

NELSON MANDELA BAY MUNICIPALITY

Service Delivery Budget Implementation Plan (SDBIP)

2016/17 MID-TERM PERFORMANCE REPORT

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 1: Effective City Governance	KPE 1.1: Customer Satisfaction	1.1.1	Conducting a customer satisfaction survey in respect of services rendered by Nelson Mandela Bay Municipality	Customer satisfaction survey on services rendered by NMBM conducted	New Indicator (not reflecting in the 2015/16 SDBIP)	Research proposal on undertaking a customer satisfaction survey in NMBM concluded and questionnaire constructed	Research proposal on undertaking a customer satisfaction survey in NMBM concluded and questionnaire constructed	Fieldworkers recruited	In Progress (Advertisement for the recruitment of fieldworkers placed)	Partially achieved	During the first quarter, a research proposal on undertaking a customer satisfaction survey in Nelson Mandela Bay was concluded and a questionnaire was constructed for that purpose. The recruitment of fieldworkers commenced in the second quarter, but could not be finalised. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to the student protests that occurred during October and November 2016 at the NMMU, which is one of the key players in creating awareness of recruitment opportunities for unemployed graduates. Once processes were relatively stable, the NMMU was requested to send e-mail notices to all students. This resulted in the closing date being extended to January 2017. No recruitment could be undertaken over the Festive Season, since most students were on holidays. The Municipality extended the due date for applications from prospective fieldworkers from 31 December 2016 to 6 January 2017, to ensure that a broad spectrum of applications would be received. CORRECTIVE ACTION / MITIGATION: The appointment of fieldworkers will be prioritised in January 2017. It is envisaged that the recruitment process will be concluded by 31 January 2017.	OFFICE OF THE CHIEF OPERATING OFFICER
KPA 1: Effective City Governance	KPE 1.2: Spatial Information Infrastructure	1.2.1	Updating the Nelson Mandela Bay Municipality's Geographic Information System with the latest imagery	By September 2016	New Indicator (not reflecting in the 2015/16 SDBIP)	Imagery updated by 30 September 2016	Service Providers appointed	N/A (KPI set to be achieved in first quarter)	In Progress (Project 45% complete)	Partially achieved	During the first quarter, two service providers were appointed and deployed at the Port Elizabeth Airport to conduct aerial imagery surveying. Overall project progress is reported at 45%. Service provider One (Geosence Limited) is 90% complete with the acquisition of the oblique phase and 30% complete in terms of processing. Service provider Two (AAM Geomatics) is 75% complete with the first phase, which involves data acquisition. It is anticipated that the oblique imagery and lidar points data will be delivered in digital format by 31 January 2017 (in respect of the urban area); and by 28 February 2017 (in respect of rural areas). REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to fuel shortages at the Port Elizabeth Airport and bad weather, which affected flight times. CORRECTIVE ACTION / MITIGATION: The updating of the Nelson Mandela Bay Municipality's Geographic Information System with the latest imagery is a 24 months' project - not a three months' project', as was originally anticipated. The final completion date of the project is anticipated to be in June 2018. REVIEW: During mid-term review processes, the amendment of the Key Performance Indicator's targets will be considered to reflect milestones to be achieved within the 2016/17 financial year.	OFFICE OF THE CHIEF OPERATING OFFICER
KPA 1: Effective City Governance	KPE 1.3: Communications	1.3.1	Number of communication initiatives implemented in line with Nelson Mandela Bay Municipality's Communication Strategy	60	18	15	23	30	31	Over achieved	During the period under review, altogether 31 communication initiatives were implemented in line with the Nelson Mandela Bay Municipality's Communications Strategy. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the introduction of a larger than planned number of communication initiatives, such as the securement of radio slots to advertise key municipal events (e.g. IDP Public Participation meetings). Expenditure remains within Budget and will be closely monitored throughout the financial year.	CORPORATE SERVICES

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 1: Effective City Governance	KPE 1.4: Internal Controls	1.4.1	Receipt of Unqualified Audit Report issued in respect of the 2015/16 financial year	Receipt of Unqualified Audit Report by December 2016	Qualified Audit Report received	2015/16 performance information and financial statements submitted to the Auditor-General by 31 August 2016	2015/16 performance information and financial statements submitted to the Auditor-General by 31 August 2016	Receipt of Unqualified Audit Report by December 2016	Target Not Met (Qualified Audit Report received)	Not achieved	The Nelson Mandela Bay Municipality received a qualified Audit Report from the Auditor-General in respect of the 2015/16 financial year. On 23 December 2016, the office of the Auditor-General delivered the Audit Report upon conclusion of the audit of the 2015/16 annual financial statements and the annual performance report. REASON(S) FOR UNDERPERFORMANCE: A qualified audit opinion was received, with the following matters of emphasis raised by the Auditor-General: 1) Restatement of comparative figures, 2) Fruitless and wasteful expenditure, 3) Material losses and impairments, 4) Significant uncertainty in respect of litigation. The underperformance reported against this Key Performance Indicator is attributed to the unsuccessful implementation and monitoring of the Auditor-General's Action Plan towards addressing the previous year's audit findings. CORRECTIVE ACTION / MITIGATION: To mitigate against the underperformance reported against this Key Performance Indicator, the Municipality will early in the third quarter develop and implement a comprehensive action plan to address all matters of emphasis raised by the Auditor General. The Municipality will, in addition, through regular reporting performance reviews, ensure that all findings are addressed timeously.	OFFICE OF THE CITY MANAGER
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.1	% compliance with the drinking water standards in line with South African National Standards 241 (SANS 241)	100%	New Indicator (not reflecting in the 2015/16 SDBIP)	100%	100%	100%	100%	Achieved	During the period under review, the Municipality achieved 100% compliance with the drinking water standards in line with South African National Standards 241 (SANS 241). A 100% compliance rate implies that the chemical component of the compliance testing bore a result of 85% or above, and the microbiological component of the testing bore a compliance result of 97% or above. In respect of the second quarter of the 2016/17 financial year, the Municipality reported chemical compliance of 95.5% and microbiological compliance of 95.5%. This implies that the Municipality's water is safe for consumption.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.2	% Completion of Nootgedagt Water Treatment Works (Phase 2)	90%	New Indicator (not reflecting in the 2015/16 SDBIP)	40%	69%	60%	77%	Over Achieved	During the period under review, the Municipality completed 77% of the Nootgedagt Water Treatment Works (Phase 2). The work completed, constitutes the construction of main filter structure walls and internal walls; the provision of scour and air valves to the new low level pump station, and the installation of pipe work. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the fact that contingencies planned for in the project plan did not realise and efficient project management, which had a positive effect on project time lines. BUDGET: Expenditure remains within Budget and will be closely monitored throughout the financial year.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.3	% informal households within the urban edge provided with access to basic potable water supply within a 200m radius	100%	100%	100%	100%	100%	100%	Achieved	During the period under review, the Municipality provided 100% of informal households within the urban edge with access to a basic potable water supply. As per the requirements of the Water Services Act, No 108 of 1997, all informal households within Nelson Mandela Bay have access to a communal standpipe within a 200 m radius.	INFRASTRUCTURE AND ENGINEERING

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.4	% formal households within the urban edge provided with access to a basic potable water supply	100%	100%	100%	100%	100%	100%	Achieved	During the period under review, the Municipality provided 100% of formal households with access to a basic potable water supply. Access involves the provision of bulk water infrastructure in all formal residential development areas, to which individual formal households can connect to gain access to a potable water supply.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.5	% reduction in year-to-year water losses in line with the International Water Association (IWA) Audit Standards (variance between the total system input and authorised consumption)	2%	3.5 increase in water losses	0.25%	9.7% decrease in water losses <u>Amended to:</u> 12.67% decrease in losses	0.50%	11.11% decrease in water losses	Over achieved	During the period under review, the Municipality reported a 11.11% decrease of year-to-year water losses. The total water losses for the first six months of 2016/17 financial year is compared to the total water losses experienced in the first six months of the 2015/16 financial year. Water loss is calculated by dividing total water (system) losses by total water produced (treated). Performance is calculated as follows: 2015/16 - Six months system losses (22 468 634) / Six months water produced (55 471 668) x 100 = 40.50%. 2016/17 - Six months system losses (15 701 549) / Six months water produced (53 408 119) x 100 = 29.40%. Reduction: 40.50% - 29.40% = 11.11%. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the culmination of various ongoing interventions by the Municipality, such as: 1. Repair of more than 2000 leaks in Uitenhage / Despatch / KwaNobuhle. 2. Pressure reduction. 3. Improved metering / billing of commercial, industrial and institutional properties. 4. Improved bulk metering. 5. Increased repairs to ATTP households. 6. Use of external contractors for major leak repairs. 7. Replacement of old water meters (old meters under read because of age). 8. The on-going verification of water meters, which has led to more accurate water billing, reducing the amount of water recorded as wasted. REVIEW: During mid-term review processes, the upward amendment of the Key Performance Indicator's targets will be considered in line with anticipated performance.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.6	Number of state subsidised housing units provided with access to water and sanitation	3000 (In line with housing programme)	321 Amended to 184 due to rectification	1256	119	2011	404	Not achieved	During the period under review, the Municipality provided 404 subsidised houses with access to water and sanitation in the following areas: Bluewater Bay (1); New Brighton (4); Booyens Park (1); Uitenhage (3); Colchester (3); Motherwell (5); KwaNobuhle (19); Kragga Kamma (1); Chelsea (1); Azalea Park (1); Tiryville (8); Fairview (5); Theescombe (2); Salisbury Park (1); KwaZakhele (41); Rosedale Ext (38); KwaDwesi (1); Wells Estate (1); Parsonsvei (2); Beverly Grove (1), Kwa-Langa (1); Malabar (1); Van Stadens River East (1); KwaNoxolo (6); Walmer (133); Walmer Dunes (30); Missionvale (91); Zwide (1); and Chatty (1). REASON(S) FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is attributed to the non-performance by the original contractor during the first quarter of the financial year. CORRECTIVE ACTION / MITIGATION: The Municipality terminated the contract of the service provider due to poor performance. In mitigation, the Municipality appointed the following cluster based contractors during the remainder of the financial year, to catch up on the backlog in meter installation - Cluster 1 - SP Excel Plant & Civil Cluster 2 - Khayalile / Startime JV Cluster 3 - Alex Maintenance Cluster 4 - Give Ziyawa Construction Cluster 5 - B.R.O Civil Cluster 6 - Alliance Plumbers REVIEW: During the mid-term review the Key Performance Indicator will be reviewed to be more relevant to read: Number of state subsidised housing units connected to water and sanitation.	INFRASTRUCTURE AND ENGINEERING

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KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.7	% completion of the Fishwater Flats upgrade (Phase 1)	100% completion of Inlet works by March 2017	New Indicator (not reflecting in the 2015/16 SDBIP)	50% completion of Inlet Works	86% completion of Inlet Works	75% completion of Inlet Works	95% completion of Inlet Works	Over achieved	During the period under review, the Municipality reported 95% completion of the Fishwater Flats upgrade (Phase 1). The work completed constitutes: pipe work (trenching, laying of pipes and back-filling), concrete work (construction of chambers, building structures), road work (paving and layer works), building works (construction of buildings), painting, tiling, stormwater drainage (installing stormwater drains and pipes), concrete piling and earthworks (bulk excavation and shaping), dry commissioning of installed equipment, and installation of all mechanical and electrical equipment. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the fact that contingencies planned for did not materialise, which had a positive effect on project time lines. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.8	% reduction in the number of buckets in circulation within Nelson Mandela Bay	5%	New Indicator (not reflecting in the 2015/16 SDBIP)	1%	0%	2%	0%	Not achieved	During the period under review, the Municipality reported a 0% reduction in the number of buckets in circulation within Nelson Mandela Bay. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to the delay in the completion of the housing delivery project in Missionvale. All water and sewer connections have been completed. Buckets can be removed only once houses are completed. In addition, the Municipality has built 1276 houses during the first two quarters of the financial year, which has contributed to bucket eradication. CORRECTIVE ACTION / MITIGATION: To verify the impact of the all housing initiatives, an interim count will be done during the third quarter, with the final count of the reduction in buckets taking place at the end of the fourth quarter. The Municipality is also currently consulting communities to explore alternative measures to eradicate buckets.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.1: Water and Sanitation	2.1.9	% households provided with access to basic sanitation (excluding bucket system)	96%	92.39%	92.5%	100%	93.5%	100%	Over achieved	During the period under review, 100% of households within Nelson Mandela Bay were provided with access to basic sanitation (excluding bucket system). Access involves the provision of bulk water / sanitation infrastructure in all formal residential development areas to which individual formal households can connect to gain access to basic sanitation. REVIEW: During mid-term review processes, the Key Performance Indicator and target will be reviewed to read: % households provided with access to basic sanitation (excluding areas serviced by bucket system), Target: 100% (constant).	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.2: Roads	2.2.1	Km of gravel roads tarred	10 km	New Indicator (not reflecting in the 2015/16 SDBIP)	Contractors appointed	Contractors appointed <u>Amended to:</u> Target not met	30% (3km of boxcut)	0% (Contractors appointed)	Not achieved	During the period under review, the Municipality appointed contractors to tar gravel roads, but has not yet finalised the 3km box cut requirement. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to prolonged supply chain management processes as a result of the non-sittings of the Bid Specifications Committee. CORRECTIVE ACTION / MITIGATION: To mitigate against the underperformance, the Municipality will fast track the completion of the boxcut during the third quarter. It is anticipated that the annual target will still be achieved as planned.	INFRASTRUCTURE AND ENGINEERING

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KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.2: Roads	2.2.2	Km of new sidewalks and/or cycle paths constructed	3.5 km	New Indicator (not reflecting in the 2015/16 SDBIP)	10% completion of layer works	69% completion of layer works	30% completion of layer works (1.05km of G5)	86% completion of layer works	Over achieved	During the period under review, the Municipality completed 86% of the layer works for the construction of new sidewalks and/or cycle paths in the following areas: Strandfontein Str (Ward 1); Villiers Rd (Ward 3); Boshoff Str (Ward 9); Neave Str (Ward 10); Stag and Hartebees Str (Ward 13); Road SMQ (Ward 16); Hlawula Str (Ward 17); Jakavula and Tubali Str (Ward 20); Ngxokolo Str (Ward 22); Nondlwana and Johnson Rd (Ward 25); Heathcote and Makhubalo Str (Ward 29); Norval Rd (Ward 35); Mnqabane Str (Ward 36); Lodewyk, Nooitgedacht and William Slammert Rd (Ward 38); Lategan Dr (Ward 39); Seaview Rd (Ward 40); Ngeyakhe Str (Ward 42); Nxukwebe and Goliath Str (Ward 43); Jacob Matomela and Bucwa Str (Ward 45); Hintsav Av (Ward 46); Bantu Holomisa and Butise Nonstinga Str (Ward 52); North Str Ext (Ward 53). REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the positive impact that the NMBM / SMME mentorship programme had on the performance of the small contractors appointed to this project. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.2: Roads	2.2.3	m ² of roads resurfaced rehabilitated resealed	30 000m ²	New Indicator (not reflecting in the 2015/16 SDBIP)	3000 m ²	5469 m ² <u>Amended to:</u> 9349 m ²	8000 m ²	34257 m ²	Over achieved	During the period under review, the Municipality resurfaced/rehabilitated/resealed 34 257 m ² roads in Cuyler Street; Stanford Road; 13th Avenue - Walmer; Woodlands - Lorraine; Kabega Road; Dibanisa Street, Khayamandi Street, Swartkops Road, Lotus Avenue, Forest Hill Road, Mitchel Street, Baird Street, Diesel Street, and Isaac Road to Devon Road. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the tri-annual tender that is in place, which allows for the quick appointment of contractors/faster turnaround times. BUDGET: The overperformance reported against this Key Performance Indicator did not have an effect on the budget. REVIEW: During mid-term the upward review of the KPI targets will be considered in line with budget provision.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.2: Roads	2.2.4	m ² of verges/ sidewalks rehabilitated	650m ²	New Indicator (not reflecting in the 2015/16 SDBIP)	150 m ²	233 m ²	350 m ²	453 m ²	Over achieved	During the period under review, the Municipality rehabilitated 453 m ² of verges and sidewalks in: Gail Road, Gelvandale; Abraham Levy Road, Gelvandale; and Nicholas Street and Second Avenue, Newton Park. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the tri-annual tender that is in place, which allows for the quick appointment of contractors / faster turnaround times. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	INFRASTRUCTURE AND ENGINEERING
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.3: Stormwater	2.3.1	Km of stormwater drainage installed	1.4km by March 2017	0.15km	Contractor appointed	Contractor appointed	1.12km	2.315km	Over achieved	During the period under review, the Municipality installed 2.315 km of stormwater drainage in Summerstrand. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the tri-annual tender that is in place, which allows for the quick appointment of contractors/faster turnaround times. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	INFRASTRUCTURE AND ENGINEERING

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KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.1	% electricity losses (the difference in energy purchased and energy sold) in line with NERSA standards	10%	13.43% Amended to 13.31%	14%	16.07%	12%	13.86%	Not achieved	During the period under review, the Municipality reduced electricity losses from 16.07% in the first quarter to 13.86% in the second quarter. The 13.86% electricity losses were calculated as follows: Total Electricity Purchased (1516 804 200kWh) minus Total Electricity Sales (1306 591 582kWh), divided by Total Electricity Purchased (1516 804 200kWh) = 13.86% REASONS FOR UNDERPERFORMANCE: The slow progress in the reduction of electricity losses is attributed to the non-technical losses experienced, e.g. electricity theft, tampering with meters and illegal connections. CORRECTIVE ACTION / MITIGATION: The Municipality has implemented a Distribution Loss Reduction Project that includes tariff and industrial meter verification. To improve future performance against this Key Performance Indicator, on 3 November 2016, the Municipality held a meeting with the service provider appointed to reduce electricity losses to discuss a way forward in respect of reducing the current high rate of electricity losses. To this end, the Municipality will develop an Energy Action Plan depicting strategic objectives and responsibilities of all role-players in respect of energy losses.	ELECTRICITY AND ENERGY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.2	% of all households on officially surveyed sites provided with access to electricity	95%	85.2% Amended to 100%	95%	100%	95%	100%	Over achieved	During the period under review, all households on officially surveyed sites were provided with access to electricity. Access involves the provision of bulk electricity infrastructure to formal (surveyed) sites, to which individual households can connect. REVIEW: During the mid-term review processes, the Key Performance Indicator target will be amended upwards from 95% to a constant target of 100%.	ELECTRICITY AND ENERGY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.3	% reduction in monthly electrical power outages on the high voltage network	8%	New Indicator (not reflecting in the 2015/16 SDBIP)	2%	0% <u>Amended to:</u> -12.36%	4%	5.5%	Over Achieved	During the period under review, the Municipality reduced monthly electrical power outages on the high voltage network by 5.5%. Altogether 833 faults occurred on the high voltage network, resulting in power outages. These faults represented a reduction from the 879 faults reported in the similar period in 2015/16. The electrical power outages are calculated as follows: $879 - 833 / 833 * 100$. REASON(S) FOR OVERPERFORMANCE: The overachievement reported against this Key Performance Indicator is attributed to the better weather conditions experienced during the 2015/16 financial year. The weather has a direct effect on the number of faults for power outages reported, as more faults occur during poor weather conditions. In addition to the above, various maintenance tactics have been implemented, in terms of which servitudes have been cleared of vegetation growth (trees, shrubs, etc), overhead lines have been maintained as and when required, and transformers have been refurbished. In addition, the number of underground faults has been reduced, as fewer excavation contractors are undertaking the installation of fibre networks, water pipe laying, etc in and around the city. REVIEW: During mid-term review processes, to improve the quality of the KPI, it will be amended to read: % year-to-year reduction in monthly electrical power outages on the high voltage network	ELECTRICITY AND ENERGY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.4	Number of new area lights installed / repaired	480	New Indicator (not reflecting in the 2015/16 SDBIP)	120	278	240	531	Over achieved	During the period under review, altogether 531 new area lights were installed in the following areas: 465 in Chatty, Joe Slovo (Ward 41); 42 in Bethelsdorp, Jali Street (Ward 17); and 24 in Walmer (Ward 4). REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to stock being readily available. Post tops were purchased in the 2015/16 financial year. BUDGET: The overperformance reported against this Key Performance Indicator did not have an effect on budget provision. REVIEW: During mid-term review processes, the upward review of the Key Performance Indicator's targets will be considered.	ELECTRICITY AND ENERGY

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KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.5	Number of main road street lights installed / repaired	20	New Indicator (not reflecting in the 2015/16 SDBIP)	5	0	10	4	Not achieved	During the period under review, altogether 4 new main road street lights were installed in Stanford Road, Ward 41. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to the Municipality prioritising the installation of residential street lighting, which delayed the installation of main road street lights. CORRECTIVE ACTION / MITIGATION: Internal resources have been redirected to this project. It is anticipated that the project will gain momentum in the remaining two quarters.	ELECTRICITY AND ENERGY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.4: Electricity and Energy	2.4.6	Number of residential street lights installed / repaired	100	New Indicator (not reflecting in the 2015/16 SDBIP)	25	72	50	99	Over achieved	During the period under review, altogether 99 residential LED street lights (a more efficient type of luminary), were installed in the following areas: 90 in Summerstrand / Salisbury area (Ward 1), and 9 in Driftsands/Blackthorne (Ward 2). The LED lighting used, represents a move away from the customary 100W mercury vapour lamps. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the Municipality prioritising and redirecting its resources to the residential street lighting project, away from the main road lighting project and the fact that LED lighting was already purchased and readily available for installation at the beginning of the 2016/17 financial year. BUDGET: Expenditure remains within Budget and will be closely monitored throughout the financial year.	ELECTRICITY AND ENERGY

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.5: Integrated and Sustainable Human Settlements	2.5.1	Number of housing opportunities provided	220 Social housing	New Indicator (not reflecting in the 2015/16 SDBIP)	46 Social housing	46	96 Social housing	144	Partially achieved	During the period under review, altogether 144 social housing units were provided in Fairview (Ward 6). The provision of social housing is the competence of the Provincial Department of Human Settlements, which appoints Social Housing Institutions to implement social housing projects within the Municipality. The Municipality only provides support in terms of providing developable land and the preparation and approval of site development plans and building plans. REASON(S) FOR OVERPERFORMANCE: The overperformance of 144 reported against the second quarter target of 96 is as a result of the smooth implementation of the social housing project by the implementing institutions. To this end, an additional 48 social housing units were completed during the second quarter.	HUMAN SETTLEMENTS
				3000 State subsidised housing	363	1256 State subsidised housing	103	2011 State subsidised housing	1276		During the period under review, altogether 1276 state subsidised housing units were provided as per the following projects: Chatty (555); Joe Slovo (562); Motherwell (111); Rosedale (17); Sisulu Village (18); Soweto-On-Sea (5) and Tiryville (8). The provision of state subsidised houses is the competence of the Provincial Department of Human Settlements. This function has, however, been delegated to the Municipality (which possesses Level Two accreditation). Funding for state subsidised housing delivery projects is provided by the Provincial Department of Human Settlements, and the Municipality plans and implements its housing delivery projects in line with the amount of money received from the Provincial Government. The annual target of 3000 set for the 2016/17 financial year is in line with the gazetted amount of R517.128 million (less 10% for rectification projects) for the provision of state subsidised housing units. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to the fact that certain housing projects in Motherwell (NU 29) and Missionvale have been stalled due to non-compliance with National Building Regulations and enrolment with the Provincial Department of Human Settlements and the National Home Builders Registration Council (NHBRC). CORRECTIVE ACTION / MITIGATION: The Municipality and the NHBRC have initiated investigations into the non-compliance related to the Motherwell (NU29) and Missionvale housing projects. Implementation of the Motherwell (NU 29) and Missionvale housing projects will resume as soon as these investigations are completed. It is envisaged that the annual target will be achieved during the fourth quarter of the 2016/17 financial year.	HUMAN SETTLEMENTS
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.5: Integrated and Sustainable Human Settlements	2.5.2	Number of defective state subsidised houses rectified	400	272	40	179	120	286	Over achieved	During the period under review, altogether 286 defective state subsidised houses were rectified in the following areas: Chatty (19); Massangwanaville (61); Gunguluza (55); Masangwanaville (24); Langa (28); and Uitenhage (99). The rectification of defective state subsidised houses is the competence of the Provincial Department of Human Settlements. This function has, however, been delegated to the Municipality (which possesses Level Two accreditation). Funding for rectification projects is provided by the Provincial Department of Human Settlements, and the Municipality plans and implements its rectification projects in line with the amount of money received from the Provincial Government. The annual target of 400 state subsidised houses rectified is in line with 10% of the gazetted amount of R517.128 million. REASON(S) FOR OVERPERFORMANCE: The overperformance of 286 reported against the second quarter target of 120 is attributed to the fact that certain projects were rolled over from previous financial years.	HUMAN SETTLEMENTS

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET- QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.5: Integrated and Sustainable Human Settlements	2.5.3	Number of erven provided with permanent water and sanitation services	5655	1237	566	546	1697	1207	Not achieved	<p>During the period under review, altogether 1207 erven were provided with permanent water and sanitation services in the following areas: Motherwell (62); Khayamnandi (206); Pola Park (28); Uitenhage (139); Walmer (271); MK Silvertown (154); Kaba Langa (54); Qaqawuli (171); Rosedale (21); Joe Modise (15); and Missionvale Garden Lots (86).</p> <p>REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to non-alignment between the annual target (5655) and Budget (R211 million). The 2016/17 funding from the Urban Settlements Development Grant (USDG) amounts to R211 million, which can service 4000 erven. The additional 1655 erven (as part of the annual target) are linked to a separate agreement for funding between a private developer (Mzingisi Development Trust) and the Provincial Department of Human Settlements, and as such, the Municipality has no control in terms of the management or the performance of such projects. All 1207 serviced erven reported during the 2016/17 second quarter were delivered by the Municipality. The private developer delivered no serviced erven during the 2016/17 second quarter.</p> <p>CORRECTIVE ACTION / MITIGATION: The Municipality will engage the private developer (Mzingisi Development Trust) and the Provincial Department of Human Settlements to address the issue of underperformance. It is envisaged that performance will improve during the 2016/17 third quarter.</p> <p>REVIEW: During mid-term review processes, the amendment of the Key Performance Indicator's targets will be considered.</p>	HUMAN SETTLEMENTS
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.5: Integrated and Sustainable Human Settlements	2.5.4	Number of Local Spatial Development Frameworks (LSDF) approved by Council	3 LSDFs (Ibhayi, Bethelsdorp and Summerstrand) approved by Council	Preliminary study completed and public participation completed.	Draft LSDFs of Ibhayi, Bethelsdorp and Summerstrand in place	Draft LSDFs of Ibhayi, Bethelsdorp and Summerstrand in place <u>Amended to:</u> Draft LSDFs of Ibhayi, Bethelsdorp and Summerstrand submitted to the Human Settlements Standing Committee	Draft LSDFs of Ibhayi, Bethelsdorp and Summerstrand submitted to the Human Settlements Standing Committee	Draft LSDFs submitted to the Human Settlements Standing Committee in first quarter	Achieved	On 16 September 2016, the draft Local Spatial Development Frameworks (LSDFs) of Ibhayi, Bethelsdorp and Summerstrand were submitted to the Human Settlements Standing Committee. Public participation on the Draft LSDFs will commence during the third quarter of the 2016/17 financial year.	HUMAN SETTLEMENTS

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.5: Integrated and Sustainable Human Settlements	2.5.5	Number of households relocated from stressed informal settlements and other servitudes to Greenfield development areas	1200	417	300	186	600	286	Not achieved	<p>GREENFIELD RELOCATIONS: During the period under review, altogether 286 households were relocated from stressed informal settlements and other servitudes to Greenfield development areas as follows: 174 from various stressed areas to MK Silvertown; 87 from various stressed areas to Chatty; 4 from Qaqawuli (un-serviced site) to Qaqawuli (serviced sites); 20 from Bethelsdorp to Vastrap; and 1 from Edongweni to Motherwell.</p> <p>OTHER RELOCATIONS: In addition to the afore mentioned, 128 households were temporarily located from various informal settlements to open spaces and 8 households were relocated to brownfield development areas across the Municipality.</p> <p>REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is due to the instability in Area 11 and Khayamnandi. Certain households invaded serviced sites in Uitenhage (Area 11), making it impossible to proceed with relocations in the area. In addition, certain disgruntled stakeholders are making relocations difficult in Joe Slovo.</p> <p>CORRECTIVE ACTION / MITIGATION: The Municipality has initiated negotiations with the affected stakeholders to address their concerns. It is envisaged that relocations will be expedited during the third quarter when the above challenges have been resolved.</p>	HUMAN SETTLEMENTS
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.6: Waste Management	2.6.1	% households within the urban edge receiving a domestic waste collection service (excluding informal areas on privately owned erven and erven not earmarked for human settlements development)	99%	99.77% Amended to: 100%	99%	100%	99%	100%	Over achieved	As at December 2016, 100% of households within the urban edge (excluding informal areas on privately owned erven and erven not earmarked for human settlements development) received a domestic waste collection service.	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.6: Waste Management	2.6.2	% Compliance to the permit conditions of Arlington Waste Disposal Site	85%	New Indicator (not reflecting in the 2015/16 SDBIP)	85%	0%	85%	86.8%	Over achieved	<p>During the period under review, the Municipality achieved 86.8% compliance with the Arlington Waste Disposal Site permit conditions.</p> <p>REASON(S) FOR OVERPERFORMANCE: The overperformance is attributed to continuous upgrades relating to certain aspects required at the landfill site. These aspects include the reduction in the incidence of and the monitoring of stray animals, and the visibility of workers at the landfill site.</p> <p>REVIEW: During mid-term review processes, the review of the Key Performance Indicator's third quarter target will be considered to be in line with the timing of the audits conducted at the site.</p>	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.6: Waste Management	2.6.3	% Compliance to the permit conditions of Koedoeskloof Waste Disposal Site permit conditions	74%	New Indicator (not reflecting in the 2015/16 SDBIP)	74%	0%	74%	81.3%	Over achieved	<p>During the period under review, the Municipality achieved 81.3% compliance with the Koedoeskloof Waste Disposal Site permit conditions.</p> <p>REASON(S) FOR OVERPERFORMANCE: The overperformance is attributed to continuous upgrades relating to certain aspects required at the landfill site. These aspects include the provision of more equipment to compress the waste and the visibility of workers at the landfill site.</p> <p>REVIEW: During mid-term review processes, the review of the Key Performance Indicator third quarter target will be considered to be in line with the timing of the audits conducted at the Site.</p>	PUBLIC HEALTH

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.7: Parks and Cemeteries	2.7.1	Number of Public Open Spaces and Parks upgraded through either the provision of outdoor gym equipment, fencing, pathways, benches, playground infrastructure, or tree planting	6	Consultation with ward councillors and 6 POS provided with fencing	Relevant stakeholders consulted	Relevant stakeholders consulted	2	2	Achieved	During the period under review, the following two Public Open Spaces were provided with outdoor gym equipment: 1. Dubula POS (Ward 17) 2. Varsvlei POS (Ward 35).	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.7: Parks and Cemeteries	2.7.2	Number of cemeteries upgraded through either the provision of fencing, construction of berms, installation of cameras, upgrade of sewerage system	6	2 Cemeteries provided with fencing and 4 Cemeteries provided with burms	Relevant stakeholders consulted	Relevant stakeholders consulted	2	3	Over Achieved	During the period under review, the following two cemeteries were upgraded through the construction of berms and the upgrade of the sewerage system: 1. Despatch cemetery in Ward 53; 2. Gerald Smith cemetery in Ward 48. The Kabah Cemetery in Ward 56 was upgraded through the tarring of roads and the installation of a sewerage system. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the prioritisation and efficient implementation of the project to ensure the beautification of Nelson Mandela Bay cemeteries. BUDGET: Expenditure remains within Budget and will be closely monitored throughout the financial year.	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.7: Parks and Cemeteries	2.7.3	Number of parks upgraded at beachfront through the provision of either revetments, parking areas, walkways, security cameras, picnic facilities or dune stabilisation	3	New Indicator (not reflecting in the 2015/16 SDBIP)	Relevant stakeholders consulted	Relevant stakeholders consulted	1	2	Over achieved	During the period under review, the following parks were upgraded at the beachfront through the provision of picnic facilities: 1. New Brighton Beach POS (Ward 60). 2. Hobie Beach POS (Ward 2). REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the prioritisation and efficient implementation of the project to ensure the beautification of open spaces at the Nelson Mandela Bay beachfront. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.8: Environmental Health	2.8.1	% Compliance with Ambient Air Quality Standards	100%	100%	100%	100%	100%	100%	Achieved	During the period under review, the Municipality achieved 100% compliance with the Ambient Air Quality Standards as stipulated in Section 3 of the National Ambient Air Quality Standards (Government Gazette 1210 of 24 December 2009). Five Air Quality Stations were tested and found to be compliant.	PUBLIC HEALTH
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.9: Arts and Culture Infrastructure	2.9.1	% completion of the Mqolomba / Jabavu Sports field development (Phase 1)	30%	New Indicator (not reflecting in the 2015/16 SDBIP)	Stakeholder consultation Design completed	Stakeholder consultation Design completed	Tender advertised	Tender advertised in first quarter	Achieved	During the period under review, the tender to complete the Mqolomba / Jabavu Sports field development (Phase 1), was advertised, with the closing date being 22 September 2016.	SPORTS, RECREATION, ARTS AND CULTURE

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.9: Arts and Culture Infrastructure	2.9.2	% completion of the upgrade of the changing rooms and ablutions at Walmer / Fountain Road Sports field (Phase 1)	70%	New Indicator (not reflecting in the 2015/16 SDBIP)	Contractor appointed	Target not met (Tender advertised)	10%	0%	Not achieved	During the period under review, the Municipality did not meet its target of 10% completion of the upgrade of the changing-rooms and ablutions at the Walmer/Fountain Road Sports field (Phase 1). REASON(S) FOR UNDERPERFORMANCE: The Walmer/Fountain Road Sports field project is a multi-year project. The underperformance reported against this Key Performance Indicator is attributed to insufficient funds: Council approved only limited 2015/16 roll-over capital funding. CORRECTIVE ACTION / MITIGATION: REVIEW - During the mid-term review processes, the Key Performance Indicator and targets will be reviewed in line with budget availability.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.9: Arts and Culture Infrastructure	2.9.3	% completion of the Wolfson Stadium upgrade	30%	New Indicator (not reflecting in the 2015/16 SDBIP)	Tender advertised	Contractor appointed	Contractor appointed	Project upgrade commenced	Over achieved	During the period under review, the Municipality commenced with the upgrade of the Wolfson Stadium. Work done to date is made up of flooring, fencing, the installation of heavy duty gates, additional lightning in the dressing rooms, masonry work, painting and installation of cubicle benches, carpentry and glazing. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the existence of the internal tri-annual tender that the Municipality has with 481 contractors.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.9: Arts and Culture Infrastructure	2.9.4	% completion of the Veeplaas Sports field Astro turf upgrade	100%	New Indicator (not reflecting in the 2015/16 SDBIP)	Contractor appointed	Contractor appointed	30%	0%	Not achieved	During the period under review, the Veeplaas Sports field Astro turf upgrade was 0% complete. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to instability / community unrest in the area, which resulted in the contractor not being able to commence with the project. CORRECTIVE ACTION / MITIGATION: To mitigate against the underperformance, the Municipality is currently processing the appointment of a Social Facilitator to negotiate with the communities in Veeplaas.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.10: Beaches and Resorts	2.10.1	Number of flagship events hosted to position the Nelson Mandela Bay Metropolitan Municipality as a world class destination	6 (City of Champion: Record Breaking, IsiXhosa Festival, Ebubeleni Festival, Summer Season Programme, Ironman, Splash Festival)	3 (Cultural festival, City of champions and Summer season)	1 (City of Champion Record Breaking)	1 (City of Champion Record Breaking) <u>Amended to:</u> 2 (City of Champion Record Breaking; IsiXhosa /NMB Mandela Festival)	4 (City of Champion Record Breaking, IsiXhosa Festival, Ebubeleni Festival, Summer Season Programme)	4 (City of Champion Record Breaking; IsiXhosa /NMB Mandela Festival; Ebubeleni Festival, Summer Season Programme)	Achieved	During the period under review, the Municipality hosted the following events: 1. City of Champions (30 July 2016) 2. IsiXhosa / NMB Festival (26-30 July 2016) 3. Ebubeleni Festival (30 Dec 2016) 4. Summer Season (16 Dec 2016- 31 Dec 2016) The Municipality also hosted the following events during the first quarter, in addition to the 6 events planned for 2016/17: 1. City Relay (3 July 2016) 2. NMB Half Marathon Championships (30 July 2016) BUDGET: The hosting of the City Relay and NMB Half Marathon Championships was funded through savings and did not have an effect on the budget provision for this Key Performance Indicator.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.10: Beaches and Resorts	2.10.2	Number of beaches with Blue Flag status maintained	3 (Humewood Beach, Kings Beach, Hobbie Beach)	Seasonal guards appointed and WESSA blue flag award received	Lifeguards appointed	Lifeguards appointed	WESSA Blue flag award received	WESSA Blue flag award received	Achieved	During the period under review, Blue Flag status was received from WESSA for King's Beach, Hobbie Beach and Humewood Beach.	SPORTS, RECREATION, ARTS AND CULTURE

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KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.11: Arts, Culture, Heritage and Libraries	2.11.1	% completion of the Arts Culture and Knowledge Facility upgrade (Phase 1)	45%	New Indicator (not reflecting in the 2015/16 SDBIP)	Tender Advertised	Target not met (Draft Report to SRAC Standing Committee in place)	Contractor Appointed	Target not met (Draft Report to SRAC Standing Committee in place)	Not achieved	During the period under review, no contractor was appointed in respect of the Arts Culture and Knowledge Facility upgrade (Phase 1) project. REASON(S) FOR UNDERPERFORMANCE: The Arts Culture and Knowledge Facility upgrade project is a multi-year project. The underperformance reported against this Key Performance Indicator is attributed to insufficient funds: Council approved only limited 2015/16 roll-over capital funding. CORRECTIVE ACTION / MITIGATION: REVIEW - During the mid-term review processes, the Key Performance Indicator and targets will be reviewed in line with budget availability.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.11: Arts, Culture, Heritage and Libraries	2.11.2	% completion of Mendi multi-purpose centre (Phase 2)	100% (Phase 2)	55% of phase 1 completed in line with project plan amended to: Target not met due to insufficient evidence	Phase 1 completed	Phase 1 completed	Contractor appointed for Phase 2	Target not met (Phase 1 completed)	Not achieved	During the period under review, no contractor was appointed in respect of the Mendi Multi-purpose Centre (Phase 2) project. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to insufficient funds: of Council approved only limited 2015/16 roll-over capital funding, which resulted in the Directorate utilising funds that was meant for the implementation of Phase 2 to pay the outstanding 2015/16 payments of Phase 1. CORRECTIVE ACTION / MITIGATION: REVIEW - During the mid-term review processes the Key Performance Indicator and targets will be reviewed in line with budget availability.	SPORTS, RECREATION, ARTS AND CULTURE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.12: Metro Police	2.12.1	Number of Metro Police Service Precincts established	4	New Indicator (not reflecting in the 2015/16 SDBIP)	1	0	2	0	Not achieved	During the period under review, the Municipality did not establish any Metro Police precincts. REASON(S) FOR UNDERPERFORMANCE: The reason for the underperformance is attributed to the unavailability of budget to establish the precincts, as well as the challenges experienced around the operationalisation of the Metro Police. CORRECTIVE ACTION / MITIGATION: To mitigate against the underperformance reported against this Key Performance Indicator, the Municipality is currently making use of offices located in Greenbushes as the base for the Metro Police. It is anticipated that the Metro Police will also be housed in the Disaster Management offices in Uitenhage.	SAFETY AND SECURITY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.13: Safety and Security Fleet	2.13.1	Number of safety and security fleet procured	6	New Indicator (not reflecting in the 2015/16 SDBIP)	ISO issued to Infrastructure and Engineering to procure fleet	In Progress (ISO issued to Infrastructure and Engineering to procure fleet)	Status report in respect of fleet procurement plan obtained from Infrastructure and Engineering	7	Over achieved	During the period under review, the Municipality procured 7 security vehicles.	SAFETY AND SECURITY

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.14: Motherwell Urban Renewal Programme	2.14.1	% completion of Motherwell Thusong Centre (Phase 2: Traffic and Licensing Centre)	100% By March 2017	Target not met (Tender drafted)	Service provider appointed	Target not met (Tender drafted)	Construction commenced	In Progress (Service provider appointed and site handed over to contractor)	Partially achieved	During the period under review, the construction of the Motherwell Thusong Centre (Phase 2 Traffic and Licensing Centre) could not commence. A service provider has been appointed and the site has been handed over to him. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to a delay in the confirmation and approval of the necessary budget as part of the Supply Chain Management process. CORRECTIVE ACTION / MITIGATION: The implementation of the project will be closely monitored through regular site meetings to ensure timeous completion of the project. It is envisaged that Phase 2 of the Motherwell Thusong Centre will be completed by 30 June 2017.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (SPD)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.15: Assistance to the Poor (ATTP)	2.15.1	% qualifying households earning less than R3 000 per month (two state pensions) with access to free basic services	100%	100%	100%	100%	100%	100%	Achieved	During the period under review, the Municipality provided the following free basic services (value: R292 138 363) to 116 168 qualifying households earning less than R3 020 per month (two state pensions) in terms of its Assistance to the Poor (ATTP) Programme: 99 899 (water); 100 525 (sanitation); 78 488 (electricity); 90 301 (refuse removal); and 90 301 (rebate on rates accounts). There is currently, further to the aforementioned qualifying households, a backlog of 711 applications in the system. The backlog is attributed to the detailed nature of the verification processes. In mitigation, the Municipality continues to prioritise the processing of ATTP applications through the implementation of a Blanket Approval Strategy. To this end, owners of properties of a value of less than R100 000 automatically qualify for free basic services. Inconsistencies in beneficiary figures per category above are attributed to the following: 1) Where an ATTP recipient is not the registered owner of the property; he/she will qualify for free basic water and electricity only (not for general rates and refuse charges). 2) Where a property is registered in a missing/absconded husband's name and the water/electricity account is registered in the wife's name, she will be granted an ATTP rebate for water/electricity/sewerage only (not for general rates and refuse charges). 3) Body Corporates: Sectional title property owners and electricity consumers (credit/pre-paid) may apply for ATTP rebates. However, water accounts are centrally administered by Body Corporates and while individual consumers may apply for a water rebate, the benefit will go to the Body Corporates. No basic refuse charges apply to Body Corporates that have private refuse removal contracts in place. The difference in the numbers of beneficiaries receiving free water and those receiving free electricity is attributed to the fact that some pre-paid meters are not linked to the Consolidated Billing System.	BUDGET AND TREASURY
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.1	% completion of precinct plan for Bayworld upgrade	100%	New Indicator (not reflecting in the 2015/16 SDBIP)	10%	10%	25%	10%	Not achieved	The Bayworld Precinct Plan upgrade was 10% complete as at 31 December 2016. The 10% completion is made up of stakeholder consultation. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to the Board of Directors' instruction that further stakeholder consultation be conducted before a consultant is appointed to develop a precinct plan for the Bayworld upgrade. CORRECTIVE ACTION / MITIGATION: Further consultation sessions will be held with relevant stakeholders during the third quarter. It is envisaged that the annual target will be achieved by 30 June 2017.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.2	% completion of the Stadium Precinct Plan	100%	New Indicator (not reflecting in the 2015/16 SDBIP)	10%	0%	25%	0%	Not achieved	The development of the Nelson Mandela Bay Stadium Precinct Plan was 0% complete as at 31 December 2016. On 26 October 2016, The NMBM Mayoral Committee resolved that the Nelson Mandela Bay Development Agency (MBDA) should manage the Nelson Mandela Bay Stadium and the Stadium Precinct, as opposed to appointing an external Stadium Operator. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to a shift in the focus of the project from having to appoint an external stadium operator to manage the processes of developing the Stadium Precinct Plan, to appointing the MBDA to manage the entire operations of the Nelson Mandela Bay Stadium, including the development of the precinct plan. CORRECTIVE ACTION / MITIGATION: To mitigate against the slow progress reported against this Key Performance Indicator, the MBDA will expedite the appointment of a full-time Stadium Manager to manage the operations of the Stadium, including the development of the Stadium Precinct Plan during the third quarter of the financial year.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.3	% completion of Singaphi Street/ Red Location Museum precinct development (Phase 3)	70%	New Indicator (not reflecting in the 2015/16 SDBIP)	10%	0%	30%	34%	Over achieved	The Singaphi Street/ Red Location Museum Precinct development (Phase 3) is 34% complete. The 34% completion includes: site establishment (100%); installation of boundary fence (100%); excavations (97%); construction of temporary access (100%); clear and grub (100%). REASON(S) FOR OVERPERFORMANCE: Contingencies such as natural, social and technical factors interrupting project implementation were factored into the planning of this project. The smooth implementation of the project can be attributed to the fact that no such contingencies were experienced during implementation. As a result, the project was smoothly executed. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.4	% completion of Vuyisile Mini Square and Precinct upgrade	10%	0% of Vuyisile Mini Square Phase 1 development completed	Public participation processes concluded	Public participation processes concluded	Tender advertised	Tender advertised	Achieved	The tender for the appointment of a contractor for the Vuyisile Mini Square and Precinct upgrade was advertised on 7 November 2016.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.5	% completion of Schauderville/ Korsten Precinct development (Phase 1)	100%	New Indicator (not reflecting in the 2015/16 SDBIP)	10%	0%	30%	0%	Not achieved	The Schauderville/ Korsten Precinct development (Phase 1) is 0% complete. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to the non-alignment between the budgeted amount and the tender prices received. The budgeted amount for the project is R5 million, whilst the lowest tender price is R11.2 million. CORRECTIVE ACTION/MEASURE: An alternative scope of work within the budgeted amount will be considered during the third quarter. It is envisaged that the construction tender will be advertised during the third quarter.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.6	% completion of Helenvale precinct areas upgrade (through the construction of sidewalks and pedestrian walkways)	100%	0%	10%	0%	30%	0%	Not achieved	The Helenvale Precinct areas upgrade (through the construction of sidewalks and pedestrian walkways) is 0% complete. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to disputes with SMMEs on the packages offered to them by the contractor. The SMMEs subsequently halted the implementation of the project. CORRECTIVE ACTIONS/MEASURES: Intervention meetings were facilitated by the Mandela Bay Development Agency between the contractor and the SMMEs in an attempt to resolve the issues. An agreement was reached that will allow work to continue on the sites. All attempts will be made to complete the project by the end of the 2016/17 financial year.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.7	% completion of the New Brighton Swimming Pool and recreational precinct development	50%	0%	10%	0%	25%	0%	Not achieved	The New Brighton Swimming Pool and recreational precinct development is 0% complete. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to non-alignment between the project cost and the available budget. CORRECTIVE ACTION / MITIGATION: The scope of the project has been reduced in line with the available budget. The construction tender will be advertised in the third quarter.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 2: Integrated Service Delivery to a well-structured city	KPE 2.16: Facilitating Public Capital Projects	2.16.8	% completion of the remedial work of the exterior structure of the Campanile	90%	New Indicator (not reflecting in the 2015/16 SDBIP)	40%	95% <u>Amended to:</u> 40.42%	70%	85.5%	Over achieved	Phases 1A and 1B of the remedial work of the exterior structure of the Campanile is 85.5% complete. The actual work done includes: site establishment, erection of scaffold, demolition of concrete columns, reinstatement of cradle, reinstatement of the bells, concrete repairs and installation of the pneumatics system. REASON(S) FOR OVERPERFORMANCE: Contingencies such as natural, social and technical factors interrupting project implementation were factored into the planning of this project. The smooth implementation of the project can be attributed to the fact that no such contingencies were experienced during implementation. As a result, the project was smoothly executed. BUDGET: Expenditure remains within budget and will be closely monitored throughout the financial year.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (MBDA)
KPA 3: Inclusive Economic Development and Job Creation	KPE 3.1: Economic Development	3.1.1	Number of SMMEs incubated	50	New Indicator (not reflecting in the 2015/16 SDBIP)	50	52	50	57	Over achieved	During the period under review, altogether 57 Small, Micro and Medium Enterprises (SMMEs) were incubated as follows: 32 Information and Communication Technology SMMEs and 25 Construction SMMEs. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against the Key Performance Indicator is attributed to the fact that more SMMEs were attracted into the incubation programme than targeted. BUDGET: The additional seven SMMEs did not affect the budget allocated for the project.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 3: Inclusive Economic Development and Job Creation	KPE 3.1: Economic Development	3.1.2	Number of SMMEs trained in export development	40	New Indicator (not reflecting in the 2015/16 SDBIP)	10	27	20	46	Over achieved	During the period under review, altogether 46 Small, Micro and Medium Enterprises (SMMEs) were trained in export development. REASON(S) FOR OVERPERFORMANCE: The overperformance reported against the Key Performance Indicator is attributed to the fact more SMMEs attended the training programme than what was targeted. BUDGET: The additional SMMEs that attended the programme did not affect the budget allocated for the programme.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE
KPA 3: Inclusive Economic Development and Job Creation	KPE 3.1: Economic Development	3.1.3	Developing an Ocean Economy Strategy and Implementation Plan for Nelson Mandela Bay	Ocean Economy Strategy Implementation Plan approved by Council	New Indicator (not reflecting in the 2015/16 SDBIP)	Tender advertised	Target Not Met (Tender Drafted)	Service provider appointed 1st Draft Ocean Economy Strategy in place	Target Not Met (Tender Advertised)	Not achieved	No service provider was appointed for the development of an Ocean Economy Strategy and Implementation Plan for Nelson Mandela Bay during the period under review. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to delays in the Supply Chain Management processes. Such delays resulted from labour unrests within the Supply Chain Management Sub-directorate of the Municipality. CORRECTIVE ACTION / MITIGATION: The tender was advertised on 19 October 2016 and a briefing session was held with prospective tenderers on 26 October 2016. The tender was tabled at the Bid Evaluation Committee on 13 December 2016. It is envisaged that a service provider will be appointed during the third quarter to commence with the development of the Ocean Economy Strategy.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE
KPA 3: Inclusive Economic Development and Job Creation	KPE 3.2: Expanded Public Work Programme (EPWP) and Job creation	3.2.1	Number of Work Opportunities (WO) created	6009	728	1402	1510	2906	2082	Not achieved	As at 31 December 2016, the Municipality created 2082 Work Opportunities within Nelson Mandela Bay. REASONS FOR UNDERPERFORMANCE: Underperformance reported against this Key Performance Indicator is attributed to the following challenges experienced:- • Low directorates targets; • Reporting not conforming to EPWP requirements; • Under-reporting by directorates; • Non-reporting by directorates; • Late reporting by directorates; and • Public Health paying below the minimum wage as prescribed by Ministerial Determination (R83.39 per day). It must be noted that the performance reported against this Key Performance Indicator is preliminary, pending receipt of final verified figures from the National Department of Public Works during the third quarter of the financial year. CORRECTIVE ACTION / MITIGATION: To EPWP project and its inherent challenges are currently being dealt with at Executive Management level and the Municipality continues to engage the National Department of Public Works to obtain the final figures expeditiously.	OFFICE OF THE CITY MANAGER

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 3: Inclusive Economic Development and Job Creation	KPE 3.2: Expanded Public Work Programme (EPWP) and Job creation	3.2.2	Number of Full Time Equivalent (FTE) jobs created	1830	142	270	339	656	385	Not achieved	As at 31 December 2016, the Municipality created 385 Full Time Equivalents within Nelson Mandela Bay. REASONS FOR UNDERPERFORMANCE: Underperformance reported against this Key Performance Indicator is attributed to the following challenges experienced:- • Low directorate targets; • Reporting not conforming to EPWP requirements; • Under-reporting by directorates; • Non-reporting by directorates; • Late reporting by directorates; and • Public Health paying below the minimum wage as prescribed by Ministerial Determination (R83.39 per day). It must be noted that the performance reported against this Key Performance Indicator is preliminary, pending receipt of final verified figures from the National Department of Public Works during the third quarter of the financial year. CORRECTIVE ACTION / MITIGATION: The EPWP project and its inherent challenges are currently being dealt with at Executive Management level and the Municipality continues to engage the National Department of Public Works to obtain the final figures expeditiously.	OFFICE OF THE CITY MANAGER
KPA 4: Institutional and capacity development	KPE 4.1: Facilities	4.1.1	Developing a strategy for the provision of integrated office accommodation for municipal staff and Councillors	Integrated office accommodation strategy approved by Council	New Indicator (not reflecting in the 2015/16 SDBIP)	Preliminary study and consulting process completed	In Progress (Communication sent to Directorates)	Feasibility study on the provision of integrated office accommodation and facilities for municipal officials conducted	Target not met (Communication sent to Directorates during first quarter)	Not achieved	During the period under review, the Municipality did not conduct a feasibility study on the provision of integrated office accommodation and facilities for municipal officials. A memorandum dated 16 August 2016 was circulated to all Directorates requesting the tenants of all buildings to identify their office and archive space requirements. As at 31 December 2016, only 8 out of the 11 Directorates provided the required input. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is attributed to prolonged consultation with directorates in the realisation that the project is more complex than originally anticipated. CORRECTIVE ACTION / MITIGATION: In mitigation, the Municipality will during the third quarter commence with the drafting of a feasibility study on the provision of integrated office accommodation and facilities for municipal officials to identify their office and archive space. It is envisaged that performance will improve during the third quarter of the financial year.	CORPORATE SERVICES
KPA 4: Institutional and capacity development	KPE 4.2: Human Resources Transformation	4.2.1	Number of people from employment equity target groups employed in the three highest levels of management (City Manager Section 56 Managers and Strategic Skilled Level Managers) in compliance with the Municipality's approved Employment Equity Plan	47 African Male - 25 African Female - 7 Coloured Male - 3 Coloured Female - 2 White Male - 5 White Female - 4 Indian Male - 1 Indian Female - 0	Target Not Met (Municipality under review in terms of Section 43 of the Employment Equity Act)	Progress Report submitted to the Human Resources & Corporate Administration Standing Committee	In progress (Progress reports presented to the Local Labour Forum)	Progress Report submitted to the Human Resources & Corporate Administration Standing Committee	Target not met (Progress reports presented to the Local Labour Forum during the first quarter)	Not achieved	The Employment Equity status for the three highest levels of management at the end of the second quarter is as follows: Fifty three (53) officials consisting of (24) African males; (7) African females; (4) Coloured males; (1) Coloured females; (9) white males; (5) white females; (1) Indian male and (2) Indian females. On 31 August 2016, the newly elected Human Resource and Corporate Administration Standing Committee was announced. Its first meeting was scheduled to take place on 9 September 2016. The Employment Equity (EE) Progress Report was unfortunately not yet ready for submission to the Committee's first meeting of 9 September 2016. The report was subsequently presented to the Local Labour Forum (LLF) on 30 September 2016. REASONS FOR UNDEPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to new developments in the review requirements of the NMBM EE Plan which were not taken into consideration in the report submitted to the LLF. CORRECTIVE ACTION / MITIGATION: To mitigate against the underperformance reported against this Key Performance Indicator, a stakeholders consultation session was convened on 19 October 2016 to engage relevant internal and external stakeholders on the review of the NMBM EE Plan. An updated EE Progress Report will be submitted to the Human Resources and Corporate Administration Standing Committee in the third quarter of the financial year.	CORPORATE SERVICES

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.1	% of the Municipality's budget actually spent on implementing its Workplace Skills Plan	0.114%	0.060%	0.011%	0.016%	0.036%	0.029%	Partially achieved	<p>During the 2016/17 financial year to date, the Municipality spent 0.029% of its approved Budget on implementing its institutional Workplace Skills Plan. The actual performance report implies that the Municipality has to date spent R2 732 698 on workplace skills development. At 31 December 2016, the % training budget expenditure per directorate / office, was as follows: Office of the Chief Operating Officer: 88.17%; Electricity and Energy: 80.24%; EDTA: 72.62%; SRAC: 52.09%; Safety and Security: 51.51%; Public Health: 49.56%; Corporate Services: 29.99%; Human Settlements: 29.11%; Infrastructure and Engineering: 27.07%; Budget and Treasury: 18.54%; Special Projects: 17.03%; Office of the City Manager: 9.52%; Office of the Executive Mayor: 9.44%; Chief of Staff: 0%.</p> <p>REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to: 1) Competing operational priorities; 2) Officials attending developmental programmes / seminars which are not funded through the training budget; 3) Officials attending skills development programmes which are free of charge to the Municipality; and 4) Officials opting not to participate in further skills development programmes.</p> <p>CORRECTIVE ACTION / MITIGATION: The Municipality continues to monitor the implementation of the Workplace Skills Plan and training budget expenditure through the Skills Development and Employment Equity Committee; Directorate Skills Development and Employment Equity Focus Groups and quarterly performance reviews of Senior Managers.</p>	OFFICE OF THE CITY MANAGER
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.2	Debt coverage ratio (debt servicing costs to annual operating income)	8%	2.77%	8%	1.64%	8%	2.57%	Over achieved	<p>As at 31 December 2016, the debt servicing cost to operating revenue ratio amounted to 2.57%. This implies that the Municipality spends 2.57% of its operating income on servicing its existing debt costs (external loan obligations). The risk that the Municipality may not be able to settle its annual long-term borrowing commitments becomes greater the higher this ratio. The Municipality therefore exercises due caution to ensure that its operating revenue is not overburdened by the level of borrowing. The careful and judicious management of borrowing is considered critical in ensuring continued financial viability.</p> <p>REASON(S) FOR OVERPERFORMANCE: The improved performance is attributed to the Municipality's conscious efforts to pay its loan obligations on time, thereby avoiding further loan charges as a result of late payment. In addition, the Municipality did not take up any new loans during the period under review.</p>	BUDGET AND TREASURY
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.3	% outstanding service debtors to revenue	20%	16.30%	20%	14.88%	20%	17.67%	Over achieved	<p>The % outstanding service debtors to revenue ratio was calculated at 17.67% as at 31 December 2016. In order to calculate this ratio, the actual service revenue for the period under review is annualised for the remainder of the financial year.</p> <p>REASON(S) FOR OVERPERFORMANCE: The annual rates were levied during September 2016, and have been annualised for the remainder of the year, which influenced the ratio positively. This ratio can be assessed accurately only at financial year end. In addition, the relatively low ratio is the result of the implementation of a new Assistance to the Poor (ATTP) Policy, in terms of which properties valued at less than R100 000 automatically qualify for the ATTP subsidy. To this end, debts owed by relevant property owners are automatically written off.</p>	BUDGET AND TREASURY

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.4	Cost coverage ratio (excluding unspent conditional grants)	2 months	2.22 months	2.00 months	1.63 months	2.00 months	1.95 months	Partially achieved	The cost coverage ratio (excluding unspent conditional grants) as at 31 December 2016 amounted to 1.95 months. The actual performance of 1.95 months is an indication that the Municipality can meet its financial obligations for a period of 1.95 months without any income being received. REASON(S) FOR UNDERPERFORMANCE: The cost coverage ratio is affected by the low revenue collection rate, write-off of indigent consumer debts and the non-receipt of provincial grants. Currently, R36.4 millions' worth of housing claims submitted to the Eastern Cape Department of Human Settlements is still outstanding. CORRECTIVE ACTION / MITIGATION: In mitigation, a Service Level Agreement between the Budget and Treasury and the Infrastructural and Engineering Directorates has been drafted to improve revenue collection. In addition, the Municipality will address the challenge of late receipt of provincial grants through its existing inter-governmental structures. It is envisaged that the cost coverage ratio (excluding unspent conditional grants) will improve during the third quarter of the 2016/17 financial year.	BUDGET AND TREASURY
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.5	% of the Municipality's Capital Budget actually spent	95%	New Indicator (not reflecting in the 2015/16 SDBIP)	10%	15.70%	30%	37.40%	Over achieved	During the period under review, the Municipality spent 37.4% of its Capital Budget. The actual performance reported implies that the Municipality spent R529.8 million of its Capital Budget to date. REASON(S) FOR OVERPERFORMANCE: The improved performance reported against this Key Performance Indicator is attributed to the Municipality's close monitoring of capital budget expenditure as follows: 1) Requiring that all KPIs in the SDBIP be supported with a viable procurement plan; and 2) Conducting quarterly performance reviews of senior managers timeously.	OFFICE OF THE CITY MANAGER
KPA 5: Financial sustainability and viability	KPE 5.1: Budget and Financial Accounting	5.1.6	% of the Municipality's approved Operating Budget spent on repairs and maintenance	5.94%	New Indicator (not reflecting in the 2015/16 SDBIP)	1.70%	0.46%	3.40%	1.32%	Not achieved	During the period under review, the Municipality spent 1.32% of its approved Operating Budget on repairs and maintenance. The actual performance reported implies that the Municipality spent R126.1 million on repairs and maintenance. REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to the fact that repairs normally occur on an on-going basis, depending on the occurrence of events requiring maintenance (e.g. burst pipes) and therefore cannot be planned for in detail. CORRECTIVE ACTION / MITIGATION: The Municipality continuous to monitor the expenditure in repairs and maintenance through quarterly performance reporting and performance reviews of senior managers.	OFFICE OF THE CITY MANAGER

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY PERFORMANCE INDICATOR (KPI)	ANNUAL TARGET-QUARTER ENDING 30 JUNE 2017	BASELINE PERFORMANCE AS AT 31 DECEMBER 2015	TARGET QUARTER ENDING 30 SEPTEMBER 2016	ACTUAL QUARTER ENDING 30 SEPTEMBER 2016	TARGET QUARTER ENDING 31 DECEMBER 2016	ACTUAL QUARTER ENDING 31 DECEMBER 2016	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	ACCOUNTABLE
KPA 5: Financial sustainability and viability	KPE 5.2: Revenue Management and Customer Care	5.2.1	% implementation of the Municipal Standard Chart of Accounts (mSCOA) Phase 2 Implementation Plan	100% by December 2016 (Full Go-Live of the Enterprise Resource Planning - ERP Solution)	Implementation Plan with milestones and phases developed and 25% phase 1 implemented	25% (Technical go-live of the following Modules 1. Planning and Budgeting 2. Assets 3. General Ledger)	25% (Technical go-live of the following Modules 1. Planning and Budgeting 2. Assets 3. General Ledger)	100% by December 2016 (Full Go-Live of the Enterprise Resource Planning - ERP Solution)	25% (Technical go-live of the following Modules 1. Planning and Budgeting 2. Assets 3. General Ledger)	Not achieved	<p>During the period under review, the Municipality achieved 25% of Phase 2 of the Municipal Standard Chart of Accounts (mSCOA) Implementation Plan. The 25% constitutes the technical go-live of the following modules: Planning and Budgeting; Assets and General Ledger sections of the mSCOA.</p> <p>REASON(S) FOR UNDERPERFORMANCE: The underperformance reported against the Key Performance Indicator is attributed to the following:</p> <ol style="list-style-type: none"> 1. Updated version of the mSCOA Classification Framework from Version 5.4 to Version 6 by National Treasury. 2. Significant customisation required by the Municipality across all financial modules. 3. Challenges experienced during the data migration process, specifically relating to the Billing System. 4. Delayed finalisation of Costing Segment Functionality by National Treasury. <p>CORRECTIVE ACTION/MITIGATION: A revised implementation plan has been developed to extend the implementation process of mSCOA and the new Enterprise Management Solution (EMS) to July 2017, which is the National Treasury legislated go-live date.</p> <p>REVIEW: During mid-term review processes, the Key Performance Indicator and its quarterly targets will be reviewed in line with the revised implementation plan.</p>	BUDGET AND TREASURY
KPA 5: Financial sustainability and viability	KPE 5.2: Revenue Management and Customer Care	5.2.2	% billed revenue collection rate (before write-offs)	94%	92.68%	94%	93%	94%	93.40%	Partially achieved	<p>The billed revenue collection rate as at 30 September 2016 is calculated at 93.4% (before write-offs). This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.</p> <p>REASON(S) FOR UNDERPERFORMANCE: This ratio was affected by a number of factors, including the current economic climate and the continued failure of the 14 large local electricity consumers to pay their municipal accounts in full.</p> <p>CORRECTIVE ACTION / MITIGATION: The Municipality will continue to engage with the 14 large local electricity consumers on the issue of the arrears due to the institution.</p>	BUDGET AND TREASURY