



Annexure A

DRAKENSTEIN

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl | Wellington | Gouda | Saron | Simondium

Section 72 (MFMA), Mid- Year Performance Assessment Report

2025/2026

(01 July 2025 – 31 December 2025)

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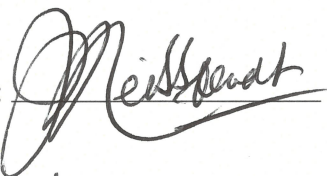
This Mid-Year Performance Assessment Report is based on reported information only and is un-audited. This report is subject to change on finalisation of the internal Performance Audit Report for the Mid-Year of the 2025/2026 financial year.

2025/2026 Mid-Year Performance Assessment, Section 72 (1) of the Local Government: Municipal Finance Management Act No. 56 of 2003 (01 July 2025 – 31 December 2025)

QUALITY CERTIFICATE

I, Johan Leibbrandt, the City Manager of Drakenstein Municipality, hereby certify that the Mid-Year Performance Assessment Report for the period 01 July 2025 to 31 December 2025 has been prepared in accordance with Section 72 (1)(a) 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 expenditure targets, key performance indicators, development priorities and targets as determined in the 2025/2026 Budget and 2025/2026 Top Layer Service Delivery and Budget Implementation Plan (TL SDBIP).

Dr. Johan Leibbrandt
City Manager of Drakenstein Municipality

Signature: 

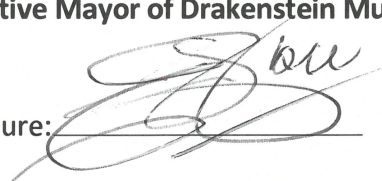
Date: 20/01/2026

2025/2026 Mid-Year Performance Assessment, Section 72 (1) of the Local Government: Municipal Finance Management Act No. 56 of 2003 (01 July 2025 – 31 December 2025)

To Council

In accordance with Section 72(1)(a) of the Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA) and regulations made under the Act, I hereby submit the Mid-Year Performance Report for the first six months of the municipal financial year (01 July 2025 - 31 December 2025) reflecting the progress made with the achievement of expenditure targets, key performance indicators, development priorities and targets as determined in the 2025/2026 Budget and 2025/2026 Top Layer Service Delivery and Budget Implementation Plan (SDBIP).

Cllr. Stephen Korabie
Executive Mayor of Drakenstein Municipality

Signature: 

Date: 20/11/2026.

1. INTRODUCTION

In terms of Section 72(1)(a) 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 an 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.

2. FINANCIAL PERFORMANCE

A report assessing the Municipality's financial performance for the period 01 July 2025 – 31 December 2025 will be submitted to Council as a separate item.

3. SERVICE DELIVERY PERFORMANCE ANALYSIS

To Create A Culture of Performance through a Performance Framework, Performance Management is prescribed by Chapter 6 of the Municipal Systems Act (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 Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual and service provider performance.

The Drakenstein Municipality's Performance Management Policy was approved by Council on 31 May 2021.

4. IMPLEMENTATION OF PERFORMANCE MANAGEMENT

The 2025/2026 IDP was approved by Council on 28 May 2025. Performance is evaluated by means of a municipal scorecard, Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP), at an organisational level and through the Departmental SDBIP at a departmental level.

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the Municipality is implemented. It also allocates responsibilities to Departments to deliver services in terms of the IDP and Budget.

The TL SDBIP was prepared and approved by the Executive Mayor on 25 June 2025.

5. MONITORING PERFORMANCE

The SDBIP is loaded on an electronic web-based system (after approval). The web - based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against Key Performance Indicator (KPI) Targets for the previous month's performance. The actual results against monthly targets set, are discussed at Strategic Management level to determine early warning indicators as well as to discuss corrective measures if needed.

Table 1: Ratings

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

The First Quarterly Performance Assessment Report (01 July 2025 – 30 September 2025) was submitted to the Mayoral Committee and Council for review on 29 October 2025 and thereafter to the Internal Audit Unit for auditing.

National Performance Indicators (NPKIs) are required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the Municipal Systems Act (MSA), Act 32 of 2000. These key performance indicators are linked to the National Key Performance Areas as listed below:

6. SUMMARY PERFORMANCE AGAINST THE MUNICIPAL KEY PERFORMANCE AREAS

The graph below illustrates the performance of the Drakenstein Municipality against the Municipality's Key Performance Areas (MKPAs), for the period 01 July 2025– 31 December 2025, as derived from the Municipality's Integrated Development Plan (IDP).

Table 2: Drakenstein Municipality KPAs (01 JULY 2025 – 31 DECEMBER 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 Period	11	-	6	2	2	-	1
 Unacceptable Performance	-	-	-	-	-	-	-
 Not Fully Effective	-	-	-	-	-	-	-
 Fully Effective	10	3	2	1	4	-	-
 Above Expectation	4	-	-	-	3	1	-
 Outstanding Performance	1	-	1	-	-	-	-
Total:	26	3	9	3	9	1	1

7. ADJUSTMENT BUDGET

Regulation 23 of the Municipal Budget and Reporting Regulations provides, *inter alia*, for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-Year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”

A revised Top Layer SDBIP will be submitted with the Adjustment Budget to Council by 28 February 2026 with the necessary motivation where key performance indicators require adjustment/amendment/s as a result of the Adjustment Budget.

8. SUMMARY AND CHALLENGES

Annexure A is the unaudited Top Layer SDBIP for the first half of the financial year 2025/2026 ending 31 December 2025, which measures the Drakenstein Municipality's overall performance per KPA. The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved, if applicable.

It was reported that the draft Annual Report was reviewed by management as well as an expert reviewer and it will be tabled to Council on 28 January 2026. All matters raised by the Internal Audit Unit and the Audit Committee with the review of the 2024/2025 Annual Report, has been addressed. For the period under review, there has been no underperformance. However, should any underperformance occur in the next six (6) months, it will be addressed at the end of the Financial Year.


DR JOHAN LEIBBRANDT
CITY MANAGER

DATE: 20/01/2026

**ANNEXURE A – TOP LAYER SDBIP 2025/2026 PER MUNICIPAL KPA
AND ASSESSMENT OF TARGETS ACHIEVED
(01 JULY 2025 – 31 DECEMBER 2025)
(S72, MFMA MID-YEAR ASSESSMENT)**

9. ANNEXURE A – TOP LAYER SDBIP 2025/2026 PER MUNICIPAL KPA AND ASSESSMENT OF TARGETS ACHIEVED (MID-YEAR, MFMA S72 ASSESSMENT)

9.1 KPA 1: Governance and Compliance

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025				
						Mid-Year Target	Mid-Year Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL1	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	2	2	G		
TL2	To ensure good governance and compliance	Formal investigations 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		
TL3	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

9.2 KPA 2: Finance

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025			
						Mid-Year Target	Mid-Year 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	
TL5	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	38.40	B	The credit control and debt collection policy are implemented rigorously, and restriction of prepaid electricity is enforced.
TL6	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	
TL7 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	
TL8 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	
TL9 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 – 31 DECEMBER 2025				
						Mid-Year Target	Mid-Year Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL10 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		
TL11	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		
TL12 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.	95%	95%	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

9.3 KPA 3: Organisation and Human Capital

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025				
						Mid-Year Target	Mid-Year Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL13 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	1	1	G		
TL14 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		
TL15 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	2
	Unacceptable Performance	0
	Not Fully Effective	0
	Fully Effective	1
	Above Expectation	0
	Outstanding Performance	0
	Total KPIs	3

9.4 KPA 4: Infrastructure and Services

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025				
						Mid-Year Target	Mid-Year 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%	95.56%	G2		
TL17 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		
TL18	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		
TL19 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%	92.62%	G2		
TL20 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		

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025				
						Mid-Year Target	Mid-Year Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL21 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		
TL22	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%	100%	G2		
TL23 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		
TL24 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

9.5 KPA 5: Planning and Development

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025			
						Mid- Year Target	Mid- Year Actual	R	Departmental SDBIP Comments
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

9.6 KPA 6: Community Development

TL Nr.	Strategic Objective	Project/ Program/Process/Activity	Key Performance Indicator (KPI)	Annual Target	Revised Target	01 JULY – 31 DECEMBER 2025			
						Mid- Year Target	Mid- Year Actual	R	Departmental SDBIP Comments
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	Departmental Corrective Measures

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

10. Conclusion

The TL SDBIP 2025/2026 comprises of 26 KPIs. The table below depicts the performance for the Mid -Year:

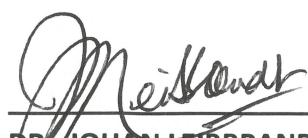
Table 9: Performance for the Mid -Year

	No KPI Target This Quarter	11
	Unacceptable Performance	0
	Not Fully Effective	0
	Fully Effective	10
	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: 20/01/2026