



Annexure A

DRAKENSTEIN

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Section 52 (MFMA) Quarterly Performance Assessment Report

Non-Financial Performance Report

Top Layer (TL) Service Delivery Budget Implementation Report (SDBIP)

2025/2026

Quarter 1 (01 July – 30 September 2025)

A city of excellence

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Disclaimer

This Quarterly Performance Assessment Report is based on reported information only and is un-audited. This report is subject to change on finalisation of the internal Performance Audit Report for the 1st Quarter of the 2025/2026 financial year.

1. PURPOSE

The purpose of this report is to inform Council of 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 Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the first quarter (01 July – 30 September 2025) of the 2025/2026 financial year.

2. LEGISLATIVE REQUIREMENTS

- 2.1 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.
- 2.2 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.
- 2.3 This report is a requirement in terms of Section 52 of the MFMA which provides for:
 - 2.3.1 The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality;
 - 2.3.2 The Accounting Officer, while conducting the above, must consider:
 - a. Section 71 Reports; and the
 - b. Performance in line with the SDBIP.

3. PERFORMANCE ASSESSMENT PROCESS

- 3.1 The SDBIP consists of a TL as well as a Departmental Plan for each department.
- 3.2 For purposes of reporting, the TL SDBIP is used to report on the organisational performance of the Municipality to Council and the Community.
- 3.3 The TL SDBIP measures the achievement of performance indicators with regards to the provision of basic services 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 IDP of the Municipality. The TL SDBIP 2025/2026 was approved by the Executive Mayor on 25 June 2025.

- 3.4 The Departmental SDBIP measures the achievement of pre-determined performance indicators that are based on operational service delivery requirements aligned to the TL SDBIP. The Departmental Plans have been approved by the City Manager.
- 3.5 The Quarterly Performance Assessment Report is structured to report on the following six (6) Key Performance Areas (KPAs):
- Governance and Compliance (KPA 1);
 - Finance (KPA 2);
 - Organisation and Human Capital (KPA 3);
 - Infrastructure and Services (KPA 4);
 - Planning and Development (KPA 5); and
 - Community Development (KPA 6).
- 3.6 The overall assessment of actual performance against targets set for the KPIs as documented in the SDBIP are illustrated in terms of the following assessment methodology:

Table 1: Explanation of Colour Codes

Colour	Rating	Category
	0	No KPI Target This Quarter
	1	Unacceptable Performance
	2	Not Fully Effective
	3	Fully Effective
	4	Above Expectation
	5	Outstanding Performance

- 3.7 The Performance Management System is a web-based system, and it uses, as its basis, the approved SDBIP. The SDBIP is a layered plan comprising of the TL SDBIP and Departmental SDBIPs.
- 3.8 Performance reports on the TL SDBIP are submitted to the Mayoral Committee and Council on a quarterly, half yearly (Mid-Year Budget and Performance Assessment Report) and annual basis (annual amendments to the TL SDBIP must be approved

by Council following the submission of the Mid-Year Budget and Performance Assessment Report and the approval of the adjustments budget).

4. PERFORMANCE MANAGEMENT SYSTEM

- 4.1 The Municipality utilises an electronic web-based system that is monthly and quarterly updated with actual performance.
- 4.2 The system closes every month between the 6th to the 15th day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. No access is available to a month's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place. Departments must motivate to the City Manager should they require the system to be re-opened once the system is closed.
- 4.3 The system requires KPI owners to update performance comments 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.
- 4.4 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 utilised requires corrective actions to be captured for targets not achieved.

5. ACTUAL PERFORMANCE FOR THE FIRST QUARTER (01 JULY – 30 SEPTEMBER 2025)

- 5.1 The TL SDBIP contains performance indicators per KPA and comments with corrective measures with regard to targets not achieved.
- 5.2 A detailed analysis of actual performance for the first quarter of the financial year 2025/2026 is provided for in section 7 of this report.

6. DRAKENSTEIN PERFORMANCE PER MUNICIPAL KPA (01 JULY – 30 SEPTEMBER 2025)

Table 2: Overall Performance per KPA (01 JULY – 30 SEPTEMBER 2025)

	KPA 1: Governance and Compliance						KPA 2: Finance		KPA 3: Organisation and Human Capital		KPA 4: Infrastructure and Services		KPA 5: Planning and Development		KPA 6: Community Development	
No KPI Target This Quarter	12	-	-	-	-	-	6	3	2	-	-	1	-	-	-	1
Unacceptable Performance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Not Fully Effective	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fully Effective	9	3	3	2	2	4	2	-	4	-	-	-	-	-	-	-
Above Expectation	4	-	-	-	-	-	-	-	3	1	-	-	-	-	-	-
Outstanding Performance	1	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-
Total:	26	3	9	3	9	9	9	3	9	1	9	1	1	1	1	1

7. ACTUAL STRATEGIC PERFORMANCE AND CORRECTIVE MEASURES THAT WILL BE IMPLEMENTED WHERE NECESSARY

7.1 KPA 1: Governance and Compliance

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025			
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments
TL 1	To ensure good governance and compliance	Submit Audit & Performance Committee reports to Council within 3 months of the APC meeting.	Number of Audit & Performance Committee reports submitted to Council.	4	4	1	1	G	
TL 2	To ensure good governance and compliance	Formal investigation on reported fraud, theft and corruption incidents initiated within 14 days of receipt.	Percentage formal investigations on reported fraud, theft and corruption incidents initiated within 14 days of receipt.	100%	100%	100%	100%	G	
TL 3	To ensure good governance and compliance	Submit the IDP/Budget/SDF time schedule (process plan) to Mayco/Council by 31 August.	Number of IDP/Budget/SDF time schedules (process plans) submitted to Mayco/Council by 31 August.	1	1	1	1	G	

Table 3: Summary of Results - Governance and Compliance (KPA 1)

No KPI Target This Quarter	0
Unacceptable Performance	0
Not Fully Effective	0
Fully Effective	3
Above Expectation	0
Outstanding Performance	0
Total KPIs	3

7.2 KPA 2: Finance

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025			
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments
TL 4	To ensure financial sustainability in order to meet statutory requirements	Submit MTREF (aligned to the IDP) to Council by 31 May.	Number of MTREFs submitted to Council by 31 May.	1	1	N/A	N/A	N/A	
TL 5	To ensure financial sustainability in order to meet statutory requirements	Ratio in respect of Debtor Payment Days (Collect all billed revenue to ensure that sufficient cash is generated to meet the municipality's debt and operating commitments).	Net Debtors Days Ratio ((Gross Debtors - Bad Debt Provision)/Billed Revenue) x 365 (Target Number of days).	≤45	≤45	≤45	41.40	B	Days achieved, less than target.
TL 6	To ensure financial sustainability in order to meet statutory requirements	Submit Annual Financial Statement (AFS) to the Auditor-General of South Africa by 31 August.	Number of Annual Financial Statements (AFS) submitted to the Auditor-General of South Africa.	1	1	1	1	G	
TL 7 NKPI	To ensure financial sustainability in order to meet statutory requirements	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii)).	Cost coverage ratio (Available cash + investments)/Monthly fixed operating expenditure.	>1.0 (More than)	>1.0 (More than)	N/A	N/A	N/A	
TL 8 NKPI	To ensure financial sustainability in order to meet statutory requirements	Financial viability measured in terms of the Municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i)).	Debt coverage ratio ((Total operating revenue - operating grants received)/ (Debt service payments due within the year)).	>6.7 (More than)	>6.7 (More than)	N/A	N/A	N/A	
TL 9 NKPI	To ensure financial sustainability in order to meet statutory requirements	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii)).	Service debtors to revenue ratio - (Total outstanding service debtors/revenue received for services).	<0.25 (Less than)	<0.25 (Less than)	N/A	N/A	N/A	

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025				
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL 10 NKPI	To ensure financial sustainability in order to meet statutory requirements	Update the Indigent Register (NKPI Proxy - MSA, Reg. S10(a)).	Percentage of all qualifying indigent applications processed.	100%	100%	100%	100%	G		
TL 11	To ensure financial sustainability in order to meet statutory requirements	Submit the Adjustment Budget to Council for approval by 28 February.	Number of Adjustment Budgets submitted to Council for approval by 28 February.	1	1	N/A	N/A	N/A		
TL 12 NKPI	To ensure financial sustainability in order to meet statutory requirements	Actual Expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI – MSA, Reg. S10(c)).	Percentage of approved Capital Budget actually spent.	90%	90%	N/A	N/A	N/A		

Table 4: Summary of Results - Finance (KPA 2)

	No KPI Target This Quarter	6
	Unacceptable Performance	0
	Not Fully Effective	0
	Fully Effective	2
	Above Expectation	0
	Outstanding Performance	1
	Total KPIs	9

7.3 KPA 3: Organisation and Human Capital

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025				Departmental Corrective Measures
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments	
TL 13 NKPI	To ensure an efficient and effective organization supported by a competent and skilled workforce	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a Municipality's approved employment equity plan reports (NKPI Proxy – MSA, Reg. S10(e)).	Number of reports of people from employment equity groups employed in the three highest levels of management submitted to the City Manager.	2	2	N/A	N/A	N/A		
TL 14 NKPI	To ensure an efficient and effective organization supported by a competent and skilled workforce	The percentage budget actually spent on implementing its workplace skills plan (NKPI Proxy – MSA, Reg. S10(f)).	Percentage of approved workplace skills budget actually spent on implementing its workplace skills plan.	98%	98%	N/A	N/A	N/A		
TL 15 NKPI	To ensure an efficient and effective organization supported by a competent and skilled workforce	Job creation through the municipality's local economic development initiatives including capital projects (NKPI Proxy – MSA, Reg. S10 (d)).	Number of EPWP job opportunities created (Wards 5, 6, 8, 9, 12, 14, 16, 20, 21, 24, 26, 27 & 32).	580	580	N/A	N/A	N/A		

Table 5: Summary of Results - Organisation and Human Capital (KPA 3)

No KPI Target This Quarter	3
Unacceptable Performance	0
Not Fully Effective	0
Fully Effective	0
Above Expectation	0
Outstanding Performance	0
Total KPIs	3

7.4 KPA 4: Infrastructure and Services

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025				
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL 16	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Water quality managed and measured quarterly i.e. the SANS 241 physical and micro parameters.	Percentage water quality level as per analysis certificate.	90%	90%	90%	98.96%	G2		
TL 17 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MSA, Reg. S10(a)).	Percentage of households with access to basic level of water.	100%	100%	100%	100%	G		
TL 18	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Limit water network losses to less than 20% measured annually (Difference between water units supplied and water units billed as percentage of water supplied).	Percentage water distribution losses.	<20%	<20%	N/A	N/A	N/A		
TL 19 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Wastewater quality managed and measured quarterly i.e. the SANS Accreditation physical and micro parameters (NKPI Proxy – MSA, Reg. S10(a)).	Percentage wastewater quality compliance as per analysis.	75%	75%	75%	83.59%	G2		
TL 20 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MSA, Reg. S10(a)).	Percentage of households with access to basic level of sanitation.	100%	100%	100%	100%	G		

01 JULY – 30 SEPTEMBER 2025										
TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL 21 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Limit the electricity losses to less than 10% annually (Average energy purchased to date – Average energy sold to date)/ (Average energy purchased to date) X 100 = Average energy losses for reporting period.	Percentage electricity distribution losses.	10%	10%	N/A	N/A	N/A		
TL 22	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MSA, Reg. S10(a)).	Percentage of households with access to basic level of electricity.	95%	95%	95%	96.41%	G2		
TL 23 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MSA, Reg. S10(a)).	Percentage of households with access to basic level of solid waste removal.	100%	100%	100%	100%	G		
TL 24 NKPI	To provide and maintain the required physical infrastructure and to ensure sustainable and affordable services	Provision of basic service delivery to Drakenstein Residents (NKPI Proxy – MSA, Reg. S10(a)).	Number of registered informal settlements receiving a refuse collection service.	44	44	44	44	G		

Table 6: Summary of Results - Infrastructure and Services (KPA 4)

	No KPI Target This Quarter	2
	Unacceptable Performance	0
	Not Fully Effective	0
	Fully Effective	4
	Above Expectation	3
	Outstanding Performance	0
	Total KPIs	9

7.5 KPA 5: Planning and Development

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025				
						1 st Quarter Target	1 st Quarter Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL 25	To plan, promote investment and facilitate economic growth	Processing building plans exceeding 500 square meters within 60 days after receipt of completed application.	Percentage of building plans (exceeding 500 square meters) processed within 60 days after receipt of completed application.	90%	90%	90%	100%	G2		

Table 7: Summary of Results - Planning and Development (KPA 5)

No KPI Target This Quarter	0
Unacceptable Performance	0
Not Fully Effective	0
Fully Effective	0
Above Expectation	1
Outstanding Performance	0
Total KPIs	1

7.6 KPA 6: Community Development

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 30 SEPTEMBER 2025			
						1 st Quarter Target	1 st Quarter Actual	R	Departmental Corrective Measures
TL 26	To facilitate, support and promote social and community development	Review Disaster Management Plan for submission to Public Safety Portfolio Committee/Mayco.	Number of reviewed Disaster Management Plans submitted to Public Safety Portfolio Committee/Mayco.	1	1	N/A	N/A	N/A	

Table 8: Summary of Results - Community Development (KPA 6)

No KPI Target This Quarter	1
Unacceptable Performance	0
Not Fully Effective	0
Fully Effective	0
Above Expectation	0
Outstanding Performance	0
Total KPIs	1

8. Conclusion

The TL SDBIP 2025/2026 comprises of 26 KPIs. The table below depicts the performance for the first quarter:

Table 9: Performance for the First Quarter

	No KPI Target This Quarter	12
	Unacceptable Performance	0
	Not Fully Effective	0
	Fully Effective	9
	Above Expectation	4
	Outstanding Performance	1
Total KPIs		26

See key below explaining the above results:

Table 10: Performance Assessment Criteria

Colour	Rating	Category
	0	No KPI Target This Quarter
	1	Unacceptable Performance
	2	Not fully Effective
	3	Fully Effective
	4	Above Expectation
	5	Outstanding Performance


DR. JOHAN LEIBBRANDT
CITY MANAGER

DATE: 20/10/2025