



# LEPELLE-NKUMPI LOCAL MUNICIPALITY

## 2014/2015 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

Private Bag X07 Chuenespoort 0745 Tel: (015)633 4500/06 Fax: (015)633 6896  
[www.lepelle-nkumpi.gov.za](http://www.lepelle-nkumpi.gov.za)

*“Motho ke motho ka batho”*

## **INTRODUCTION**

The development of the service delivery and Budget Implementation Plan is a requirement under the Municipal Financial Management Act (MFMA) and gives effect to the Municipality's Integrated Development Plan (IDP) and annual budget.

The SDBIP is an expression of the objectives of the municipality, in quantifiable outcomes that will be implemented by the administration for the financial period from 01 July 2014 to 30 June 2015. The SDBIP includes the service delivery targets and performance indicators for each quarter that should be linked to the performance agreements of senior managers.

These are integral to the implementation and entrenchment of our performance management system. The SDBIP facilitates accountability and transparency of the municipal administration and managers to the council and councillors to the community. It also fosters the management, implementation and monitoring of the budget, the performance of top management and the achievement of the strategic objectives as laid out in the IDP.

The SDBIP enables the Municipal Manager to monitor the performance of senior managers, the Mayor to monitor the performance of the municipal manager and for the community to monitor the performance of the municipality as each activity contains outputs, outcomes and timeframes.

The SDBIP is another step forward to increase the principle of democratic and accountable government at local level. Development objectives are measured through key performance indicators at every level and continuously monitored throughout the year.

The SDBIP is in essence the management and implementation tool which sets in year information such as quarterly service delivery and links each service delivery output to the budget of the municipality. It further indicates the responsibilities

and outputs for each of the senior managers and the top management team, the resources to be used and the deadlines set for the relevant activities.

### **THE SDBIP CONCEPT**

National Treasury, in MFMA circular 13, outlined the concept of the SDBIP. It is seen as a contract between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months.

It is a management, implementation and monitoring tool that will assist the Mayor, Councillors, Municipal Manager, Senior Managers and Community. It is also a performance monitoring tool that enables the municipal manager to monitor the performance of senior Managers. The MFMA requires that the performance agreements of senior Managers be linked to the measurable performance objectives in the SDBIP.

As a vital monitoring tool, the SDBIP should assist the Mayor and Municipal Manager to be pro-active and take remedial steps in the event of poor performance.

### **Legislative framework in terms of the MFMA**

In terms of section 53 (1) (c) (ii) of the MFMA, the SDBIP is defined as a detailed plan approved by the mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget.

Being a management and implementation plan, the SDBIP is not required to be approved by the council. According to section 53 of the MFMA, the Mayor is expected to approve the SDBIP within 28 days after the approval of the budget.

This section requires that the Mayor take all reasonable steps to ensure that the SDBIP is approved within 28 days. In addition, the Mayor must ensure that the service delivery targets and performance indicators as set out in the SDBIP are circulated or made public within 14 days after its approval.

### **THE TOP LAYER (High level) SDBIP TARGETS AND INDICATORS**

The SDBIPs are required to include targets for the activities that will be undertaken, for physical and measurable progress as well as financially. The top level of the SDBIP includes measurable performance objectives in the form of service delivery targets and performance indicators that are provided to the community, that is, what impacts it seeks to achieve.

These are drawn from the IDP programmes, services and activities that are relevant to each specific directorate as well as the statutory plans that the departments are responsible for. The SDBIPs therefore are the key mechanisms for monitoring the different responsibilities and targets that each department must fulfil in meeting service delivery needs provided to the community.

The SDBIP is conceptualized as a layered plan, with consolidated service targets and quarterly to annual deadlines and linking those targets to senior management. The community and stakeholders can review these targets and performance in achieving them during the IDP process.

### **SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATOR**

For the year 2014/2015 SDBIP service delivery targets and performance indicators were developed in line with the IDP and budget. A number of meetings were held with departments and the performance indicators and targets were developed and these targets have been included in the 2014/2015 SDBIP.

The targets and indicators attempt to measure a range of activities in the municipality. It will be the responsibility of departments to provide information on progress towards achieving these targets on a quarterly basis.

## **CONCLUSION**

The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end of year service delivery targets, set in the budget and IDP. It determines the performance agreements for the Municipal Manager and all top managers, whose performance can then be monitored through section 71 and evaluated through section 72 reports and the annual report process.

For 2014/2015 financial year our total budget is R338.5 Million. A total of R 237 million is for operating expenditure and R57 million is for Capital expenditure where in R 47.4 million is funded by MIG.

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**MASHIANE O**

**ACTING MUNICIPAL MANAGER**

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**Date**

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**PHAAHLA V.M**

**MAYOR**

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**Date**