

# **PERFORMANCE AGREEMENT**

**Made and entered into by and between**

**the Executive Authority of  
Thabazimbi Local Municipality  
("the Municipality")  
herein represented by the Mayor  
Councillor N L Matlou**

**and**

**Mr TSR Nkhumise  
the Municipal Manager Manager of  
Thabazimbi Local Municipality  
("the Manager")**

**for the financial year:  
1 July 2009 to 30 June 2010**

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**WHEREBY IT IS AGREED AS FOLLOWS:****1. INTRODUCTION**

- 1.1 The Municipality has, in terms of Section 57(1)(a) of the Local Government: Municipal Systems Act, No. 32 of 2000 ("the Systems Act") entered into a contract of employment with the Manager for a period of 5 years, commencing on .....01 March 2007
- 1.2 Section 57(1)(b) of the Systems Act, read with the contract of employment concluded between the Parties, require the Parties to conclude an annual performance agreement.
- 1.3 The Parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Manager to a set of outcomes that will secure local government policy goals.
- 1.4 The Parties wish to ensure that there is compliance with Sections 57(4A), (4B) and (5) of the Systems Act as well as the contract of employment entered into between the Parties.
- 1.5 In this Agreement the following words will have the meaning ascribed thereto:

"this Agreement" - means the performance agreement between the Municipality and the Manager and the annexures thereto.

"the Executive Authority" - means the Executive Committee of the Municipality constituted in terms of Section 43 of the Local Government: Municipal Structures Act as represented by its chairperson, the Mayor.

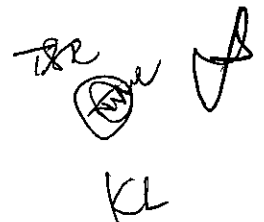
"the Manager" – means the Municipal Manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, No. 117 of 1998.

"the Municipality" – means the Thabazimbi Local Municipality.

"the Parties" - means the Municipality and the Manager.

**2. PURPOSE OF THIS AGREEMENT**

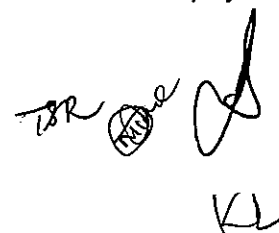
- 2.1 The Parties agree that the purposes of this Agreement are to:
- 2.1.1. comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as well as the contract of employment entered into between the Parties;
- 2.1.2. specify objectives and targets defined and agreed with the Manager and to communicate to the Manager the Municipality's expectations of the Manager's performance and accountability in alignment with the Integrated Development Plan (IDP), the Service Delivery Budget Implementation Plan (SDBIP) and the budget of the Municipality;
- 2.1.3. specify accountabilities as set out in Annexure A;


  
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- 2.1.4. monitor and measure performance against targeted outputs and outcomes;
- 2.1.5. use Annexures A, B and C as a basis for assessing the Manager for permanent employment and/or to assess whether the Manager has met the performance expectations applicable to his/her job;
- 2.1.6. appropriately reward the Manager in accordance with the Municipality's performance management policy in the event of outstanding performance;
- 2.1.7. establish a transparent and accountable working relationship; and
- 2.1.8. give effect to the Municipality's commitment to a performance-orientated relationship with its Manager in attaining equitable and improved service delivery.

### 3. COMMENCEMENT AND DURATION

- 3.1 Notwithstanding the date of signature this Agreement will commence on **1 July 2009** and will remain in force until a new performance agreement including a Performance Plan and Personal Development Plan is concluded between the Parties as contemplated in Clause 3.2
- 3.2 The Parties will review the provisions of this Agreement during June each year. The Parties will conclude a new performance agreement including a Performance Plan and Personal Development Plan that replaces this Agreement at least once a year by not later than the 31<sup>st</sup> of July each year.
- 3.3 The payment of the performance bonus is determined by the performance score obtained during the 4<sup>th</sup> quarter annual performance assessment as informed by the quarterly performance assessments.
- 3.4 The payment of a performance bonus for the year in which the Manager's contract of employment expires will be done as set out in clause 3.3 and the bonus so determined will be paid to the Manager on the last day of his/her employment or, subject to legal requirements, as soon as possible thereafter.
- 3.5 In the event of the Manager commencing or terminating his services with the Municipality during the validity period of this Agreement, the Manager's performance for the portion of the period referred to in clause 3.1 during which he was employed, will be evaluated and he will be entitled to a pro rata performance bonus based on his evaluated performance and the period of actual service.
- 3.6 The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon by the Parties.
- 3.7 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.
- 3.8 This Agreement will terminate on the termination of the Manager's contract of employment for any reason.



#### 4. PERFORMANCE OBJECTIVES

4.1 The Performance Plan in **Annexure A** sets out:

4.1.1 the performance objectives and targets which must be met by the Manager; and

4.1.2 the time frames within which those performance objectives and targets must be met.

4.2 The Personal Development Plan in **Annexure B** sets out the Manager's personal developmental requirements in line with the objectives and targets of the Municipality.

4.3 The Core Competency Requirements (CCRs) reflected in **Annexure C** set out those management skills regarded as critical to the position held by the Manager.

4.4 The performance objectives and targets reflected in Annexure A are set by the Executive Authority in consultation with the Manager and based on the IDP, the SDBIP and the budget of the Municipality, and include key objectives, key performance areas, target dates and weightings.

4.5 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 time frame in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.

4.6 The Manager's performance will, in addition, be measured in terms of contributions to the development objectives and strategies set out in the Municipality's Integrated Development Plan.

#### 5. PERFORMANCE MANAGEMENT SYSTEM

5.1 The Manager agrees to participate in the performance management system that the Municipality adopts or introduces for the municipal management and municipal staff of the Municipality.

5.2 The Manager accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the municipal management and municipal staff to perform to the standards required.

5.3 The Executive Authority will consult the Manager about the specific performance standards that will be included in the performance management system as applicable to the Manager.

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5.4 The Manager undertakes to actively focus towards the promotion and implementation of his/her Key Performance Areas as set out in Annexure A including special projects relevant to the Manager's responsibilities within the local government framework.

**6. PERFORMANCE ASSESSMENT**

The performance of the Manager will be assessed against the outputs and outcomes achieved in terms of his/her Key Performance Areas (KPA's) as fully described in Annexure A and his/her Core Competency Requirements (CCRs) determined at the commencement of this Agreement with a weighting of 80:20 allocated to the KPA's and CCRs respectively. Therefore the KPA's that refer to the main tasks of the Manager account for 80% of his/her assessment while the CCRs make up the other 20% of the Manager's assessment score.

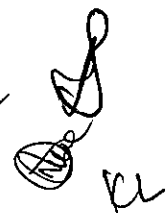
The weightings agreed to in respect of the Manager's KPA's attached as Annexure A are set out in the table below:

| KEY PERFORMANCE AREAS (KPA'S)                                       | WEIGHT     |
|---|------------|
| Municipal transformation and institutional development              | 16         |
| Basic services delivery   | 16         |
| Local Economic Development  | 16         |
| Financial viability and financial management                        | 16         |
| Good governance, public participation, accountability, transparency | 16         |
|   |            |
|   |            |
|   |            |
|   |            |
|   |            |
|   |            |
|   |            |
| <b>TOTAL PERCENTAGE</b>   | <b>80%</b> |

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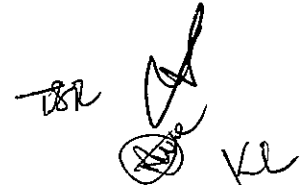
The weightings agreed to in respect of the CCRs considered most critical for the Manager's position and further defined in Annexure C are set out in the table below:

| CORE COMPETENCY REQUIREMENTS - CCRs  |            |            |
|--|------------|------------|
| CORE MANAGERIAL COMPETENCIES (CMC)   | CHOICE     | WEIGHT     |
| Strategic Capability and Leadership  |            | 4          |
| Programme and Project Management   |            |            |
| Financial Management   | compulsory | 4          |
| Change Management  |            |            |
| Knowledge Management   |            |            |
| Service Delivery Innovation  |            |            |
| Problem Solving and Analysis   |            | 2          |
| People Management and Empowerment  | compulsory | 2          |
| Client Orientation and Customer Focus  | compulsory | 2          |
| Communication  |            |            |
| Honesty and Integrity  |            |            |
|  |            |            |
| CORE OCCUPATIONAL COMPETENCIES (COCs)  |            |            |
| Competence in Self Management  |            |            |
| Interpretation of and implementation within the legislative and national policy frameworks |            |            |
| Knowledge of Developmental Local Government  |            |            |
| Knowledge of Performance Management and Reporting  |            | 2          |
| Knowledge of Global and SA specific political, social and economic contexts                |            |            |
| Competence in Policy Conceptualisation, Analysis and Implementation                        |            |            |
| Knowledge of more than one functional municipal field or discipline                        |            | 2          |
| Mediation Skills   |            |            |
| Governance Skills  |            | 2          |
| Competence as required by other national line sector departments                           |            |            |
| Exceptional and dynamic creativity to improve the functioning of the Municipality          |            |            |
|  |            |            |
| <b>TOTAL PERCENTAGE</b>  |            | <b>20%</b> |

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The assessment of the performance of the Manager will be based on the following levels for KPAs and CCRs:

| LEVEL | TERMINOLOGY                                  | DESCRIPTION   | RATING |   |   |   |   |
|-------|--|---|--------|---|---|---|---|
|       |  |   | 1      | 2 | 3 | 4 | 5 |
| 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     | Performance 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.   |        |   |   |   |   |
| 2     | 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 indicates 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. |        |   |   |   |   |


  
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An indicative rating on the five-point scale should be provided for each KPA and CCR using the following as guidance:

|   |                     |
|---|---------------------|
| 1 | Unacceptable        |
| 2 | Not fully effective |
| 3 | Fully effective     |
| 4 | Above expectations  |
| 5 | Outstanding         |

Each KPA and CCR 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 to determine which rating on the five-point scale did the Manager achieved. The following criteria could assist:

|                     |  |
|---------------------|--|
| Duration of task    | - Was the target achieved within the projected time frame?   |
| Level of complexity | - Required problem solving<br>- Reconciling different perceptions<br>- Innovative alternatives used  |
| Cost                | - within budget<br>- saving<br>- overspending  |
| Constraints         | - Did envisaged constraints materialise?<br>- If so, were steps taken to manage/reduce the effect of the constraint?<br>- If not, did it beneficially affect the completion of the target?<br>- Any innovative/pro-active steps to manage the constraint |

Annexure B may be used as the basis for progress discussions by the Municipality.

An applicable assessment rating calculator must be used to add the KPA and CCR scores and calculate final KPA and CCR percentages.

## 7. PANEL AND SCHEDULE FOR PERFORMANCE ASSESSMENTS

An assessment panel consisting of the following persons must be established to evaluate the annual performance of the Manager at the end of the 4th quarter:

- Mayor
- Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee
- A ward committee member as nominated by the Mayor

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- A member of the Executive Committee and the portfolio committee chairpersons
- The Mayor and/or Municipal Manager of another municipality

In addition the following assessments may also form part of the annual performance evaluation at the end of the 4th quarter if so agreed between the Parties:

- The Manager (own assessment)
- The section 57 managers directly accountable to the Manager

The performance of the Manager will be assessed in relation to his/her achievement of:

- the targets indicated for each KPA in Annexure A;
- the CCRs as defined in Annexure C

on a date to be determined for each of the following quarterly periods:

|                         |   |                     |
|-------------------------|---|---------------------|
| 1 <sup>st</sup> Quarter | - | July to September   |
| 2 <sup>nd</sup> Quarter | - | October to December |
| 3 <sup>rd</sup> Quarter | - | January to March    |
| 4 <sup>th</sup> Quarter | - | April to June       |

Assessments in the first and third quarter may be verbal if the Manager's performance is satisfactory.

The Municipality will keep a record of the mid-year and annual assessment meetings.

The Municipality may appoint an external facilitator to assist with the annual assessment.

The manager responsible for the corporate services of the Municipality must provide secretariat services to the evaluation panel for the annual performance assessment.

## 8. EVALUATING PERFORMANCE

The Manager will submit quarterly performance reports and a comprehensive annual performance report prior to the performance assessment meetings to the Executive Authority.

The Executive Authority will give performance feedback to the Manager after each quarterly and the annual assessment meetings.

The evaluation of the Manager's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

At the end of the 4<sup>th</sup> quarter, the Executive Authority will determine if the Manager is eligible for a performance bonus as envisaged in his/her contract of employment.

A performance bonus of between 5% and 14% of the all-inclusive remuneration package may be paid to the Manager in recognition of above average or outstanding performance, which is constituted as follows:

A score of 75% to 100% is awarded a performance bonus ranging from 10% to 14%; and  
A score of 65% to 74% is awarded a performance bonus ranging from 5% to 9%

as further set out in **Annexure D** hereto.

The results of the annual assessment and the scoring report of the Manager for the purposes of bonus allocation, if applicable, will be submitted to the Executive Authority for a recommendation to the full Council.

Personal growth and development needs identified during any performance assessment discussion, must be documented in the Manager's Personal Development Plan as well as the action steps and set time frames agreed to.

Despite the establishment of agreed intervals for assessment, the Executive Authority may, in addition, review the Manager's performance at any stage while his/her contract of employment remains in force.

The Executive Authority will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Manager will be fully consulted before any such change is made.

The provisions of Annexure "A" may be amended by the Executive Authority when the Municipality's performance management system is adopted, implemented and/or amended as the case may be subject to clause 5.3.

## 9. OBLIGATIONS OF THE MUNICIPALITY

The Municipality will create an enabling environment to facilitate effective performance by the Manager.

The Manager will be provided with access to skills development and capacity building opportunities.

The Municipality will work collaboratively with the Manager to solve problems and generate solutions to common problems that may impact on the performance of the Manager.

The Municipality will make available to the Manager such resources including employees as the Manager may reasonably require from time to time to assist him to meet the performance objectives and targets established in terms of this Agreement; provided that it will at all times remain the responsibility of the Manager to ensure that he complies with those performance obligations and targets.

The Manager will, at his request, be delegated such powers by the Municipality as may in the discretion of the Municipality be reasonably required from time to time to enable him to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

- 10.1 The Executive Authority agrees to consult the Manager within a reasonable time where the exercising of the Executive Authority's powers will –
- 10.1.1 have a direct effect on the performance of any of the Manager's functions;
  - 10.1.2 commit the Manager to implement or to give effect to a decision made by the Executive Authority;
  - 10.1.3 have a substantial financial effect on the Municipality.
- 10.2 The Executive Authority agrees to inform the Manager of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable, to enable the Manager to take any necessary action without delay.

## 11. CONSEQUENCE OF UNACCEPTABLE OR POOR PERFORMANCE

- 11.1 Where the Executive Authority is, at any time during the Manager's employment, not satisfied with the Manager's performance with respect to any matter dealt with in this Agreement, the Executive Authority will give notice to the Manager to attend a meeting with the Executive Authority.
- 11.2 The Manager will have the opportunity at the meeting to satisfy the Executive Authority of the measures being taken to ensure that the Manager's performance becomes satisfactory in accordance with a documented programme, including any dates, for implementing these measures.
- 11.3 The Municipality will provide systematic remedial or developmental support to assist the Manager to improve his/her performance.
- 11.4 If, after appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Executive Authority holds the view that the performance of the Manager is not satisfactory, the Municipal Council will, subject to compliance with applicable labour legislation, be entitled by notice in writing to the Manager, to terminate the Manager's employment in accordance with the notice period set out in the Manager's contract of employment.
- 11.5 Where there is a dispute or difference as to the performance of the Manager under this Agreement, the Parties will confer with a view to resolving the dispute or difference.
- 11.6 Nothing contained in this Agreement in any way limits the right of the Municipality to terminate the Manager's contract of employment with or without notice for any other

breach by the Manager of his obligations to the Municipality or for any other valid reason in law.

## 12. DISPUTES



- 12.1 In the event that the Manager is dissatisfied with any decision or action of the Executive Authority in terms of this Agreement, or where a dispute or difference arises as to the extent to which the Manager has achieved the performance objectives and targets established in terms of this Agreement, the Manager may meet with the Executive Authority with a view to resolving the issue. At the Manager's request the Executive Authority will record the outcome of the meeting in writing.
- 12.2 If any dispute about the nature of the Manager's performance agreement whether it relates to key responsibilities, priorities, methods of assessment or any other matter provided for as well as the outcome of the Manager's performance evaluation, cannot be resolved through an internal mechanism as contemplated above, the dispute will be mediated by the MEC for local government in the province or any other person designated by the MEC within thirty (30) days of receipt of a formal dispute from the Manager, whose decision shall be final and binding on the Parties.
- 12.3 In the event that the mediation process contemplated above fails, the relevant arbitration clause of the contract of employment will apply.

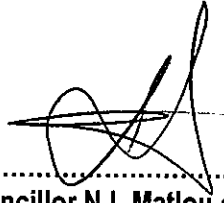
## 13. GENERAL

- 13.1 The contents of this Agreement and the outcome of any review conducted in terms of Annexure "A" will not be confidential, and may be made available to the public by the Municipality.
- 13.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Manager in terms of his/her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 13.3 The performance assessment results of the Manager must be submitted to the MEC responsible for local government in the province as well as the national minister responsible for local government within fourteen (14) days after the conclusion of the assessment.

Signed at THABAZIMBI on this 17<sup>th</sup> day of DECEMBER 2009.

**As Witnesses:**



1.  .....
2.  .....

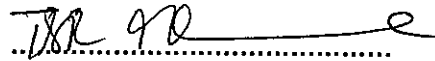


.....  
Councillor N L Matlou obo the  
Executive Authority of the  
Thabazimbi Local Municipality

Signed at Thabazimbi on this 17 day of December 2009.

**As Witnesses:**

1.  .....
2.  .....



.....  
Mr TSR Nkhumise  
Municipal Manager of the  
Thabazimbi Local Municipality

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# MUNICIPAL MANAGER SCORECARD 2009-2010

Annexure A

| Key Performance Area   | Related Prog(Goal)                     | Baseline   | Inputs                                      | Outputs  | Outcome   | Risks/Constraints  | Perf. Indicator/Target  | Date                  | Resp.                   | Progress |
|--|--|--|---|--|---|--|---|-----------------------|-------------------------|----------|
| 1. Municipal Transformation and Institutional Development<br>1.1 Organisational Design | Governance                             | Current organisational structure to be reviewed on an annual basis especially in services re-positioned but not implemented or not yet placed                      | Dept. Operational budget, Managers, MM, LIF | Annual audit/review of organisational structure completed  | Improved organisational functioning and services delivery   |  | Annual audit of organisational structure to ensure it is IDP aligned especially addressing services re-allocated but not implemented, i.e. solid waste and parks and services not yet placed, i.e. GIS        | May-10                | Corp Serv, MM, Managers |          |
|  | Organisational Culture & Climate Study | Institutional health of municipality requires continuous assessment of the culture and climate prevalent in the municipality                                       | Dept. Operational budget, Managers, MM      | Culture and climate study for each dept completed  | Enables identification of problem areas, e.g. communication, identification with organisation, diversity management, etc. | Co-operation of all role-players essential                     | One culture and climate study per dept per annum  | Ongoing, QR           | Corp Serv, MM, Managers |          |
| 1.2 General Administration   | Council support                        | Fixed, pre-determined schedule of meetings but sudden changing of dates, postponement of meetings, etc. (inter alia due to late submissions of items and comments) | Dept. Operational budget                    | Administrative support to ensure well functioning of Exco, Council and Portfolio committees  | Sound administration and governance   | Delays in decision-making causing managers' poor performance   | Fixed schedule of all meetings  | Ongoing               | Corp Serv, MM           |          |
|  | Portfolio Committees                   | Portfolio committee meetings except Finance and Planning not taking place  | Dept. Operational budget                    | Accurate minuting of portfolio committee meetings  | Political accountability  | Risk to managers' performance                                  | Minuting of meetings  | Ongoing               | Corp Serv, MM           |          |
|  |  | Agendas and minutes of Council meetings  | Dept. Operational budget                    | Agendas to Councilors in time for proper preparation for meetings and quick writing up of minutes to ensure execution of decisions taken | Sound decision-making & good governance   |  | Agendas of Council meetings despatched adequately prior to the Council meeting. All minutes completed and distributed within 10 working days. Schedule of Council resolutions for action within 2 working day | Ongoing               | Corp Serv, MM           |          |
|  | Administrative Management              | Attendance of meetings as required, e.g. MANCO, PFC, EXCO, Council, etc.   | MM, Managers, Operational budget            | Preparation for and participation in meetings as scheduled   | Knowledge based, sound decision-making  | Unplanned events, e.g. illness or compulsory external meetings | Ongoing preparation for and attendance of meetings with governance and related structures   | July 2009 onwards, QR | MM Managers             |          |
|  | Record Management                      | Record management system not serving the needs of the Municipality - no registry policy, plan and document management system inadequate                            | Corporate Services, MM, Operational budget  | TOR for a record management system and plan to access grant funding  | Adequate administration   |  | Application for funding submitted to DLGH   | Mar-10                | Corp Serv, MM           |          |

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| Key Performance Area   | Related Prog/Goal     | Baseline  | Inputs  | Outputs  | Outcome  | Risks/Constraints                  | Perf. Indicator/Target  | Date               | Resp.                   | Progress |
|------------------------|-----------------------|---|---|--|--|------------------------------------|---|--------------------|-------------------------|----------|
| Fleet management       | Fleet management      | Council vehicles in a reasonable condition  | Corporate Services, Operational budget                | Management system in place   | No misuse of council vehicles                                  |                                    | Submit Council Fleet Management Policy to Council                                     | Jan-10             | Corp Serv, MM           |          |
|                        |                       | No policy on Council fleet  | Corporate Services, Operational budget                | Council policy on Fleet Management approved and implemented                        | Improved service delivery                                      |                                    | Council Fleet Management Policy approved by Council                                   | Mar-10             | Corp Serv, MM, Managers |          |
|                        |                       |   |   |  |  |                                    | Cost analysis of tracking system for future budgetary purposes                        | Mar-10             | Corp Serv, MM           |          |
| 1.3 Human Resources    | Batho Pele Principles | Staff need to buy-in to Batho Pele Principles   | Corporate Services, Managers, Operational budget      | Unpacking of BP Principles   | Proper customer care   |                                    | Each manager to ensure staff understand and committed to Batho Pele Principles        | Ongoing            |                         |          |
|                        |                       | Human resource strategy and plan followed but not documented  | Corporate Services, MM, Operational budget            | An approved and implemented HR Strategy and Plan                                   | Effective human resource planning                              | Process to continue if funds allow | Developed TOR for a HR Strategy and Plan  | Jan-10             | Corp Serv, MM           |          |
|                        |                       | TBZ adopted a prioritised staffing programme to which staffing rolled out as budget allows with 34 positions filled since 1/07/09 | Corporate Services, MM, Managers, Operational budget  | Critical posts identified and filled   | Ensuring organisational capacity and better services delivery  | Co-operation of all role-players   | Develop a plan to fill prioritised posts based on organisational study                | July 2009, ongoing | Corp Serv, Managers, MM |          |
| Staff Retention        | Staff Retention       | Draft staff retention policy  | Corporate Services, operational budget, LLF           | Staff retention policy to be finalised and submitted to Council                    | Scarc skills retained  | Dependant on multiple roleplayers  | Most critical posts advertised and filled   | Ongoing, QR        | Corp Serv, MM, Managers |          |
|                        |                       | Systematic recruitment and selection process optimises staff utilisation  | Corporate Services, MM, Managers, Operational budget  | Proper system maintained for recruitment, selection and appointment processes      | Good administration  | Co-operation of HODs               | HR administrate the process of selection and appointment with transparency in HODs    | Ongoing, QR        | Corp Serv, MM, Managers |          |
|                        |                       | EEPlan to be updated  | Corporate Services, LLF, Operational budget, Managers | A reviewed EEPlan to ensure the required composition and to reflect gender targets | Legal compliance, Good governance, diversified staff component |                                    | Council approved EE Plan  | Jan-10             | Corp Serv, MM           |          |
| 1.4 Employment Equity  | EEPlan                |   |   |  |  |                                    | Implementation and Monitoring of the EEPlan   | QR                 | Corp Serv, MM, Managers |          |
|                        |                       |   |   |  |  |                                    |   |                    |                         |          |
|                        |                       |   |   |  |  |                                    |   |                    |                         |          |
| 1.5 Skills Development | WSP                   | Workplace Skills Plan to be updated annually  | Corporate Services, MM, LLF, Operational budget       | Finalised skills audit   | Trained and developed staff, Legal compliance                  | Interdepartmental co-operation     | Skills audit completed in a way that addresses all shortcomings as identified         | Sep-09             | Corp Serv, MM, Managers |          |
|                        |                       | Workplace Skills Audit in line with organisational study results & added needs  |   | Completed WSP  | Multi-skilling of identified staff                             |                                    | WSP completed with courses identified to address shortcomings and submitted to LSSETA | Sep-09             | Corp Serv, MM           |          |
|                        |                       | Council being qualified electricians and plumbers due to non-market related remuneration.   | Corporate Services, LLF, Operational budget           | Scarc skill policy developed   | Retention and attraction of qualified staff                    |                                    | Scarc skills policy submitted to Council  | Jun-10             | Corp Serv, MM           |          |

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| Key Performance Area                    | Related Prog/Goal    | Baseline  | Inputs                                   | Outputs   | Outcome   | Risks/Constraints                      | Perf. Indicator/Target  | Date  | Resp.  | Progress |
|---|----------------------|---|--|---|---|--|---|---|--|----------|
|   | Councillor training  | Assistance with training of Councillors   | Corp Serv, Councillors, Service Provider | Courses for councillors identified and submitted to Council for approval and thereafter implemented   | Capacitated Councillors   |  | Identify courses for Councillors and submit to the Council for approval   | Ongoing, QR   | Corp Serv, MM  |          |
| 1.6 Integrated Development Plan (IDP)   | Feisic planning      | IDP to be annually reviewed   | Dept. Operational budget, R180 000 MSC   | Reviewed IDP  | Legal Compliance<br>Implementation of Local Government Strategic Plan<br>Satisfying community needs | Non-co-operation of sector departments | Approved IDP Framework/Process Plan<br>8 Steering Committee Meetings<br>9 Individual consultation meetings with sector depts and one integrated meeting<br>8 Community consultations<br>4 IDP Forum meetings<br>Final draft IDP<br>Approved IDP<br>IDP aligned to the Budget Planning   | Sep-09<br>Oct 2009 to May 2010, Quarterly Reports<br>Nov 2009 to Mar 2010, Quarterly Reports<br>Nov 2009 to Feb 2010, Quarterly Reports<br>Dec 2009 and May 2010, Quarterly Reports<br>Mar-10<br>May-10<br>Sept 2009 ongoing, Quarterly Reports | MM<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers  |          |
| 1.7 Performance Management System - PMS | Governance Programme | PMS will be implemented in compliance with Municipal Systems Act and its Regulations<br><br>No Performance Audit Committee (PAC)<br><br>PMS must be aligned to the IDP and the budget and the SDBIP | Council, Manco, ILF                      | Approved, implemented PMS compliant with MSA, Performance Regulations, 2001 & 2006<br><br>Audit Committee extended to also serve as PAC (to s166 of MFMA, s45 of MSA, GNR 796 of 2001)<br><br>Integration of PMS with SDBIP | Improved service delivery, legal compliance<br><br>Performance monitoring and accountability        | Co-operation of all role-players       | Municipal Scorecard adopted by Council<br><br>Performance agreements including individual scorecards of MM, S57 managers and divisional heads completed and signed<br><br>Performance agreements and scorecards submitted to Province/MEC<br><br>PMS Implementation Policy agreed to by relevant parties and adopted by Council<br>Rewards & Incentives Policy agreed to by relevant parties and adopted by Council<br>Performance Audit Committee (PAC) established<br>Quarterly reports on the individual Scorecards by MM, S57 Managers and Divisional Heads<br>Quarterly Performance Evaluations of MM, Managers, Divisional Heads by stipulated panel<br>Half year Performance Reports to PAC<br>Annual Performance appraisal of MM, Managers, Divisional Heads by panels<br>Integration of PMS and SDBIP<br><br>Finalisation of new performance agreements and scorecards<br>Annual Performance Report to MEC | Jan-10<br>Dec-09<br>Dec-09<br>Jan-10<br>Jan-10<br>Feb-10<br>QR<br>Quarterly<br>Jan and July 2009<br>Jun-10<br>Jun-10<br>Jun-10<br>Jul-10  | MM<br>MM/Managers<br>MM<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers<br>MM/Managers |          |

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| Key Performance Area                      | Related Prog/Goal                         | Baseline   | Inputs                                     | Outputs  | Outcome  | Risks/Constraints                     | Perf. Indicator/Target  | Date                        | Resp.                         | Progress |
|---|---|--|--|--|--|---------------------------------------|---|-----------------------------|-------------------------------|----------|
| 1.8 ICT                                   | IT Strategy                               | IT Strategy, risk assessment, risk register and risk information system to be in place   | Dept. Managers, Operational budget         | Updated IT Strategy, risk assessments, risk register and risk info system                                  | Pro-active IT management                                       |                                       | Ongoing updating of IT strategy, risk assessments, risk register and information system                         | Ongoing, QR                 | Corp Serv, Managers, MM       |          |
| 1.9 Municipal Offices                     | Governance Programme                      | Lack of office space and dispersed offices   | Mayor, MM, Managers                        | Investigate alternatives for new municipal offices   | Improved service delivery                                      | No budget                             | Exploring of alternatives and cost impact of each   | Ongoing, quarterly reports  | MM                            |          |
| 1.10 Occupational Health and Safety       | OHSA Committees & Staff                   | Established OHS committees meeting at least on a quarterly basis   | Dept. MM, Operational budget               | Ensuring all workplaces complies with all OHS requirements   | Safer and healthier workplaces                                 |                                       | Schedule of quarterly meetings to be finalised and appointment of health and safety officers in place           | Jan-10                      | Corp. Services, MM            |          |
|   | OHS Audit and Plan                        | Lack of updated H&S audit of municipal facilities, offices, etc. and lack of recorded H&S Plan compliant with legal requirements | Dept. MM, Managers, Operational budget     | Legally compliant H&S Audit and Plan completed   | Legal compliance   | Lack of funding, expertise            | H&S Audit of all municipal buildings, facilities, PPE of staff completed by an inspection authority as per CHSA | June 2010, QR               | Corp. Services, Managers, MM  |          |
| 2. Service Delivery & Infrastructure      |   |  |  | H&S shortcomings, and risks identified and prioritised   | Safer and healthier workplaces                                 |                                       | Report on immediate risks including cost analysis thereof to Council  | Mar-10                      | Corp. Services, MM            |          |
| 2.1 Water Services (water and sanitation) | Water Services Authority Responsibilities | WSA WSP spill in structure and accounting not done   | Dept. Operational budget                   | WSA WSP Spill addressed through organisational changes   | Legal compliance   | Lack of funding, capacity             | Organisational changes when program reviewed  | Ongoing - Quarterly reports | Technical Serv, Corp Serv, MM |          |
|   | Section 78 of MSA                         | S78(3) study for water services in process   | Dept. service provider, funded by DWAF     | Completed S78(3) study   | Legal compliance, basis for involving public or private sector | Wrong perception of PUPs and PPPs     | Study registered with NT PPP Unit and application for PDF Funding for feasibility study done                    | Mar-10                      | Technical Services, MM        |          |
| 2.2 Electricity                           | Capital Projects                          | PMU performance up to standard but additional capacity needed  | Dept. Operational budget, Service provider | Effective management of PMU and strict monitoring thereof by the Municipality                              | Accessing grant funding  | Service provider need more staff      | Monitoring and liaison with Service Provider to ensure adequate capacity  | Jun-10                      | Technical Services, MM        |          |
|   | Community Education                       | Scarcity of electricity demands saving of energy   | Dept. Operational budget                   | Community education programme  | Effective and efficient use of energy                          |                                       | Prepare a basic guidelines re. electricity saving with assistance from ESKOM or obtain existing from ESKOM      | Ongoing, QR                 | Technical Services, MM        |          |
| REDS                                      | Contingency Planning                      | Municipality responsible to ensure sustainability of basic services, e.g. water supply to community                              | Dept. Operational budget                   | Contingency plan for WTW and WWTW, pump stations, etc. to reduce negative impact of possible load-shedding | Sustainable basic service delivery                             |                                       | Basic contingency plan including genset usage and cost impact presented to the Council                          | Mar-10                      | Technical Services, MM        |          |
|   |   | Various processes to be followed and requirements adhered to in preparation for implementation of RED6                           | Dept. Operational budget                   | A strategy on moving forward for the municipality  | Smooth implementation of EDI requirements                      | Co-operation of role-players, funding | Liaison with EDI and Regional structures to have daily on all requirements / steps for way forward              | Ongoing, QR                 | Technical Services, MM        |          |

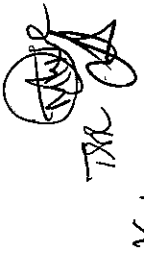
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| Key Performance Area      | Related Prog/Goal                                | Baseline   | Inputs                                   | Outputs  | Outcome   | Risks/Constraints  | Perf. Indicator/Target  | Date                       | Resp.                                  | Progress |
|---------------------------|--|--|--|--|---|--|---|----------------------------|--|----------|
|                           | Capital Projects                                 | Various projects requiring funding and implementation on a priority basis  | Dept. Operational budget, PMU            | Projects prioritised, MIG, DME funding applications completed and submitted  | Service delivery, legal compliance  | Staff, time constraints  | List of prioritised projects reviewed and approved and funding applications completed and submitted | Mar-10                     | Technical Services, MM                 |          |
| 2.3 Roads and Storm water | Roads - capital projects                         | Various roads need upgrading   | Dept. Operational budget                 | Prioritisation of roads and five year action plan  | Holistic, structured planning   | Funding, capacity  | Applications submitted and approval awaited   | Jan-10                     | Technical Services, MM                 |          |
|                           | Primary roads                                    | Shocking condition of many provincial roads                                | Dept. Operational budget, MM, Mayor, WDM | Participation in district coordinated lobbying for upgrading of prioritised roads  | Saler roads, service delivery, stimulate tourism,                                       | Time and co-operation of role-players                              | Liaison with RAL, SANRAL  | Ongoing, quarterly reports | MM, Tech Serv                          |          |
| 2.4 Waste Management      | HWMP   | Draft HWMP done by CGTA  | Dept. Operational budget                 | Approved HWMP  | Integrated, holistic and economic sound local and regional waste management             |  | HWMP adopted by Council   | Jan-10                     | Tech Serv, MM                          |          |
|                           | Landfills  | Northam landfill site operated on temporary contractual agreement          | Dept. Operational budget, contractor     | O&M Contract concluded and implemented   | Improved operations and lifespan. Compliance with DWAF standards to avoid de-permitting | To get the right contractors                                       | Appointment of a contractor for 1/3 yrs   | Jun-10                     | Technical Services, Corp Serv, CFO, MM |          |
|                           |  | TBZ landfill operated by temporary contractor                              | Dept. Operational budget                 | O&M Contract for 3yrs concluded and implemented  | Improved operations and lifespan  |  | Contractor appointed and on site  | Feb-10                     | Technical Services, Corp Serv, CFO, MM |          |
| 2.8 HIV & AIDS            | Mainstreaming of HIV&AIDS by all the departments | Important component of the workplace                                       | MM, Managers                             | Each department to indicate how HIV&AIDS is mainstreamed.  | To have a well functioning HIV&AIDS program   | Cooperation from the departments                                   | If need exists, a workshop on mainstreaming   | Ongoing, quarterly reports | MM/Managers                            |          |
| 2.9 Housing               | Staffing   | Review of organisational structure to ensure housing has adequate capacity | Dept. Operational budget                 | Completed organisational review of dept  | Sound administration  |  | Budget and advertise for another Housing officer, if so decided                                     | Mar-10                     | Comm Serv, MM                          |          |
|                           | Planning and co-ordination                       | Housing sector plan not yet completed or part of IDP                       | Dept. Operational budget                 | Housing plan as part of the reviewed IDP incl. reference to innovative thinking around cost and environmentally friendly alternatives. | Legal compliance  | Unfunded mandate, dependent on cooperation to be sourced from DLGH | Secure assistance from DLGH   | Jan-10                     | Comm Serv, MM                          |          |
|                           | Accreditation                                    | LM not accredited to perform housing function.                             | Dept. Operational budget                 | Accreditation to Dept of Housing applied for   | Improved control over developments in area  | Dependent on Dept of Housing                                       | Regular reporting on progress   | Quarterly Reports          | Comm Serv, MM                          |          |
|                           | Housing needs                                    | Still large need for housing   | Dept. DLGH                               | Continuous identification of beneficiaries for further projects  | Housing provision   |  | Needs reported to DLGH and Council  | Quarterly Reports          | Comm Serv, MM                          |          |

| Key Performance Area                         | Related Prog/Goal               | Baseline   | Inputs  | Outputs  | Outcome  | Risks/Constraints  | Perf. Indicator/Target   | Date                                   | Resp. | Progress |
|--|---------------------------------|--|---|--|--|--|--|--|-------|----------|
| 2.10 Spatial Development and Land Management | SDF, Land use & Land settlement | Spatial Development Framework (SDF) in place   | PED, Operational Budget, Service Provider     | SDF Implemented  | Legal compliance   | Limited funding  | Progress report  | QR PED, MM                             |       |          |
|  | Land use policy                 | Lack of land use policy guidelines and land use management plan  | PED, Operational budget                       | A land use policy including Council owned land developed and implemented   | Roles and responsibilities clarified. Land use management in relation to spatial planning understood | Land use management legislation not yet finalised. Lack of capacity. Not budgeted for. | Progress report  | QR PED, MM                             |       |          |
| 2.13 Disaster Management                     | SLA                             | SLA with WDM in place, fire-fighting assets valued but transfer of assets still to take place                                  | Dept. Operational budget                      | Finalisation of transfer of assets   | Service delivery   | Co-operation of role-players   | Submit to Council for approval of transfer   | Jan-10<br>Comm(Serv/ML)                |       |          |
|  | Disaster Management Plan        | Drill Disaster Management Plan   | Dept. Operational budget, External SP R10 000 | Developed DMP  | Pro-active management  |  | Final DMP to Council   | Feb-10<br>Comm(Serv/ML)                |       |          |
|  | Risk analysis                   | Risk analysis in place   | Dept. Operational budget                      | Updated risk analysis  | Risk management  |  | Continuous updating of risk analysis   | Ongoing with Quarterly Reports         |       |          |
|  | Fire service staff              | Fire truck manned by inadequately trained traffic officers, 2 firemen budgeted for, 2 temporary firemen until positions filled | Dept. Operational budget                      | Fill 2 vacant positions for firemen. Further prioritisation of appointment of more fire officers   | Better service, reduced risk   | 2 Firemen inadequate to render effective services. Not budgeted, lack of funding       | Appointment of firemen finalised, further positions prioritised and additional funding applied for | Feb 2010, QR<br>Comm(Serv/Dep Serv/ML) |       |          |
| 2.14 Traffic                                 | Transport                       | Drift ITP  | Dept. Operational budget, External SP R10 000 | Developed ITP  | Pro-active management  |  | Final ITP to Council   | Feb-10<br>Comm(Serv/ML)                |       |          |
|  | Security                        | Physical systems found not adequate by high risk audit done  | Dept. Equitable share R160 000                | Install security system at main building and the Mayor's office  | Improved security measures   |  | Physical system at main building and Mayor's office installed                                      | Dec-09<br>Comm(Serv/ML)                |       |          |
| 2.16 Municipal Buildings                     |                                 | Detailed security plan for municipal buildings   | Dept. Operational budget                      | Clarify re. roles, responsibilities, safety and security precautions and operations, strict disciplinary procedures incl polygraph testing | Safe working environment   |  | Polygraph policy approved by Council   | Jun-10<br>Comm(Serv/ML)                |       |          |
|  | Holistic focus                  | Service delivery needs to take place within a holistic environmental focus   | MM, Technical Serv, Operational budget        | Benchmarking other municipalities to environmental management to take a decision on how to integrate it in IDZ                             | Legal compliance and responsible management  |  | Benchmarking and a report to Council   | Jan - June 2010, QR<br>ML Tech Serv    |       |          |

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| Key Performance Area                                      | Related Prog/Goal              | Baseline  | Inputs  | Outputs   | Outcome                         | Risks/Constraints                      | Perf. Indicator/Target                   | Date                | Resp. | Progress |
|---|--------------------------------|---|---|---|---------------------------------|--|--|---------------------|-------|----------|
| 3. Local Economic Development                             | LED Monitoring                 | LED measures and protocols to be successfully implemented   | PED, MM   | Monitoring of all LED measures and projects   |                                 |  | Ongoing monitoring                       | Ongoing, OR PED, MM |       |          |
| 4. Municipal Financial Viability and financial management | Financial Viability & Planning | Municipality financially picking up with cash flow being a challenge but revenue collection improved and largely compliance with MFMA with GRAP in process. | CFO, MM, Service Provider, external funding, operational budget | Financial Plan addressing all compliance matters, shortcomings and challenges developed and implemented | Financially viable municipality | Poor skills base in finance department | Financial Plan developed and implemented | Jun-10              |       |          |
|   |                                | Incorrect or faulty procedures within all depts concerning financial related matters  | CFO, MM, Managers, Dept, Operational budget                     | Reviewed procedures in all dept as an input to Financial Plan   | Financially viable municipality | Co-operation of all managers           | Reviewed procedures in all divisions     | May-10              |       |          |

  
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| Key Performance Area | Related Prog/Goal                              | Baseline   | Inputs                                   | Outputs   | Outcome  | Risks/Constraints  | Perf. Indicator/Target  | Date   | Resp. | Progress |
|----------------------|--|--|--|---|--|--|---|--|-------|----------|
|                      |  | Financial management system implemented and maintained but not entirely addressing the needs of Finance  | CFO, MM, Operational budget              | Explored upgrading the PROMIS system and report thereon to Council                      |  |  | Investigate an upgraded Promis system through benchmarking with a municipality where the upgraded system is implemented and report thereon submitted to Council                             | Jan - June 2010  |       |          |
|                      | GRAP   | GRAP compliance in process   | CFO, Service provider Operational budget | Conversion to be finalised this financial year  | Legal compliance   | Qualified CFO only appointed in Nov 2009 therefore non-compliance in various matters   | Progressive conversion under supervision of Provincial Treasury   | Jun-10   |       |          |
|                      | AFS  | AFS not yet GRAP compliant   | CFO, MM, Managers, Operational budget    | Completed financial statements - 671 & 672 compliant                                    |  |  | Financial Statements submitted including Performance information to AG  | Aug-09   |       |          |
|                      | Compliance Management - Auditor General Report | AG Report for 2008/09  | CFO, MM, Managers, Operational budget    | Action Plan to address AG Report 2008/09  | Legal compliance   | Qualified CFO only appointed in Nov 2009 thus non-compliance in various matters, however due dates inserted for benchmarking | Action Plan re AG Report  | Dec-09   |       |          |
|                      | Annual Report                                  | Preparation of Annual Report for 2008/09   | CFO, MM, Corp Serv, Operational budget   | Completed annual report for 2008/09   | Legal compliance   | Qualified CFO only appointed in Nov 2009 thus non-compliance in various matters, however due dates inserted for benchmarking | Annual Report (including AG Audit Report, AFS & Council reply) for 2008/09 tabled in Council  | Jan-10   |       |          |
|                      | Budget   | No internal budget control & monitoring mechanisms<br>National and Prov Treasury tendering support services as well as DBSA<br>Budget 2010/11 approved   | CFO, MM, DBSA<br>CFO, Operational budget | Compliance with s.80 of MFMA<br>On date completion of budgetary processes               | Sound internal financial controls and mechanisms<br>Sound financial management |  | Management co-ordination<br>Report re. Management Letter<br>Establishment of Budget & Reporting Division  | Jan-10<br>Mar-10<br>Feb-10                                       |       |          |
|                      | SDBIP  | SDBIP 2008/10 not adequate and SDBIP & PMS for 2009/10 not integrated. CFO only appointed in Nov 2009<br>SDBIP must be legally compliant and integrated with the PMS   | CFO, MM, Managers, Operational budget    | Totally integrated SDBIP and PMS for 2010/11<br>SDBIP for 2010/11 in place and approved | Every and cost effective management processes and reporting systems            | MM and CFO offices to ensure role and responsibilities in SDBIP clarified  | Internal budgetary processes<br>Adoption of Adjustments Budget<br>Adoption of Draft MTEF Budget by Council<br>Adoption of Final MTEF Budget by Council<br>Drafting of the SDBIP for 2010/11 | Aug-09<br>Aug - Dec 2009<br>Feb-10<br>Mar-10<br>May-10<br>May-10 |       |          |
|                      |  | Service delivery spending should be in line with the capital budgets even though not so spelled out in the 2009/10 SDBIP. Sound spending patterns are 12% in 1st Quarter, 40% in 2nd, 75% in 3rd and 95%+ in 4th Quarter | MM, Managers                             | Monthly and quarterly monitoring  | Effective service delivery and performance management                          | Inadequate SDBIP   | Finalisation and approval of the SDBIP for 2010/11<br>Refining the integration of the SDBIP and the PMS for 2010/11<br>All managers to strive to achieve sound spending patterns            | Jun-10<br>Jun-10<br>July 2009 onwards, CR                        |       |          |

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| Key Performance Area             | Related Prog/Goal   | Baseline  | Inputs  | Outputs  | Outcome   | Risks/Constraints | Perf. Indicator/Target | Date | Resp. | Progress |
|----------------------------------|---|---|---|--|---|-------------------|------------------------|------|-------|----------|
| Reporting                        | Prescribed reporting on a monthly, quarterly and bi-annual basis to s71 of the MFMA   | CFO, MM, Operational budget   | Monthly, quarterly and bi-annual financial reports submitted as required      | Legal compliance   | Monthly monitoring report to NT & PT  | Ongoing, QR       |                        |      |       |          |
| Investments                      | Existing investment policy  | CFO, Operational budget   | Revised policy in line with Local Government Laws Amendment Bill when enacted | Financial Management Information System                      | Monthly report to Mayor, PFC, EXCO, Council to budget performance                                   | Monthly, QR       |                        |      |       |          |
| Borrowing                        | Lack of Borrowing Plan  | CFO, Operational budget   | Formalised borrowing plan   | Basis for broadened revenue base due to new capital projects | Revised investment policy approved by Council   | May-10            |                        |      |       |          |
| Revenue                          | Significant revenue loss but Revenue Enhancement Committee and strategy in place  | Depl, Operational budget, MSIG, equitable share, FMG, external service provider | To collect approx 80% of all revenue billed and budgeted                      | Increased revenue and sound financial management             | Monitoring and reporting on the service provider  | Ongoing, QR       |                        |      |       |          |
| Bulk service contributions       | Township fees not realistic   | Depl, Planning & LED, MM, Operational budget                                    | Reviewed township fee structured  | Revenue enhancement  | A reviewed township fee   | Jun-10            |                        |      |       |          |
| Credit control & debt collection | Lack of Bulk Service Contribution Policy  | Depl, MM, CFO, Operational budget   | Approved policy for bulk service contributions                                | Increased Council revenue                                    | Policy developed and approved by Council  | Jan-10            | Tech, MM, CFO          |      |       |          |
| Tariffs                          | Credit control by-law, policy in place. Debt collection contracted out  | CFO, Corporate Services, Operational budget                                     | Policy implemented  | Legal compliance   | Policy implemented  | Feb-10            | Tech, MM, CFO          |      |       |          |
| Property Rates                   | Tariff policy, draft tariff by-law. Tariffs to be market related  | CFO, MM, Corporate Services, Managers, Operational budget                       | Updated policy as well as tariff by-laws approved, gazetted, implemented      | Legal compliance   | Monthly contract monitoring reports including enforcement of by-law to PFC and Council              | Ongoing, QR       |                        |      |       |          |
| Expenditure Management           | Property rates policy approved but to be revised annually   | CFO, MM, Corp Serv, Operational budget, Service Provider                        | Affordable but market related tariff structure                                | Effective revenue management                                 | Review and approval of tariff policy, and by-law finalised, approved, gazetted                      | Jun-10            |                        |      |       |          |
| Asset Management                 | Draft Property rates by-law   | CFO, MM, Corp Serv, Operational budget, Service Provider                        | Revised implemented policy and practices maintained                           | Legal compliance   | Policy revised and by-law finalised, approved, gazetted   | Jun-10            |                        |      |       |          |
| Asset Management                 | Management needs updating of knowledge to MFMA  | CFO, Managers, Operational budget   | Property rates by-laws approved, gazetted, implemented                        | Improvement of financial management                          | Annual review of tariff in synergy with IDP/Budget process finalisable and Council approval thereof | QR, June 2010     |                        |      |       |          |
| Asset Management                 | Assets register and management GRAP compliant except unbundling of assets not completed but planned to be so within phased period | CFO, Managers, Operational budget   | Management with adequate knowledge to act in compliance with MFMA             | Legal compliance   | Workshop for management to MFMA   | Jan-10            |                        |      |       |          |
| Asset Management                 | Asset management policy should be regularly updated to be in compliance with new regulations                                      | CFO, Managers, Operational budget   | Asset register progressively compliant with GRAP                              | Legal compliance   | Progressive unbundling of assets and updating of asset register                                     | Ongoing, QR       |                        |      |       |          |
| Salaries                         | Salary budget and payment processes in place  | CFO, Operational budget   | Revised implemented policy, inter alia to govern the disposal of assets       | Compliance with s14 of the MFMA                              | Revised asset management policy and procedures submitted to Council and adopted                     | Jun-10            |                        |      |       |          |
| Salaries                         | Salary budget and payment processes in place  | CFO, Operational budget   | Salaries paid as per Conditions of Employment                                 | Co-operation of departments                                  | Salary budget in place  | May-10            |                        |      |       |          |

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| Key Performance Area   | Related Prog/Goal       | Baseline   | Inputs   | Outputs   | Outcome  | Risks/Constraints                               | Perf. Indicator/Target  | Date   | Resp.                               | Progress                |  |
|--|-------------------------|--|--|---|--|---|---|--|-------------------------------------|-------------------------|--|
|  | Creditors               | 55% payment of creditors within 30 days  | CFO, Operational budget  | 100% accurate payment of creditors within 30 days   | Structured and accountable procurement processes   | Cash flow, availability of staff                | Creditors paid accurately within 30 days  | Ongoing, CR  |                                     |                         |  |
|  | Supply Chain Management | SCM Policy in place but needs to be reviewed   | Dept, Operational budget R10 000, Service Provider                       | Reviewed SCM Policy   |  | Possibly inadequate funding                     | Policy reviewed   | Jun-10   |                                     |                         |  |
|  |                         | SCM Unit should procure goods and services on the entire Municipality - not currently the case   | Dept, Operational budget   | Purchasing division within SCM established and enforced                                   | More controlled SCM processes and less pressure on Managers and reduced % of unprocedural procurement requests |   | Purchasing division within SCM fully functioning  | Apr-10   |                                     |                         |  |
|  | Stores                  | Store security must be attended to   | SCM, Operational budget  | Completed security audit  | Sound management of council assets   | Unfunded  | Security audit to determine needs, budget implications and submission thereof to Council for inclusion in budget            | Mar-10   |                                     |                         |  |
|  |                         | Stores operated on a manual outdated system  | SCM, Operational budget  | Completed audit of inventory systems through benchmarking exercise                        | Sound management of council assets   | Unfunded  | Inventory system audit, benchmarking with other Municipalities and submission of motivation for preferred electronic system | Mar-10   |                                     |                         |  |
|  | National KPIs           | Non-compliance with prescribed National KPIs   | CFO, Operational budget  | Compliance with National KPIs   | Legal compliance   |   | Compliance with National KPIs in Performance Agreement and SDBIP  | Jun-10   |                                     |                         |  |
| 5. Good Governance, Public Participation Accountability and Transparency | Policies                | Outdated or lack of policies, i.e. health and safety policy, fire management policy, registry policy, housing policy, etc.               | Corporate services, Operational budget, MM, Managers, LLF, MSLG R130 000 | Updated, new policies approved and implemented  | Legal compliance, sound administration   | Co-operation of all managers                    | Cap analysis - legislation vis-à-vis existing policies  | Jan-10   | Corp Serv, MM, Managers             |                         |  |
|  |                         | Important policies to be reviewed, i.e. indigent, credit control and debt collection, tariffs, property rates, water services, SCM, etc. |  | Reviewed policies approved and implemented  |  | Co-operation of all managers                    | Priority policies identified and timeframes delineated  | Feb-10   | Corp Serv, MM, Managers             |                         |  |
|  |                         |  |  | Only direct employees related policies referred to LLF                                    |  |   |   | At least four policies per quarter submitted to Council for approval             | Ongoing, quarterly progress reports | Corp Serv, MM, Managers |  |
|  |                         |  |  | Implementation of policies monitored in co-operation with the Performance Audit Committee |  |   |   | All prioritized policies adopted by Council and implemented                      | Jun-10                              | Corp Serv, MM, Managers |  |
|  |                         | Policies not adequately implemented or not consistently implemented - lack of knowledge of municipal officials                           | Corp Serv, MM, Managers  | Monitoring that policies are implemented and enforced                                     | Legal compliance   |   |   | Regular workshops of relevant policies with municipal officials                  | Ongoing, quarterly progress reports | Corp Serv, MM, Managers |  |
|  |                         | A number of by-laws in process, public consultation completed but funding for promulgation lacking                                       | Corporate Services, MM, Managers, Operational budget, DLGH               | Prioritisation of by-laws, scheduling of promulgation                                     | Legal compliance   | Lack of funding, dependent on support from DLGH |   | Managers to report on how policies relevant to their departments are implemented | Ongoing, quarterly progress reports | Corp Serv, MM, Managers |  |
|  |                         |  |  | Prioritised by-laws promulgated   |  | Dependent on funding received                   |   | Prioritisation of by-laws and schedule of promulgation completed                 | Jan-10                              | Corp Serv, MM, Managers |  |
|  |                         |  |  |   |  |   |   | Promulgation of most important by-laws   | May-10                              | Corp Serv, MM           |  |

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| Key Performance Area | Related Proj/Goal                     | Baseline  | Inputs   | Outputs   | Outcome                              | Risks/Constraints   | Perf. Indicator/Target   | Date                                | Resp.                            | Progress |
|----------------------|---------------------------------------|---|--|---|--------------------------------------|---|--|-------------------------------------|----------------------------------|----------|
|                      |                                       |   |  | Implementation of gazetted by-laws  | Regulation of municipal services     |   | Final report with comments to Council  | Jun-10                              | Corp Serv, MM                    |          |
|                      |                                       |   |  | Implementation of by-laws monitored in co-operation with the Performance Audit Committee  |                                      |   | Submitted to Province  | Jun-10                              | Corp Serv, MM                    |          |
|                      |                                       | Important by-laws to be regularly reviewed, i.e. tariff by-laws, water services by-laws, credit control and debt collection by-laws | Corporate Services, Service provider, MM, Managers, Operational budget | Funding to be sourced for next financial year in order to get these by-laws reviewed in synergy with reviewed policies and legislative requirements | Good governance, legal compliance    | Dependent on funding obtained                             | Monitor implementation of all by-laws  | Quarterly reports                   | Corp Serv, MM, Managers          |          |
|                      |                                       | By-laws not adequately implemented or not consistently implemented  | Corp Serv, MM, Managers  | Monitor that by-laws are implemented and enforced   | Legal compliance                     | Council ability to enforce by-laws                        | Gap analysis of which by-laws needs to be reviewed   | Feb-10                              | Corp Serv, MM, Managers          |          |
|                      | Legal Prosecutions                    | Law enforcement will be more effective if the municipality can prosecute offenders  | MM, Corp Serv, Operational budget                                      | Approval obtained from the National Prosecuting Authority and prosecutions being done   | Effective and speedy law enforcement |   | Prioritise by-laws to be reviewed and schedule a timeframe and draw up a budget for these    | Ongoing, quarterly progress reports | Corp Serv, MM, Managers          |          |
|                      | Anti-corruption & Fraud               | Lack of an Anti-corruption and Fraud Strategy and policy  | MM, Corp Serv, Managers, Operational budget                            | TOR to strategy developed   | Accountable governance               | Limited budget  | Managers to report on how by-laws relevant to their departments are implemented and enforced | Mar-10                              | Corp Serv, MM, Managers          |          |
|                      | Delegations                           | Review of delegation system to ensure Council resolutions are implemented   | MM, Corp Services, Managers, Operational budget                        | Strategy and policy in place and implemented  |                                      |   | Liason with NPA to obtain authority to s22(8)(b) of the NPA Act, 32 of 1998                  | Ongoing, QR                         | MM, Corp Serv                    |          |
|                      | Implementation of Council Resolutions | Strengthening Monitoring on the implementation of Council Resolutions   | MM, Corporate services, software                                       | Finalisation of reviewed delegation system  | Improve functioning of Council       | Co-operation of staff, correct software                   | TOR of strategy developed  | Feb-10                              | MM, Corp Serv                    |          |
|                      | Contracts Management                  | Contract management as required to the MFMA and MSA not applied   | Corporate Services, MM, Managers, Operational budget                   | Council Resolutions implemented promptly  | Good governance, legal compliance    |   | Strategy and policy developed, approved and implemented                                      | May-10                              | MM, Corp Serv, Managers          |          |
|                      | Property control                      | Legal processes to be in order  | Corporate Services, Operational budget                                 | Effective contract management and monitoring as legally prescribed  | Ownership of land                    | Co-operation of current owner and slow transfer processes | Legally compliant delegation system to ensure Council resolutions are implemented            | May-10                              | MM, Corp Serv, Managers          |          |
|                      | Internal Audit & Risk Management      | Audit plan to be continuously reviewed  | MM, Managers, Operational budget                                       | Administrative processes involving the transfer of land completed   | Legal compliance                     |   | Receive reports on the implementation of Council Resolutions                                 | Monthly to serve at EXCO            | MM, Corporate Services, Managers |          |
|                      |                                       |   |  | Deeds of sales correctly done   |                                      |   | Ongoing contract management and monitoring of all external contracts                         | QR                                  |                                  |          |
|                      |                                       |   |  | Administrative processes involving the transfer of land completed   |                                      |   | Consolidation of performance reports for inclusion in the Annual Report                      | Mar-10                              | MM, Corporate Services, Managers |          |
|                      |                                       |   |  | Audit plan reviewed and communicated to Audit Committee and management  |                                      |   | Facilitation of deeds of sale  | Ongoing, quarterly reports          | Corp Serv, MM                    |          |
|                      |                                       |   |  |   |                                      |   | Administrative processes completed   | June 2010, ongoing                  | Corp Serv, MM                    |          |
|                      |                                       |   |  |   |                                      |   | Audit plan reviewed and communicated to Audit Committee and management                       | 31-Jan-10                           | MM, Managers                     |          |

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| Key Performance Area | Related Prog/Goal                      | Baseline  | Inputs  | Outputs  | Outcome   | Risks/Constraints   | Perf. Indicator/Target  | Date                  | Resp.                   | Progress |
|----------------------|--|---|---|--|---|---|---|-----------------------|-------------------------|----------|
|                      |  | Risk assessments to form part of audit plan but IA Unit does not have capacity, expertise to attend to risk management on its own - interdept co-operation required | MM, Managers, IA, Audit Committee, Operational budget | Continuous risk assessment of departments, facilities, staff, etc. as required by MFMA | Good, sustainable governance, financial management and administration                   | Lack of capacity and funding  | Benchmark with WDM to ensure all risk management requirements taken into account and a legal compliant risk management plan is in place | Jan-10                | MM Managers             |          |
|                      |  |   |   | Risk management system developed   |   | Lack of capacity and funding  | Updated risk assessments of all departments completed   | Jan-10                | MM Managers             |          |
|                      |  |   |   |  |   |   | Updated risk profiles of municipality completed   | Mar-10                | MM Managers             |          |
|                      |  |   |   |  |   |   | Updated risk management system in place   | June 2010, ongoing    | MM Managers             |          |
|                      |  |   |   |  |   |   | Each dept to develop an action plan for the risk areas identified within the risk assessments   | June 2010 onwards     | MM Managers             |          |
|                      |  |   |   |  |   |   | Monitor the implementation of the action plan and provide quarterly progress reports  | June 2010 onwards     | MM Managers             |          |
|                      | Intergovernmental Relations            | IGR Clauses to be used for inter-governmental unity and support given challenges of WDM area  | Managers, MM, Operational Budget                      | Attendance of District IGR Cluster meetings as applicable to each Department           | Improved IGR  | Lack of participation by the other LMs and Sector Departments                                 | Full attendance of cluster meetings and feedback reports  | QR                    |                         |          |
|                      | Vuna Awards 2010                       | Participation even though not yet a serious contender   | Managers, MM, Operational Budget                      | Participation in Vuna Awards   | To be used as a yardstick and benchmarking exercise for improvement of services         |   | Gearing for participation by establishing the information required and collating such for 2010 Vuna entry                               | Jan 2010 onwards      | Corp Serv, MM, Managers |          |
|                      | Electoral Commission                   | Most suitable senior person to be appointed as electoral officer  | MM, Corp Serv, Operational budget                     | Manager Corporate Services to be appointed as electoral officer                        |   | Only liaison obligations not to get involved to deal with any problems outside scope of brief | Manager Corporate Services approved by Council as Electoral Officer   | Jan-10                | MM (Corp Serv)          |          |
|                      | Communication                          | Review of the Communication Strategy  | Corp Serv, MM, Operational budget                     | Implementation of revised communication strategy                                       | Effective communication with stakeholders, public, media, etc                           |   | Communication strategy revised and implemented  | July 2009 onwards, QR | MM (Corp Serv)          |          |
|                      |  | Various external communication projects and processes to be maintained  | Corp Serv, MM, Managers, Operational budget           | Effective management of external communications  | Improved image of municipality and service delivery                                     |   | All communication projects and events successfully executed, e.g. Imbizos, media liaison, workshops with stakeholders, etc.             | July 2009 onwards, QR | MM (Corp Serv)          |          |
|                      | Community Consultation & Participation | Compliance with Ch4 of the Systems Act obligatory   | MM, Mayor's Office, Corp Serv, Operational budget     | Compliance with legally required community participation                               | Improved IGP content and Municipal/community relations, Accountability and transparency |   | Public Participation Strategy and Plan revised, approved and implemented  | July 2009 onwards, QR | MM (Corp Serv)          |          |
|                      | SCOPA                                  | No a78 Oversight Committee  | MM, Council   | Oversight of annual budget established and completed                                   | Investor confidence   |   | Oversight report on annual report adopted   |                       | MM                      |          |
|                      |  |   |   |  |   |   | Oversight report on annual report tabled to Council   |                       | MM                      |          |

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**Annexure B**

**PERSONAL DEVELOPMENT PLAN (PDP)**

Entered into by and between

**THABAZIMBI LOCAL MUNICIPALITY**

["the Employer"]

and

**Mr Rodger Nkhumise**

["the Employee"]

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## Explanatory Notes to the Personal Development Plan

### 1. Introduction

1.1 A Municipality should be committed to –

- (a) the continuous training and development of its employees to achieve its vision, mission and strategic objectives and empower employees; and
- (b) managing training and development within the ambit of relevant national policies and legislation.

1.2 A Municipality should follow an integrated approach to Human Resource Development, that is:

- (a) Human resource development should form an integral part of human resource planning and management.
- (b) In order for a municipality's training and development strategy and plans to be successful it should be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals, career pathing, scarce skills and talent management and succession planning.
- (c) To ensure the necessary linkage with performance management, the municipality's Performance Management and Development System should provide for the Personal Development Plans of employees to be included in their annual Performance Agreements. Such approach will ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs are also identified during the performance management and appraisal process.
- (d) Career-pathing and succession planning ensures that employees are placed and developed in jobs according to aptitude and identified potential and through training and development acquire the necessary competencies to prepare them for future positions. Scarce skills and talent management also requires appropriate training, education and development interventions.

### 2. Competence Modeling

2.1 What does an institution mean when it says an employee / prospective employee is competent if he / she fits a managerial competency framework or occupational competency profile? The institution is in fact expressing competence as a **future-oriented** ideal that they require to achieve their strategic objectives [The institution is in effect giving a depiction of the desired or required knowledge, skills and attributes for an individual in a specific position]. For competence to be useful, the associated competence should be greater than the observed performance as it will allow the individual growth towards this 'ideal'.

2.2 There is however a risk in expressing a required competence that a current or prospective employee should adhere to in the future, as the future is, by definition, uncertain. Managers cannot know how an employee will perform in the future nor can they know how employees that they did not select, did not promote, did not award a qualification to, might perform.

2.3 Moreover, managers do not make their expressions in a social vacuum. They do so within a social context in which there are various actors, various stakeholders, with different interests accountabilities, different things they are trying to achieve and various ways in which others will hold them accountable. If managers are selecting employees they shall similarly have to justify their decisions to others. Relevance thus becomes an obvious issue that affects the level of confidence in such a decision. Various human resources procedures and systems need to be established to maintain the relevance of the expression of competence to the requirements of the employer. Confidence is the

basis on which the various parties implicated in the decisions and actions taken within a competence system will seek to account to others for those decisions and actions.

- 2.4 When linking a decision that a prospective employee / current employee is competent the communication is based on what may be called conventions of assessment. Some common understanding is achieved by which a certain set of arrangements become socially accepted as the basis for linking different contexts. Contexts differ, in particular in terms of time. So performance in the past is linked to future situations in which desired performance is anticipated. This linking of contexts will normally involve some model, some way of accounting for the claimed link. The **dplg** has decided on:
- 2.4.1 A managerial competency framework as an expression of required managerial competencies.
  - 2.4.2 Occupational competency profiles as expression of occupation / post competency requirements.

### 3. **Compiling the Personal Development Plan attached as the Appendix.**

3.1 The aim of the compilation of Personal Development Plans (PDPs) is to identify, prioritise and implement training needs

3.2 The Local Government: Municipal Systems Act: Guidelines: Generic senior management competency framework and occupational competency profiles provides comprehensive information on the relevance of items 2.4.1 and 2.4.2 above to the PDP process. The Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments' legislated competency requirements need also be taken into consideration during the PDP process.

3.3 The assessment results of a manager against the minimum requirements contained in the managerial competency framework and occupational competency profiles will assist a manager, in consultation with his / her employee, to **compile a Personal Development Plan** as follows:

(a) The identified training needs should be **entered into column 1 of the Appendix, entitled Skills / Performance Gap**. The following should be carefully determined during such a process:

- a. Organisational needs, which include the following:
  - o Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.
  - o The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description should be compared to the current competency profile of the employee to determine the individual's competency gaps.
  - o Specific competency gaps as identified during the probation period and performance appraisal of the employee.
- b. Individual training needs that are job / career related.

(b) Next, the **prioritisation of the training needs [1 to ...] in column 1 should also be determined** since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs should be prioritized for purposes of accommodating critical / strategic training and development needs in the HR Plan, Personal Development Plans and the Workplace Skills Plan.

(c) Consideration must then be given to the **outcomes expected in column 2 of the Appendix**, so that once the intervention is completed the impact it had can be measured against relevant output indicators.

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- (d) **An appropriate intervention** should be identified to address training needs / skills gaps and the outcome to be achieved but with due regard to cost effectiveness. These interventions should be listed in **column 3 of the Appendix, entitled: Suggested training and / or development activity**. The training / development must also be conducted either in line with a recognised qualification from a tertiary institution or unit standards registered on the National Qualifications Framework (South African Qualifications Authority), which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Development / Skills Development Unit within the municipality whether unit standards have been developed with regard to a specific outcome / skills gap identified (and registered with the South African Qualifications Authority). Unit standards usually have measurable assessment criteria to determine achieved competency. There is more detail on this in item 4 below.
- (e) **Guidelines regarding the number of training days per employee and the nominations of employees:** An employee should on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions.
- (f) **Column 4 of the Appendix: The suggested mode of delivery** refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. The training / development activity should impact on delivery back in the workplace. Mode of delivery consists of, amongst others, self-study [The official takes it upon him / her to read e.g. legislation]; internal or external training provision; coaching and / or mentoring and exchange programmes, etc.
- (g) The **suggested time frames (column 5 of the Appendix)** enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.
- (h) **Work opportunity created to practice skill / development areas, in column 6 of the Appendix**, further ensures internalisation of information gained as well as return on investment (not just a nice to have skill but a necessary to have skill that is used in the workplace).
- (i) The final column, **column 7 of the Appendix**, provides the employee with a **support person** that could act as coach or mentor with regard to the area of learning.

3.4 Personal Development Plans are compiled for individual employees and the data collated from all employees in the municipality forms the basis for the prescribed Workplace Skills Plan, which municipalities are required to compile as a basis for all training and education activities in the municipality, in a specific financial year and report on progress made to the Local Government Sector Education and Training Authority (LGSETA).

3.5 Funding should be made available for training, education and development, in line with the Skills Development Act, at least 1% of the personnel budget must be earmarked for it. Additional funding can also be secured in terms of the provisions of the Skills Development Levies Act from the LGSETA if:

- (a) A Skills Development Facilitator has been appointed.
- (b) The Workplace Skills Plan has been submitted.
- (c) A submission, including a Business Plan is submitted for additional grants [The LGSETA can be approached at Tel. 011 456 8579 for more information in this regard].

#### 4. Life-long learning

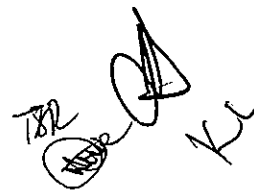
4.1 It was agreed that an outcomes-based Lifelong Learning Development Framework would be the basis on which Curriculum 2005 would be developed. The basic principle is that learners should be able to progress to higher levels of achievement by mastering prescribed learning outcomes. Learning programmes should thus facilitate progression from one phase or learning outcome to another and from any starting point in the education and training system. Prior knowledge (acquired informally or by work experience, would also have to be assessed and credited. National qualifications would be awarded, at each of the levels of the National Qualifications Framework (NQF) [see the attached definitions] provided that candidates have accumulated certain combinations of credits and have abided by probable rules of combinations required for such qualifications.

4.2 Eight learning areas were identified to form the basis of all education up to the Further Education and Training Certificate:

| Nr. | Learning Area   |
|-----|---|
| 1   | Language, Literacy and Communication                        |
| 2   | Mathematical Literacy, Mathematics and Mathematical Science |
| 3   | Human and Social Sciences                                   |
| 4   | Natural Sciences  |
| 5   | Technology  |
| 6   | Arts and Culture  |
| 7   | Economic and Management Sciences                            |
| 8   | Life Orientation  |

4.3 As is clear from the definitions, there will be four phases, with Adult Basic Education and Training (ABET) linked to the first three. The history of school education had the effect that the majority of the adult population for black communities, were provided with inadequate education or no schooling. Thus ABET is viewed as a force for social participation and economic development and has been brought into the mainstream of the education and training system. The underlying principles are that ABET should provide a general basic education, promote critical thinking and empower individuals to participate in all aspects of society, and promote active learning methods, and, ABET should lead to nationally recognized certificates based on clear national standards assessed as learning outcomes.

4.4 Once the foundation phase is addressed the other phases can follow suit. In this regard the discussion in item 3.3 (d) refers. Note should also be taken that in addressing professionalisation within the local government sector there may be a need to develop vocational qualifications.



Appendix 1

Personal Development Plan of: .....

Compiled on: 1 July 2008

| 1. Skills / Performance Gap<br>(in order of priority) | 2. Outcomes Expected<br>(measurable indicators: quantity, quality and time frames)  | 3. Suggested training and / or development activity  | 4. Suggested mode of delivery  | 5. Suggested Time Frames | 6. Work opportunity created to practice skill / development area | 7. Support Person        |
|---|---|--|--|--------------------------|--|--------------------------|
| E.g.<br>1. Appraise Performance of Managers           | The manager will be able to enter into performance agreements with all managers reporting to him / her, appraise them against set criteria, within relevant time frames | A course containing theoretical and practical application with coaching in the workplace following [relevant unit standard?] | External provider, in line with identified unit standard and not exceeding R 6 000 | March 200...             | Appraisal of managers reporting to him / her                     | Senior Manager: Training |
| 2.  |   |  |  |                          |  |                          |
| 3.  |   |  |  |                          |  |                          |

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**DEFINITIONS:**

“Higher, Further and General Education and Training” refers to:

| National Qualification Framework level             | Levels                                | TYPES OF QUALIFICATIONS AND CERTIFICATES                            |  |
|--|---------------------------------------|---|--|
| 8  | <b>HIGHER EDUCATION AND TRAINING</b>  | Doctorates<br>Further Research Degrees                              |  |
| 7  |                                       | Higher Degrees<br>Professional Qualifications                       |  |
| 6  |                                       | First Degrees<br>Higher Diplomas                                    |  |
| 5  |                                       | Diplomas<br>Occupational Certificates                               |  |
| <b>FURTHER EDUCATION AND TRAINING CERTIFICATES</b> |                                       |   |  |
| 4  | <b>FURTHER EDUCATION AND TRAINING</b> | School/College/Training Certificate<br>Mix of units from all        |  |
| 3  |                                       | School/College/Training Certificate<br>Mix of units from all        |  |
| 2  |                                       | <b>School/College/Training Certificate</b><br>Mix of units from all |  |
| <b>GENERAL EDUCATION AND TRAINING CERTIFICATES</b> |                                       |   |  |
| 1  | <b>GENERAL EDUCATION AND TRAINING</b> | Senior Phase<br><br>Intermediate Phase<br><br>Foundation Phase      | ABET level 4<br><br>ABET level 3<br><br>ABET level 2<br><br>ABET level 1 |

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| <b>CORE MANAGERIAL COMPETENCIES - CMCs</b>   |  |
|--|--|
| <b>(1) STRATEGIC CAPABILITY &amp; LEADERSHIP</b>   | <b>PERFORMANCE INDICATORS</b>  |
| <p>Provides a vision, sets the direction for the municipality and / or department and inspires others to deliver on the IDP mandate.</p>   | <p>Gives direction to team in realizing the municipality's strategic and development objectives.<br/>                     Impacts positively on team morale, sense of belonging and participation.<br/>                     Develops detailed action plans to execute strategic objectives.<br/>                     Assists in defining performance measures to evaluate the success of strategies.<br/>                     Translates strategies into action plans.<br/>                     Secures cooperation from colleagues and team members.<br/>                     Seeks mutual benefit / win-win outcomes for all concerned.<br/>                     Supports stakeholders in achieving their goals / satisfying their needs.<br/>                     Inspires staff with own behaviour – "walks the talk".<br/>                     Manages and calculates risk.<br/>                     Communicates IDP to the department.<br/>                     Utilizes strategic planning methods and tools.</p>                    |
| <b>(2) PROGRAMME &amp; PROJECT MANAGEMENT</b>  | <b>PERFORMANCE INDICATORS</b>  |
| <p>Plans, manages, monitors and evaluates specific activities in order to deliver the desired outputs, outcomes and targets.</p>   | <p>Establishes broad stakeholder involvement and communicates the project status and key milestones.<br/>                     Defines the roles and responsibilities for project team members and clearly communicates expectations.<br/>                     Balances quality of work with deadlines and budget.<br/>                     Identifies and manages risks to the project by assessing potential risks and building contingencies into the project plan.<br/>                     Uses computer software programmes or suitable alternative measures to help manage projects.<br/>                     Sets and manages service level agreements with contractors.<br/>                     Where applicable, manages alternative service delivery agreements.</p>  |
| <b>(3) FINANCIAL MANAGEMENT</b>  | <b>PERFORMANCE INDICATORS</b>  |
| <p>Compiles and manages budgets, controls cash flow, institutes risk management and administers tender procurement processes in accordance with generally accepted financial practices in order to ensure the achievement of strategic municipal objectives.</p> | <p>Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate.<br/>                     Manages and monitors financial risk.<br/>                     Continuously looks for new opportunities to obtain and save funds.<br/>                     Prepares financial reports and guidelines based on prescribed format.<br/>                     Understands and weighs up financial implications and propositions.<br/>                     Understands, analyses and monitors financial reports.<br/>                     Allocates resources to established strategies and objectives.<br/>                     Aligns expenditure to cash flow projections.<br/>                     Ensures effective utilization of financial resources.<br/>                     Develops corrective measures / actions to ensure alignment of budget to financial resources.<br/>                     Prepares own budget in line with the development objectives of the municipality.</p> |

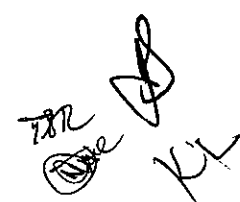
|  |   |
|--|---|
| <b>(4) CHANGE MANAGEMENT</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Initiates, supports and champions organisational transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments.<br/>Team building.</p> | <p>Perform analysis to determine the impact of changes in the social, political and economic environment.<br/>Keeps self and others calm and focused during times of change or ambiguity.<br/>Initiates, support and encourages new ideas.<br/>Volunteers to lead change efforts outside own work team.<br/>Consults and persuades all the relevant stakeholders of the need for change.<br/>Inspires and builds commitment within own area for the change by explaining the benefits of change, and the process of implementing the change.<br/>Coaches colleagues on how to manage change.<br/>Pro-actively seeks new opportunities for change.<br/>Identifies and assists in resolving resistance to change with stakeholders.<br/>Designs specific projects to enable change that are aligned to the organisational objectives.<br/>Uses the political, legislative and regulatory processes of local government to drive and implement change efforts.</p> |
| <b>(5) KNOWLEDGE MANAGEMENT</b>  | <b>PERFORMANCE INDICATORS</b>   |
| <p>Obtains, analyses and promotes the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the organisation.</p>   | <p>Uses appropriate information systems to manage organisational knowledge.<br/>Uses modern technology to stay abreast of world trends and information.<br/>Evaluates information from multiple sources and uses information to influence decisions.<br/>Creates mechanisms and structures for sharing of knowledge in the organisation.<br/>Uses libraries, researchers, knowledge specialists and other knowledge bases appropriately to improve organisational efficiency.<br/>Promotes the importance of knowledge sharing within own area.<br/>Adapts and integrates information from multiple sources to create innovative knowledge management solutions.<br/>Nurtures a knowledge-enabling environment.</p>   |
| <b>(6) SERVICE DELIVERY INNOVATION</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Champions new ways of delivering services that contribute to the improvement of organisational processes in order to achieve organisational objectives.</p>                                       | <p>Consults communities and stakeholders on ways to improve the delivery of services.<br/>Communicates the benefits of service delivery improvement opportunities to stakeholders.<br/>Identifies internal process improvement opportunities.<br/>Demonstrates full knowledge of principles on service delivery innovations.<br/>Identifies and analyses opportunities where innovative ideas can lead to improved service delivery.<br/>Creates mechanisms to encourage innovation and creativity within functional area and across the municipality.<br/>Implements innovative service delivery options in own department.</p>  |
| <b>(7) PROBLEM SOLVING &amp; ANALYTICAL THINKING</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Systematically identifies, analyses and resolves existing and anticipated problems in order to reach optimum solutions in a timely manner.</p>  | <p>Explains potential impact of problems to own working environment.<br/>Demonstrates logical problem solving approach and provides rationale for proposed solutions.<br/>Determines root causes of problems and evaluates whether solutions address root causes.<br/>Demonstrates objectivity, thoroughness, insightfulness and probing behaviour when approaching problems.<br/>Demonstrates the ability to break down complex problems into manageable parts and identify solutions.</p>   |

|   |  |
|---|--|
| <b>(8) PEOPLE &amp; DIVERSITY MANAGEMENT</b>  | <b>PERFORMANCE INDICATORS</b>  |
| <p>People management and empowerment (manages and encourages people, optimizes their outputs and effectively manages relationships in order to achieve organisational objectives).</p>  | <p>Seeks opportunities to increase personal contribution and level of responsibility. Supports and respects the individuality of others and recognizes the benefits of diversity of ideas and approaches.<br/>Delegates and empowers others to increase contribution and level of responsibility.<br/>Applies labour and employment legislation and regulations consistently.<br/>Facilitates team goal setting and problem solving.<br/>Recognizes individuals and teams and provides developmental feedback in accordance with performance management principles.<br/>Adheres to internal and national standards with regards to HR practices.<br/>Deals with labour matters.<br/>Identifies competencies required and suitable resources for specific tasks.<br/>Displays personal interest in the well-being of colleagues and other stakeholders.<br/>Manages conflict through a participatory and transparent approach.</p>                            |
| <b>(9) CLIENT ORIENTATION &amp; CUSTOMER FOCUS</b>  | <b>PERFORMANCE INDICATORS</b>  |
| <p>Willing and able to deliver services effectively and efficiently in order to put the spirit of customer services – Batho Pele – into practice.</p>   | <p>Develops clear and implementable service delivery improvement programmes.<br/>Identifies opportunities to exceed the expectations of customers.<br/>Designs internal work processes to improve customer service.<br/>Adds value to the organisation by providing exemplary customer service.<br/>Applies customer rights in own work environment.</p>   |
| <b>(10) COMMUNICATION</b>   | <b>PERFORMANCE INDICATORS</b>  |
| <p>Exchanges information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and / or influence others to achieve the desired outcomes.</p>  | <p>Expresses ideas to individuals and groups both in formal and informal settings in an interesting and motivating way.<br/>Receptive to alternative viewpoints.<br/>Adapts communication content and style according to the audience including managing body language effectively.<br/>Delivers messages in a manner that gains support, commitment and agreement.<br/>Writes well structured, integrated documents.<br/>Communicates controversial or sensitive messages to stakeholders tactfully.<br/>Listens well and is receptive.<br/>Encourages participation and mutual understanding.</p>  |
| <b>(11) HONESTY &amp; INTEGRITY</b>   | <b>PERFORMANCE INDICATORS</b>  |
| <p>Accountability and ethical conduct should display and build the highest standards of ethical and moral conduct complying with generally accepted value systems in order to promote confidence and trust in the sphere of local government.</p> | <p>Conducts self in accordance with the municipal code of conduct for officials.<br/>Admits own mistakes and weaknesses and seeks help from others where unable to deliver.<br/>Reports fraud, corruption, nepotism and maladministration.<br/>Honours the confidentiality of matters and does not use it for personal gain or the gain of others.<br/>Discloses conflict of interests.<br/>Establishes trust and show confidence in others.<br/>Treats all employees with equal respect.<br/>Undertakes roles and responsibilities in a sincere and honest manner.<br/>Incorporates organisational values and beliefs into daily work.<br/>Uses work time for organisational matters and not for personal gain.<br/>Shares information openly, whilst respecting the principle of confidentiality.<br/>Accepts accountability for decisions / actions taken.<br/>Refrains from blaming others for mistakes and/or incorrect or inappropriate decisions.</p> |

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**CORE OCCUPATIONAL COMPETENCIES - COCs**

| <b>(1) COMPETENCE IN SELF MANAGEMENT</b>   | <b>PERFORMANCE INDICATORS</b>   |
|--|---|
| <p>Being able to manage oneself in respect of time, the performance of duties, improving one's skills and expertise in order to become a more self-motivated and driven manager.</p>   | <p>Maintains an efficient diary.<br/>                     Prioritises work in accordance with the importance thereof.<br/>                     Improves his/her knowledge and skills on a continuous basis.<br/>                     Deals with incoming work in such a way that it does not cause delays throughout the system.</p>  |
| <b>(2) INTERPRETATION &amp; IMPLEMENTATION WITH- IN LEGISLATIVE &amp; NATIONAL POLICY FRAMEWORKS</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Remains informed of all major legislation and newly developed policies in order that such legislation and policies can be successfully interpreted and implemented.</p>   | <p>Remains informed of all new legislation and policies.<br/>                     Reports on such legislation and policies to Council so as to make Council aware of the implications thereof.<br/>                     Gives regular feedback to management and staff on new legislation and policies that affect them.<br/>                     Adapts the functional operation of the Municipality to be in compliance with such legislation and policies.</p>   |
| <b>(3) KNOWLEDGE OF PERFORMANCE MANAGEMENT AND REPORTING</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Ensures that a good working knowledge of performance management and reporting is obtained, that the principles thereof are understood and applied in practice in order to ensure the successful implementation of performance management and reporting.</p>             | <p>Updates his/her knowledge of performance management on a continuous basis.<br/>                     Ensures that reports in regard to performance management are regularly compiled in accordance with legal prescriptions.<br/>                     Identifies deviations from agreed to performance targets and institutes corrective measures.<br/>                     Participates in the performance appraisal of adjoining municipalities so as to broaden his/her knowledge of performance management.</p> |
| <b>(4) KNOWLEDGE OF GLOBAL &amp; SA POLITICAL, SOCIAL &amp; ECONOMIC CONTEXTS</b>  | <b>PERFORMANCE INDICATORS</b>   |
| <p>Expands a knowledge base in regard to political social and economic developments in South Africa and the rest of the world on a continuous basis in order to give direction in terms of political social and economic developments that impact on the Municipality.</p> | <p>Expands knowledge of political, social and economic aspects on a continuous basis e.g by reading widely on these topics, subscribing to journals in this regard or gaining information via the Internet.<br/>                     Advises Council and management especially during the IDP process of developments in these fields that could impact on the Municipality and, where such impacts are negative, to propose counter measures to minimise such negative impacts</p>                                   |


  
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| <b>(5) POLICY CONCEPTUALISATION, ANALYSIS &amp; IMPLEMENTATION</b>  | <b>PERFORMANCE INDICATORS</b>  |
| <p>The ability to identify a need for a policy, the development of such a policy and to give practical effect to such an adopted policy.</p>  | <p>Demonstrates awareness of a working environment that requires a policy directive.<br/>         Is acquainted with the legal framework which dictates the development of a specific policy.<br/>         Knows the fundamental principles which underpin the development of a successful policy.<br/>         Is able to obtain inputs from identified stakeholders and interested and affected parties.<br/>         Can successfully workshop draft policy inputs into an acceptable draft format thereby promoting inclusivity and legitimacy.<br/>         Is able to draft a report motivating the need for the policy and the acceptance of the formulated draft policy.<br/>         Ensuring inputs from the Council (or other final decision-making body) are incorporated into the final policy document.<br/>         Is able to make role-players, affected by the adopted policy, aware of the contents and consequences of the policy.<br/>         Provides guidance and/or training on how to implement the policy.<br/>         Ensures that policy is correctly implemented and thereafter monitors such implementation.<br/>         Takes corrective action where policy implementation isn't adhered to.<br/>         Amends a policy, if found necessary, to satisfy changing circumstances.</p> |
| <b>(6) KNOWLEDGE OF FUNCTIONAL MUNICIPAL FIELDS/DISCIPLINES</b>   | <b>PERFORMANCE INDICATORS</b>  |
| <p>Expands his/her knowledge base in order to ensure that a holistic and objective perspective on all municipal disciplines is maintained.</p>  | <p>Spends one day per month dedicated to a specific municipal activity/function.<br/>         Attends at least one conference per year not related to own task.<br/>         Reads journals related to different disciplines within the municipal context and displays concrete evidence of having absorbed such knowledge.</p>  |
| <b>(7) MEDIATION SKILLS</b>   | <b>PERFORMANCE INDICATORS</b>  |
| <p>Mediation is the ability to solve differences of opinion held by opposing parties, in such a manner that the differences are not only resolved, but that the relevant parties accept the outcome of the mediation.</p> | <p>Is able to identify situations where mediation may be required.<br/>         Persuades opposing parties to accept the route of mediation.<br/>         Instils adequate confidence in the parties that he/she is able to successfully mediate on the differences.<br/>         Brings the parties to a point where they are prepared to forego preconceived points of views and to accept an opposing point of view from another party.<br/>         Ensures that mediation process continues in spite of periodic objections from the parties.<br/>         Formulates a compromise solution that is accepted by the concerned parties.<br/>         Ensures that opposing parties perceive that the mediated solution created a win/win situation.</p>  |


  
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| <b>(8) GOVERNANCE SKILLS</b>   | <b>PERFORMANCE INDICATORS</b>   |
|--|---|
| <p>Obtains a sound understanding of the concept of governance and applies it in practice so as to promote good governance within the Municipality.</p> | <p>Interacts in a constructive way with the political office bearers and other elected councillors.<br/> Ensures that the Batho Pele principles are understood and applied by staff.<br/> Ensures that community-based inputs are incorporated into e.g the IDP budget, policies and by-laws.<br/> Endeavours to obtain an unqualified audit report from the Auditor General and where qualifications are raised, that these are fully addressed within the next financial year.<br/> Practises sound public administration in accordance with the provisions of Section 195 of the Constitution.<br/> Upholds the codes of conduct as set out in Schedules 1 and 2 of the Systems Act.<br/> Ensures that the municipal website contains all the prescribed information and that such information is regularly updated.</p> |

| <b>(9) COMPETENCE AS REQUIRED BY NATIONAL LINE SECTOR DEPTs</b>   | <b>PERFORMANCE INDICATORS</b>   |
|---|---|
| <p>Determines which line sector departments have requirements in regard to duties to be performed and acquires the competencies as required by the identified line sector department.</p> | <p>Establishes which line sector department has the greatest need to interact with the Municipality.<br/> Establishes a liaison with such line sector department and determines the competencies to be acquired.<br/> Acquires the competencies by way of studying the applicable legislation, policies and other directives from the line sector department.<br/> Channels the knowledge through to the relevant municipal department so as to ensure that the greatest degree of synergy between the line sector department and the Municipality is achieved.</p> |
| <b>(10) EXCEPTIONAL &amp; DYNAMIC CREATIVITY TO IMPROVE FUNCTIONING OF MUNICIPALITY</b>   | <b>PERFORMANCE INDICATORS</b>   |
| <p>Applies strategic, out-of-the-box thinking and suggests a way forward in order that the Municipality may function in an exceptional and dynamic manner.</p>                            | <p>Strategises with political office bearers and the management team in such a way that new concepts and ideas are generated.<br/> Displays the ability to challenge routine suggestions and recommendations and proposes unthought-of alternatives.<br/> Displays the ability to suggest innovative service delivery mechanisms.<br/> Suggests cost saving measures, enhances the skills and performance of members of staff and solves problems in an innovative and cost effective manner.</p>   |

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**ANNEXURE D**

**ANNUAL BONUS RELATED PERFORMANCE APPRAISAL STANDARDS AND PROCEDURES**

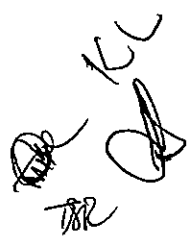
This annual bonus related performance assessment of the Municipal Manager and Managers is in accordance with the Municipal Performance Management Regulations, 1 August 2006.

It is informed by the Quarterly Performance Reviews which took place as scheduled in the Performance Agreements and uses the same evaluation scale and performance criteria as the Quarterly Reviews.

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**PERFORMANCE APPRAISAL OF KPAs AND CCRs TO DETERMINE IF THE MANAGER QUALIFIES FOR A PERFORMANCE BONUS**

| LEVEL  | DESCRIPTION   | RATING | ASSESSMENT SCORE | PERFORMANCE BONUS RATIOS   |
|--|---|--------|------------------|--|
| Level 5:<br>Outstanding Performance                      | Performance far exceeds the standard expected for the job in all areas of the manager. The manager has achieved exceptional results against all performance criteria and indicators specified in the Performance Plan and maintained this in all areas of responsibility throughout the year.   | 5      | 75 - 100         | Maximum bonus allowed is 14%. Regulations is between 10% and 14% of person's inclusive annual remuneration package. The % as determined per Council Resolution is as follows:<br>75 - 76% - 10%<br>77 - 78% - 11%<br>79 - 80% - 12%<br>81 - 84% - 13%<br>85 - 100% - 14% |
| Level 4:<br>Performance significantly above expectations | Performance is significantly higher than the standard expected for the job in all areas. The manager has achieved above fully effective results against more than half of the performance criteria and indicators specified in the Performance Plan and fully achieved all others throughout the year.  | 4      | 65 - 74          | Maximum bonus allowed is 9%. Regulations is between 5% and 9% of person's inclusive annual remuneration package. The % as determined per Council Resolution is as follows:<br>65 - 66% - 5%<br>67 - 68% - 6%<br>69 - 70% - 7%<br>71 - 72% - 8%<br>73 - 74% - 9%          |
| Level 3:<br>Fully effective                              | Performance fully meets the standard expected for the job in all areas. The manager has achieved effective results against all significant performance criteria and indicators specified in the Performance Plan and may have achieved results significantly above expectations in one or two less significant areas throughout the year.   | 3      | 51 - 64          | No bonus   |
| Level 2:<br>Performance not fully satisfactory           | Performance is below the standard required for the job in key areas. The manager has achieved adequate results against many key performance criteria and indicators specified in the Performance Plan but did not fully achieve adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected.                                      | 2      | 31 - 50          | No bonus   |
| Level 1:<br>Unacceptable performance                     | Performance does not meet the standard required for the job. The manager has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The manager has failed to demonstrate the commitment or ability to bring performance up to the level expected despite efforts to encourage improvement. | 1      | Less than 30     | No bonus   |


  
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