

**DR RUTH SEGOMOTSI
MOMPATI DISTRICT
MUNICIPALITY**



**CHIEF FINANCIAL OFFICER
CHARLES MALEMA**

**PERFORMANCE
AGREEMENT
FOR THE FINANCIAL YEAR
2020/2021**

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PERFORMANCE AGREEMENT

Made and entered into by and between:

The Dr Ruth Segomotsi Mompoti District

Municipality, as represented by

Mr. Jerry Mononela

The Municipal Manager of Dr Ruth Segomotsi

Mompoti District Municipality

["the Employer"]

And

Mr. Charles Malema

The CFO of Dr Ruth Segomotsi Mompoti District Municipality

["the Employee"]

For the

Financial Year: 01 July 2020 – 30 June
2021

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1. INTRODUCTION

The Performance Agreement sets out how the performance of the Senior Manager will be directed, monitored and improved. It further provides assurance to the Municipal Council of what can and should be expected from the Senior Manager to ensure a basis for performance and continuous improvement in Local Government.

Section 57(1)(b) of the Systems Act, read with the contract of employment concluded between the two parties, requires the parties to conclude a Performance Agreement annually.

The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee**, reporting to the Municipal Manager, to a set of objectives that will promote the goals of developmental local government.

The parties wish to ensure that there is compliance with *Sections 57(4A), 57(4B) and 57(5)* of the Systems Act.

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2. PURPOSE OF THIS AGREEMENT

The parties agree that the purposes of this Agreement are to:

- 2.1. comply with the provisions of *Section 57(1)(b), (4A), (4B) and (5) of the Act* as well as the employment contract entered into between the parties;
- 2.2. Specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Municipality.;
- 2.3. Specify accountabilities as set out in a performance plan, which forms an Annexure A to the performance agreement;
- 2.4. Monitor and measure performance against set targeted outputs;
- 2.5. Use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his job;
- 2.6. In the event of outstanding performance, to appropriately reward the employee; and
- 2.7. Give effect to the employer's commitment to a performance orientated relationship with its employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1. This agreement will be for the financial year 2020-2021 and applicable to current incumbent acting or fixed term contract commencing on the **01 July 2020** and will remain in force until **30 June 2021** 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;
- 3.2. The parties will review the provisions of this Agreement during June each year and must conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by no later than the beginning of each successive financial year;

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- 3.3. This agreement will terminate on the termination of the Employee's contract of employment for any reason;
- 3.4. The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon;
- 3.5. 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 must by mutual agreement between the parties, immediately be revised.

4. PERFORMANCE OBJECTIVES

- 4.1. The Performance Plan attached per **Annexure A** set out the
 - a. the performance objectives and targets that must be met by the Employee; and
 - b. the time frames within which those performance objectives and targets must be met.
- 4.2. The performance objectives and targets reflected in the Performance Plan attached per Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation (SDBIP) and the Budget of the Municipality; and shall include key objectives, key performance indicators, target dates and weightings.
- 4.3. It is agreed that–
 - a. the key objectives must describe the main tasks that must be performed by the Employee;
 - b. the key performance indicators provide the details of the evidence that must be provided to indicate that a key objective has been achieved;
 - c. the target dates describe the timeframe in which the work must be achieved; and
 - d. the weightings indicate the relative importance of the key objectives to each other.

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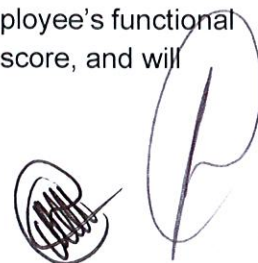
- 4.4. The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan and Service Delivery and Budget Implementation Plan.

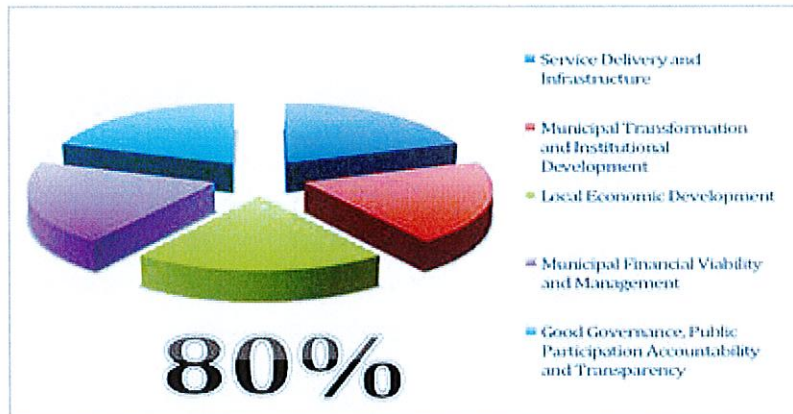
5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1. The employee agrees to participate in the performance management system that the Employer adopts and implements in the Municipality;
- 5.2. The employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the employer, management, and municipal staff to perform to the standards required;
- 5.3. The employer will consult the employee about the specific performance standards that will be included in the performance management system as applicable to the employee;
- 5.4. The employee undertakes to actively focus towards the promotion and the implementation of the Key Performance Areas (KPAs) (including special projects relevant to the employee's responsibilities) within the local government framework;
- 5.5. The criteria upon which the performance of the employee shall be assessed and shall consist of two components, both of which shall be contained in the performance agreement. The employee must be assessed against both components, with a weighing of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively. Each area of assessment will be weighted and will contribute a specific part to the total score. KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment;
- 5.6. The Employee's assessment will be based on his performance in terms of outputs (performance targets) reflected on the Performance Plan which are linked to relevant KPAs, key objectives and key performance indicators (KPIs) as agreed to between the Employer and the Employee;
- 5.7. The Key Performance Areas (KPAs) relating to the Employee's functional area will make up 80% of the Employee's assessment score, and will contain the following Areas:

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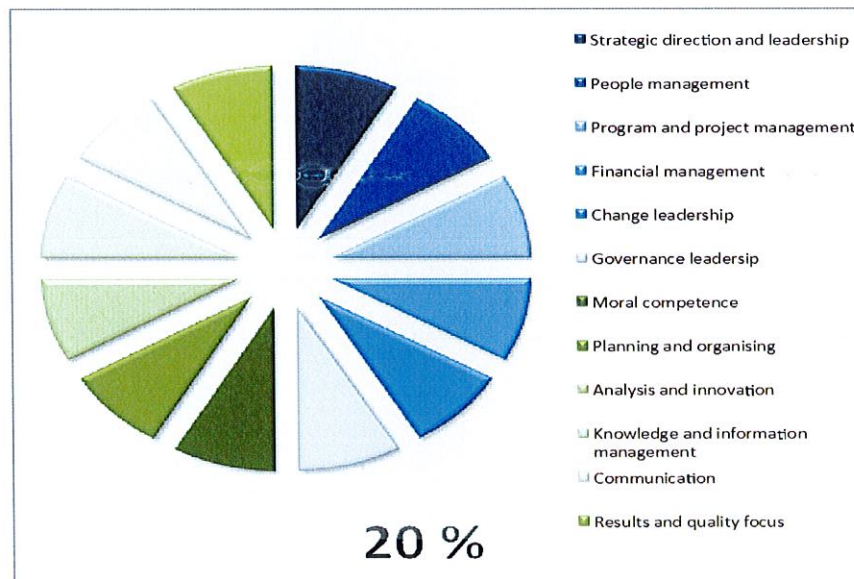
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5.8. The Core Competency Requirements (CCRs) or Core Managerial Competencies (CMCs) and the Core Occupational Competencies (COC) attached per **Annexure B** will make up the other 20% of the employee's assessment score. CCRs that are deemed to be most critical for the employee's specific job should be selected by (✓) to indicate choice from the list as agreed to between the Employer and Employee. Three of the CCRs are compulsory and include:

- (a) Financial Management;
- (b) People Management and Empowerment; and
- (c) Client Orientation and Customer Focus



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6. EVALUATING PERFORMANCE

- 6.1. The Performance Plan (per Annexure A) to this Agreement sets out –
- a) the standards and procedures for evaluating the Employee's performance; and
 - b) the intervals for the evaluation of the Employee's performance.
- 6.2. Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.
- 6.3. Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4. The annual performance appraisal will involve:
- a) Assessment of the achievement of results as outlined in the performance plan:
 - (i) Each KPA will be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA;
 - (ii) An indicative rating on the five-point scale will be provided for each KPA;

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- (iii) The applicable assessment rating calculator will then be used to add the scores and calculate a final KPA score.
- b) Assessment of the CCRs
 - (i) Each CCR will be assessed according to the extent to which the specified standards have been met;
 - (ii) An indicative rating on the five-point scale will be provided for each CCR;
 - (iii) This rating will be multiplied by the weighting given to each CCR during the contracting process, to provide a score;
 - (iv) The applicable assessment rating calculator will then be used to add the scores and calculate a final CCR score.

6.5. Overall rating

- a) An overall rating is calculated by using the applicable assessment rating calculator, which represents the outcome of the performance appraisal;
- b) The performance assessment of the Employee will be based on the following five point rating scale for both KPA"s and CCR"s:

| 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 | | | | | |

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| | | | |
|---|--------------------------|---|--|
| | | 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. | |

6.6. The annual performance evaluation of the Employee will be performed by the evaluation panel constituted by the following persons:

- (a) Municipal Manager;
- (b) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- (c) Member of the mayoral committee;
- (d) Municipal Manager from another municipality;

7. SCHEDULES FOR PERFORMANCE REVIEWS

7.1. The performance of the Employee in relation to his performance agreement will be reviewed quarterly on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

| Quarter | Period | Date of review |
|----------------|------------------------------|----------------|
| First quarter | July 2020 – September 2020 | October 2020 |
| Second quarter | October 2020 – December 2020 | January 2021 |
| Third quarter | January 2021 – March 2021 | April 2021 |
| Fourth quarter | April 2021– June 2021 | July 2021 |

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- 7.2. The Employer must keep a record of the mid-year review and annual assessment meetings and feedback must be based on the Employer's assessment of the Employee's performance;
- 7.3. The employer will be entitled to review and make reasonable changes to the provision of Performance Plan from time to time for operational reasons. The employee should be fully consulted before any change is made;
- 7.4. The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented or amended, and the Employee should be consulted before any such change is made.

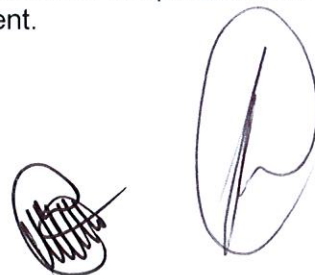
8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) that is aimed at addressing any developmental gaps that the Employee might have forms part of the performance agreement and is attached as **Annexure C**.

9. OBLIGATIONS OF THE EMPLOYER

The employer must:-

- 9.1. create an enabling environment to facilitate effective performance by the Employee;
- 9.2. provide access to skills development and capacity building opportunities;
- 9.3. work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 9.4. on the request of the Employee delegate such powers reasonably required by the Employee to enable him to meet the performance objectives and targets established in this Agreement; and
- 9.5. make available to the Employee such resources as the Employee may reasonably require from time to time to assist him to meet the performance objectives and targets established in this Agreement.



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10. CONSULTATION

- 10.1. The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others –
- a) a direct effect on the performance of any of the employee's functions
 - b) commit the Employee to implement or to give effect to a decision made by the Employer; and
 - c) a substantial financial effect on the Employee.
- 10.2. The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in sub-clause (1) above, as soon as is practicable to enable the Employee to take any necessary action without delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

- 11.1. The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 11.2. A performance bonus between 5% and 14% of the all-inclusive annual remuneration package will be paid to the Employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided as follows:
- (a) a score of 130% to 149% is awarded a performance bonus of 5% to 9%; and
 - (b) a score of 150% and above is awarded a performance bonus of 10% to 14%.
- 11.3. In the case of unacceptable performance, the Employer–
- a. must provide systematic remedial or developmental support to assist the Employee to improve his performance; and
 - b. after appropriate performance counselling and having provided the necessary guidance and support as well as reasonable time for improvement in performance, and performance does not improve, may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his duties.

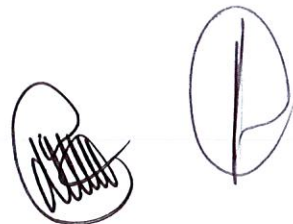


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12. DISPUTE RESOLUTION

- 12.1. Any disputes about the nature of the Employee's Performance Agreement, whether it relates to key responsibilities, priorities, method of assessment and/or salary increment in the Agreement, will be mediated by the Mayor within thirty (30) days of receipt of a formal dispute from the Employee, whose decision will be final and binding on both parties;
- 12.2. Any disputes about the outcome of the Employee's performance evaluation, will be mediated by a member of the municipal council, provided that such member was not part of the evaluation panel, within thirty (30) days of receipt of a formal dispute from the Employee, whose decision will be final and binding on both parties. The decision of the Mediator contemplated in sub-clause (12.1 above) will be final and binding on both parties;
- 12.3. In the event were the mediation process contemplated above fails, clause 15.4 of the contract of employment shall apply




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13. GENERAL


13.1. Nothing in this agreement reduces the obligations, duties or accountabilities of the Employee in terms of his Contract of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instrument;


Thus done and signed at Vryburg on this 24th day
of July 2020



CHIEF FINANCIAL OFFICER

As witnesses

1. 


2. 


Thus done and signed at Vryburg on this 24 day
of July 2020



MUNICIPAL MANAGER

As witnesses

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ANNEXURE A

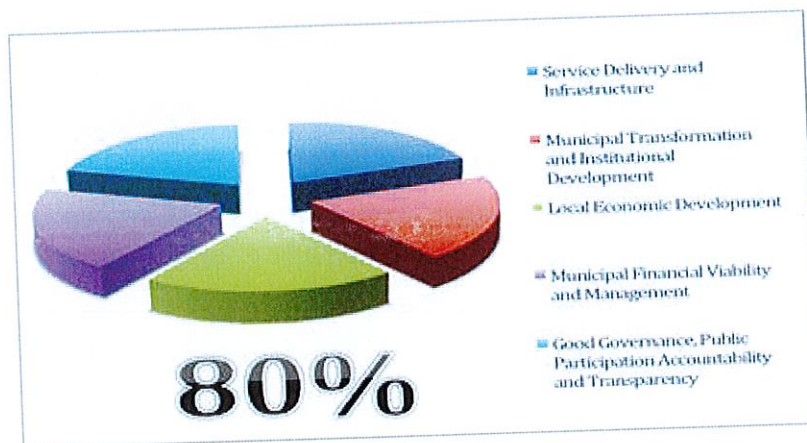
ANNUAL PERFORMANCE PLAN

The Performance Plan sets out:

- a) Key Performance Areas that the employee should focus on, performance objectives, key performance indicators and targets that must be met within a specific timeframe;
- b) Core competencies required from employees prescribed in the Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, R805 of 2006.

The employee's assessment will be based on his performance in terms of the outputs/outcomes (performance indicators) identified as per the performance plan which are linked to the National KPA's, which constitute 80% of the overall assessment result as per the weightings agreed to between the employer and employee.

KPA's covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.



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| Core Competency Requirements (CCR's): | Weighting |
|--|------------------|
| Core Managerial Competencies: | |
| Strategic Capability and Leadership | 6.8% |
| Programme and Project Management | |
| Financial Management | |
| Change Management | |
| Knowledge Management | |
| Service Delivery Innovation | |
| Problem Solving and Analysis | |
| People Management and Empowerment | 6.6% |
| Client Orientation and Customer Focus | 6.6% |
| Communication | |
| Honesty and Integrity | |
| Team building | |
| Core Occupational Competencies: | |
| Competence in Self-Management (Setting and agreeing on service delivery standards) | |
| Interpretation of and implementation within the legislative and national policy frameworks | |
| Knowledge of developmental local government | |
| Knowledge of Performance Management and Reporting | |
| Knowledge of global and South African specific political, social and economic contexts | |
| Competence in policy conceptualization, analysis and implementation | |
| Knowledge of more than one functional municipal field / discipline | |
| Negotiation and conflict resolution skills (Mediation and Arbitration) | |
| Skills in governance, public mobilization and participation | |
| Competence as required by other national line sector departments | |
| Exceptional and dynamic creativity to improve the functioning of the municipality | |
| Total | 20% |

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The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCRs:

| Category | Ratings | Explanation of Ratings |
|---|---------|---|
| KPI's Not Met / Unacceptable Performance | 1 | 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. |
| KPI's Almost Met / Not fully effective | 2 | 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. |
| KPI's Met / Fully effective | 3 | 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. |
| KPI's Well Met / Performance significantly above expectations | 4 | 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. |
| KPI's Extremely Well Met / Outstanding Performance | 5 | 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. |



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KEY PERFORMANCE INDICATORS

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| Indiv. | Back to Basics pillar | National IIPA | Municipal IIPA | IDP Objective | Directorate | Key Performance Indicator | Reporting period (Monthly/Quarterly), Monitoring period (Monthly/Quarterly) and calculation type (Cumulative/Non-Cumulative) | Baseline | Annual Target | Output Indicator | Annual Budget | Q1 Targets | Q2 Targets | Quarter 3 Targets | Quarter 4 Targets |
|--------|--|--|--|--|--------------------------|--|--|--------------------------|---|---|---------------|---|--|---|--|
| A | Promoting good governance, transparency and accountability | Good governance and public participation | Public Participation and Good Governance | To promote a Culture of Participatory and Good Governance | Finance | Number of monthly back to Basics Monthly Reports submitted to COGTA by the 15th of each month | Reporting is Monthly and monitored quarterly. Quarterly targets. Non Cumulative | All reports submitted | Submit twelve back to basics reports according to COGTA format by the 15th of each month (3 each quarter) | 12 monthly (15th each month) back to basics reports submitted to COGTA according to COGTA format (3 each quarter) | Operational | 3 back to basics reports submitted according to COGTA format by the 15th of each month | 3 back to basics reports submitted according to COGTA format by the 15th of each month | 3 back to basics reports submitted according to COGTA format by the 15th of each month | 3 back to basics reports submitted according to COGTA format by the 15th of each month |
| B | Promoting good governance, transparency and accountability | Good governance and public participation | Public Participation and Good Governance | To promote a Culture of Participatory and Good Governance | Finance | Number of risk registers updated by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets. are non cumulative | 4 risk registers updated | 4 risk registers updated by 30 June 2021 | 4 risk registers updated by 30 June 2021 | Operational | 1 Risk register updated by 30 September 2020 | 1 Risk register updated by 31 December 2020 | 1 Risk register updated by 31 March 2021 | 1 Risk register updated by 30 June 2021 |
| C | Promoting good governance, transparency and accountability | Good governance and public participation | Public Participation and Good Governance | To promote a Culture of Participatory and Good Governance | Planning and Development | Number of departmental meetings held by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets. are non cumulative | New | 4 quarterly departmental meetings held by 30 June 2021 | 4 quarterly departmental meetings held in which relevant issues are discussed and resolved. | Operational | 1 quarterly departmental meeting held by 30 September 2020 | 1 quarterly departmental meeting held by 30 December 2020 | 1 quarterly departmental meeting held by 31 March 2021 | 1 quarterly departmental meeting held by 30 June 2021 |
| D | Promoting good governance, transparency and accountability | Good governance and public participation | Public Participation and Good Governance | To promote a Culture of Participatory and Good Governance | Planning and Development | Number of Portfolio Committee meetings held by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets. are non cumulative | 4 | 4 Portfolio Committee meetings held by 30 June 2021 | 4 Portfolio Committee meetings held | Operational | 1 Portfolio Committee meetings held by 30 September 2020 | 1 Portfolio Committee meetings held by 31 December 2020 | 1 Portfolio Committee meetings held by 31 March 2021 | 1 Portfolio Committee meetings held by 30 June 2021 |
| E | Promoting good governance, transparency and accountability | Good governance and public participation | Public Participation and Good Governance | To promote a Culture of Participatory and Good Governance | Planning and Development | Number of progress reports on the implementation plan of the Post Audit Action Plan. by 30 June 2021 | Reporting is done in third and fourth quarter and also monitored as such. Quarterly targets are non cumulative. | New | 4 progress reports on the implementation of the post audit action plan by 30 June 2021 | 4 progress reports on the implementation of the post audit action plan by 30 June 2021 | Operational | 1 progress reports on the implementation of the post audit action plan by 30 September 2020 | 1 progress reports on the implementation of the post audit action plan by 31 December 2020 | 1 progress reports on the implementation of the post audit action plan by 31 March 2021 | 1 progress reports on the implementation of the post audit action plan by 30 June 2021 |
| F | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Draft Adjustment Budget submitted for approval to Council by 31 March 2021 | Reporting is done once off in the third quarter | New | Draft Adjustment Budget submitted for approval to Council by 28 Feb 2021 | Budget adjustment approved | Operational | N/A | N/A | Draft Adjustment Budget submitted for approval to Council by 31 March 2021 | N/A |

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| Index | Back to Basics pillar | National IPA | Municipal IPA | IDP Objective | Directorate | Key Performance Indicator | Reporting period (Monthly/Quarterly), Monitoring period (Monthly/Quarterly) and calculation type (Cumulative/Non-Cumulative) | Baseline | Annual Target | Output Indicator | Annual Budget | Q1 Targets | Q2 Targets | Quarter 3 Targets | Quarter 4 Targets |
|-------|--|-------------------------------|--|--|-------------|---|--|---------------------------------|--|---|---------------|--|---|--|---|
| G | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | % municipality's capital budget actually spent on capital projects municipality's by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are cumulative | New | 100% municipality's capital budget actually spent on capital projects municipality's by 30 June 2021 | 96% municipality's capital budget actually spent on capital projects municipality's by 30 June 2021 | Capital | 20% municipality's capital budget actually spent on capital projects municipality's by 30 September 2020 | 40% municipality's capital budget actually spent on capital projects municipality's by 31 December 2020 | 60% municipality's capital budget actually spent on capital projects municipality's by 31 March 2021 | 96% municipality's capital budget actually spent on capital projects municipality's by 30 June 2021 |
| H | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Develop and submit 2021/2021 Draft Budget to Council by 31 March 2021 | Reporting is done once off in the third quarter | Draft budget submitted timously | Develop and submit 2021/2021 Draft Budget to Council by 31 March 2021 | Draft Budget to Council for noting and input | Operational | N/A | N/A | Submit 2021/2021 Draft Budget to Council by 31 March 2021 | N/A |
| I | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Develop and submit 2021/21 budget to Council by 31 May 2021 | Reporting is done once off in the fourth quarter | Budget adopted timously | Develop and submit 2021/21 budget to Council by 31 May 2021 | Submit 2021/21 budget to Council for adoption | Operational | N/A | N/A | N/A | Develop and submit 2021/21 budget to Council by 31 May 2021 |
| K | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Number of budget steering committee meetings held by 30 June 2021 | Reporting is quarterly in the 3rd and 4th quarter and also monitored as such. Quarterly targets are non cumulative | New | 2 budget steering committee meetings held by 30 June 2021 | 2 budget steering committee meetings held | Operational | N/A | N/A | 1 budget steering committee meetings held by 31 March 2021 | 1 budget steering committee meetings held by 30 June 2021 |

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| Index | Back to Basics pillar | National IPA | Municipal IPA | IDP Objective | Directorate | Key Performance Indicator | Reporting period (Monthly/Quarterly/Monthly/Quarterly) and Monitoring period (Monthly/Quarterly) and calculation type (Cumulative/Non-Cumulative) | Baseline | Annual Target | Output Indicator | Annual Budget | Q1 Targets | Q2 Targets | Quarter 3 Targets | Quarter 4 Targets |
|-------|--|-------------------------------|--|--|-------------|--|---|----------|--|--|---------------------|--|---|--|---|
| L | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Number of Annual Financial Statements submitted to AGSA by 31 August 2020 | Reporting is done once in the first quarter. | New | 1 Annual Financial Statements submitted to AGSA by 31 August 2020 | AFS Developed and submitted to AG as per MFMA requirements | Operational/Capital | 1 Annual Financial Statements submitted to AGSA by 31 August 2020 | n/a | n/a | n/a |
| M | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Number of progress reports ON MSCOA implementation submitted to MM by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 4 progress reports ON MSCOA implementation submitted to MM by 30 June 2021 | 4 MSCOA reports | Operational/Capital | 1 progress report ON MSCOA implementation submitted to MM by 30 September 2020 | 1 progress report ON MSCOA implementation submitted to MM by 31 December 2020 | 1 progress report ON MSCOA implementation submitted to MM by 31 March 2021 | 1 progress report ON MSCOA implementation submitted to MM by 30 June 2021 |
| N | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Available cash to cover fixed operating expenditures (Available cash - investments/Monthly operating expenditure) by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | 3 months | 3 months | 1.5 | Operational | 3 months | 3 months | 3 months | 3 months |
| O | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Municipalities ability to meet its service debt obligations (Debt to revenue - short term lease + long term lease/ Total operating revenue - Operating conditional grants) by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | 2.1 | 2.1 | 2.1 | Operational | 2.1 | 2.1 | 2.1 | 2.1 |

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| Index | Back to Basics pillar | National IOPA | Municipal IOPA | IDP Objective | Directorate | Key Performance Indicator | Reporting period (Monthly/Quarterly) Monitoring period (Monthly/Quarterly) June or calculation type (Cumulative/Non-Cumulative) | Baseline | Annual Target | Output Indicator | Annual Budget | Q1 Targets | Q2 Targets | Quarter 3 Targets | Quarter 4 Targets |
|-------|--|-------------------------------|--|--|-------------|---|---|----------|---|---|---------------|--|---|--|---|
| P | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing appropriate management policies, procedures and systems. | Finance | Number of MFMA Section 71 reports developed and submitted to relevant authorities by 30 June 2021 | Reporting is Monthly and monitored quarterly. Quarterly targets Non-Cumulative | New | 12 MFMA Section 71 reports developed and submitted to relevant authorities by 30 June 2021 | 12 Monthly MFMA Section 71 reports developed and submitted | Operational | 3 MFMA Section 71 reports developed and submitted to relevant authorities by 30 September 2020 | 3 MFMA Section 71 reports developed and submitted to relevant authorities by 31 December 2020 | 3 MFMA Section 71 reports developed and submitted to relevant authorities by 31 March 2021 | 3 MFMA Section 71 reports developed and submitted to relevant authorities by 30 June 2021 |
| Q | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing appropriate financial management policies, procedures and systems. | Finance | Number of UWF registers developed and updated by 30 June 2021 | Reporting is Monthly and monitored quarterly. Quarterly targets Non-Cumulative | New | 12 UWF registers developed and updated by 30 June 2021 | 12 UWF registers developed and updated by 30 June 2021 | Operational | 3 UWF registers developed and updated by 30 September 2020 | 3 UWF registers developed and updated by 31 December 2020 | 3 UWF registers developed and updated by 31 March 2021 | 3 UWF registers developed and updated by 30 June 2021 |
| R | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing appropriate financial management policies, procedures and systems. | Finance | Number of MFMA Section 52 d reports developed and submitted to relevant authorities by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 4 MFMA Section 52 d reports developed and submitted to relevant authorities by 30 June 2021 | 4 MFMA Section 52 d reports developed and submitted to relevant authorities | Operational | 1 MFMA Section 52 d reports developed and submitted to relevant authorities by 30 September 2020 | 1 MFMA Section 52 d reports developed and submitted to relevant authorities by 31 December 2020 | 1 MFMA Section 52 d reports developed and submitted to relevant authorities by 31 March 2021 | 1 MFMA Section 52 d reports developed and submitted to relevant authorities by 30 June 2021 |
| S | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing appropriate financial management policies, procedures and systems. | Finance | Number of asset registers reviewed by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 4 asset registers reviewed by 30 June 2021 | 4 reviewed asset registers | Operational | 1 asset registers reviewed by 30 September 2020 | 1 asset registers reviewed by 30 December 2020 | 1 asset registers reviewed by 31 March 2021 | 1 asset registers reviewed by 30 June 2021 |

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| Index | Back to Basics pillar | National RPA | Municipal RPA | IDP Objective | Directorate | Key Performance Indicator | Reporting period (Monthly/Quarterly) and Monitoring period (Monthly/Quarterly) and calculation type (Cumulative/Non-Cumulative) | Baseline | Annual Target | Output Indicator | Annual Budget | Q1 Targets | Q2 Targets | Quarter 3 Targets | Quarter 4 Targets |
|-------|--|-------------------------------|--|--|-------------|--|---|----------|--|--|---------------|--|---|--|---|
| T | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Number of reports submitted to council on the implementation of SCM Policy by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 4 reports submitted to council on the implementation of SCM Policy by 30 June 2021 | 4 reports submitted to council on the implementation of SCM Policy | Operational | 1 report submitted to council on the implementation of SCM Policy by 30 September 2020 | 1 report submitted to council on the implementation of SCM Policy by 31 December 2020 | 1 report submitted to council on the implementation of SCM Policy by 31 March 2021 | 1 report submitted to council on the implementation of SCM Policy by 30 June 2021 |
| U | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | Number of Section 66 Reports completed by 30 June 2021 | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 12 MFMA Section 66 Reports completed by 30 June 2021 | 12 MFMA Section 66 Reports completed by 30 June 2021 | Operational | 3 MFMA Section 66 Reports completed by 30 September 2020 | 3 MFMA Section 66 Reports completed by 31 December 2020 | 3 MFMA Section 66 Reports completed by 31 March 2021 | 3 MFMA Section 66 Reports completed by 30 June 2021 |
| V | Ensuring sound financial management and accounting | Municipal Financial Viability | Municipal Financial Viability and Management | To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems | Finance | 100% payment of creditors within 30 days of receipt of invoice | Reporting is quarterly and also monitored quarterly. Quarterly targets are non cumulative | New | 100% payment of creditors within 30 days of receipt of invoice | 100% payment of creditors within 30 days of receipt of invoice | Operational | 100% payment of creditors within 30 days of receipt of invoice | 100% payment of creditors within 30 days of receipt of invoice | 100% payment of creditors within 30 days of receipt of invoice | 100% payment of creditors within 30 days of receipt of invoice |

ANNEXURE B:

CORE COMPETENCY REQUIREMENTS (CCR):

(a) Core Managerial Competencies:

The performance of Section 57 Managers should be assessed in terms of Core Competency Requirements (CCRs) as required by the Regulations of Section 57 Managers. These competencies describe general managerial and occupational skills. The assessment of these competencies will account for **(20%) twenty percent** of the total employee assessment score. Three of the CCR's are compulsory for all managers.

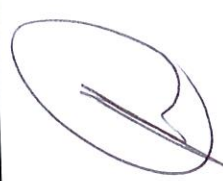
| Competency Area | Indicate choice (Mark with ✓) Compulsory | Comment | Ratings 1 2 3 4 5 | Timeframe to gain targeted competency | Training / programme needed to close competency | WEIGHT (in %) |
|--|--|---------|----------------------|---------------------------------------|---|---------------|
| Strategic Capability and Leadership | | | 4 | June 2021 | | |
| Programme and Project Management | | | | | | |
| Financial Management | | | | | | |
| Change Management | | | | | | |
| Knowledge Management | | | | | | |
| Service Delivery Innovation | | | | | | |
| Problem Solving and Analysis | | | 4 | June 2021 | | |
| People Management and Empowerment | Compulsory | | 4 | June 2021 | | |
| Client Orientation and Customer Focus | Compulsory | | | | | |
| Communication | | | | | | |
| Honesty and Integrity | | | | | | |
| Team building | | | | | | |

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(b) Core Occupational Competencies:

| Competency Area | Indicate choice (Mark with ✓) | Comment | Ratings 1 2 3 4 5 | Timeframe to gain targeted competency | Training / programme needed to close competency | WEIGHT (in %) |
|---|-------------------------------|---------|-------------------|---------------------------------------|---|---------------|
| Competence in Self-Management (Setting and agreeing on service delivery standards) | | | | | | |
| Interpretation of and implementation within the legislative of national policy frameworks | | | | | | |
| Knowledge of developmental local government | | | | | | |
| Knowledge of Performance Management and Reporting | | | | | | |
| Knowledge of global and South African specific political, social and economic contexts | | | | | | |

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| Competency Area | Indicate choice (Mark with ✓) | Comment | Ratings 1 2 3 4 5 | Timeframe to gain Competency | Training / programme needed to close competency | Weight (in %) |
|---|-------------------------------|---------|-------------------|------------------------------|---|---------------|
| Competence in policy conceptualisation, analysis and implementation | | | | | | |
| Knowledge of more than one functional municipal field / discipline | | | | | | |
| Negotiation and conflict resolution skills (Mediation and Arbitration) | | | | | | |
| Skills in governance, public mobilisation and participation | | | | | | |
| Competence as required by other national line sector departments | | | | | | |
| Exceptional and dynamic creativity to improve the functioning of the municipality | | | | | | |
| Total percentage | 100% | | | | | |

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ANNEXURE C:

PERSONAL DEVELOPMENT PLAN (PDP)

Entered into by and between

**THE DR RUTH SEGOMOTSI MOMPATI
DISTRICT MUNICIPALITY AS
REPRESENTED BY THE MUNICIPAL
MANAGER**

(duly authorised by the Executive Mayor)

Mr. Jerry Mononela
["the Employer"]

and

Mr. Charles
Malema
["the Employee"]

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Explanatory Notes to the Personal Development Plan

1. Introduction

1.1. The Municipality is 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. The Municipality follows an integrated approach to Human Resource Development, that is:

- a) Human resource development forms 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 they will 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 they 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. Competence is a **future-oriented** ideal that the employees require in achieving the institution's 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. The **dplg,hs&Ta** has decided on:

2.2.1. A managerial competency framework as an expression of required managerial competencies; and

2.2.2. Occupational competency profiles as expression of occupation / post competency requirements.

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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 2.2.1 and 2.2.2 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 **Personal Development Plan** should be compiled 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:
 - o Organisational needs, which include the following:
 - Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.
 - 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.
 - Specific competency gaps as identified during the probation period and performance appraisal of the employee.
 - o 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.
 - 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

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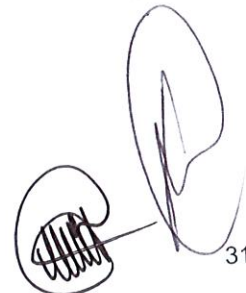


registered on the National Qualifications Framework (South African Qualifications Authority), which could enable the trainee to obtain recognition towards a qualification for training undertaken.

- 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

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Personal Development Plan of Charles Malema

| 1. Skills / Performance Gap (in order of priority) | 2. Outcomes Expected (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 |
|--|---|---|-------------------------------|--------------------------|--|-------------------|
| Financial Management | CTA (1 30 Dec 2021) | Part time Study | Part time Study | In progress - Dec 2021 | Representation of AFS | |
| Financial Management | GIRAP Workshop | Week Workshop | Workshop | 30 Aug 2020 | Financial Reporting | |
| Financial Management | Advance Excel | Two day workshop | Workshop | 30 Sep 2020 | | |
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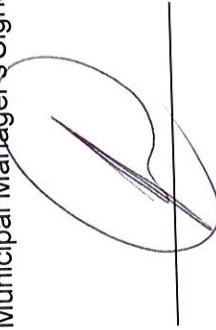
Employee's Signature:



Date:

24/07/2020

Municipal Manager's Signature:



Date:

24/07/2020

