

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

ADJUSTMENTS TO THE 2022/2023 CITY-WIDE AND DEPARTMENTAL SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS (SDBIPs)

1. PURPOSE

The purpose of this report is to recommend that Council **approves** adjustments made to the 2022/23 Service Delivery and Budget Implementation Plans.

2. STRATEGIC PRIORITY

To promote good governance and report on the financial sustainability of the City.

3. WARDS AFFECTED

All wards

4. IDP LINKAGE

Good Governance

5. EXECUTIVE SUMMARY

In terms of Section 54(1) of the MFMA, the mayor must on receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, 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 adjustments budget.

The SDBIP can therefore only be revised after the consideration of, amongst other things:

- Monthly budget performance (section 71);
- Mid-year budget and performance assessments (section 72); and
- Assessment of the annual performance of the previous financial year.

The 2022/2023 adjustment of the Service Delivery and Budget Implementation is therefore submitted for consideration by council based on the above.

The following Annexures are provided:

- Adjustments to the SDBIP (City-Wide) **(Annexure A)**
- Adjustments to the SDBIP (Departmental) **(Annexure B)**

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

6. BACKGROUND AND DISCUSSION

6.1. LEGISLATIVE IMPERATIVES

In terms of section 72 (1) of the Municipal Finance Management Act 56 of 2003, “the accounting officer of a municipality must by 25 January of each year:

- (a) assess the performance of the municipality during the first half of the financial year, taking into account:
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year's annual report, and progress on the resolving problems identified in the annual report; and
 - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of reports in terms of section 88 from any such entities; and

- (b) submit a report on such assessment to:
 - (i) the mayor of the municipality;
 - (ii) the national treasury; and
 - (iii) the relevant provincial treasury

6.2. PROCESS FOLLOWED IN THE REVISION OF THE 2022/2023 CITY-WIDE SDBIP AND DEPARTMENTAL SDBIPs

This section outlines the principles of adjustment as well as the process followed in adjusting the 2022/2023 City-Wide and Departmental SDBIP's.

The table below outlines the guideline process followed.

ACTIVITY	DETAILS OF THE ACTIVITY	DELIVERABLE	RESPONSIBILITY
2022/23 SDBIP and Budget Adjustment Guidelines	Guidelines for the proposed adjustment to the 2022/23 SDBIP to be issued to department based on proposed Adjustment to the budget	2022/2023 SDBIP Adjustment guidelines	Corporate Strategy and Planning department
Submission of 2022/23 proposed adjusted SDBIP and Budget	The 2022/2023 first draft SDBIP and Budget adjustment proposals submitted.	2022/23 proposed. Adjusted SDBIP and Budget	All Departments and MOEs
Senior Management Team Meeting (SMT)	To review total SDBIP and Budget submissions	Draft adjusted. SDBIP and Budget	All Departments and MOEs
MMC one on ones with departments on the adjustment budget	To consider the Adjustment Budget submissions and adjustments to the SDBIP.	MMC's approval of adjustments	SMT

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Analysis of the submitted proposed 2022/23 adjustments	The 2022/23 proposed adjustments will be analyzed according to the issued guidelines	Analysis and departmental engagements	Corporate Strategy and Planning department and Finance
Review balanced adjustment budget	GCFO to review the balanced adjustment budget	Reviewed Adjustment Budget by GCFO	GCFO
Review Adjustment Budget Submissions and adjustments to the SDBIP.	Draft adjustment budget submitted to MMC Finance	Reviewed Adjustment Budget by MMC Finance	MMC Finance
SMT 2022/23 Final adjusted SDBIP and Budget	Receive final adjusted 2022/3 SDBIP.	2022/23 final adjustment SDBIP and Budget	All Departments and MOEs
Expanded Budget Steering Committee	To consider the Adjustment Budget Submissions (both Opex and Capex) and adjustments to the SDBIP.	Approve the Adjustment Budget Submissions (both Opex and Capex) and adjustments. to the SDBIP.	MMC Finance and Strategy All Departments and MOEs
Mayoral Committee Meeting	To consider the Mid-year assessment report.	Approved Mid- year assessment report by MAYCO	Mayoral Committee
Presentation of the 2022/23 proposed adjusted SDBIP and Budget	The proposed Adjusted SDBIP and Budget to be presented to internal governance structures including MAYCO	2022/23 proposed adjusted SDBIP presented to internal governance structures	Strategy and Corporate Planning department

6.3. SUMMARY OF THE ADJUSTED 2022/2023 CITY-WIDE SDBIP AND DEPARTMENTAL SDBIP'S

The tables below summarise the 2022/2023 City Wide and Departmental adjustments. The departments that do not have adjustment are not reflected in the table. The table below does not take into account adjustments made due to errors, definitions relating to indicators and updating of baseline information. Further details on the adjustment of the City-Wide SDBIP and the departmental performance scorecards are reflected in **Annexure A** and **B** of this report.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

2022/2023 MID-YEAR CITY-WIDE SDBIP ADJUSTED KEY PERFORMANCE INDICATORS

Department	Ref No.	Performance Indicator	Annual target 2022/2023	Revised Annual Target	Reasons for adjustment
Communications and Brand Management	CBM 1	Number of brand visibility interventions implemented	8	8	The definition is adjusted to improve its alignment to the indicator
Economic Development	LED1.21	Number of work opportunities created by the municipality through public employment programmes (incl. EPWP, CWP and other related employment programmes)	14000	7100	Although more work opportunities are created during the first and second quarter through the social and environment sector, Infrastructure projects are lagging behind and there is less possibility of the original target to be met in the third and fourth quarter.
Economic Development	LED3.11	Average time taken to finalise business license applications	90 days	21 days	The Business Act dictates that Business Licenses and Trading permits must be issued within 21 days from the date of application. Although under the current conditions of strained resources, such a target will not be easy or possible to achieve.
Economic Development	LED3.12	Average time taken to finalise informal trading permits	30	21	The Business Act dictates that Business Licenses and Trading permits must be issued within 21 days from the date of application. Though under the current conditions of strained resources, such a target will not be easy or possible to achieve. However, if departments stick to SLA there could be improvement, as the reality dictates that an application for a Trading Permit can take as long as year and business license application taking even longer.
Economic Development	EDD1.2	Rand value of revenue generated from leasing of township hubs.	R24 715 000	R300 000	The adjustment is attributable to the following: <ul style="list-style-type: none"> ✓ Advert not attracting maximum interest from township enterprises who indicate unaffordability of current non development and/or non-incubation tariffs. ✓ Failure of the current occupants to consistently pay tariffs. Credit control measures are still to be integrated for enforcement of seamless collection of tariffs in the Township hubs.
Economic Development	EDD1.3	Rand value of revenue generated from business licenses & permits.	R285 000	R124 000	The adjustment is attributable to proclamation by the Minister of the Small Business Development that no license and permit fee will be payable for all the license and permits expired during the period that commenced from 26 May 2020 and their validity period was extended for a grace period ending 31 December 2022. It was further proclaimed that submission and processing of new applications commencing from 1 July 2021 is permissible where in upon minimum requirement being met a temporary license and permit maybe issued with a validity period ending 31 December 2022. This will result in less revenue generated than initially anticipated.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target 2022/2023	Revised Annual Target	Reasons for adjustment
Economic Development	EDD1.4	Rand value generated in EFPM	R29 000 000	R29 000 000 R29 000 000	The annual target remains unchanged, the only change is at quarter 3 (reduction) and 4 (increases) due to: The historical market performance indicates that sales drop between January and February, since most buyers leave the province during festive Christmas resulting in less demand for produce than market sales. It is against this background that the department wishes to adjust the targets, as the market depends on hawkers which contribute 70% of the turnover.
Economic Development	EDD1.7	Rand value of procurement opportunities allocated to township businesses	R200 000 000	0	The department proposes the removal of the indicator as it is a supply chain multi-departmental delivery which is implemented and best monitored by Finance Department in terms of all awards made according to MFMA Municipal Supply Chain Management Regulations.
Energy	EE1.11	Number of dwellings provided with connections to mains electricity supply by the municipality.	2700	2200	During implementation, there was a need to take necessary upgrades in-order to accommodate the Electrification projects. Secondly, post COVID 19 there has been a significant increase in Electrical Commodities (i.e., Copper, Steel, etc). The Contract Price Adjustment (CPA) is usually 9-10% which has been accommodated in the budget. However, the price of copper alone has increased by +/- 60% since March 2020. Copper constitutes largely as the major component within electrical equipment (i.e. cable, miniature substation, etc), manufacturing, the increase was purely on Copper Price and excluded other elements such as Steel, PVC, Rubber, etc. which further impose significant increase on the price of the final product. The Current Contract was affected by this increase, which resulted in a high cost per connection as compared to the previous years. The increase in connection costs is accommodated in the contract for an adjustment either up or down. It is for this reason that the Department is adjusting its target.
Energy	EE2.11.	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	11%	3%	All customers on Tariff A automatically qualified for Free Basic Electricity (FBE). This was amended to only registered and deemed indigents qualifying to receive FBE. In 2022/2023. However, this was not accounted for in the annual target. This now necessitates an adjustment.
Energy	EE4.12	Installed capacity of approved embedded generators on the municipal distribution network	1.2MVA	0.9MVA	Budget reduction
Environmental resource and Waste Management	ENV 3.11	Percentage of known informal settlements receiving basic refuse removal services	100%	100%	The indicator definition and POE are adjusted to amend the number of informal settlements from 119 to 163.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target 2022/2023	Revised Annual Target	Reasons for adjustment
Environmental resource and Waste Management	ERWM 1	<u>Original</u> Number of formal households with access to refuse removal <u>Revised</u> Number of properties with access to refuse removal services	733 591	748 110	The KPI, definition and POE are adjusted to move from households to properties to cater for vacant land and to align to the property roll. The target is increased from 733591 to 748 110 on account of the city's growth and alignment to the property roll.
Ekurhuleni Metropolitan Police	EMP4	Percentage decrease in road fatalities	-2%	-1%	The annual target is adjusted to a -1% decrease in road fatalities because of the departments' financial constraints to achieve the target as well as the issue of a number of stakeholders responsible for mitigating this indicator.
ERWAT	ERW1.3	Percentage compliance with wastewater treatment works license conditions and/or exemptions standards	80%	77.5%	The reason for adjustment is due to loadshedding that has a serious and continuing detrimental impact on the operations and compliance of the WCWs and receiving water bodies. In particular stage 4 loadshedding and above have the biggest impact and remain unmitigated. Therefore, the SDBIP metro wide target of 80% on compliance is no longer achievable under the current unforeseen circumstances, outside the control of ERWAT and the CoE. Accordingly, ERWAT's full dependence on power supplied by Eskom is a major operational risk which will require investment in standby power and alternative green energy. A revision of the target from 80% to 75% is therefore necessary until the situation improves
Finance	FM3.11	<u>Original:</u> Number of days Cash/Cost coverage ratio <u>Adjusted to:</u> Cash/Cost coverage ratio	0.00 days	0.07	Alignment with NT guidelines. The indicator is no longer expressed in days, but as a ratio.
Finance	FM3.13	Trade payables to cash ratio	1	100%	Conversion of target to be as guided in C88, but target is not changing as it is now expressed in % as National Treasury requires this indicator to be expressed as a percentage for the sake of municipal-wide standardization comparisons although it is named a ratio until further notice.
Finance	R1	Percentage of billed amounts collected	-	85%	This KPI was erroneously omitted from the original plan
Finance	S1	Percentage of tenders completed within 120 days	-	75%	This KPI was erroneously omitted from the original plan

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target 2022/2023	Revised Annual Target	Reasons for adjustment
Health and Social Development	HSD 2	Number indigent households approved	4560	N/A	The indicator definition is adjusted to make it clearer
Health and Social Development	ENV1.12	Percentage of AQ monitoring stations providing adequate data over a reporting year	70%	70%	The indicator definition is adjusted due to protracted delays in obtaining 3rd month performance reports from an external source (National Government) leading to the PoE reporting period accounting a month back
Human Resources	GG 5.11	Number of active suspensions longer than six months	≤15	≤15	The indicator is removed from the City wide to the Departmental SDBIP since it refers to suspensions longer than six months instead of 3 months as required by Circular 88 of the MFMA
Human Resources	GG5.12	Quarterly salary bill of suspended officials	≤R12 000 000	≤R12 000 000	The POE is adjusted to refer to the relevant system used by city.
Human Settlements	HS1.11	Number of subsidised housing units constructed using various Human Settlements Programmes	4314	923	The Human Settlement Development Grant (HSDG) was reduced by the Gauteng Provincial Department of Human Settlement
Human Settlements	HS1.12	Number of serviced sites	4050	830	Urban Settlement Grant Development was cut down hence the reduction of the planned outputs.(2) There was also a budget cut on land acquisition which would have contributed to delivery of additional serviced stands (3) Some of the serviced stands projects delivered in the previous financial year which is earlier than planned
Human Settlements	HS1.32	Number of informal settlements upgraded to Phase 2	5	0	This KPI will be put on hold at this level of reporting until the City is in a position to comply with all the evidence-based reporting requirements as expressed in MFMA circular 88 and in line with the Phase 2 upgrades as expressed in the Housing Code. However, it will be relegated to monitoring and reporting at departmental scorecard level to track those other elements that the city is currently able to comply with in accordance with the required by the house code.
Information and Communication Technology (ICT)	ICT.1.2	Number of Wi-Fi hotspots /nodes provided with Wi-Fi	100	70	Budget constraints
Internal Audit	IA 1	Percentage completion of the approved Internal Audit Plan	0	95%	The indicator was erroneously omitted from the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore returned to the city Wide SDBIP, with an annual target of 95%.
Internal Audit	IA 3	Percentage of planned Internal audit reviews completed for the Corporate Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target 2022/2023	Revised Annual Target	Reasons for adjustment
Internal Audit	IA 4	Percentage of planned Internal Audit reviews completed for the Operations Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.
Internal Audit	IA 5	Percentage of planned Internal Audit reviews completed for the Performance Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.
Legislature	GG 4.11	Number of agenda items deferred to the next council meeting	10	6	The indicator has been moved to compliance (Compliance Indicator C92 GG) in terms of Addendum 3 of Circular No. 88 of the Municipal Finance Management Act No. 56 of 2003 (MFMA); as a result the Quarter 3 and quarter 4 targets are adjusted to 0 respectively.
Service Delivery Coordination	GG2.31	Percentage of official complaints responded to through the municipal complaint management system	95%	94%	The annual target is adjusted from 95% to 94%.
Sports Recreation Arts and Culture	SRAC 1	Number of SRAC school activities implemented	17	18	The annual target is increased from 17 to 18 activities due to the positive impact of the Grant funded Cadet program which was approved after the planning process had been undertaken.
Transport and Fleet Management	TRD1.3	Number of operational public transport facilities refurbished	3	1	The City reallocated available funding as a cost containment /reduction strategy. The City reduced the KPI planned budget , therefore allowing only one (1) transport facility to be refurbished.
Transport and Fleet Management	TRD1.4	Number of fleet workshops refurbished	1	0	Review of targeted projects indicate that budget allocated for this project is insufficient to adequately complete the refurbishment.
Water and Sanitation	WS5.31	Percentage of total water connections metered	94.10%	93.80%	The water balance has been fixed and therefore it is indicating the Correct reflections of percentage of total water connections metered.
Water and Sanitation Water and Sanitation	WS5.1	Percentage of non-revenue water	32%	34.00%	No Meter reading, Customers are currently billed on an interim basis. Non-Payment of Service providers. This indicator was included in the scorecard for the city to monitor its Non-revenue water

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

2022 – 2023 MID – YEAR ADJUSTED KEY PERFORMANCE INDICATORS (DEPARTMENTAL SCORE-CARDS)

Department	Ref No.	Performance Indicator	Annual target for 2022/2023	Revised 2022/2023 Annual Target	Reasons for adjustment
Communications and Brand Management	4.D	Number of platforms used to communicate with stakeholders (community, business and employees)	12	10	The department will not be able to host roadshows as planned due to cost containment, for campaigns and stakeholder engagements, as a result the annual target is adjusted downward from 12 to 10 to support the financial sustainability of the city.
Communications and Brand Management	5.D	Number of work opportunities created	10	4	The annual target is reduced from 10 to 4 due to cost containment, for procurement of goods and services. The department will not be able to procure any goods and services that will create job opportunities (EPWP) for the community.
Communications and Brand Management	6D	Percentage expenditure on the department's capital budget.	0	95%	The indicator was omitted from the departmental SDBIP during the 2022/2023 planning process. The department has a capital budget of R50 000.
Corporate Legal Services	1.C	<u>Original</u> Percentage of instructions issued to appoint contracted Attorneys to cases involving town planning and building regulation contraventions (civil proceedings) within 20 working days turn-around time from date of receipt. <u>Revised:</u> Percentage of instructions issued to appoint contracted attorneys OR referral to ADR mechanisms of cases involving town planning and building regulation contraventions (civil proceedings) within 20 working days turn-around time from date of receipt.	100%	100%	The proposed adjustment will ensure that there is congruence between the KPI; planned targets per reporting quarter and the POE to be submitted. This is necessary because the POE will be precisely aligned to the planned quarterly targets in the Q3 and 4 reporting periods. This is also an endeavour to ensure alignment to the City's current financial constraints by alternatively to issuing instructions, referring contravention cases to the ADR (alternate dispute resolution) mechanisms which will be invoked to reduce legal costs. This is in keeping with current trends of dealing with litigation, to deal with contravention matters.
Economic Development	1.F	Number of work opportunities created	200	150	Delays foreseen in the implementation of the CAPEX projects within the department, leads to less work opportunities that can be created within a short space of the remaining time within the financial year.
Economic Development	6.F	Rand value of Ekurhuleni Community Enterprise Development Fund disbursed to beneficiaries.	R38 500 000	R13,933,020	The budget for the KPI is reduced due to review of Phanda Funda emanating from administrative and policy inconsistencies
Ekurhuleni Housing Company (EHC)	10.G	Percentage completion of Clayville Ext 45 social housing project	100%	60%	One contractor was liquidated and could not proceed with the project and was subsequently terminated. The second contractor abandoned site and was terminated due to non-performance. The appointment of the PSP and the Contractor was finalised in December 2022. The works on site will commence in January 2023.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target for 2022/2023	Revised 2022/2023 Annual Target	Reasons for adjustment
Ekurhuleni Housing Company (EHC)	11.G	Percentage completion of Kempton Park social housing project	100%	50%	The appointed consultant declared a dispute on professional fees on activities not completed by the previous consultant appointed by the CoE. This brought the project to a standstill. Legal assistance was sought from CoE Corporate & Legal Department to resolve the dispute. Contract of the PSP subsequently came to an end. The budget allocation is not adequate to complete 50% of the project in this financial year. A new PSP will be appointed from the EHC panel of PSPs in Q4 to complete the project. The budget will be used to cover site establishment costs.
	12.G	Percentage completion of Germiston Fire station social housing project	100%	60%	The annual target is reduced from 100% to 60% because 5% was achieved in the previous financial year. The budget allocation for this financial year is not sufficient to complete 95% of the work and this will be achieved in the next financial year.
Ekurhuleni Metropolitan Police (EMPD)	1.H	Number of operations conducted at identified accident hotspots.	100	90	The annual target has been reduced from 100 to 90 due to the shortage of main tools of trade, namely vehicles, necessitated a reduction of the targets.
Ekurhuleni Metropolitan Police (EMPD)	2.H	Number of social crime awareness programmes conducted in CoE wards.	224	212	There has been a decline in the receipt of requests from external stakeholders (SAPS, Gauteng Province) as well as financial constraints, that have necessitated reduction in conducting awareness campaigns
Ekurhuleni Metropolitan Police (EMPD)	3.H	Number of fines issued for traffic violations	1 607 227	1 440 596	The target is reduced because incorrect fines by transaction date were captured instead of capturing fines by offence date for the previous financial year.
Energy	8.J	Kilometre of Medium and High Voltage underground cables refurbished	50km	30km	Bringing the target in line with reduced budget
Energy	9.J	Percentage of Customer Queries Resolved in Accordance with CoE Service Standards	80%	40%	EMIS was replaced with IMS. The indicator must also be aligned to reflect current circumstances including available budget, third-party interference on the infrastructure and effect of loadshedding leading to an increase in call volumes.
Energy	10.J	Number of work opportunities created	250	600	There was uncertainty with the available budget for capital projects. The Energy capital budget did not change and therefore the projected number of work opportunities was adjusted upwards.
Environmental Resource and Waste Management	2.K	Original Number of public offloading facilities constructed in the Townships. Revised	3	2	The department does not have enough budget to develop/ upgrade public offloading facilities. This is attributed to a budget cut. The targeted number of public offloading facilities was three but with the current budget the department will only achieve two public offloading facilities.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

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		Number of public offloading facilities constructed (developed or upgraded) in the Townships			
Environmental Resource and Waste Management	4K	Amount of gas flared from the landfill sites (tons)	54000t	31 500t	The target is reduced because the flaring system was vandalized due to lack of security services and the repair and maintenance work would only be finalized during the course of quarter 3.
Environmental Resource and Waste Management	12K	Number of work opportunities created	2500	1500	Job opportunities for the department are created through OPEX and CAPEX. Both OPEX and CAPEX were affected by budget cuts and the set target will not be achieved.
Health and Social Development	3.P	Number of ECD practitioners trained in ECD programmes	100	500	Initially a conservative target was set mainly due to function shift from Health and Social Development Department to Basic Education Department. However, the same operational arrangements have been maintained hence the upward revision of the target.
Health and Social Development	4.P	Number of 15–35-year-olds reached with behaviour change programmes	2 000	3600	The annual target is adjusted upwards due to: (i) enhanced collaboration with external Sectoral stakeholders, and (ii) additional placement of Social Workers from Provincial Social Development Department resulting in increased reach.
Health and Social Development	5.P	Number of persons reached with gender-based violence awareness programmes implemented	800	2000	The annual target is adjusted upwards due to: (i) enhanced collaboration with external Sectoral stakeholders, and (ii) additional placement of Social Workers from Provincial Social Development Department resulting in increased reach.
Health and Social Development	6.P	Number of People with Disabilities participating in integrated rights-based workshops and skills development programmes	400	200	The annual target is adjusted upwards due to: (i) enhanced collaboration with external Sectoral stakeholders, and (ii) additional placement of Social Workers from Provincial Social Development Department resulting in increased reach.
Health and Social Development	9.P	Number of patients initiated on Antiretroviral Therapy	35 000	30 298	The annual target is adjusted downward to re-align with the Provincial Annual Performance Plan Target of 30298
Health and Social Development	10.P	Percentage of children fully immunised under 1 year of age	95%	90%	The annual target is adjusted downward to re-align with the Provincial Annual Performance Plan Target which was reduced from 95% to 90%.
Health and Social Development	15.P	Percentage expenditure on the department's capital budget	95%	0	The entire Capital Budget has been re-adjusted primarily due to budgetary constraints and the under-funded Mandate considerations. As a result, the KPI will have to be removed.
Health and Social Development	16.P	Number of work opportunities created	200	500	The additional work opportunities created were as a result of subsequent fixed term contracts concluded in the following

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

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					programme categories: 1. Indigent Field Workers 2. Rodent Control Ambassadors 3. Community Support Programme (CSPs).
Human Settlements	8.R	Number of Households in Informal Settlements Relocated	1014	440	The number is revised downwards based on the readiness of projects earmarked for relocations and allocations
Human Settlements	9.R	Number of refurbishment projects completed in rental complexes.	5	2	City-Wide budget cuts for Repairs and Maintenance means rental complexes will not be refurbished as planned
Human Settlements	10.R	Percentage occupancy Rate across Rental Complexes	90%	80%	Most tenants' agreements are not all obtainable due to unresolved historical disputes. PoE that is unobtainable makes it impossible to report fairly. In addition, the lease agreements are not signed every quarter as they are signed once in a while when assuming occupation of the rental complex
Human Settlements	12. R	Percentage of repairs and Maintenance Budget Spent	95%	60%	Delays by panel of contractors to appoint the contractors to undertake repairs and maintenance
Human Resources	14Q	Number of active suspensions longer than six months	≤15	≤15	The indicator was measured on the City wide SDBIP and has been transferred to the departmental SDBIP since it does not comply with C88 of the MFMA.
Internal Audit	1.T	Percentage of planned Internal Audit reviews completed for the Corporate Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.
Internal Audit	2.T	Percentage of planned Internal Audit reviews completed for the Operations Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.
Internal Audit	3.T	Percentage of planned Internal Audit reviews completed for the Performance Division	100%	95%	The indicator was erroneously removed from the Departmental SDBIP to the City Wide SDBIP during the 2022/2023 SDBIP process. The indicator is therefore transferred back to the Departmental SDBIP. The annual and quarter 4 targets are adjusted from 100% to 95% to be more realistic for the current year.
Interdependent indicator	LED1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	8%	8%	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments
Interdependent indicator	FM1.12	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	95%	95%	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target for 2022/2023	Revised 2022/2023 Annual Target	Reasons for adjustment
Interdependent indicator	FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	0	0	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments
Interdependent indicator	FM6.13	Percentage of tender cancellations	5%	5%	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments
Interdependent indicator	FM5.31	Repairs and Maintenance as a percentage of property, plant, equipment and investment property	4%	4%	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments
Interdependent indicator	FM7.34	Net Surplus /Deficit Margin for Refuse	82%	82%	This KPI was only monitored at a corporate level as per MFMA Circular 88; but due to its importance in financial position of the City, it is now cascaded to all departments
Real Estate	1.V	Number of Residential Sites Packaged for Release by Human Settlements Department	10	0	The City Manager is no longer approving sites reserved for Human Settlements Department due to cashflow crisis
Real Estate	8.V	Average number of days taken to processes IPW requests	5	0	The function was moved to EPMO, the KPI is therefore removed from the scorecard
Real Estate	9.V	Number of work opportunities created	2500	1000	Job opportunities created only during the inception of the cleaning contract in the first quarter
Roads and Storm water	1.X	Number of Timing Plans Reviewed	4	0	Funding for this indicator has been reallocated for the installation of controllers
Roads and Storm water	2.X	Number of New Traffic Signals Installed	2	0	Funding for this indicator has been reallocated for the installation of controllers
Roads and Storm water	3.X	Number of Routes Coordinated	2	0	Funding for this indicator has been reallocated for the installation of controllers
Service Delivery Coordination	1U	Number of CRM-based campaigns implemented	4	N/A	The indicator definition is adjusted to further clarify the indicator.
Service Delivery Coordination	2.U	Percentage expenditure on department's capital projects	95%	95%	The department is dependent on the Real Estates and EPMO departments for the appointment of consultants, contractors, and approval of IPWs signed off by the GFCO. Due to the delay of the non- appointment of the above mentioned the department has to adjust the quarte 3 target to 25% to align with the set targets of project completion by quarter 4.
Service Delivery Coordination	3.U	Percentage expenditure on the Legacy Projects capital budget	95%	95%	The department is dependent on the Real Estates and EPMO departments for the appointment of consultants, contractors, and approval of IPWs signed off by the GFCO. Due to the delay of the non- appointment of the above mentioned the department has to

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

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					adjust the quarter 3 target to 25% to align with the set targets of project completion by quarter 4.
Service Delivery Coordination	4.U	Number of CCC service delivery meetings held	100	164	The department consist of the 20 walk-in centres but 19 are operational, 1 was damaged during the Tembisa protests and is not yet refurbished. The city is still working on the funds for refurbishment. Therefore, the reason for the baseline adjustment. The 19 walk-in centres have set targets of having 1 service delivery meeting on monthly basis to track, monitor and escalate service delivery complaints. The baseline of 100 was inequivalent to the quarterly target which the department was overachieving on the set target of 25. the department held 19 service delivery meetings monthly multiply by 3 months gives a target of 57 quarterly. As a result, the quarter 3 and quarter 4 targets are adjusted accordingly.
Sports Recreation Arts and Culture (SRAC)	1.Y	<u>Original</u> Number of ECD participants supported with SRAC programmes. <u>Revised</u> Number of ECD Centres supported with SRAC school programmes.	125	137	The change on the indicator definition is in terms of the SMART and CREAM principles, the measuring of ECD centres is recommended as counting participants is labour intensive and impractical. The increase in terms of quarterly targets is due to the positive impact of the grant funded Cadet program which was approved after the planning process had been undertaken.
Sports Recreation Arts and Culture (SRAC)	2.Y	Number of beneficiaries participating in accredited capacity building programmes	140	120	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target.
Sports Recreation Arts and Culture (SRAC)	3.Y	Number of mass participation programmes implemented	14	15	The increase in terms of quarterly targets is due to the positive impact of the grant funded Cadet program which was approved after the planning process had been undertaken
Sports Recreation Arts and Culture (SRAC)	4.Y	Number of post support intervention offered to beneficiaries of SRAC programmes	6	5	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target
Sports Recreation Arts and Culture (SRAC)	5.Y	Number of partnership/collaboration programmes implemented	7	9	The increase in terms of quarterly targets is due to the positive impact of the grant funded Cadet program which was approved after the planning process had been undertaken.
Sports Recreation Arts and Culture (SRAC)	7.Y	Number of commemoration events implemented.	11	9	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target.
Sports Recreation Arts and Culture (SRAC)	9.Y	Percentage of customer queries resolved in accordance with Ekurhuleni Service Standards	90%	85%	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target.

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

Department	Ref No.	Performance Indicator	Annual target for 2022/2023	Revised 2022/2023 Annual Target	Reasons for adjustment
Sports Recreation Arts and Culture (SRAC)	10.Y	Number of informal settlements provided with SRAC interim basic services.	48	41	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target. The definition is adjusted to amend the number of informal settlements from 119 to 163
Sports Recreation Arts and Culture (SRAC)	11.Y	Number of work opportunities created	100	75	Moratorium of non-procurement to non-essential goods and services resulted in reduction of the annual target.
Strategy and Corporate Planning	12Z	Percentage expenditure on departments capital project	95%	0	The indicator must be discontinued due to the budget adjustment resulting in budget cot from R10 000 to 0.
Transport and Fleet Management	1.AA	Number of Vehicle Auctions Conducted	1	0	The analysis of vehicles to be auctioned is no longer within the control of Transport and Fleet Management Department. The Department is no longer in a position to determine the scope and timing of the targeted performance against this KPI.
Transport and Fleet Management	8.AA	Number of Technical Planning documents developed	2	0	Funds allocated for spending on this KPI are not adequate, the budget allocation will be used to complete a portion of the (Transport Information Register) TIR which is part of one planned document (CITP), additional funds will be requested for the completion of CITP in 2024.
Transport and Fleet Management	11.AA	Km of Busway added	N/A	1.5km	The KPI was erroneously omitted from original scorecard

**CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
ORDINARY COUNCIL MEETING**

2023.02.23

A-CORP (05-2023)

RECOMMENDATION

1. **That** the report on the adjusted 2022/23 Service Delivery Budget Implementation Plans **BE NOTED**.
2. **That** the changes in respect of Council's City-wide and Departmental SDBIPs for 2022/2023 **BE NOTED** as set out in **Annexures A** and **B** of the report, respectively.
3. **That** the adjustments made to the 2022/23 Service Delivery and Budget Implementation Plans **BE APPROVED**.