

# MASILONYANA LOCAL MUNICIPALITY



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## 2014/15 PERFORMANCE PLAN & AGREEMENT

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**PERFORMANCE PLAN**

**JOB TITLE: MUNICIPAL MANAGER**

**MASILONYANA LOCAL MUNICIPALITY**

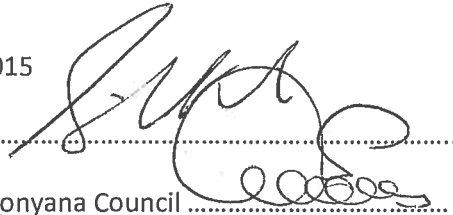
This plan defines the Council's expectations of the Municipal Manager in accordance with Manager's performance agreement, to which this document is attached. Section 57 (5) of the Local Government: Municipal Systems Act which provides that key objectives and targets must be based on the Key Performance Indicators set out from time to time as the municipal council reviews the Integrated Development Plan. This Performance Plan must, in terms of the Municipal Performance Regulations, also include time frames and weightings.

There are six parts to this Plan:

1. Key Performance areas (KPA's) schedule, detailing key objectives and their related Performance Indicators, Weightings and Target Dates
2. A Core Competency Requirements (CCR) schedule, setting out selected Core Management and Occupational Competencies
3. Performance Review Procedure i.e. information on how to review (or evaluate) performance and information on specific accountabilities
4. Consolidated Score Card, with Assessment Rating Calculator
5. Personal Development Plan (PDP), for addressing developmental gaps
6. Record of assessment meetings (Control Sheet)

The period for this plan is 1<sup>st</sup> July 2014 to 30<sup>th</sup> June 2015

Signed and accepted by the Municipal Manager .....



Signed and accepted by the Mayor on behalf of Masilonyana Council .....

## **KEY PERFORMANCE AREA (KPA) SCHEDULE**

### **MUNICIPAL MANAGER**

**2014 – 2015**

### **MASILONYANA LOCAL MUNICIPALITY**

This KPA Schedule sets Key Performance Objectives which must be achieved, time frames, as well as the Key Performance Targets (Standards) which will be used to measure whether or not the Infrastructure & Technical Service Director has adequately performed his functions.

#### **POSITION PURPOSE**

To lead, direct and take full responsibility for the Overall Management of the Municipality including the Management & Development of the Municipal Manager's Office.

### KEY PERFORMANCE AREA'S (KPS's) SCHEDULE

KEY PERFORMANCE AREA	IDP OBJECTIVE	BASELINE	PERFORMANCE INDICATOR	ANNUAL TARGET & TARGET DATE				
<b>(1) Municipal Planning</b>	Align & Integrate Municipal Planning	2013/14 IDP	Develop Credible IDP That is Aligned to Strategic Planning, Budget & PMS	100%	Q1	Develop Process Plan		
					Q2	Establish Planning Steering Committee & Forum		
					Q3	Compile Planning Progress Report		
						Submit First Draft To Council		
						Invite Public Representation & Inputs		
					Q4	Submit Final IDP & PMS Final Drafts To Council		
					100%	Review Spatial Development Framework	Q1	Develop Project Management Plan
							Q2	Submit First Draft To Council
							Q3	Invite Public Comments
							Q4	Submit Final Draft To Council
<b>(2) Shared Local Economic Development</b>	Create Conducive Environment For Local Economic Growth	Increase Current Jobs	Review & Implement LED Strategy	100%	Q1	Conclude Tender Process  Ensure effective functioning LED Forum		

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					Q2	Develop Project Management Plan
					Q3	Submit First Draft To Council
						Facilitate LED Summit
						Invite Business & Public Inputs
					Q4	Submit Final Draft to Council
			Establish SMME Hub in the municipality	100%	Q1	Identify property to establish SMME Hub
					Q2	Compile Quarterly Report
					Q3	Compile Third Quarterly Report
					Q4	Compile Annual Report
<b>(3) Contract Management</b>	Improve Contract Management	Identify Contract Gaps	Ensure Sound Contract Management	100%	Q1	Review All Municipal Contracts
						Identify Gaps
					Q2	Table A Report To Council & Management
						Recommend Possible Remedial Action
					Q3	Monitor Contracts & Manage them
						Compile Mid-Year Report On Contract Management

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					Q4	Compile Annual Report On Contract Management
<b>(4) Clean Audit</b>	Reduce Audit Qualifications	Qualified Opinion	Improve Current AG Opinion	100%	Q1	Develop Audit Plan
						Ensure Effective Audit Committee
						Facilitate Development of Audit Files
					Q2	Approve Internal Audit Plan
					Q3	Conduct Internal Audit That is Risk Based
					Q4	Compile 2014/15 Internal Audit report
<b>(5) Municipal Performance Management</b>				100%	Q1	Introduce Performance management to lower level (Junior managers)
						Develop Performance Agreements & Plans For Senior Managers
						Ensure effective function Performance Committee & submit quarterly performance reports
					Q2	Implement Performance management to lower level (Junior managers)

						Appraise & Compile First Quarter Appraisal Report
					Q3	Appraise & Compile Second Quarter Appraisal Report
					Q4	Appraise & Compile Third Quarter Appraisal Report
						Inform Council about Poor Performance
<b>(6) Risk Management</b>	Manage Municipal Risks		Ensure Effective Municipal Risk Management	100%	Q1	Ensure effective functioning Risk Management Unit
						Review Risk Management Plan
					Q2	Ensure effective functioning Risk Management Committee
					Q3	Run Two Risk Management Awareness Campaigns
					Q4	Compile Annual Risk Management Report & Update the Register
<b>(7) Project Management</b>	Municipal Projects Management		Enhance Current PMU Capacity	100%	Q1	Submit Project Implementation Plan To Council for approval
					Q2	Submit First Quarter Report To Council
					Q3	Ensure effective functioning Project

						Manager Unit
					Q4	Submit Annual Project Management To Council
<b>(8) Budget Control</b>	Expenditure Management	Monitor Expenditure per Vote	Ensure Aligned Spending In Accordance With The Approved Budget	100%	Q1	Introduce strict Budget Control measures
					Q2	Submit First Quarter Expenditure Report To Council
					Q3	Submit Mid-Year Performance Assessment Report To Council
					Q4	Submit Third Quarter Expenditure Report To Council
<b>(7) Improve Municipal HR Management &amp; Excellent</b>	Improve HR Management		Improve Management of Municipal Departments	100%	Q1	Compile Municipal HR Analysis Report To Council
					Q2	Facilitate Weekly Management Meetings
					Q3	Develop Senior Management Skills
					Q4	Submit HR Management Annual Report

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## CORE COMPETANCE REQUIREMENTS (CCR) SCHEDULE

This CCR Schedule measures the Managerial and Occupational Competencies of the Municipal Manager. The Core Managerial and Occupational Competencies must be selected from the list set out below and agreed upon between the employer and the employee, with due regards to the proficiency level agreed to.

### CORE COMPETENCY REQUIREMENTS (CCR) SCHEDULE

CORE COMPETENCY REQUIREMENTS (CCR)	WEGHT	SCORE	
		DEC	JUNE
Strategic Capability and Leadership	1%		
Programme and Project Management	1%		
Financial Management	1%		
Change Management	1%		
Knowledge Management	1%		
Service Delivery Innovation			
Problem Solving and Analysis	1%		
People Management and Empowerment	1%		
Client Orientation and Customer Focus	1%		
Communication	1%		
Honesty and Integrity	1%		
<b>Total Percentage</b>			

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**CORE OCCUPATIONAL COMPETENCIES (COC) SCHEDULE**

CORE OCCUPATIONAL COMPETENCIES REQUIREMENTS (CCR)	WEGHT	SCORE	
		DEC	JUNE
Competence in Self-Management	1%		
Interpretation of and implementation within the legislative and national policy frameworks	1%		
Knowledge of Performance Management and Reporting	1%		
Knowledge of global and South African specific political, social and economic contexts	1%		
Competence in policy conceptualization, analysis and implementation	1%		
Knowledge of more than one functional municipal field/discipline	1%		
Skills in Mediation	1%		
Skills in Governance	1%		
Competence as required by other national line sector departments	1%		
Exceptional and dynamic creativity to improve the functioning of the municipality	1%		
<b>Total Percentage</b>			

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## PERFORMANCE REVIEW PROCEDURE

1. The performance of the Section 56 Managers must be reviewed on the following dates, with the understanding that the reviews in the first and third quarter may be verbal if the performance is satisfactory:  
First Quarter: Review at end of September 2014  
Second Quarter: Review at end of December 2014  
Third Quarter: Review at end of March 2015  
Fourth Quarter: Review at end of June 2015
2. An Evaluation Panel comprising of the following persons must be established for the purpose of evaluating the annual performance of the Municipal Manager (i.e. manager reporting directly to the Mayor):
  - i) Mayor
  - ii) Chairperson of the performance/internal audit committee or the Chairperson of the performance committee, in the absence of a performance audit committee;
  - iii) Member of the municipal council or executive committee member;
  - iv) Municipal Manager from another municipality

The Mayor must source the external secretarial services or use the HR Manager to the evaluation panel.

3. The evaluation of the Section 56 Managers' performance at the end of the first and second semester must be undertaken by the Municipal Manager in consultation with the relevant Section 56 manager.
4. Notwithstanding the intervals for reviewing the Managers' performance mentioned in paragraph 1 above, the employer may in addition review the Managers' performance at any stage while the performance contract remains in force.
5. The onus is on the Section 56 Manager to provide proof that he/she has met the key performance targets and standards, within the set time frames.
6. The Mayor and the Municipal Manager to meet to conduct a formal performance rating and agree to the final scores. It may be necessary to have two meetings before final agreement. In the event of a dis-agreement, the Municipal Council has the final say with regard to the final score that is given and the Municipal Manager is free to explore external dispute resolution mechanism if need be.
7. Deadline dates that have been met should be marked alongside with a ✓.
8. Deadline dates that have not been met should be marked alongside with a X.
9. Performance Indicator that has been supplied as evidence of achieving an objective should be marked alongside with a ✓.
10. Performance Indicator that has not been supplied as evidence of achieving an objective should be marked alongside with a X.

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11. The Mayor must mark his own notes during a formal review meeting and must assign a score in relation to the weighting assigned to a specific objective e.g. Should a specific objective have been assigned an amount of 5 points and the objective have been achieved then the score allocated will be five (5). However, should the objective have not been achieved at all or no satisfactory evidence is provided then the score of zero (0) will be allocated? Should only a portion of the evidence have been provided, or only a portion of the objective have been achieved, with no valid reason for poor achievement, then a part score will be allocated e.g. 3/5. It should be noted that many performance indicators do not allow for a partial score for i.e. it either has or has not been achieved.
12. The scoring must be recorded on the KPA Schedule and the CCR Schedule in the relevant score columns.
13. Only those items relevant for the review period in question must be scored.
14. A Personal Development Plan (PDP) for addressing developmental gaps in the employee's performance and capacity must then be completed by the Mayor in consultation with then relevant Section 56 Manager.
15. A poor work performance will be dealt with in accordance with schedule 8 (eight) of the Labour Relations Act specifically dealing with poor work performance and incapacity.
16. The Mayor must complete a Control Sheet (Record of Assessment Meetings) provided in this Performance Plan.
17. When undertaking the Annual Performance Review with the panel as set out in paragraph two above the same scoring procedure will be used and the members of the panel will then provide input on their proposed score for each Key Objective. However the panel should aim at reaching consensus.
18. The score awarded on the KPA Schedule and the CCR Schedule will then be transferred to the consolidated score card and the total score for each Section 56 manager will then be calculated in accordance with regulation 27 of the Municipal Performance Regulations promulgated under Government Notice R805 dated 01 August 2006. Using regulation 22 it will then be determined whether or not the employee is entitled to a Performance Bonus and if so the amount of the bonus.
19. **Any dispute concerning the Performance Management Processes or Outcomes will be dealt with in terms of Regulation 33 of the same Act.**
20. The content of a Performance Agreement must be made available to the public by the Municipal Manager in accordance with the Municipal Finance Management Act 2003 and Section 46 of the Municipal Systems Act.

**CONSOLIDATED SCORE CARD**  
**ASSESSMENT RATING CALCULATOR**

Evaluation Cycle : 01 July 2014 TO 30 June 2015

Name of the Section 56 Manager: Mr S S Mtakati

Title: **MUNICIPAL MANAGER**

KPA	WEIGHT	RATING	SCORE	CCR	WEIGHT	RATING	SCORE
1				1			
2				2			
3				3			
4				4			
5				5			
6				6			
7				7			
-				8			

**ASSESSMENT RATING CALCULATOR**

100%		100%	
KPA weight	80%	CCR weight	20%
KPA score		CCR score	
Final score			

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## PERSONAL DEVELOPMENT PLAN

(To be used for addressing Performance gaps)

Manager's Name: Mr S S Mtakati

Date: 01 July 2014

Job Title: Municipal Manager

Skills / Performance Gap(identified at Performance Evaluation)	Outcomes expected	Suggested activity (e.g. training, counseling, additional resources etc.)	Time frames to meet Performance Standards	Comments
1.Municipal Finance Management				

Signed by the Municipal Manager ..... 

Signed by the Mayor ..... 

MASILONYANA LOCAL MUNICIPALITY



PERFORMANCE AGREEMENT

BETWEEN

MASILONYANA LOCAL MUNICIPALITY

AND

"the employee"

FINANCIAL YEAR

1 July 2014 - 30 JUNE 2015



## INTRODUCTION

Masilonyana local Municipality duly represented by ....., in his capacity as the Mayor has entered into a contract of employment with the employee SS MTHAKATI (in his capacity as the Municipal Manager) for a period of 1 June 2014 ending 31 July 2015 in terms of section 57(1) (a) of the Local Government Municipal Systems Act 32 of 2000.

Section 57(1) 9b) of the same Act, read with the contract of employment concluded between the parties, requires the parties to conclude an annual performance agreement.

The parties wish to ensure that they are clear about the goals & objectives to be achieved, and secure the commitment of the employee reporting to the Mayor, to a set of actions that will secure Local Government Policy Objectives.

## PURPOSE OF THIS AGREEMENT

The parties agree that the purpose of this Agreement is to:

- Comply with the provisions of section 57 (10 (b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties;
- Specify objectives and targets defined and agreed with the employee and to communicate to the employee the municipal expectations of the employee's performance and accountabilities in alignment with the 2014/2015 Integrated Development Plan, 2014/2015 Service Delivery Budget Implementation Plan and the 2014/2015 Municipal Budget;
- Specify the accountabilities as set out in the Performance Plan, which forms an annexure to the performance agreement.
- Monitor and measure performance against set targeted outputs;
- Use the performance agreement as a barometer assess employee performance
- In the event of outstanding performance, to appreciate & reward performance
- Give effect to the municipal commitment to a performance oriented relationship with its employee in attaining equitable and improved service delivery.

## COMMENCEMENT AND DURATION

- This Agreement will commence on the 1 July 2014 and will remain in force in until 30 June 2015. Thereafter a new Performance Agreement, Performance plan and Personal Development Plan shall be concluded between the parties for the next financial Year or any portion thereof;
- The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year;
- This Agreement will terminate on the termination of the employee's contract of employment for any reason as may be agreed between the parties;
- The content of this Agreement may be revised at any time during the above-mention period to determine the applicability of the matters agreed upon;
- If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council resolution/decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised and aligned.

## PERFORMANCE OBJECTIVES

- The Performance Plan (Annexure "A") sets out:
- The performance objectives and targets that must be met by the employee; and
- The time frames within which those performance objectives and targets must be met;
- The performance objectives and targets reflected in Annexure "A" are set by the Mayor in consultation with the employee, and including Key Objectives, Key Performance Indicators, Target dates and weightings;
- The Key Objectives describes the main task that needs 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 date describes the timeframe in which the work must be achieved. The weightings show the relative importance of the Key Objective to each other;
- The employee's performance will. In addition be measured in terms of contributions to the set goal and strategies as in the 2014/2015 IDP;

## PERFORMANCE MANAGEMENT SYSTEM

- The employee agrees to participate in the Performance Management System that the municipality council adopted and introduced for Masilonyana Local Municipality, to manage municipal staff.
- The employee accepts that the purpose of Performance Management System is to provide a comprehensive system with specific performance standards to assist the municipality, management and municipal staff to perform to the standards required;
- The Mayor will consult the employee about the specific performance standards that will be included in the Performance Management System as applicable to the employee;
- The employee undertake to actively focus towards the promotion and implementation of the KPA's (including special projects relevant to the employee's responsibilities) within the local government framework;
- The criteria upon which the performance of the employee shall be assessed shall consist of two components, both of which are contained in the Performance Agreement;
- The employee will be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Management Competencies (CMC's) respectively;
- Each area of assessment will be weighted and will contribute a specific part to the total score;
- KPA's covering the main areas of work will account for 80% and CMC's 20% of the final assessment;
- The employee's assessment will be based on his performance in terms of the outputs/ outcomes specified in the Attached Performance Plan

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## EVALUATING PERFORMANCE

The Performance plan set out:

- The standard and procedures for evaluating the employee's performance and;
- The intervals for the evaluation of the employee's performance
- The municipal council may review the employee's performance at any stage while the contract of employment remain in force;
- Personal growth and development needs identified during any performance review discussion must be documented and where possible, action agreed to and implementation must occur within a set time frames
- The employee's performance will be measured in terms of contributions to the goals and strategies set out in the 2014/2015 Municipal IDP;

The Annual Performance Appraisal will involve:

- An assessment of achievements of results as outlined in the Performance Plan
- Each KPA will be assessed according to the extent to which specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under that KPA;
- An indicative rating on the five point scoring mechanism be provided for each KPA;
- The applicable assessment rating calculator will then be used to add the scores and calculate a final KPA score;

## ASSESSMENT OF THE CMC's

- Each CMC will be assessed according to the extent to which the specified standard have been met;
- An indicative rating on the five point scale should be provided for each CMC;
- The rating will be multiplied by the weighting given to each CMC to provide a score;
- The applicable assessment calculator will be used to add the scores and calculate the final CMC score;

## OVERALL RATING

- An overall rating will be calculated using the applicable assessment rating calculator. Such overall rating represents the outcome of the performance appraisal;
- For the purposes of evaluating the annual performance of the employee, an evaluation panel shall be constituted by the Municipal Manager.

## SCHEDULE FOR PERFORMANCE REVIEWS

- The performance of the employee shall be reviewed within the time frames specified in the Performance Plan;
- The municipality shall keep a record of the review and assessment meetings;
- Performance Feedback shall be based on the Municipal Assessment of the employee's performance;
- The municipality will be entitled to review and make reasonable changes to the provisions of the Performance Plan, from time to time for operational reasons. The employee will be fully consulted before any such changes is made;
- The municipality may amend the provisions of the performance plan, whenever the PMS is adopted, implemented and or amended as the case may be. In that case the employee will be fully consulted before any such changes can be effected;

## OBLIGATION OF MASILONYANA LOCAL MUNICIPALITY

The Municipality shall:

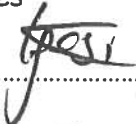
- Create an enabling environment to facilitate effect performance by the Municipal Manager;
- Provide access to skills development and capacity building opportunities
- Work collectively with the employee to solve problems and generate solutions to common problems that may impact on the performance of the employee;
- On request of the employee delegate such powers reasonably as may be requested by the employee to enable her to meet the performance objectives and targets established in terms of this agreement;
- Make available to the employee such resources as the employee may reasonable require from time to time to assist her to meet the performance objectives and targets established in terms of this agreement;

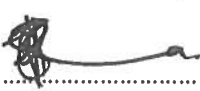
  
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CONSULTATION

Signed at ..... On this day..... of ..... 2014

As witnesses

1.  .....

2.  .....




The Mayor

Signed at THOUALSEN on this day 1<sup>st</sup> of June 2014

As witnesses

1.  .....

2.  .....



The Municipal Manager