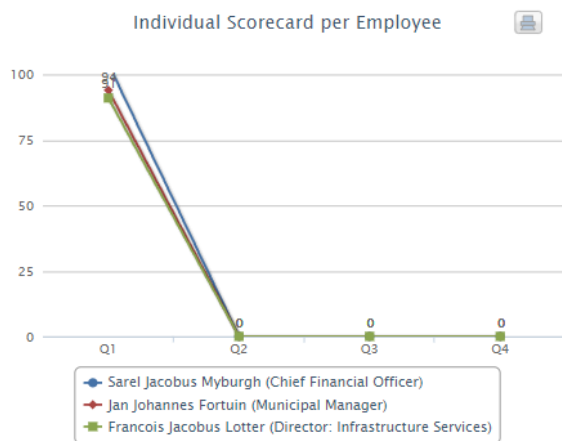
Organizational Scorecard per National KPA



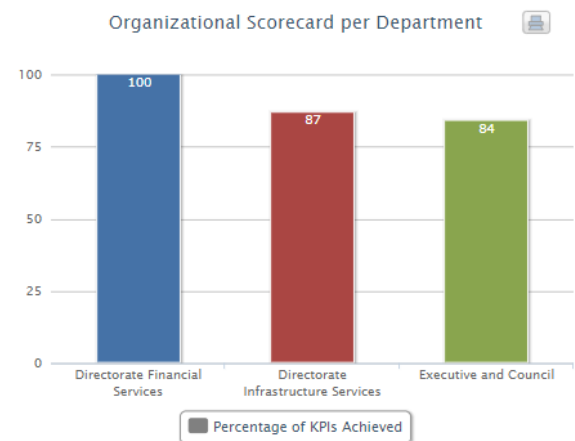
SDBIP Scorecard per Department



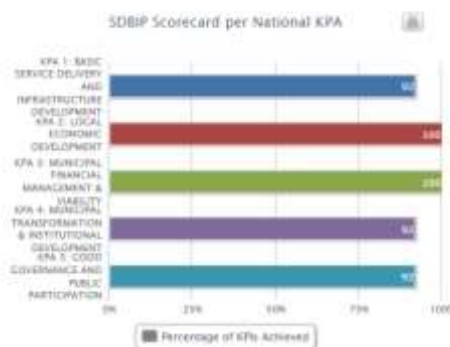
Individual Scorecard per Employee



Organizational Scorecard per Department



SDBIP Scorecard per National KPA



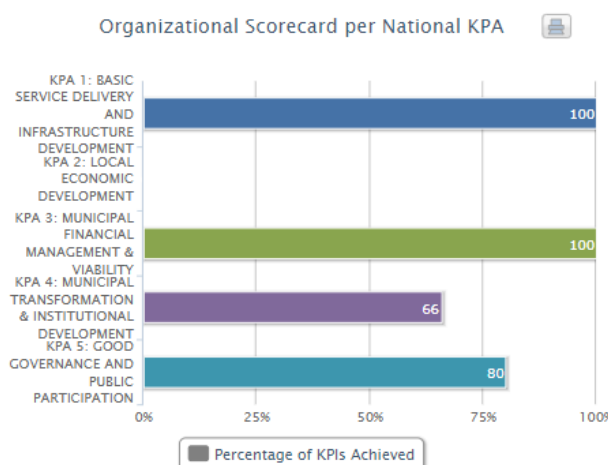
National KPA	No. of targets set	No. of targets achieved	No. of targets partially achieved	No. of targets not achieved	No. of targets over achieved	No. of targets on hold	No. of targets not applicable	No. of targets unable to assess
KPA 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	29	12	0	1	0	1	15	0
KPA 2: LOCAL ECONOMIC DEVELOPMENT	5	5	0	0	0	0	0	0
KPA 3: MUNICIPAL FINANCIAL MANAGEMENT & VIABILITY	51	25	0	0	1	0	25	0
KPA 4: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	32	12	1	0	0	0	19	0
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	50	23	0	2	0	2	23	0

QUARTER 2

Q2 Organisational Scorecard vs Full SDBIP (Percentages Achieved)

KPA 1: 100%	69%
KPA 2: 0%	100%
KPA 3: 100%	46%
KPA 4: 66%	57%
KPA 5: 80%	72%

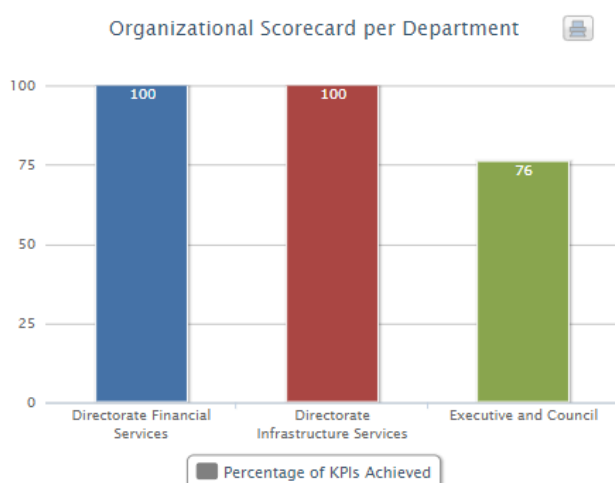
Organizational Scorecard per National KPA



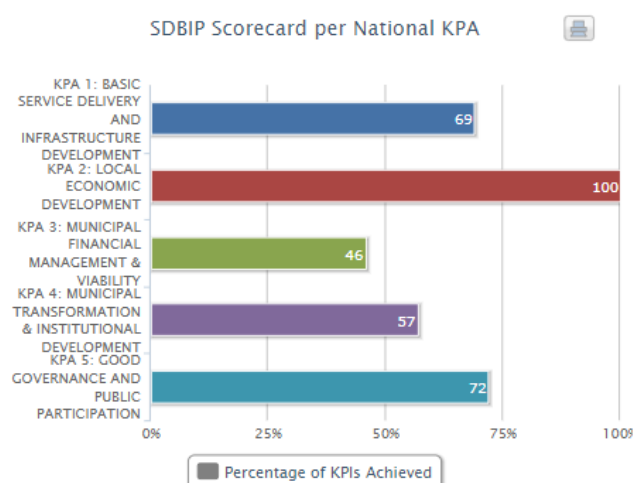
Individual Scorecard per Employee



Organizational Scorecard per Department



SDBIP Scorecard per National KPA



Section 43 of the MSA, and the Municipal Planning and Performance Regulations requires that Key Performance indicators be set. These indicators are then linked to the National Key Performance Area's. This statistical information is then used by different Sectors to determine how well government is progressing in the implementation of National Policy.

ACTUAL CONSOLIDATED STRATEGIC PERFORMANCE AND CORRECTIVE MEASURES THAT WILL BE IMPLEMENTED

See Annexure A on the A3 pages

SUMMARY PER MUNICIPAL KPA OF SECTION 6 QUARTER 1

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL	
Outstanding/Far Exceeds Target (167% and Above)	0	0	0	0	0	0	
Achieved/Exceeded Target (133% - 166.9%)	0	0	0	0	0	0	
Achieved target (100% - 132.9%)	6	1	5	3	8	23	40%
Below Target (66% - 99.9%)	0	0	0	1	0	1	2%
Unsatisfactory (0% - 65.9%)	0	0	0	0	1	1	2%
TARGET ON HOLD - Not able to reach target due to other circumstances such as Covid	0	0	0	0	0	0	
TARGETS NOT MEASURED - Not applicable for the Quarter/ No target for the quarter	7	0	12	6	7	32	56%
Total TOP LAYER	13	1	17	10	16	57	100%
Total SDBIP	29	5	51	32	50	167	

SUMMARY PER MUNICIPAL KPA OF SECTION 6

QUARTER 2

	BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY	MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	GOOD GOVERNANCE AND PUBLIC PARTICIPATION	TOTAL	
Outstanding/Far Exceeds Target (167% and Above)						0	
Achieved/Exceeded Target (133% - 166.9%)						0	
Achieved target (100% - 132.9%)	3		3	2	8	16	28%
Below Target (66% - 99.9%)				1		1	2%
Unsatisfactory (0% - 65.9%)	1				2	3	5%
TARGET ON HOLD - Not able to reach target due to other circumstances such as Covid						0	0%
TARGETS NOT MEASURED - Not applicable for the Quarter/ No target for the quarter	9	1	14	7	6	37	65%
Total TOP LAYER	13	1	17	10	16	57	100%
Total SDBIP	29	5	51	32	50	167	

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT			ACHIEVEMENT AS AT 30 SEPTEMBER 2021	ACHIEVEMENT AS AT 31 DECEMBER 2021
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met		
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met		
G	Achieved target (100% - 132.9%)	KPI Met	6	3
Y	Below Target (66% - 99.9%)	KPI Almost Met		
R	Unsatisfactory (0% - 65.9%)	KPI Not Met		1
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)		
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)	7	9
		TOTAL	13	13

SUMMARY OF ABOVE: A total of 13 targets has been set for basic service delivery and infrastructure development for the period under review. 9 KPI's were not measured as they did not have targets to reach in Quarter 2. The KPI that was not met in Q2 is the limiting of the unaccounted water - It shows that it has not been met but it has actually been exceeded and only just not uploaded the evidence timeously. 3 KPI's have been met.

LOCAL ECONOMIC DEVELOPMENT

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT			ACHIEVEMENT AS AT 30 SEPTEMBER 2021	ACHIEVEMENT AS AT 31 DECEMBER 2021
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met		
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met		
G	Achieved target (100% - 132.9%)	KPI Met	1	
Y	Below Target (66% - 99.9%)	KPI Almost Met		
R	Unsatisfactory (0% - 65.9%)	KPI Not Met		
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)		
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)		1
		TOTAL	1	1

SUMMARY OF ABOVE: A total of 1 target was set for Local Economic Development for the year under review. 1 target could not be measured as it was not due in Q2.

MUNICIPAL FINANCIAL MANAGEMENT AND VIABILITY

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT			ACHIEVEMENT AS AT 30 SEPTEMBER 2021	ACHIEVEMENT AS AT 31 DECEMBER 2021
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met		
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met		
G	Achieved target (100% - 132.9%)	KPI Met	5	3
Y	Below Target (66% - 99.9%)	KPI Almost Met		
R	Unsatisfactory (0% - 65.9%)	KPI Not Met		
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)		
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)	12	14
		TOTAL	17	17

SUMMARY OF ABOVE: A total of 17 targets has been set for Municipal Financial Management & Viability for the period under review. 14 Targets were not applicable for the quarter under review and have not been reported on. 3 of the Targets were achieved. 2 of the Annual Targets as well have been achieved.

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT			ACHIEVEMENT AS AT 30 SEPTEMBER 2021	ACHIEVEMENT AS AT 31 DECEMBER 2021
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met		
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met		
G	Achieved target (100% - 132.9%)	KPI Met	3	2
Y	Below Target (66% - 99.9%)	KPI Almost Met	1	1
R	Unsatisfactory (0% - 65.9%)	KPI Not Met		
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)		
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)	6	7
		TOTAL	10	10

SUMMARY OF ABOVE: A total of 10 targets has been set for Municipal Transformation & Institutional Development for the period under review. 2 Targets have been met. 7 Targets was not applicable for Q2 and have not been reported on. The partially met KPI need more supporting documentation and the staff was on leave but will submit in Q3.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

INTERPRETATION OF TRAFFIC LIGHTS REFLECTED IN THIS REPORT			ACHIEVEMENT AS AT 30 SEPTEMBER 2021	ACHIEVEMENT AS AT 31 DECEMBER 2021
BL	Outstanding/Far Exceeds Target (167% and Above)	KPI Extremely Well Met		
T	Achieved/Exceeded Target (133% - 166.9%)	KPI Well Met		
G	Achieved target (100% - 132.9%)	KPI Met	8	8
Y	Below Target (66% - 99.9%)	KPI Almost Met		
R	Unsatisfactory (0% - 65.9%)	KPI Not Met	1	2
BR	TARGET ON HOLD	KPI on HOLD (Not able to reach target due to other circumstances such as Covid)		
P	TARGETS NOT MEASURED	KPI Not Yet Measured (Not applicable for the Quarter/ No target for the quarter)	7	6
		TOTAL	16	16

SUMMARY OF ABOVE: A total of 16 targets has been set for Good Governance and Public Participation for the period under review.

6 KPI's were not measured in Q2. In Q2 8 Targets were achieved and 2 KPI's were unsatisfactory. 1 Annual Target has been achieved and will reporting thus only be necessary on the outstanding 15 KPI's. Corrective measures cannot be put in place as No ward committees have been established after the election of the new Council. The Corrective Measure for the submission of Q2 AC Report will be submitted in Q3.

Annexures

Annexure A — Q1 and Q2 report on the Top Layer SDBIP 2021/2022 per National/Municipal KPA and assessment of targets achieved

SUMMARY AND CHALLENGES

The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

6. CHALLENGES, CORRECTIVE MEASURES & RECOMMENDATIONS

All Challenges experienced in Q1 and Q2 have been noted as per the Annexure A with each KPI. The Global pandemic COVID19 and the lockdown regulations are still ongoing and restricting certain activities.

It is a clear challenge that KPI's should be reviewed to be more SMART and should be set to be more measureable and within financial reach. Training should be provided to capacitate personnel to be able to understand and achieve the Performance Management goals according to regulations and frameworks.

The Municipal Elections on 1 November 2021 brought about change in Council and thus it is inevitable that Strategic goals might shift or be revised in the future.

The initial approved Top Layer SDBIP consisted of 57 KPI's. Three Top Layer SDBIP KPI's targets were not achievable in Q1 due to supporting documents that can only be extracted annually and the Full SANS which should only be set to once a year due to funding. **Council approved the amendments on 27 October 2021.**

RECOMMENDATIONS TO COUNCIL:

- i. That Council take note the Mid-year Performance Assessment Report (section 72) for 2021/2022 on the Revised Top Layer SDBIP;
- ii. That Council take note of the overall performance of the organisation.
- iii. That Council take note of the corrective measures to be taken and that they will be addressed in Q3 of 2021/2022 if possible.

CONCLUSION

Q2 results of the performance can be summarised as follows:

57 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2021/2022 (for the Second quarter),

- **37** KPI's were not measured as they were **not applicable** for the quarter under review,
- **3** KPIs was not met/Unsatisfactory,
- **1** KPI was below target,
- **16 KPI's** were achieved as per the target,
- **0** KPI's exceeded the target, and
- **0 KPI** far exceeded the target thus outstandingly achieved.

	TOTAL TL SDBIP KPI's	
Outstanding/Far Exceeds Target (167% and Above)	0	
Achieved/Exceeded Target (133% - 166.9%)	0	
Achieved target (100% - 132.9%)	16	28%
Below Target (66% - 99.9%)	1	2%
Unsatisfactory (0% - 65.9%)	3	5%
TARGET ON HOLD - Not able to reach target due to other circumstances such as Covid	0	0%
TARGETS NOT MEASURED - Not applicable for the Quarter/ No target for the quarter	37	65%
Total	57	100%

The overall performance of the organisation is 28% achieved plus the 65% not applicable = **93% Achieved**. Thus only 7% was not achieved and unsatisfactory as well as below target which will receive attention in 2021/2022 Q3 with the implementation of the corrective measures. The Corrective measures/actions can be found in Annexure A and will need to be followed up and taking into account in Q3 performance reporting of 2021/2022 TL SDBIP.

PART 2 : FINANCIAL PERFORMANCE INFORMATION

FINANCIAL INFORMATION AS PER THE BUDGET
(A-SCHEDULE) AND THE ACTUALS(C-SCHEDULE) FOR 2021/2022

REPORTING ON THE QUARTERLY PROJECTIONS/BUDGET VS THE QUARTERLY ACTUALS FOR REVENUE AND EXPENDITURE (C-SCHEDULES) *(Contained in the Sec 72 Report)*

Annexure A : MID YEAR PERFORMANCE REPORT FOR 2021/2022

PART 3 : QUALITY CERTIFICATE

KAROO HOOGLAND MUNICIPALITY

QUALITY CERTIFICATE

JANUARY 2022

MID-YEAR BUDGET & PERFORMANCE ASSESSMENT REPORT (2021/2022) FOR THE PERIOD 1 JULY 2021 – 31 DECEMBER 2021

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Jan Johannes Fortuin, the Municipal Manager of Karoo Hoogland Municipality, hereby certify that the Mid-year Budget & Performance Assessment Report (2021/2022 financial year) for the period 1 July 2021 to 31 December 2021 have been prepared in accordance with Sections 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) and regulations made under the Act and accordingly submit the required progress made with the achievement of key performance indicators as determined in the 2021/2022 Budget and 2021/2022 Revised Top Layer Service Delivery and Budget Implementation Plan (SDBIP).

Mr. Jan Johannes Fortuin
Municipal Manager

Date



MAYOR'S QUALITY CERTIFICATE

I, Anthony Selestian Mietas, in my capacity as the **Mayor** of the Karoo Hoogland Municipality, hereby table the Mid-year Budget & Performance Assessment Report (2021/2022 Financial year) for the period 1 July 2021 to 31 December 2021 and certify that it have been prepared in accordance with the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) and regulations made under the Act.

Section 54 of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the SDBIP.

Mr Anthony Selestian Mietas
Mayor

Date received per email:

Council Resolution Date and Number: _____