Johannesburg Water

MID-YEAR DEVIATION REPORT

2020/21

BALANCE SCORECARD

Johannesburg Water Mid-year deviation report – 2020/21-balance scorecard

Approval:

Dkgwale Signature Derick Kgwale **Act. Managing Director**	Date of approval: 14.12.2020

JOHANNESBURG WATER MID-YEAR DEVIATION REPORT

1. Strategic thrust

Strategic Goal 4: Enhance sound financial management, sustainability and clean governance.

2. Objective

To present key performance Indicators and targets in the 2020/21 company scorecard that requires amendment.

3. Background

In accordance with the Municipal System Act, 2000 and Municipal Financial Management Act, 2003, municipal entities may submit the amendments to the service delivery targets during the Mid-term Budget review; it is against this backdrop that the company is submitting the service standard charter review to council for approval.

Circular 13 of the MFMA provides guidelines for the mid-year review for the Service Delivery and Budget Implementation Plan (SDBIP) as well as municipal entities Business plans. The mid-year review process does not permit deviation on reduction of the target due to poor performance. Deviation submissions by departments and entities are assessed by Group Strategy, Policy Coordination and Relations Department and submitted to council for approval. The company requires the following indicators and targets to be amended as per table 1 and motivations below. On 23 October 2020 the Board of Directors resolved to recommend the changes to Council for approval.

4. Proposed deviation

Amendment and endorsed for approval by the City Council as follows:

Johannesburg Water Business Plan

- KPI 9: Number of additional household provided access to basic water at minimum LoS1 in informal settlements
- KPI 10: Number of additional household provided access to basic sanitation at minimum LoS1 in informal settlements
- KPI 20: Number of business units fully deployed with Business analytics dashboard
- KPI 21 : Percentage deployment of service failure reporting Application
- KPI 22: Percentage deployment of workforce optimisation system

5. Motivation

KPI 9: Number of additional household provided access to basic water at minimum LoS1 in informal settlement

The target for the above-mentioned KPI was formulated and approved in the 2020/21 business plan, it contributes to Strategic Goal 2: Deliver water and sanitation services of good quality that are accessible, reliable and efficient, in an environmentally responsible/sustainable way. The initial target for this KPI was 12 920 households based on the final backlog list provided in 2017. The following challenges were experienced;

- The figure for Finetown North of 4 269 has been overstated as per Housing department list whilst on the ground the settlement has 550 households which were serviced in the previous financial year.
- Lack of access to settlements in private land.
- There are settlements now earmarked for development by Housing (e.g. Mountain View).
- Replacement settlements requested from Housing however not sufficient to cover the difference and also requiring verifications.

KPI 10: Number of additional household provided access to basic sanitation at minimum LoS1 in informal settlement

The target for the above-mentioned KPI was formulated and approved in the 2020/21 business plan, it contributes to Strategic Goal 2: Deliver water and sanitation services of good quality that are accessible, reliable and efficient, in an environmentally responsible/sustainable way. The initial target for this KPI was 2 895 households provided access to basic sanitation. The total adjusted number of households in the planned settlement is 3 849. The initial number of 2895 was based on the provision of VIPs per households in line with approved budget, however the alternative method of providing communal ablution blocks will be used to cover the entire Princess Plot households of 3 849 hence the need to adjust the target upward.

KPI 20: Number of business units fully deployed with business analytics dashboard

In pursuit to deliver on strategic goal 5: Use of technology for effective and efficient operation, Johannesburg Water (JW) had planned to create a number of dashboards. The target was based on the deployment of Business Analytical dashboards for three units namely Finance, Operations and Meter reading departments. The focus of the deployment has since changed and now the targeted units are Information Technology, Technical Services and Risk and compliance units. Over and above the business Analytics (Dashboards) the wording for the target for the dashboards to be changed to dashboards published, not deployed, since the dashboards are accessed via an Application or internet browser and do not need to be deployed on laptops/desktops.

KPI 21: Percentage deployment of service failure reporting application

The target for the above-mentioned KPI was formulated and approved in the 2020/21 business plan, it contributes to Strategic Goal 5: Use of technology for effective and efficient operations. The wording for the target for percentage deployment of service failure reporting application should be changed to percentage implementation of service failure reporting application.

KPI 22: Percentage deployment of workforce optimisation

The target for the above-mentioned KPI was formulated and approved in the 2020/21 business plan, it contributes to Strategic Goal 5: Use of technology for effective and efficient operations. The wording for the target for Percentage deployment of workforce optimisation should be changed to Percentage implementation of workforce optimization.

6. Legislative requirement

This report complies with In terms of Section in Section 54(1) (c) and Section 72 of the Municipal Finance Management Act 56 of 2003 and Circular 13, which provide for the amendments to the SDBIP.

7. Financial Implications

None

8. Communication Implications

None

Annexure A: Business Plan Deviation:

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
9	Strategic goal 2: Deliver water and sanitation service of good quality that is accessible, reliable and efficient in an environmentally responsible/ sustainable way	Number of additional household provided access to basic water at minimum LoS1 in informal settlements		10 393	12 920	1000	3650	8300	1290	50,000		Contractor's completion certificates	**KPI:** Number of new households provided access to basic water at minimum LoS1 in Informal settlements. **Target: 9 722** **Q1 – 1 000** **Q2 – 3 150** **Q3 – 6 760** **Q4 – 9 722**	The initial target for this KPI was 12 920 households based on the final backlog list provided in 2017. The following challenges were experienced ; The figure for Finetown North of 4 269 has been overstated as per Housing

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
														department list whilst on the ground the settlement has 550 households which were serviced in the previous financial year. Lack of access to settlements in private land. There are settlements now earmarked for development by Housing

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
														(e.g. Mountain View). Replacement settlements requested from Housing however not sufficient to cover the difference and also requiring verifications
10		Number of additional household provided access to basic		3 838	2 895	500	1490	2300	2895	75,000		Contractor's completion certificates.	**KPI:** Number of new households provided access to	The initial target for this KPI was 2 895 households provided access to

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
		sanitation at minimum LoS1 in informal settlements											basic sanitation at minimum LoS1 in informal Settlements. **Target: 3 849** **Q1 – 500** **Q2 – 1 490** **Q3 – 2 300** **Q4 – 3 849**	basic sanitation. The total adjusted number of households in the planned settlement is 3 849. The initial number of 2895 was based on the provision of VIPs per households in line with approved budget, however the alternative method of providing communal

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										Capex	**Opex**			
														ablution blocks will be used to cover the entire Princess Plot households of 3 849 hence the need to adjust the target upward.
20	Strategic goal 5: Use of technology for effective and efficient	Number of business units fully deployed with business analytics dashboard. Number of		Three Business units (Capital Investment (Capex), WWTW	3 business units (Capital Expenditure, Waste Water Treatment Works and	0 - business units fully deployed with Business Analytics	One business unit fully deployed with Business	Two business units fully deployed with Business Analytics	3 business units (Capital Expenditure, Waste Water Treatment Works and Human	2,000		A dashboard for business unit targeted. There will	**Key Performance Indicator** Number of business units fully **published** with business analytics dashboard.	The target was based on the deployment of Business Analytical dashboards for three units namely Finance, Operations and Meter

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
	operations Weight: 4%	business units fully **deployed** with business analytics dashboard.		and Human Resource) were fully deployed with Business Analytics Dashboard .	Human Resources) fully deployed with business analytics dashboard	Dashboard	Analytics Dashboard	Dashboard	Resources) fully deployed with business analytics dashboard			be a specification document and project plan. The specification document will consist of KPIs for each business units	**Target:** 3 business units (Information Technology, Technical Services and Risk and Compliance) fully published with business analytics dashboard **Q1** – 0 business units fully published with business analytics dashboard **Q2** - 1 business	reading departments. The focus of the deployment has since changed and now the targeted units are Information Technology, Technical Services and Risk and compliance units. Over and above the business Analytics (Dashboards) the wording for the target for the dashboards to be

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
													unit fully published with business analytics dashboard **Q3** - 2 business units fully published with business analytics dashboard **Q4** - 3 business units (Information Technology, Technical Services and Risk and Compliance) fully published with business	changed to dashboards published, not deployed, since the dashboards are accessed via an Application or internet browser and do not need to be deployed on laptops/desktops

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
													analytics dashboard	
21	Strategic goal 5: Use of technology for effective and efficient operations Weight: 4%	Percentage deployment of service failure reporting Application		New	100% deployment of service failure reporting application	25% deployment of service failure reporting application	50% deployment of service failure reporting application	75% deployment of service failure reporting application	100% deployment of service failure reporting application	1,300		Project Scope	**Key Performance Indicator** Percentage **implementation** of service failure reporting Application **Target:** 100% implementation of service failure reporting application	The wording for the target for percentage deployment of service failure reporting application should be changed to percentage implementation of service failure reporting application.

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
													Q1 – 25% implementation of service failure reporting application **Q2 –** 50% implementation t of service failure reporting application **Q3 –** 75% implementation of service failure reporting application **Q4 –** 100% implementation of service	

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
													failure reporting application	
22	Strategic goal 5: Use of technology for effective and efficient operations Weight: 4%		Percentage deployment of workforce optimisation	New	100% deployment of workforce optimisation system	0% implementation of workforce optimisation system	25% deployment of workforce optimisation system	75% deployment of workforce optimisation system	100% deployment of workforce optimisation system	20,000		Project Scope	**Key Performance Indicator** Percentage implementation of workforce optimisation **Target:** 100% implementation of workforce optimisation system **Q1 –** 0% implementation of workforce	The wording for the target for Percentage deployment of workforce optimisation should be changed to Percentage implementation of workforce optimization.

KPI No	Key Performance Area	Key Performance Indicator	Interventions	Baseline 2019/20	2020/21 Target	Q1 Jul-Sept	Q2 Oct-Dec	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
										Capex	**Opex**			
													optimisation system **Q2 –** 25% implementation of workforce optimisation system **Q3 –** 75% implementation of workforce optimisation system **Q4 –** 100% implementation of workforce optimisation system	

IT IS RECOMMENDED THAT:

The proposed deviation to the aforementioned targets be approved for amendment and endorsed for approval by the City Council