

Connective Cities Regional Dialogue Event

Improving public service delivery at local level – solutions for participatory and accountable management

20 – 22 August 2019, Harare, Zimbabwe

STRATEGY EXECUTION THROUGH EFFECTIVE LEADERSHIP

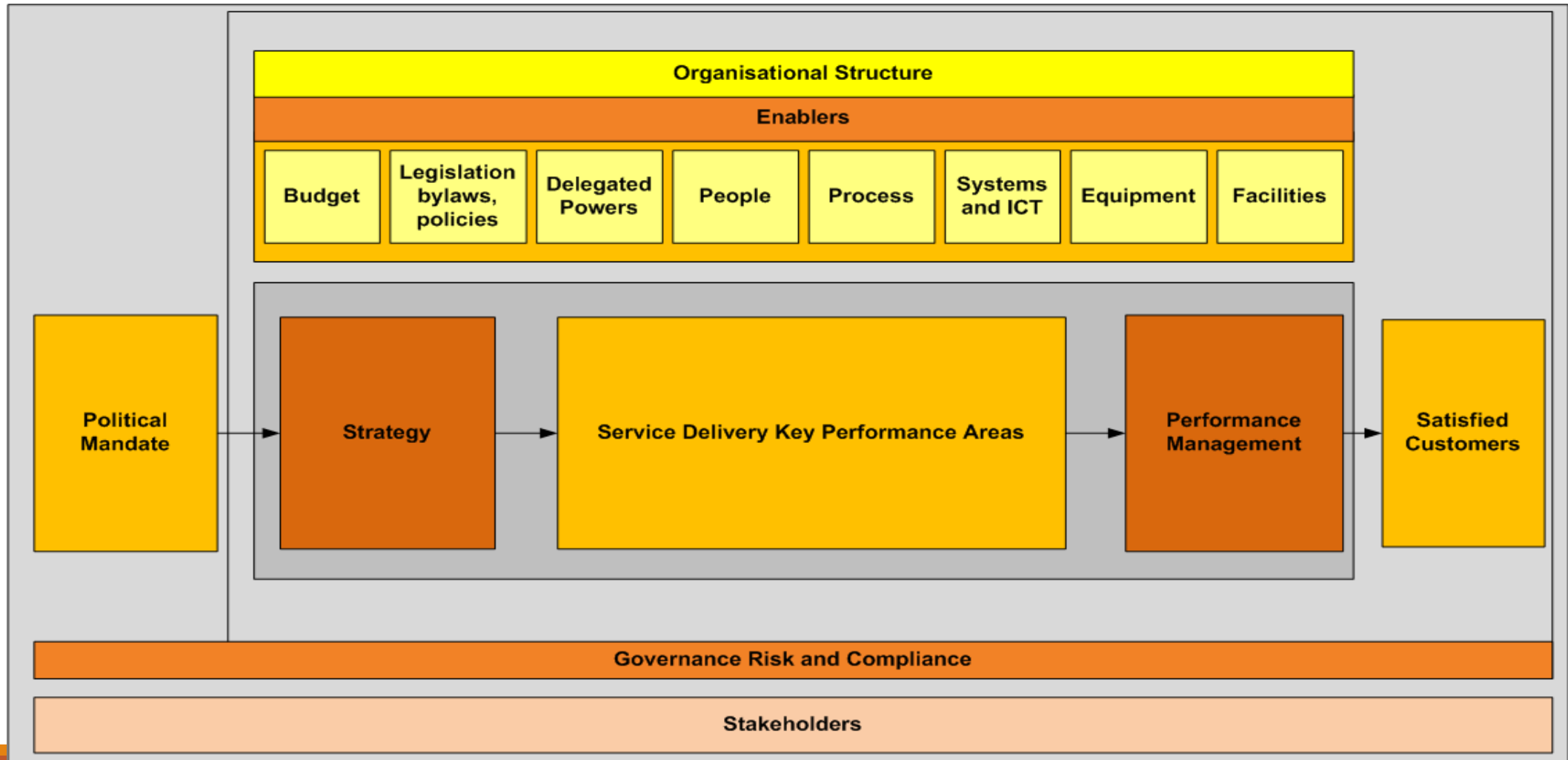
JOHANN METTLER

CITY MANAGER, NELSON MANDELA BAY METROPOLITAN MUNICIPALITY

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Organisational Operating Model



Political administrative interface

Getting the basics right

- Act in good faith
- Adhere to and implement legislation and municipal policies
- Basic distinction
 - Council, council structures determine and set policy direction, budget (what)
 - Administration executes and implements policies, projects, and budget (how)
- Joint strategic planning
 - Political and administrative buy-in
- Entrenching good governance
 - Back to basics, new attitudes

Political administrative interface

Key success factors

EM-MM relations

- Train track analogy

Political admin interface

- Holding the line

S56 appointments

- Merit, merit, merit

Consistent leadership

- EM, MM

Focusing on strategic plans

- Participate, ownership, execute

Focus, focus, focus

- The skin thing

Strategy execution survey (Drakenstein Municipality)

Key Success Factors

To implement strategy (private/public sector)

- Mandate, Strategy and Planning;
- Leadership and Management;
- Organisation, People and Skills;
- Technology and Systems;
- Policies, Processes and Procedures;
- Finance and Budgeting;
- Service Delivery; and
- Performance Management.

Management Response

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/Directorate	Progress	Due date
Governance and Stakeholder participation	The identification of critical (priority 1) risks during the Annual Risk Assessment	Municipal Manager (Chief Audit Executive)	Assessment will be conducted in the April/May period	End of fin year
	The development of a management dashboard on key management information in order to make appropriate decisions	Office of the Municipal Manager (Acting Manager: Strategic Planning)	A dashboard report on the Top Layer priority KPIs to be submitted to Management on a monthly basis	On going

Management Response (cont.)

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/ Directorate	Progress	Due date
Services and Customer Care	Review on the building plan approval process	Planning and Development	An assessment of the building plan application process was done by The National Skills and Research Agency (NSRA) on behalf of the Department of Economic Development and Tourism (DEDAT) and South African Local Government Association (SALGA) 26-27 February 2013. Consultation and Service Gap Analysis to be finalised by end February 2013. Report on the findings of the 5 municipalities assessed to be released by March / April 2013	March / April 2013

Management Response (cont.)

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/Directorate	Progress	Due date
Health, Safety and Environment	Regulation of Informal Trading	Planning and Development	Informal Trading Policy and Management Framework adopted last year. Permits issued to traders in Paarl and Wellington CBD. Law enforcement does regular patrols to check for compliance with permit conditions	On going
Institutional Transformation	Establishment of the Strategy Execution Team	Office of Municipal Manager	The Executive Management Committee plays the role of the Strategy Execution Team during the monthly SDBIP discussion	On going

Management Response (cont.)

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/Directorate	Progress	Due date
Institutional Transformation	The <u>enhancement</u> of the Council / portfolio agenda to include the monitoring of Executive Management Team meeting.	Office of the Municipal Manager (Executive Support Officer)	Follow-ups and updating of the table of outstanding matters before the set deadlines.	On going
	Compilation of a status report on the results of the performance information. This report should also focus on lessons learned and remedial action taken.	Office of the Municipal Manager (Acting Manager: Strategic Planning)	A report on monthly departmental SDBIP updates to be submitted at Management <u>meetings</u> .	The 1 st Tuesday (a week) after the closure of the <u>Ignite</u> .

Management Response (cont.)

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/Directorate	Progress	Due date
Institutional Transformation	Incorporating Key Success Factors into the SDBIP	Office of the Municipal Manager (Acting Manager: Strategic Planning)	Directorates still to supply the Strategic Planning Unit with their information	31 March 2013 and 31 May 2013
	Developing Standard Operating Procedures (SOP) for identified processes within Finance	Financial Services	Have identified SOPs to be developed. Still need to develop them.	31 December 2013.
	Compilation of a register of standard operating procedure for key services processes per line department	Corporate Services – HOD Corporate Services	Implemented December 2013	Updating / On going

Management Response (cont.)

Key Performance Areas	Addressing Finding / Challenges	Responsible EM/Directorate	Progress	Due date
Financial Sustainability	The generation of exceptions for investigating for the detection or mitigation of water.	Financial Services	Finance submit monthly reports to Technical Services on water meters not functioning.	On going
	Electricity and water losses as a result of tampering, theft or erroneous billing.	Infrastructure Services	Monthly departmental report is kept to monitor the situation.	On going
	Monitor the implementation of the Credit Control and Debt Collection Polity	Financial Services	Placement process must first take place before vacancies can be advertised and filled.	31 August 2013

Generic KPIs in response

KPI	Measurement unit	Target
Apply proper procurement practices with the adherence to the approved SCM policy to promote good governance and to be effective in delivering services	Planning schedules for procuring timeframes for the financial year submitted by mid-August	Procurement plan submitted by mid-August
	0 cases referred back to department to address shortcomings in SCM docs and processes	0% cases referred back
Implement the MGAP developed to maintain an unqualified audit opinion (Number of MGAP actions completed / Total number of MGAP actions identified to be completed)	% of actions completed	100% of actions completed

Generic KPIs (cont.)

KPIs	Measurement unit	Target
Spending of the municipal capital budget based on good collaboration with all municipal departments	96% of capital budget spent	96% of capital budget spent at end of financial year
Develop one set of service delivery standards per business unit in directorate	One set of SDS developed by business unit	End of third quarter
Develop standard operating procedures for key engagement areas with public	One set of SOPs developed by business unit	End of third quarter

Departmental KPIs in response

KPIs	Measurement unit	Target
Achieve a payment percentage of 97% annually	Payment % achieved	97% payment rate achieved quarterly
Raise/collect 99% of the operating budget revenue as per approved budget	% of operating budget revenue raised/received for the municipality	99% collection by 30 June
Compile a Capital Project Implementation Plan and submit to the MM for approval by 31 July	CPIP compiled and submitted	Plan submitted on due date

Departmental KPIs (cont.)

KPIs	Measurement unit	Target
Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	1.6
Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage (Total operating revenue- operating grants received)/debt service payments due within the year)	10%
Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	19%

Departmental KPIs (cont.)

KPIs	Measurement unit	Target
Limit the electricity losses to less than 10% (Total electricity units billed/ Total electricity units purchased)	% electricity losses	10%
Implement the electricity capital projects measured in terms of the approved electricity capital budget spent	% of approved electricity capital budget spent	96%
Limit water network losses to less than 18% (Difference between water units supplied and water units billed as percentage of water supplied)	% water losses	18%

Departmental KPIs (cont.)

KPIs	Measurement unit	Target
Compile a LED Manifesto per municipal directorate / department that indicate their contribution towards LED	Manifesto developed and submit to council by 30 September	Manifesto submitted to Council by 30 September
Develop a Job Creation Plan (EPWP) to create 1 000 jobs per annum and submit to Executive Management by 30 September	Job Creation plan developed and submitted to Executive Management by 30 September	Job creation plan developed and submitted by 30 September
Implement the Tourism marketing strategy	(Number of actions implemented/Total number of actions identified to be implemented)	30%

Strategic Role of Internal Audit and Risk Management

Key role player in strategy execution

- What (should) keep(s) the MM awake at night?

Focus on quality of outcomes

- Mandate, Strategy and Planning;
 - Audit translation of mandate into policy directives (PDOs), budget
- Leadership and Management;
 - Audit effective management of cross-sectoral projects
- Organisation, People and Skills;
 - Audit management response to performance failures

Strategic Role of Internal Audit and Risk Management

- Technology and Systems;
 - Audit existence and/or implementation of procedure manuals
- Policies, Processes and Procedures;
 - Audit existence and/or implementation of SOPs
- Finance and Budgeting;
 - Audit project implementation plans (post SDBIP adoption)
- Service Delivery; and
 - Audit existence and/or implementation of service delivery standards (deviations from)
- Performance Management.
 - Audit performance of scorecards

Conclusions

1. Political and administrative leadership must understand the basic operational model
2. The Mayor and Municipal Manager must manage the political administrative relationship
3. Management must see the “mud” clearly
4. Management must purposefully work at dealing with strategy execution inhibitors
5. Internal audit and Risk critical enabler
6. Internal audit and Risk plays critical supporting role in keeping management on its toes

THANK YOU