



PERFORMANCE AGREEMENT

Between

WITZENBERG MUNICIPALITY

("The Council")

Herein represented by the Executive Mayor,
Councillor B Klaasen,

And

Mr David Nasson

("The Municipal Manager")

**Financial Year
2021/2022**

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TABLE OF CONTENTS

	<u>Description</u>	<u>Page</u>
1.	Recordal	3
2.	Performance Management Model	4
3.	Duration	4
4.	Performance Management System	5
5.	Performance Objectives	6
6.	Review of Performance	7
7.	Assessment Process	8
8.	The Assessment Panel	11
9.	Developmental Requirements	11
10.	Obligations of Employer	11
11.	Consultation	12
12.	Managing Assessment Outcomes	12
13.	Dispute Resolution	14
14.	Alignment with Performance Management Regulations	14
15.	Provisions of the Employment Agreement	15

ANNEXURES

Appendix A:	Part I: Functional KPA Objectives	A-1
Appendix B:	Personal Development Plan	
Appendix C:	Core Competency Requirements (CCRs)	

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1. RECORDAL

- 1.1. The Council and the Municipal Manager ("the parties") have entered into an Employment Contract ("the Employment Agreement").
- 1.2. The Employment Contract [read together with section 57 of the Local Government: Municipal Systems Act, 32 of 2000 ("the Systems Act")], provides for the parties to conclude a Performance Agreement within 90 days after appointment and after that by no later than 31 July of each year for the duration of the Employment Contract. Should the conclusion of the Performance Agreements not be completed by this date due to unforeseen circumstances, the parties may extend this date by mutual agreement.
- 1.3. The parties have taken into consideration the provisions of Chapter 6 of the Systems Act (sections 38 to 49) which deal with performance management, the Local Government: Municipal Planning and Performance Management Regulations, 2001 (published in Government Gazette No. 22602 of 24 August 2001), the Local Government: Municipal Performance Management Regulations for Municipal Managers, 2006 (published in Government Gazette No 29089 of 1 August 2006), and Regulation 21 of 17 January 2014.
- 1.4. The purpose of the Performance Agreement is to:
 - 1.4.1. comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties;
 - 1.4.2. specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
 - 1.4.3. specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
 - 1.4.4. monitor and measure performance against set targeted outputs;
 - 1.4.5. use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
 - 1.4.6. in the event of outstanding performance, to appropriately reward the employee; and
 - 1.4.7. effect the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.
- 1.5. The parties wish to record the terms of the Performance Agreement as they hereby do.



2. PERFORMANCE MANAGEMENT FRAMEWORK

2.1. It is recorded that –

2.1.1 The performance management framework utilized by the parties is a measurement tool for assessing an individual senior manager's contribution to his employer. It is the most significant component in the determination of the manager's performance bonus.

2.1.2 The basis for the measurement will be derived by the Executive Mayor from the strategic priorities of Council, as depicted in its Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and any outcomes of strategic planning sessions of Council and the senior management team.

2.2 Annexed hereto marked "A" is the Performance Scorecard ("Plan") as agreed by the parties. It identifies the strategic aims, objectives, how the achievement of these objectives is to be measured, the proposed performance targets in respect of each objective, and the weighting, on a percentage basis, given to each strategic aim and/or objective. The Performance Scorecard may consists of two key components:

2.3 2.3.1 Annexure A: Part 1: Functional Objectives in terms of the five national municipal Key Performance Areas (80% weighting) and Annexure A: Part 11: Core Competency Requirements which identify certain generic managerial competencies (20%).

2.3.2 Annexure B: Personal Development Plan if required.

3. DURATION

3.1. The Performance Agreement must be entered into for each financial year of the municipality, or part thereof.

3.2. The Performance Agreement will be deemed to have commenced on 1 July 2021 ("the commencement date") and shall govern the performance of the Municipal Manager in the period from the commencement date until 30 June 2022.

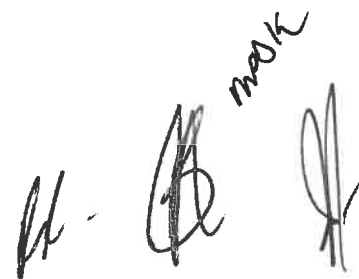
3.3. Notwithstanding the provisions of clause 3.1, the parties shall nevertheless remain bound by the provisions of this Performance Agreement until the employee has been paid his performance bonus in terms of clause 6 if allowed within the law and/or agreement.



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- 3.4. The Municipal Manager must be employed for at least four months of this evaluation period in order to be considered for the payment of a *pro rata* performance bonus in terms of this agreement.
 - 3.5. The agreement will terminate on the termination of the employee's contract of employment.
 - 3.6. If at any time during the validity of the agreement the work environment alters to the extent that the contents of the agreement are no longer appropriate, the contents may be revised by mutual agreement between the parties.

4. PERFORMANCE MANAGEMENT SYSTEM

- 4.1 The employee agrees to participate in the performance management framework or system that the employer adopts or introduces for the municipality.
- 4.2 The employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the employer, management and municipal staff to perform to the standards required.
- 4.3 The employer will consult the employee about the specific performance standards that will be included in the performance management system as applicable to the employee.
- 4.4 The employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPAs) (including special projects relevant to the employee's responsibilities) within the local government framework.
- 4.5 The criteria upon which the performance of the employee must be assessed consist of two components, both of which must be contained in the performance agreement. The employee must be assessed against both components, with a weighting of 80: 20 allocated to the Key Performance Areas (KPAs) and the Leadership and Core Competency Requirements (LCCRs), respectively. Each area of assessment will be weighted and will contribute a specific part to the total score. KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.

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- 4.6 The employee's assessment will be based on his or her performance in terms of the outputs/outcomes (performance indicators) identified as per the performance plan which are linked to the KPA's, which constitute 80% of the overall assessment result as per the weightings agreed to between the employer and employee.
- 4.7 The Competencies will make up the other 20% of the Employee's assessment score. The Competencies are split into two groups, leading competencies that drive strategic intent and direction and core competencies which drive the execution of the leading competencies.

5. PERFORMANCE OBJECTIVES

- 5.1 The performance plan sets out:
- (a) The performance objectives and targets that must be met by the employee;
 - (b) The time frames within which those performance objectives and targets must be met; and
 - (c) The competencies (Annexure B – definitions in terms of Regulation 21 of 17 January 2014) required to operate effectively as senior managers in the local government environment.
- 5.2 The performance objectives and targets reflected in the performance plan are set by the employer in consultation with the employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality, and shall include key objectives; key performance indicators; target dates and weightings.
- 5.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 5.4 The employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the employer's Integrated Development Plan.
- 5.5 The objectives set for the employee will be spread amongst the Key Performance Areas referred to in 4.5 to form 80% of the overall assessment. The content and weighting of these various objectives and the respective KPAs, as agreed between the employer and the employee, is documented in Appendix A. The 5 broad national KPA categories are:

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- 5.5.1 Basic Service Delivery (BSD)
- 5.5.2 Municipal Institutional Development and Transformation (MTID)
- 5.5.3 Local Economic Development (LED)
- 5.5.4 Municipal Financial Viability and Management (MFVM)
- 5.5.5 Good Governance and Public Participation (GGPP)

6. REVIEW OF PERFORMANCE

- 6.1 The Executive Mayor must initiate quarterly review and feedback sessions with the Municipal Manager during which progress on the objectives articulated in Appendix A will be reviewed and any potential obstacles to performance will be identified and corrective action agreed upon.
- 6.2 The performance of the employee in relation to his or her performance agreement must be reviewed on the following dates with the understanding that reviews in the third quarter may be verbal if performance is satisfactory:

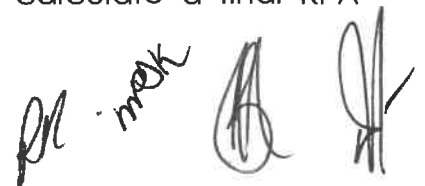
Quarter	Period	Review Date
1st quarter	July - September	October 2021
2nd quarter	October - December	January 2022
3rd quarter	January – March	April 2022
4th quarter	April - June	July 2022

- 6.3 The outcomes of the review session shall be documented and distributed to the employee after conclusion of the review session. This performance feedback must be based on the employer's assessment of the employee's performance, based on the objectives agreed upon and documented in Appendix A.
- 6.4 The employer must keep a record of the reviews and annual assessment meetings according to the regulations.
- 6.5 The employer may amend the provisions of the performance plan whenever the performance management system is adopted, implemented and/or amended as the case may be on agreement between both parties.
- 6.6 The employer may amend the provisions of the performance plan whenever the performance management system is adopted, implemented and/or amended as the case may be on agreement between both parties.

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7. ASSESSMENT PROCESS

- 7.1 As soon as possible after the conclusion of the financial year, but in any event by no later than 31 January, or by such later date as may be agreed by the parties in writing, the Executive Mayor shall assess the performance and determine the score of the Municipal Manager in accordance with the assessment framework as set out in clause 2.1-2.2 above.
- 7.2 The performance assessment will take place solely on the basis of the Performance Scorecard as described in 2.2 above.
- 7.3 The performance plan sets out –
 - 7.3.1 The standards and procedures for evaluating the employee's performance; and
 - 7.3.2 The intervals for the evaluation of the employee's performance.
- 7.4 Despite the establishment of agreed intervals for evaluation, the employer may in addition review the employee's performance at any stage while the employment contract remains in force.
- 7.5 Personal growth and development needs identified during any performance review discussion must be documented in a personal development plan as well as the actions agreed to and implementation must take place within set time frames if so preferred.
- 7.6 The annual performance appraisal must involve:
 - 7.6.1 Assessment of the achievement of results as outlined in the performance plan:
 - 7.6.1.1 Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
 - 7.6.1.2 An indicative rating on the five-point scale should be provided for each KPA.
 - 7.6.1.3 The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

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7.6.2 Assessment of the CCRs:

- 7.6.2.1 Each CCR should be assessed according to the extent to which the specified standards have been met.
- 7.6.2.2 An indicative rating on the five-point scale should be provided for each CCR.
- 7.6.2.3 This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- 7.6.2.4 The applicable assessment-rating calculator must then be used to add the scores and calculate a final CCR score.

7.7 The overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

7.8 The assessment of the performance of the employee will be based on the following rating scale for KPA's:

Rating	Level	Description
5	Outstanding Performance	➤ Performance far exceeds the standard expected of an employee at this level. ➤ The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.
4	Performed significantly above expectations	➤ Performance is significantly higher than the standard expected in the job. ➤ The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	Fully effective	➤ Performance fully meets the standards expected in all areas of the job. ➤ The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan

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2	Performance not fully effective	➤ Performance is below the standard required for the job in key areas. ➤ Performance meets some of the standards expected for the job. ➤ The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan
1	Unacceptable performance	➤ Performance does not meet the standard expected for the job. ➤ The review/ assessment indicate that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. ➤ The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

7.9 The assessment of the LCCR competencies will be based on the following rating scale:

Achievement Levels	Score	Description
Poor	0	Do not apply the basic concepts and methods to proof a basic understanding of local government operations and requires extensive supervision and development interventions.
Basic	1 - 2	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention
Competent	3 – 3,5	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses
Advanced	4	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in- depth analyses
Superior	5	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods

7.10 The outcome of the performance assessment will be documented in a review report and the Executive Mayor will provide feedback to the Municipal Manager within 10 working days after the assessment.

7.11 The Municipal Manager shall be given the opportunity to respond to the report in writing within 10 working days after receipt of the report.

7.12 Should the Executive Mayor cease to hold this office during the assessment period, the parties hereby agree that an interim assessment

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will take place at least 5 working days prior to the Executive Mayor leaving this position. The parties hereby agree further that this assessment will carry a pro-rata weight in the annual assessment of the Municipal Manager, and that this specific provision will only be negated with the explicit consent of both parties.

8. THE ASSESSMENT PANEL

8.1 For purposes of evaluating the annual performance of the Municipal Manager, an evaluation panel constituted of the following persons must be established –

8.1.1 Executive Mayor;

8.1.2 Municipal Manager from another municipality

8.1.3 Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

8.1.4 Member of the Mayoral Committee (Portfolio Chairperson; and

8.1.5 A Performance Management specialist appointed by the Executive Mayor to assist with the process.

8.2 The manager responsible for human resources of the municipality must provide secretariat services to the assessment panel.

9. DEVELOPMENTAL REQUIREMENTS

9.1 A personal development plan (PDP) for addressing developmental gaps may form part of the performance agreement.

9.2 Any developmental gaps, initiatives and/ or remedial actions identified at any time during the duration of this agreement, including during performance review sessions, may be documented on the PDP which may be attached as "Annexure B" hereto.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer must

10.1.1 create an enabling environment to facilitate effective performance by the employee;

10.1.2 provide access to skills development and capacity building opportunities;

10.1.3 work collaboratively with the employee to solve problems and generate solutions to common problems that may impact on the performance of the employee;

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10.1.4 on the request of the employee delegate such powers reasonably required by the employee to enable him or her to meet the performance objectives and targets established in terms of the agreement; and

10.1.5 make available to the employee such resources as the employee may reasonably require from time to time assisting him or she to meet the performance objectives and targets established in terms of the agreement.

11. CONSULTATION

11.1 The Employer agrees to consult the employee timeously where the exercising of the powers will have, amongst others:

- a. a direct effect on the performance of any of the employee's functions;
- b. commit the employee to implement or to give effect to a decision made by the employer; and
- c. a substantial financial effect on the employer.

11.2 The employer agrees to inform the employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 above as soon as is practicable to enable the employee to take any necessary action without delay.

12. MANAGING OF ASSESSMENT OUTCOMES

12.1 Rewarding Performance

12.1.1 The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance;

12.1.2 The payment of the performance bonus is determined by the performance score obtained during the 4th quarter and as informed by the quarterly performance assessments;



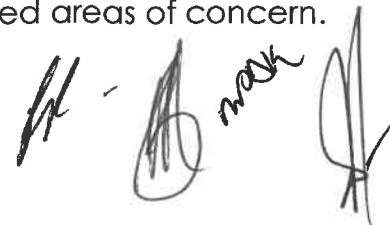
- 12.1.3 The performance bonus will be awarded based on the following scheme:

Performance Rating		Bonus Calculation
0% - 45%	Poor Performance	0% of Total Package
46% - 55%	Average Performance	5% of Total Package
56% - 65%	Fair Performance	8% of Total Package
66% - 75%	Good Performance	11% of Total Package
76% - 100%	Excellent Performance	14% of Total Package

- 12.1.4 In the event of the Employee terminating his services during the validity period of this Agreement, the Employee's performance will be evaluated for the portion during which he was employed and he will be entitled to a pro-rata performance bonus based on his evaluated performance for the period of actual service;
- 12.1.5 The Employer will submit the total score of the annual assessment and of the Employee, to full Council for purposes of recommending the bonus allocation.

12.2 Handling Poor Performance.

- 12.2.1 In the case of unacceptable performance, the employer shall
- (a) Provide systematic remedial or developmental support to assist the employee to improve his or her performance; and
 - (b) If after appropriate performance counselling and guidance and/or support and reasonable time for improvement in performance, the performance does not improve, the employer may consider steps to terminate the employment of the employee on grounds of incapacity to carry out his or her duties.
- 12.2.2 Where the Executive Mayor is, at any time during the Municipal Manager's employment, not satisfied with the Municipal Manager's performance with respect to any matter dealt with in this Agreement, the Executive Mayor will define the nature of the performance problem and give notice to the Municipal Manager to attend a meeting to discuss the performance.
- 12.2.3 During this meeting, the areas of concern will be pointed out by the Executive Mayor and agreement will be reached on the remedies to be taken to address the noted areas of concern.

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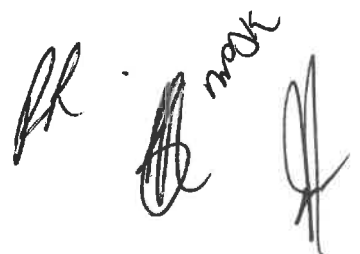
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- 12.2.4 Over and above the ad hoc discussions provided for in 12.2.2 above, the Review Process set out in clause 6 will be utilised to identify and address any performance problems noted.
- 12.2.5 If at any stage thereafter the Executive Mayor holds the view that the performance of the Municipal Manager is not satisfactory, the Municipality will, subject to compliance with applicable labour legislation, be entitled by notice in writing to terminate the Municipal Manager's employment in accordance with the employment contract of the Municipal Manager.

13. DISPUTE RESOLUTION

- 13.1 Any disputes about the nature and content of the employee's performance agreement, must be mediated by the Executive Mayor within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.
- 13.2 Any disputes about the outcome of the employee's performance evaluation, must be mediated by a member of the municipal Council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e), within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.
- 13.3 The provisions of this clause shall not derogate whatsoever from the rights of the Council in terms of the Employment Contract.

14. ALIGNMENT WITH MUNICIPAL PERFORMANCE MANAGEMENT REGULATIONS

- 14.1 The parties agree that the abovementioned regulations were used as a guideline in drafting this agreement, and at the time of conclusion of this agreement certain aspects prescribed in the regulations require further clarification from the MEC for Local Government and/ or the National Department of Local Government or court precedent.
- 14.2 In the absence of clarity on the interpretation of any prescriptions of this agreement, the parties agree that any deviations from the agreement in this regard will be by mutual consent and with the approval of the municipal Council or a delegated authority of Council.



15. PROVISIONS OF THE EMPLOYMENT CONTRACT

The provisions of the Employment Contract *mutatis mutandis* apply to this Performance Agreement as if specifically incorporated herein.

Signed at **Ceres** on this the 30th day of JUNE 2021.

AS WITNESSES:

1. M. S. K. K.

2. [Signature]

[Signature]
Mr D Nasson
Municipal Manager

Signed at **Ceres** on this the 30th day of JUNE 2021.

AS WITNESSES:

1. M. S. K. K.

2. [Signature]

[Signature]
Cllr B Klaasen
Executive Mayor

Appendix A: Part1: Functional KPA Objectives

Mun KPA	Mun Obj	Ref2	Department	Key Performance Indicator	Unit of Measurement	Source of Evidence	Annual Target 2021/22	1st Quarter Target	2nd Quarter Target	3rd Quarter Target	4th Quarter Target	Senior Management Weight
2. Governance	2.1 Support institutional development & transformation	MMIDP16	IDP	Tabling of draft IDP to Council by end of February	Trim nr	Trim nr	1			1		2%
2. Governance	2.3 Strengthen relations	MMIDP8	IDP	Effective functioning of ward committees to ensure consistent and regular communication with residents. Measured in total number of meetings per quarter.	Number of ward committee meetings held	Minutes/attendance register of meetings. Trim no.	48	12	24	36	48	3%
2. Governance	2.3 Strengthen relations	MMIDP9	IDP	Number of IDP community engagements held.	Engagements with ward committees to obtain inputs on IDP matters and service delivery issues	As per KPI System Description	14		7		14	3%
2. Governance	2.1 Support institutional development & transformation	MMIA10	Internal Audit	Preparation and submission of quarterly progress reports to the MM on the implementation of the RBAP.	Number of reports	Report and date submitted on trim. Trim no.	4	1	2	3	4	2%
2. Governance	2.1 Support institutional development & transformation	MMIA11	Internal Audit	Preparation and submission of quarterly Performance Audit reports submitted to the MM in terms of regulation 14 of the PMS	Number of reports	Report and date submitted on trim. Trim no.	4	1	2	3	4	2%
2. Governance	2.1 Support institutional development & transformation	MMIA12	Internal Audit	Quarterly Risk Management report submitted to the MM.	Number of reports	Report and date submitted on trim. Trim no.	4	1	2	3	4	1%
2. Governance	2.1 Support institutional development & transformation	MMIA13	Internal Audit	Number of Performance, Risk & Audit Committee meetings held.	Number of meetings held	Trim Minutes of meetings. Trim no.	5	1	3	4	5	2%
2. Governance	2.2 Financial Viability	MM1	Municipal Manager	Percentage expenditure on the preventative & corrective planned maintenance budget of the whole of the municipality.	Percentage of budget spend	As per KPI Operating procedure	98%	25%	50%	75%	98%	5%
2. Governance	2.1 Support institutional development & transformation	MM10	Municipal Manager	Submit Section 72 Report to Mayor by the 25th of January	Report submitted to Mayor	Trim nr.	1			1		2%

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Mun KPA	Mun Obj	Ref2	Department	Key Performance Indicator	Unit of Measurement	Source of Evidence	Annual Target 2021/22	1st Quarter Target	2nd Quarter Target	3rd Quarter Target	4th Quarter Target	Senior Management Weight
2. Governance	2.1 Support institutional development & transformation	MM11	Municipal Manager	Submit Section 52D Report to Mayor within 30 days after quarter end.	Report submitted to Mayor	Trim nr.	4	1	2	3	4	3%
2. Governance	2.1 Support institutional development & transformation	MM12	Municipal Manager	All Compliance System Notifications (iComply/Eunomia) allocated to Directorate completed within prescribed time period.	100% of notifications allocated to staff (agent) in Directorate completed by due date.	Report subtracted from iComply System by Head Internal Audit.	100%	100%	100%	100%	100%	2%
2. Governance	2.1 Support institutional development & transformation	MM13	Municipal Manager	All Risk Actionplan Notifications (BarnOwl) allocated to Directorate completed within prescribed time period.	90% of notifications allocated to staff (risk owner) in Directorate completed by due date.	Report subtracted from BarnOwl System by Head Internal Audit.	90%	90%	90%	90%	90%	2%
2. Governance	2.2 Financial Viability	MM2	Municipal Manager	Percentage spend on Capital Budget for the whole municipality.	Percentage of budget spend	As per KPI Operating procedure	95%	10%	40%	60%	95%	5%
2. Governance	2.1 Support institutional development & transformation	MM3	Municipal Manager	No of section 56 and 57 performance agreements signed by the end of July	Number of performance agreements.	Signed agreements. Trim no.	4	4				4%
2. Governance	2.1 Support institutional development & transformation	MM4	Municipal Manager	Formal evaluation of the performance of Senior Management by February and March in terms of their signed agreements to ensure municipal performance against targets set and the adherence with the Performance Framework.	Number of evaluations	Signed minutes of evaluations. Trim no.	4			4		3%
2. Governance	2.1 Support institutional development & transformation	MM5	Municipal Manager	Liaison with senior leadership team twice a month to ensure good governance	Number of meetings held	Minutes/attendance register of meetings. Trim no.	22	6	11	16	22	3%
2. Governance	2.1 Support institutional development & transformation	MM6	Municipal Manager	Tabling at Council of Annual Report by end of February	Tabling at Council of Annual Report by end of February	Trim nr.	1			1		5%
2. Governance	2.1 Support institutional development & transformation	MM7	Municipal Manager	Submit revision of Council delegations to Executive Mayor.	Revised system of delegations tabled to Executive Mayor	Trim nr.	1				1	2%

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Mun KPA	Mun Obj	Ref2	Department	Key Performance Indicator	Unit of Measurement	Source of Evidence	Annual Target 2021/22	1st Quarter Target	2nd Quarter Target	3rd Quarter Target	4th Quarter Target	Senior Management Weight
2. Governance	2.1 Support institutional development & transformation	MM14	Municipal Manager	Monthly meetings with mayor	Minutes of meeting	Trim nr	12	3	6	9	12	2%
2. Governance	2.1 Support institutional development & transformation	MMLeg23	Legal Services	Submit quarterly report on all legal actions against and on behalf of Council to the Municipal Manager.	Submit quarterly report on all legal against and on behalf of Council to the Municipal Manager.	Report and trim nr.	4	1	2	3	4	2%
2. Governance	2.1 Support institutional development & transformation	MMLeg24	Legal Services	Annual review of at least 5 by-laws of the municipality.	Report to Council on by-laws reviewed.	Report and trim nr.	5	1	2	4	5	2%
2. Governance	2.1 Support institutional development & transformation	MMProp20	Property Management	Quarterly monitoring the contract management system for lease of municipal properties.	Quarterly update	Signed updated contract report on trim to MM. Trim no.	4	1	2	3	4	1%
2. Governance	2.1 Support institutional development & transformation	MMProp21	Property Management	Quarterly report on the alienation of municipal properties to support economic growth.	Report on implementation of Land Audit Plan	As per KPI operating procedure	4	1	2	3	4	2%
2. Governance	2.2 Financial Viability	MMPerf14	Performance Management	Monthly prepare sdbip reports for the Municipal Manager meetings within 10 working days after closure of system. Report on previous month. Actual is previous month's report.	Number of reports submitted within 10 days	Trim email with date & report submitted. Trim no.	12	3	6	9	12	2%
2. Governance	2.1 Support institutional development & transformation	MMPerf15	Performance Management	Revision of KPI indicators during IDP Strategic Process.	Revision of KPI indicators during IDP Strategic Process in October.	Trim nr of report & email request to be placed on agenda.	1			1		2%
2. Governance	2.1 Support institutional development & transformation	MMPerf17	Performance Management	Submission of Annual Performance Report to Auditor-General by 30 August.	APR submitted to Auditor-General by 30 August.	AG proof of receipt. Trim	1		1			2%
2. Governance	2.2 Financial Viability	MMProj18	Project Management	Monthly Dora reports submitted by the 10th working day of every month to Prov MIG.	Number of reports submitted within 10 days	Email with date & report submitted. Trim	12	3	6	9	12	2%

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Mun KPA	Mun Obj	Ref2	Department	Key Performance Indicator	Unit of Measurement	Source of Evidence	Annual Target 2021/22	1st Quarter Target	2nd Quarter Target	3rd Quarter Target	4th Quarter Target	Senior Management Weight
2. Governance	2.2 Financial Viability	MMProj19	Project Management	Quarterly update of 5 yr infrastructure investment plan	Existing 5 yr infrastructure investment plan updated quarterly with inputs from management.	Trim nr of report & email request to be placed on SMM agenda.	4	1	2	3	4	2%
2. Governance	2.1 Support institutional development & transformation	MM15	Municipal Manager	Achievement of at least 80% of departmental kpi's (excluding top layer & Circular 88 indicators) allocated to Municipal Manager Directorate (39 indicators)	80% of departmental indicators achieved at period end (cumulative)	Performance system report	80%	80%	80%	80%	80%	10%

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ANNEXURE B

PERSONAL DEVELOPMENT PLAN 2021/2022: D NASSON								
Municipal Manager								
Date of Entry	Skill required / performance gap	Outcomes Expected (what will achieve)	Suggested Training and / or activity and mode of delivery	Suggested Time Frames / completion date	Work Opportunity Created to Practice Skill / Development Area	Support Person	Signature of Employee	Comments at next Review
01 July 2021	Continuous Professional Development	Keep abreast of technology best practice, etc.	Attendance of relevant congresses, seminars, forums, etc.	30 June 2022	Technical knowledge	Self		


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Competency Framework

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Annexure C – Performance Scorecard

CORE COMPETENCY FRAMEWORK

The performance of Section 57 Managers should be assessed in terms of Core Competency Requirements (CCRs) as required by the Regulations of Section 57 Managers. These competencies describe general managerial and occupational skills. The assessment of these competencies will account for **twenty percent** of the total employee assessment score. The bold CCR's are compulsory for all managers.

Annexure B describes the different proficiency levels for each Core Competency Requirements (CCRs) and should therefore form part of this section of the Performance Plan.

Core Managerial Skill	Select prof. level (refer Annexure B)	Definition	Weight
Strategic Leadership and Management		Skills to be able to provide a vision, set the direction for the municipality or department and inspire others in order to deliver on the municipality's mandate	2
Programme and project management		Skills to enable the individual to plan, manage, monitor and evaluate specific activities in order to ensure that policies are implemented and that local government objectives are achieved	2
Financial Management		Skills required to manage projects and/or department work within the constraints of a budget. This includes being able to plan a budget at the beginning of the financial year, controlling costs throughout the year by allocating resources appropriately and understanding and anticipating the impact of other departments on own budget and adopting where necessary.	2
Change Management		Skills to initiate and support municipal transformation and change in order to implement new initiatives successfully and deliver on service delivery commitments.	2
Knowledge management		This includes the working knowledge of Council regulations, by-laws and policies, National, Provincial and Local Government structures and applicable legislation.	2
Problem solving and analytical thinking		Be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner	2
People and diversity management		Skills to manage and encourage people, optimise their outputs and effectively manage relationships. This includes holding regular meetings with his/ her team so that information can be shared and so that the team is aware of decisions that may affect them. It also involves distributing workloads so that individual skills are used appropriately and so that the work is evenly spread, making sure that the team has the necessary tools and resources in order to do their work and motivating the team so that they are committed to achieving the goals of the department and ultimately the municipality	2
Client orientation and customer focus		Whether providing a service to an internal or external customer this means trying to determine the needs of the customer and then meeting those needs. At a minimum employees are required to react to queries, keeping promises, being honest in all their dealings, adhering to policies, procedures and delegations, keeping the client up to date, being friendly and helpful and solving	2

Annexure C – Performance Scorecard

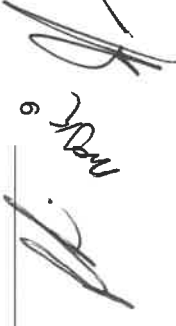
Core Managerial Skill	Select prof. level (refer Annexure B)	Definition	Weight
		problems quickly and without argument. Ideally managers are required to be proactive by trying to understand needs of the customer and providing an appropriate service based on these underlying needs	
Service delivery innovation		This is about wanting to work well to achieve a high standard by trying to improve on the way things are done and by working towards achieving the work objectives. It is also about putting plans into action, meeting deadlines, taking initiative and solving problems to make sure that things get done. Employees do not wait to be told to do something but rather are encouraged to use their initiative to make sure that things get done accurately and efficiently.	2
Communication		Skills to be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.	
Accountability and ethical conduct		Must be able to display and build the highest standards of ethical and moral conduct in order to promote confidence and trust in the municipality	2
Total			20




Competency area	Competencies required	Knowledge and Skills
2. Strategic financial management	Within the area of responsibility, the ability to support an effective, economic and efficient finance function. The ability to forecast revenue and expenditure, and assessing the impact thereof on the financial position and performance, within the area of responsibility.	- Supporting the implementation of finance strategies, which enhance good financial management and decision-making practices within the area of responsibility. - Supporting the implementation of financial policies, systems, guidelines instructions and related policies to ensure efficient and effective financial administration and control. - Within the area of responsibility, managing the control of assets according to policies and procedures. - Supporting the budget process, including preparing information supporting budget estimates and identifying priorities and mandates for programmes in alignment with the integrated development plan (IDP). - Supporting the accounting officer to oversee the financial management, tax implications and performance of service delivery mechanisms (internal and external (including municipal entities in the case of a municipality)) and outsourced service agreements within the area of responsibility. - Supporting the accounting officer with the preparation of multi-year revenue and expenditure forecasts, strategic plans, budgets and estimates and advising the impact thereof on service delivery, performance and financial position within the area of responsibility. - Advise the accounting officer of resource requirements to implement strategies and goal within the area of responsibility.

Competency area	Competencies required	Knowledge and Skills
3. Operational financial management	Within the area of responsibility, the ability to implement financial systems.	• For purposes of the area of responsibility, formulating and contributing to specifications of appropriate and accurate financial operating systems. • Analysing regular reports, within the area of responsibility, relating to the measurement and monitoring of financial information and performance, including the implementation of the budget and service delivery and budget implementation plan (SDBIP). • Implement adequate control of financial operating systems within the area of responsibility. • Regular review of the efficiency and effectiveness of financial operating systems to align with changing needs within the area of responsibility.
	The ability to understand the importance of maintaining sufficient working capital (cash flow/short term liquidity) to meet the requirements of the area of responsibility.	• Within the area of responsibility, monitoring and advising the accounting officer of changes that may affect the working capital. • Within the area of responsibility contributing to the prioritisation of working capital to align with strategies and goals. • Within the area of responsibility contribute to decisions regarding borrowing and the significance thereof to service delivery programmes. • Within the area of responsibility, applying 'best practice' risk management practices to the management of working capital.
	The ability to contribute to the budget preparation and implementation process.	• Providing technical inputs relating to the area of responsibility, with the preparation and implementation of the budget. • Within the area of responsibility, implementing the budget • In the case of a municipality, supporting the accounting officer to ensure that the budget process relating to the area of responsibility aligns the budget and related policies to the Integrated Development Plan (IDP) and service delivery and budget implementation plan (SDBIP) of the municipality OR • in the case of a municipal entity, supporting the accounting officer to ensure that the budget process relating to the area of responsibility aligns the budget and related policies to the strategic plan of the entity and service delivery agreement (SDA) and integrated development plan (IDP) of its parent municipality • Within the area of responsibility, knowledge of financial planning, budgeting and forecasting and the interrelation thereof.

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Competency area	Competencies required	Knowledge and Skills
4. Governance, ethics & values in financial management	The ability to support and implement good governance in the area of responsibility.	• Support and implement clear roles and responsibilities, separation of powers and regular reporting lines for all role players within the area of responsibility to ensure transparency and accountability. • Knowledge and understanding of governance and ethics in financial management, embodied in the King Report on Corporate Governance, as it applies to the local government legal framework. • Within the area of responsibility, promoting the generation and sharing of knowledge and learning to enhance the collective knowledge, capacity and skills of officials and councillors or directors • Support the formulation of and implement the codes of conduct for all role players within the area of responsibility, which shall as a minimum include financial management, supply chain management and the codes of conduct set out in the Local Government: Municipal Systems Act. • Support the implementation of systems to encourage and enforce good governance, ethics and the codes of conduct. These systems could include mechanisms to report misconduct, fraud, corruption, favouritism and non-compliance with legislation and disclosure of conflicts of interest, inducements, rewards, gifts, hospitality and favours. Ensuring that investigations are conducted within 30 days of discovery of allegations and that cases that may constitute a criminal offence are reported to the South African Police Service. • Ensuring that codes of conduct, roles and responsibilities and reporting lines are clearly communicated, understood and observed by all role players within the area of responsibility. • Leading by example and promoting high standards of ethical behaviour by acting with fidelity, honesty, integrity and in the best interests of the municipality and maintaining the confidentiality of information.

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Competency area	Competencies required	Knowledge and Skills
5. Financial and performance reporting	The ability to support the implementation of the financial reporting process of the municipality.	• Knowledge and understanding of the legislative framework governing financial reporting in local government. • Supporting and contributing to the timely preparation, submission and publication of statutory reports, including the annual financial statements, annual report, in-year reporting (e.g. in the case of a municipality monthly (section 71) and mid-year (section 72)), withdrawals from bank accounts (section 11(4)) etc). • Within the area of responsibility, ensuring that the content of financial reporting is specific (unambiguous), measurable, accurate and valid, reliable and time specific. • Support the accounting officer to analyse and evaluate the financial reports to understand the impact on, and to guide planning in respect of, strategies and goals including the financial position, borrowings, performance, implementation of the annual budget and service delivery and budget implementation plan (SDBIP), tariff-, rates-, credit control, debt collection-, supply chain management-, and other relevant policies. • Within the area of responsibility to generate, analyse and evaluate cost-management reports for all programmes and/or projects to review departmental performance.
	The ability to support the implementation of the performance reporting process of the municipality.	• Knowledge and understanding of the local government legislative framework governing performance reporting. • Within the area of responsibility, supporting, implementing and maintaining the performance management system. In the case of a municipal entity also supporting and contributing to the regular monitoring, measuring, reviewing and reporting of the entity's performance to its parent municipality • Contribute to the timely preparation, submission and publication of statutory reports relating to performance. For example the annual performance report (section 121(3) and (4) of the MFMA), mid-year performance reporting (sections 72 of the MFMA) of a municipality and in the case of a municipal entity, an assessment of the entity's performance (section 121(4) of the MFMA), mid year performance reporting (section 88 of the MFMA), etc. • Within the area of responsibility, ensure that the content of performance reporting is specific (unambiguous), measurable, accurate and valid, reliable and time specific. • Within the area of responsibility, analyse and evaluate the performance reports to understand the impact on, and to guide planning in respect of, strategies and goals including the implementation of the budget and service delivery and budget implementation plan (SDBIP) and policies. • Within the area of responsibility, analyse and evaluate the performance of: 1. Service delivery mechanisms (internal and external) and outsourced service agreements against performance targets; and 2. In the case of a municipality, of each of its municipal entities against the service level agreement and performance targets for that entity

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		• Within the area of responsibility, ensuring that there is a link between the performance indicators and targets and the integrated development plan (IDP), service delivery and budget implementation plan (SDBIP) and the individual performance agreements of officials. • Within the area of responsibility, ensuring that the remuneration and appraisal system is performance based and that all performance bonuses are only awarded after consideration of actual performance of the municipality against the performance targets for a specific period. • Regularly benchmark the performance of the area of responsibility against the performance of functions of similar and/or comparable municipalities to improve and guide in the planning and delivery of services.
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Competency area	Competencies required	Knowledge and Skills
6. Risk and change management	The ability to understand risk and guide the management of risk for the municipality within the area of responsibility.	- Contributing to and supporting the accounting officer with the establishment and maintenance of effective, efficient and transparent systems of financial and risk management and internal control - Contributing to and supporting the accounting officer with the implementation of a risk management- and fraud prevention plan - Contributing to and supporting the accounting officer with regular risk assessments and ensuring that risks are prioritised according to highest versus lowest potential risk - Mitigating risks within the area of responsibility in accordance with the prioritisation of risk - Ensuring that the management of risk (including the possible transfer of risk) within the area of responsibility, includes consideration of potential risks relating to mechanisms for service delivery (both internal and external), outsourced service agreements. In the case of a municipality it must also consider its municipal entities and Public-and-Private Partnerships (PPPs) and the transferring of funds to organisations and bodies outside government. - Analysing the reports of the internal audit unit and the audit committee applicable to the area of responsibility when considering risk and risk management
	The ability to guide the management of change for the municipality within the area of responsibility.	- Understanding the local government environment (including legislative, social, political and economic) and the ability to analyse the financial and non-financial impact of changes in the external and internal environment that could affect the municipality/municipal entity and recognising when this necessitates change - Managing and implementing change management within the area of responsibility - The ability to be proactive and find creative and innovative solutions to change - Consultation with and management of various stakeholders particular to the change - Managing and resolving any resistance to change - Contributing and supporting the accounting officer with the alignment of strategies and goals with the need for change

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Competency area	Competencies required	Knowledge and Skills
7. Project management	The ability to provide direction and guide project management within the area of responsibility	• Knowledge and understanding of project budgeting, human resource management, change management, negotiation skills, service delivery mechanisms (internal and external) and outsourced service agreements (including in the case of a municipality Public-and-Private Partnerships (PPPs)), and the legal framework particular to the area of responsibility • Within the area of responsibility, knowledge and basic understanding of the operation and technical workings of local government services and facilities • Supporting the accounting officer to analyse, evaluate and select project proposals. This includes, within the area of responsibility, aligning the selection of projects and project outcomes with the integrated development plan (IDP), the budget and service delivery and budget implementation plan (SDBIP) • Within the area of responsibility, ensuring an analytical and methodical structuring of projects and project planning. This is to ensure adequate control over projects and the efficient, effective and economic implementation and completion thereof to a high quality and standard • Oversee and manage the establishment of project- and contract management capacity within the area of responsibility. This includes building capacity through appropriate training and the allocation of resources. • Ensuring clear lines of accountability, regular monitoring, measuring and reporting on the performance of projects and contracts within the area of responsibility, including regular reporting to the accounting officer • Within the area of responsibility, ensuring regular reporting by external mechanisms and all contractors and service providers, including the availability of adequate information for the municipality to meet its statutory reporting obligations • Contributing to and supporting the accounting officer with the establishment and maintenance of a contract register • Contributing to and supporting the accounting officer to establish a contract management process to ensure that, prior to their commencement, contracts and amendments to contracts are in writing, include appropriate contract terms and conditions (including section 116 contract requirements (MFMA)) and contain performance based contract remuneration • Oversee the implementation of project plans within the area of responsibility • Contributing to the resolution of problems and disputes within the area of responsibility, as and when required • Supporting the accounting officer in consulting and securing stakeholder and community support for, and involvement in projects where relevant.

Competency area	Competencies required	Knowledge and Skills
8. Legislation, policy and implementation	The ability to support and contribute to the formulation of policy and in the case of a municipality also By-laws	• Knowledge and understanding of the municipality's environment (internal and external), the Constitution, national and provincial legislation and policy, and the legislative framework governing local government as well as the municipality's By-laws and policies • Excellent verbal communication and writing skills and an ability to research and analyse complex information • Supporting the accounting officer and contributing to the process of adopting policies and making By-laws. This includes advising accounting officer on the financial and non-financial impact of proposed policies and By-laws OR in the case of a municipal entity supporting the accounting officer and contributing to the process of adopting policies including advising on the financial and non-financial impact of proposed policies • Supporting the accounting officer and contributing to the administrative aspects of the process for adopting policies and in the case of a municipality also making By-laws. • Supporting the accounting officer and contributing to the conceptualisation, formulation and drafting of policies and in the case of a municipality also By-laws in alignment with the integrated development plan (IDP), the Constitution, national and provincial legislation and policy, and the legislative framework governing local government, having regard to cooperative government. This process should include consideration of and alignment with existing policies and By-laws and be within budget constraints.
	The ability to implement, manage and oversee the implementation of legislation and policy within the area of responsibility	• Implementing and overseeing the implementation and enforcement of policies and By-laws, within the area of responsibility • Supporting the accounting officer and contributing to the establishment and maintenance of a register of non-compliance with legislative requirements. This includes, within the area of responsibility, regularly reporting these to the accounting officer and other role players. For example, instances of non-compliance with the MFMA are required to be reported to the National Treasury • Regularly monitor and report to accounting officer on the implementation of policies and compliance with legislative requirements • Regularly reviewing and, where necessary, proposing to the accounting officer amendment of policies and in the case of a municipality also By-laws and, within the area of responsibility, to ensure their relevance and alignment with the strategies and goals • Within the area of responsibility, monitor and ensure enforcement of municipal By-laws, including penalties and fines for non-compliance • For purposes of the area of responsibility, regularly consider the impact of amendments to the Constitution, national and provincial legislation and policy, and the legislative framework governing local government on the municipality's By-laws and policies

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Competency area	Competencies required	Knowledge and Skills
9. Stakeholder relations	Within the area of responsibility, the ability to guide, establish and maintain appropriate stakeholder relations.	• Within the area of responsibility, knowledge and understanding of stakeholders and recognising the varying relations required with stakeholders and the impact on the municipality and the municipality's impact on its stakeholders. • Within the area of responsibility, establishing and maintaining effective and relevant external stakeholder relations. This would include relations with the community, local businesses, public benefit organisations and other spheres of government including neighbouring municipalities and relations for purposes of external service delivery mechanisms, outsourced service agreements, etc and, in the case of a municipality, Public-Private Partnerships (PPPs) • Within the area of responsibility, establishing and maintaining clear roles and responsibilities, service levels, reporting lines and communications with the accounting officer, senior managers and other departments within the municipality and in the case of a municipality also with its municipal entities, to ensure effective and relevant internal stakeholder relations. • Within the area of responsibility, ensuring stakeholder consultation (internal and external) and advising the accounting officer on stakeholder consultation as envisaged and required by the Municipal Systems Act and the MFMA. This includes managing stakeholder expectations.

Competency area	Competencies required	Knowledge and Skills
10. Supply Chain Management	The ability to contribute to the supply chain management function	• Knowledge and understanding of the legislative framework governing the supply chain management function (including the Municipal Supply Chain Management Regulations, the Preferential Procurement Policy Framework Act, 2000, etc) • Within the area of responsibility, implementing and monitoring delegations for supply chain management powers and duties in accordance with the Municipal Supply Chain Management Regulations. • Implementing and managing the implementation and enforcement of the supply chain management policy within the area of responsibility to ensure supply chain management that is fair, transparent, competitive and cost effective • Within the area of responsibility, contributing to and maintaining registers to support the supply chain management function, including details of all tenders received and awarded, disclosure of sponsorships, inducements, rewards, gifts and favours, awards to close family members and persons in the service of the state, etc. • Supporting the accounting officer with the resolution of supply chain management related disputes, objections, complaints and queries as they relate to the area of responsibility • Within the area of responsibility, ensuring that unsolicited bids are considered in accordance with the framework contained in the Municipal Supply Chain Management Regulations • Implementing and monitoring measures to combat abuse of the supply chain management system, fraud, corruption, favouritism and unfair and irregular practices

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Competency area	Competencies required	Knowledge and Skills
11. Audit and Assurance	The ability to support the audit process, in order to obtain the optimum level of assurance from the Auditor-General	• Within the area of responsibility, providing administrative support and ensuring access of the internal audit unit, audit committee and the Auditor-General to the financial records and all relevant information of the municipality or municipal entity to enable them to perform their respective functions • Analysing the reports and advice of the internal audit unit, audit committee and Auditor-General, providing appropriate management responses and taking appropriate action as it relates to the area of responsibility • Contribute to the timely preparation of accurate annual financial statements for auditing and the annual report(s) for the municipality and/ or its entities to the Auditor-General (refer chapter 12 of the MFMA). In the case of a municipality with sole/ effective control of a municipal entity this includes consolidated financial statements of the municipality and such municipal entities. • Within the area of responsibility, ensuring and managing appropriate communication with the Office of the Auditor-General • During the audit, timeously responding to and coordinating responses within the area of responsibility to audit queries and requests for additional information • The audit process provides the municipal council, the board of directors and stakeholders with the level of assurance that can be placed on finances. Senior managers, in conjunction with the accounting officer, should consistently ensure improvement of financial management practices of the municipality and/ or municipal entities to strive to obtain the optimum level of assurance from the Auditor-General.