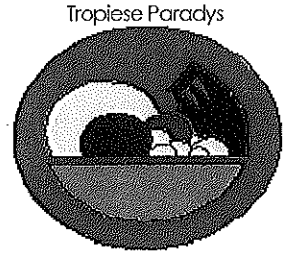


**GROTER TZANEEN MUNISIPALITEIT  
GREATER TZANEEN MUNICIPALITY**

Tel: 015 307 8000  
Fax: 015 307 8049

PO Box 24  
Tzaneen, 0850



Tropical Paradise

**Annexure A**

**PERFORMANCE AGREEMENT**

MADE AND ENTERED INTO BY AND BETWEEN

GREATER TZANEEN MUNICIPALITY

**AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER**

**MASIYE ELIAS MANKABIDI**

AND

**NORAH MOKGADI LION**

**THE EMPLOYEE OF THE MUNICIPALITY**

FOR THE

**FINANCIAL YEAR: 1 JULY 2013 - 30 JUNE 2014**

## PERFORMANCE AGREEMENT

### ENTERED INTO BY AND BETWEEN:

The Greater Tzaneen Municipality herein represented by Masiye Elias Mankabidi in his capacity as Municipal Manager (hereinafter referred to as the Employer or Supervisor)

and

Norah Mokgadi Lion as the Employee of the Municipality (hereinafter referred to as the Employee).

### WHEREBY IT IS AGREED AS FOLLOWS:

#### 1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1) (a) of the Local Government Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
- 1.2 Section 57(1) (b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires 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 Employee to a set of outcomes and outputs that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

#### 2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is 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), the Departmental Business Plan and the Budget of the Municipality.
- 2.3 Specify accountabilities as set out in a performance plan, which forms an annexure 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.
- 2.7 Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery

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### 3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the 1 July 2013 and will remain in force until 30 June 2014; 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. 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 the first month of the successive financial year.
- 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 shall immediately be revised.

### PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out
  - 4.1.1 the performance objectives and targets that must be met by the **Employee**; and
  - 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; targets that may include dates and weightings.
  - 4.2.1 The key objectives describe the main tasks that need to be done.
  - 4.2.2 The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved.
  - 4.2.3 The target dates describe the timeframe in which the work must be achieved.
  - 4.2.4 The weightings show the relative importance of the key performance areas, key objectives and key performance indicators to each other in terms of the position.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the strategic objectives and strategies set out in the **Employer's** Integrated Development Plan as developed per the Balanced Scorecard methodology.

### 5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.
- 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 required standards.
- 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 implementation of the KPA's (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 shall consist of two components, both of which shall be contained in the Performance Agreement.

5.5.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competency Requirements (CCR's) respectively.

5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

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

5.6. The **Employee's** assessment will be based on his performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	10
Basic Service Delivery	10
Local Economic Development (LED)	10
Municipal Financial Viability and Management	40
Good Governance and Public Participation	30
<b>Total</b>	<b>100%</b>

5.7 In the case of managers directly accountable to the Municipal Manager, key performance areas related to the functional area of the relevant manager must be subject to negotiation between the Municipal Manager and the relevant manager.

5.8 The CCR's will make up the other 20% of the **Employee's** assessment score. CCR's that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**:

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Competencies *	Definition	Weight
Strategic Capability and Leadership	Must be able to provide vision, set the direction for the municipality and inspire others in order to deliver on the municipality's mandate	5
Programme and Project Management	Must be able to plan, manage, monitor and evaluate specific activities in order to ensure that policies are implemented and that Local Government objectives are achieved	5
Financial Management	Must be able to know, understand and comply with the Municipal Finance Management Act No 56 of 2003.	30
Change Management	Must be able to initiate and support municipal transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments	5
Knowledge Management	Must be able to promote the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the municipality	5
Service Delivery Innovation	Must be able to explore and implement new ways of delivering services that contribute to the improvement of municipal processes in order to achieve municipal goals	5
Problem Solving and Analysis	Must be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner	5
People Management and Empowerment	Must be able to manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve the municipality's goals	5
Client Orientation and Customer Focus	Must be willing and able to deliver services effectively in order to put the spirit of customer service (Batho Pele) into practice	10
Communication	Must be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes	10
Accountability and Ethical Conduct	Must be able to display and build the highest standard of ethical and moral conduct in order to promote confidence and trust in the municipality	15
<b>Section Total:</b>		<b>100%</b>

## 6. EVALUATING PERFORMANCE

6.1 The Performance Plan (Annexure A) to this Agreement sets out -

6.1.1 the standards and procedures for evaluating the Employee's performance; and

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.



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- 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 agreed time frames in the Personal Development.
- 6.4 The Employee's performance will be measured in terms of contributions to the strategic objectives and strategies set out in the Employer's IDP.
- 6.5 The bi-annual and annual performance appraisal will involve:

**6.5.1 Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

**6.5.2 Assessment of the CCRs**

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.3) must then be used to add the scores and calculate a final CCR score.

**6.5.3 Overall rating**

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

- 6.6. The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCR's:

	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.					

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	Terminology	Description	Rating				
			1	2	3	4	5
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.					

6.7 For purposes of evaluating the annual performance of managers directly accountable to the Municipal Manager, an evaluation panel constituted of the following persons must be established -

- 6.7.1 Municipal Manager;
- 6.7.2 Chairperson of the District Performance Audit Committee
- 6.7.3 Member of the Executive Committee;
- 6.7.4 Municipal Manager from another municipality; and
- 6.7.5 One Head of Division from within the department.

6.8 The manager responsible for human resources of the Municipality must provide secretariat services to the evaluation panels.

## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of the **Employee** in relation to her performance agreement shall be reviewed within the month following the quarters as indicated with the understanding that reviews in the first and third quarter may be informal if performance is satisfactory:

First quarter	:	July -- September 2013	(October 2013)
Second quarter	:	October -- December 2013	(January 2014)
Third quarter	:	January -- March 2014	(April 2014)
Fourth quarter	:	April -- June 2014	(July 2014)

7.2 The **Employer** shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the **Employer's** assessment of the **Employee's** performance.

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

7.5 The **Employer** may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the **Employee** will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

## 9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall --

- 9.1.1 Create an enabling environment to facilitate effective performance by the Employee.
- 9.1.2 Provide access to skills development and capacity building opportunities.
- 9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee.
- 9.1.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable her to meet the performance objectives and targets established in terms of this Agreement.
- 9.1.5 Make available to the Employee such resources as the Employee may reasonably require from time to time to assist her meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others --

- 10.1.1 A direct effect on the performance of any of the Employee's functions.
- 10.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer.
- 10.1.3 A substantial financial effect on the Employer.

10.2 The Employer agrees to inform the Employee 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 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 of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance to be constituted as follows:

- 11.2.1 A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%.
- 11.2.2 A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.
- 11.2.3 Specific bonus percentages will be determined on a sliding scale, proportionately to the points scored, rounded up to the next 0.25 percentage. eg. 136% score =  $6.678\% = 6.75\%$  bonus.

11.3 In the case of unacceptable performance, the Employer shall --

- 11.3.1 Provide systematic remedial or developmental support to assist the Employee to improve her performance
- 11.3.2 After appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitnes or incapacity to carry out her duties.

## 12. DISPUTE RESOLUTION

12.1 Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by --



12.1.1 The MEC for local government in the Province within thirty (30) days of receipt of a formal dispute from the Employee

12.1.2 Any other person appointed by the MEC

12.1.3 In the case of managers directly accountable to the Municipal Manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute from the employee

whose decision shall be final and binding on both parties.

12.2 In the event that the mediation process contemplated above fails, the dispute procedures as per the Contract of Employment shall apply.

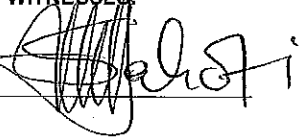


13. GENERAL

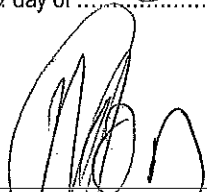
- 13.1 The contents of this Agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Employer.
- 13.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 13.3 The performance assessment results of the Municipal Manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at 1 Zanen on this the 30 day of July 2013

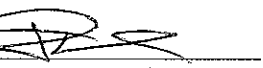
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EMPLOYEE

AS WITNESSES:

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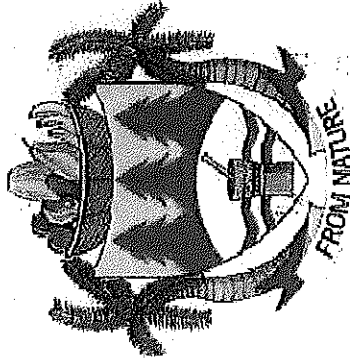
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EMPLOYER

# GREATERTZANEEN MUNICIPALITY

Annexure 2A

## Performance Plan 2013/14 Section 56 Manager



### Employee Details

Name: Norah Mkgadi Lion  
Position: Chief Financial Officer  
Accountable to: Municipal Manager  
Period: 1 July '13 - 30 June '14

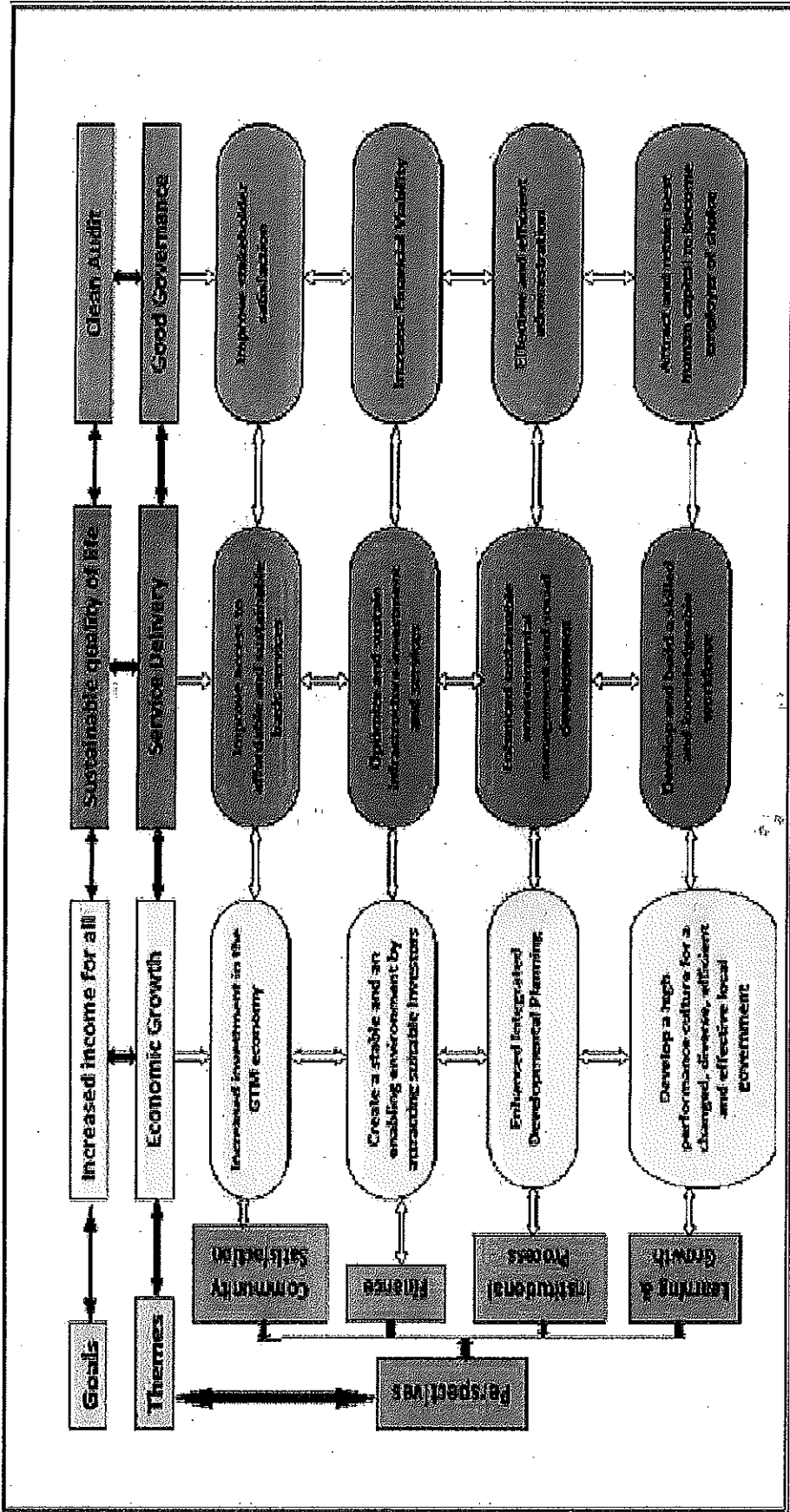
### Content:

1. Strategy Map
2. Purpose of the Position
3. Key Performance Areas: Position Weighting
4. Key deliverables - Key Performance Indicators
5. Key Deliverables - Projects
6. Competencies
7. Performance Assessment Process
8. Rating Scale
9. Approval of Personal Performance Plan

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GTM STRATEGY MAP



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## 2. Purpose of the position

<b>Municipal Vision</b>
To be the most prosperous economy in the country where communities are integrated and have access to sustainable basic services
<b>Municipal Mission</b>
To stimulate economic growth and improve the quality of life through sustainable, integrated service delivery and partnerships
<b>Position Vision</b>
To be the leading financial services department in Limpopo Province who is recognized as an extremely competent financial services department by supporting internal and external clients in enhancing service delivery
<b>Position Mission</b>
To ensure sound and sustainable governance of the financial affairs of Greater Tzaneen Municipality by providing and managing financial and supply chain services in an effective and efficient manner as prescribed in applicable Legislation. To advise and assist the accounting officer and other senior managers in the exercising of their powers and duties.

## 3. Key Performance Areas: Position Weighting

KPA*	% Weight
Basic Service Delivery	10
Local Economic Development	10
Good Governance and Public Participation (MFVM included)	80
Total	80%
Competencies	20%
<b>Grand Total</b>	<b>100%</b>

\* As contained in GTM Strategy Map

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#### 4. Key deliverables - Key Performance Indicator's

Thrust/ KPA	Strategic Objective	Programme	Key Performance Indicator	KPI weight (%)	Baseline (Actual 2012/13)	Target Sept '13	Target Dec '13	Target Mar '14	Target Jun '14	Means of Verification
BSD	Improve access to sustainable and affordable services	Free Basic Services	% of households earning less than R1100 (R2520) served with free basic electricity (total registered as incidents)	50%	100% (15000)	100% (20000)	100% (20000)	100% (20000)	100% (20000)	Reports & correspondence
BSD	Improve access to sustainable and affordable services	Free Basic Services	% households earning less than R1100 (R2520) with access to free basic waste removal (total registered as incidents)	50%	12%	15% (20000)	15% (20000)	15% (20000)	15% (20000)	Indigent register
GG	Effective and Efficient administration	Council Support	% of Departmental Council resolutions implemented	4%	100%	100%	100%	100%	100%	Departmental Resolution register
GG	Effective and Efficient administration	Management and Administration	# of departmental meetings with managers	4%	4	3	6	9	12	Minutes and Attendance registers of Departmental meetings
GG	Effective and Efficient administration	Performance monitoring and reporting	# of Finance Departmental monthly reports submitted on time	4%	12	3	6	9	12	Monthly, quarterly, half yearly and annual reports
GG	Effective and Efficient administration	Regulatory Framework	# of finance related policies submitted to Council annually	4%	16	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	16	Council Resolutions
GG	Effective and Efficient administration	Sound Governance	% of Internal Audit queries responded to within 10 days	5%	80%	100%	100%	100%	100%	Internal Audit Register queries & corresponding reports
GG / MFVM	Increase Financial Viability	Asset Management	Annual Asset verification concluded by 30 June	5%	30-Jun	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	30-Jun	Asset Verification report
GG / MFVM	Increase financial viability	Budget management	Draft Budget submitted to Council by 31 March every year	6%	27-Mar	Not applicable this quarter	Not applicable this quarter	31-Mar	Not applicable this quarter	Council resolution
GG / MFVM	Increase financial viability	Budget management	Annual Budget tabled by 31 May annually	6%	31-May	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	31-May	Council resolution
GG / MFVM	Increase financial viability	Budget management	Annual Adjustment budget approved by Council by 28 Feb	6%	28-Feb	Not applicable this quarter	Not applicable this quarter	28-Feb	Not applicable this quarter	Council resolution
GG / MFVM	Increase financial viability	Budget management	Cost coverage	4%	1.3	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	1.2	Financial reports Financial viability calculations

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#### 4. Key deliverables - Key Performance Indicator's

Thrust/ KPA	Strategic Objective	Programme	Key Performance Indicator	KPI weight (%)	Baseline (Actual 2012/13)	Target Sept '13	Target Dec '13	Target Mar '14	Target Jun '14	Means of Verification
GG / MFVM	Increase financial viability	Budget management	Debt coverage	4%	20.1	Not applicable this quarter	17.5	Not applicable this quarter	17.5	Financial reports Financial viability calculations
GG / MFVM	Increase Financial Viability	Expenditure Management	% of departmental personnel budget spent	4%	100%	25%	50%	75%	100%	Monthly financial budget reports
GG / MFVM	Increase financial viability	Financial reporting	# of Section 71 (MFMA) reports submitted to NT & PT by no later than 10 working days after the end of the month	6%	12	3	6	9	12	Acknowledgement of receipt by NT & PT
GG / MFVM	Increase financial viability	Financial reporting	Timeous submission of annual financial statements to AG and PT & NT	4%	31-Aug-11	31-Aug-13	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	Acknowledgement of receipt by AG & PT
GG / MFVM	Increase financial viability	Financial reporting	% of AG queries responded to within 3 working days	6%	80%	Not applicable this quarter	100%	Not applicable this quarter	Not applicable this quarter	Records of Audit queries
GG / MFVM	Increase financial viability	Revenue Management	% decrease in outstanding service debtors	4%	24%	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	5%	Debtors book
GG / MFVM	Increase financial viability	Revenue Management	# of Households billed	4%	22804	Not applicable this quarter	20800	Not applicable this quarter	23500	Billing reports
GG / MFVM	Increase financial viability	Revenue Management	Average % Payment rate for municipal area	4%	90%	90%	90%	90%	90%	Budget report
GG / MFVM	Increase financial viability	Revenue Management	Outstanding service debtors to revenue	4%	54%	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	40%	Financial reports Financial viability calculations
GG / MFVM	Increase financial viability	Revenue Management	% increase in R-value revenue collection	6%	3%	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	4%	Report on revenue generated
GG / MFVM	Increase financial viability	Supply chain management	% of bids awarded within 8 weeks of close of tender	6%	80%	100%	100%	100%	100%	SCM process checklist
LED/MTOD	Develop a high performance culture for a changed, diverse, efficient and effective local government	Employee Performance Management	% of CFO Managers with signed performance plans by 31 Sept	100%	100%	Not applicable this quarter	100%	Not applicable this quarter	Not applicable this quarter	Signed Performance Plans

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### 5. Key deliverables - Projects

Thrust/ KPA	Strategic Objective	Programme	Project/ Initiative	Project Weight	Target date	Opex Budget 2013/14	Capex Budget 2013/14	Qtr target Sept '13	Qtr target Dec '13	Qtr target Mar '14	Qtr target Jun '14	Means of Verification
BSD	Optimise and sustain infrastructure investment and services	Infrastructure Planning	5 Year Capital Investment framework	100%	30/06/2014			Review the 5-Year Capital Invest framework	Review the 5-Year Capital Invest framework	Ensure the revised 5-Year Capital Investment framework is included in the draft IDP	Not applicable this quarter	5 Yr Capital Investment framework
GG	Effective and Efficient administration	Management and Administration	Purchase office furniture and Equipment for the CEO's office	7%	30/06/2016		R 300 000	Not applicable this quarter	Not applicable this quarter	Purchase furniture and equipment	Purchase furniture and equipment	Payment advice
GG/ MFVM	Increase Financial Viability	Budget Management	Budget Process Plan	7%	30/06/2014			Ensure that Budget Process plan is submitted to the IDP office for inclusion in the IDP/Budget and PMS process plan by 1 August. Monitor adherence to the timeframes	Monitor adherence to the budget process plan and manage deviations	Monitor adherence to the budget process plan and manage deviations	Monitor adherence to the budget process plan and manage deviations	Budget Process Plan Proof submission Correspondence of engagements
GG/ MFVM	Increase Financial Viability	Financial reporting	Sect 71 Reports	7%	30/06/2014			Ensure submission of Section 71 reports to NT & PT within 10 working days of month end.	Ensure submission of Section 71 reports to NT & PT within 10 working days of month end.	Ensure submission of Section 71 reports to NT & PT within 10 working days of month end.	Ensure submission of Section 71 reports to NT & PT within 10 working days of month end.	Acknowledgement of Receipt of all statutory financial reports
GG/ MFVM	Increase Financial Viability	Financial reporting	Operation Clean Audit	9%	30/06/2014	R 500 000		Manage annual audit and timeous response on audit queries (AFS 2012/13). Monitor audit preparation processes	Finalisation of Annual Audit	Drafting and approval of Audit Action Plan	Implementation of the Audit Action plan. Put processes in place for audit preparation	Council Minutes approving Audit Action Plan Audit Report & Appointment Letter (if applicable)
GG/ MFVM	Increase Financial Viability	Financial Viability	5 Year Financial Plan	7%	30/06/2014			Not applicable this quarter	Assess financial performance during 2012/13 and draft 5-Year Financial Plan	Submit 5 Year Financial plan to the M/M for inclusion in the draft IDP.	Not applicable this quarter	5 Year Financial Plan Correspondence

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### 5. Key deliverables - Projects

Thrust/ KPA	Strategic Objective	Programme	Project / Initiative	Project Weight	Target date	Opex Budget 2013/14	Capex Budget 2013/14	Qtr target Sept '13	Qtr target Dec '13	Qtr target Mar '14	Qtr target Jun '14	Means of Verification
GG/MFVM	Increase Financial Viability	Financial Viability	Cost recovery	7%	30/06/2014			Monitor performance of the service provider in line with the SLA.	Monitor performance of the service provider in line with the SLA.	Monitor performance of the service provider in line with the SLA.	Monitor performance of the service provider in line with the SLA.	Service Provider Reports
GG/MFVM	Increase Financial Viability	Financial Viability	Cash flow management	8%	30/06/2014			Monitor cashflow (liquidity) and Report monthly	Monitor cashflow (liquidity) and Report monthly	Monitor cashflow (liquidity) and Report monthly	Monitor cashflow (liquidity) and Report monthly	Monthly Reports Fin Cluster Minutes
GG/MFVM	Increase Financial Viability	Financial Viability	Financial System improvement	7%	30/06/2014	R 200 000		Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Attendance registers of training sessions
GG/MFVM	Increase Financial Viability	Financial Viability	GRAP training	6%	30/06/2014	R 200 000		Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Comprehensive system analysis and official training Ensure that relevant officials are trained on GRAP	Training attendance registers
GG/MFVM	Increase Financial Viability	Asset Management	Assets Management Services	7%	30/06/2014	R 2 000 000		Monitor asset management by the service provider and ensure skills transfer	Monitor asset management by the service provider and ensure skills transfer	Monitor asset management by the service provider and ensure skills transfer	Monitor asset management by the service provider and ensure skills transfer	Correspondence on engagement sessions Monthly reports
GG/MFVM	Increase Financial Viability	Asset Management	Asset management	7%	30/06/2014			Manage Departmental Assets ensure that Asset register are kept up to date	Manage Departmental Assets ensure that Asset register are kept up to date and conduct mid-year departmental asset verification	Manage Departmental Assets ensure that Asset register are kept up to date	Manage Departmental Assets ensure that Asset register are kept up to date. Ensure that annual asset verification are completed within the required timeframe	*Institutional Asset Verification Report *Bi-Annual Departmental Asset verification reports
GG/MFVM	Increase Financial Viability	Revenue Management	Revenue protection	7%	30/06/2014			Monitor revenue billing system and report to Council	Monitor revenue billing system and report to Council	Monitor revenue billing system and report to Council	Monitor revenue billing system and report to Council	Signed off Monthly reports
GG/MFVM	Increase Financial Viability	Revenue Management	Revenue enhancement Strategy	7%	30/06/2014			Monitor implementation of the revenue enhancement strategy	Monitor implementation of the revenue enhancement strategy	Monitor implementation of the revenue enhancement strategy	Monitor implementation of the revenue enhancement strategy	Council Minutes Revised Revenue Enhancement strategy



### 5. Key deliverables - Projects

Thrust/ KPA	Strategic Objective	Programme	Project/ Initiative	Project Weight	Target date	Opex Budget 2013/14	Capex Budget 2013/14	Qtr target Sept '13	Qtr target Dec '13	Qtr target Mar '14	Qtr target Jun '14	Means of Verification
GG/MFVM	Increase Financial Viability	Supply chain management	Supply chain functionality improvement (MTAS)	7%	30/06/2014			Draft a list of criteria to measure SCM functionality. Report quarterly on progress made on improving functionality. Review SCM Policy and submit to Council	Draft a list of criteria to measure SCM functionality. Report quarterly on progress made on improving functionality	Draft a list of criteria to measure SCM functionality. Report quarterly on progress made on improving functionality	Draft a list of criteria to measure SCM functionality. Report quarterly on progress made on improving functionality	Supply Chain Functionality Checklist SCM Policy Resolution
LED/MTOD	Develop high performance culture for a changed, diverse, efficient and effective local government	Employee Performance Management	Performance monitoring & evaluation	100%	30/06/2014			Participate in the Annual Performance Assessment for 2012/13. Ensure that scoresheets are completed in time & POEs are complete	Conduct an informal assessment of 1st Quarter Performance of relevant employees in the Department and send report to the MM by 21 October	Participate in the mid- year employee performance evaluations for 2013/14. Ensure that scoresheets are completed in time & POEs are complete	Conduct an informal assessment of the 3rd Quarter Performance of relevant employees in the Department and submit report to the MM by 20 April	1st & 3rd Qtr Informal Departmental Individual Performance Reports Correspondence

*(Handwritten signature)*  
RML

## 6. Competency Requirements

Competencies *	Requirements	Weighting	Notes
Strategic Capability and Leadership	Must be able to provide vision, set the direction for the municipality and inspire others in order to deliver on the municipality's mandate	5	
Programme and Project Management	Must be able to plan, manage, monitor and evaluate specific activities in order to ensure that policies are implemented and that Local Government objectives are achieved	5	
Financial Management	Must be able to know, understand and comply with the Municipal Finance Management Act No 56 of 2003.	30	
Change Management	Must be able to initiate and support municipal transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments	5	
Knowledge Management	Must be able to promote the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the municipality	5	
Service Delivery Innovation	Must be able to explore and implement new ways of delivering services that contribute to the improvement of municipal processes in order to achieve municipal goals	5	
Problem Solving and Analysis	Must be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner	5	
People Management and Empowerment	Must be able to manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve the municipality's goals	5	
Client Orientation and Customer Focus	Must be willing and able to deliver services effectively in order to put the spirit of customer service (Batho Pele) into practice	10	
Communication	Must be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes	10	
Accountability and Ethical Conduct	Must be able to display and build the highest standard of ethical and moral conduct in order to promote confidence and trust in the municipality	15	
<b>Section Total:</b>		<b>100%</b>	

\* As published and defined within the Draft Competency Guidelines; Government Gazette 23




## 7. Performance Assessment Process

The following steps will be followed to ensure a fully participative and compliant performance assessment process is adhered to.

1. Performance Assessment:
  - 1.1. Formal assessment between employee and employer will take place twice a year to measure the performance of the employee against the agreed
  - 1.2. Progress against the KPI's and Targets will be captured in preparation for the review.
  - 1.3. Scores of 1-5 will be calculated based upon the progress against targets.
  - 1.4. KPI's and activities are audited and copied to the Performance Plans before assessment date.
  - 1.5. The employer must keep a record of the mid-year review and annual assessment meetings.
2. The employee being assessed will compile a portfolio of evidence confirming the level of performance achieved for a given assessment period and made
3. The process for determining Employee ratings are as follows:
  - 3.1. The employee to motivate for higher ratings where applicable.
  - 3.2. The panel to rate the achievement for the KPI's on a 5 point scale. Decimal places can be used.
  - 3.3. The panel to rate the employee's core competency requirements (CCR) on the 5 point scale. Decimal places can be used.
  - 3.4. The panel scores are averaged to derive at a total score per KPI / Activity / CCR. Overall scores are calculated by taking weightings into account where applicable.
  - 3.5. The final KPI's rating will account for 80% of the final assessment total. The CCR's are to account for 20% of the final assessment total.
4. The five point rating scale referred to in regulation 805 correspond as follows:
 

Rating:	1	2	3	4	5
% Score:	0-66	67-99	100-132	133-166	167
5. The assessment rating calculator is used to calculate the overall % score for performance.
6. The half-year review rating can be used in combination with the Annual Performance Assessment to derive at a final Annual rating score.
7. The performance bonus percentages described in the performance agreement will be calculated on a sliding scale of the all

### % Rating Over Performance

130-149%

150% and above

### % Bonus

5-9%

10-14%

8. The Personal Development Plan (PDP) can be reviewed after the performance review had been finalised in case where more clarity has been established on what
9. The results of the performance and development review (PDR) will be submitted to the performance audit committee for final approval of the assessment/s.
10. The performance assessment results of the Municipal Manager will also be submitted to the MEC responsible for Local Government in the relevant Province.


### 8. Rating Scale

The assessment of the performance of the Employee will be based on the following rating scale:

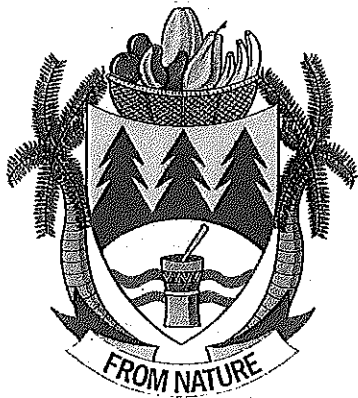
<b>5</b> <b>(167%)</b> <b>Outstanding Performance</b>	<b>4</b> <b>(133-166%)</b> <b>Performance Significantly Above Expectations</b>	<b>3</b> <b>(100-132%)</b> <b>Fully Effective</b>	<b>2</b> <b>(67-99%)</b> <b>Not Fully Effective</b>	<b>1</b> <b>(0-66%)</b> <b>Unacceptable Performance</b>
Performance 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.	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against the performance criteria and indicators and fully achieved throughout the year.	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 criteria and indicators as specified in the PA and Performance Plan.	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 almost all of the performance criteria and indicators as specified in the PA and Performance Plan.	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.

### 9. Approval of the Personal Performance Plan

The process followed ensures individual alignment to the strategic intent of the institution and give clear direction on what needs to be achieved through a self-directed approach to execute on the objectives, to build sound relationships, to develop human capital and to strengthen the organisation through excellent performance. This plan has derived from intense workshoping to ensure integration, motivation and self-direction. The employer and employee both have responsibilities and accountabilities in getting value from this plan. Neither party can succeed without the support of the other.

Undertaking of the employer / superior	Undertaking of the employee
<p>On behalf of my organisation, I undertake to ensure that a work environment conducive for excellent employee performance is established and maintained. As such, I undertake to lead to the best of my ability, communicate comprehensively, and empower managers and employees. Employees will have access to ongoing learning, will be coached, and will clearly understand what is expected of them. I herewith approve this Performance Plan.</p>	<p>I herewith confirm that I understand the strategic importance of my position within the broader organisation. I furthermore confirm that I understand the purpose of my position, as well as the criteria on which my performance will be evaluated twice annually. As such, I therefore commit to do my utmost to live up to these expectations and to serve the organisation, my superiors, my colleagues and the community with loyalty, integrity and enthusiasm at all times. I hereby confirm and accept the conditions to this plan.</p>
Signed and accepted by the Supervisor on behalf of Council:	
Name: <i>M M K A B I D / ME</i>	Name:
Date: <i>30/07/2013</i>	Date:
Signature: 	Signature:

 *AMM*



**Annexure B**

**PERSONAL  
DEVELOPMENT PLAN  
(PDP)**

**2013/14**

MADE AND ENTERED INTO BY  
AND BETWEEN:

**GREATER TZANEEN  
MUNICIPALITY**

**AS REPRESENTED BY THE  
MUNICIPAL MANAGER**

**MASIYE ELIAS MANKABIDI**

AND

**NORAH MOKGADI LION**

<p>1. INTRODUCTION</p>	<p>The Aim of the Personal Development Plan (PDP) is to ensure that Employees are skilled to meet Objectives as set out in the Performance Management Agreement as prescribed by legislation. Successful career-path planning ensures competent employees for current and possible future positions. It there for <i>identifies, prioritise and implement</i> training needs</p> <p>Legislative needs taken into account comes from the Municipal Systems Act Guidelines: Generic senior management competency framework and occupational competency profiles, 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.</p>														
<p>2. COMPETENCE MODELLING</p>	<p>The DPLG has decided that a competency development model will consist of both managerial and occupational competencies:</p> <p>Managerial competencies should express those competencies which are generic of all management positions.</p> <p>Occupational competence refers to competencies which are job/function specific.</p>														
<p>3. COMPILING THE PERSONAL DEVELOPMENT PLAN ATTACHED AS THE APPENDIX.</p>	<p>A manager, in consultation with his / her employee is to compile a Personal Development Plan. The PDP has 7 columns that need to be completed. An example is attached as Appendix A.</p> <p>Column 1: Skills/Performance GAP</p> <table border="1" data-bbox="459 1160 1326 1680"> <thead> <tr> <th data-bbox="459 1160 571 1373">1. Skills / Performance Gap (in order of priority)</th> <th data-bbox="571 1160 759 1373">2. Outcomes Expected measurable indicators: (quantity, quality and time frames)</th> <th data-bbox="759 1160 887 1373">3. Suggested training and / or development activity</th> <th data-bbox="887 1160 999 1373">4. Suggested mode of delivery</th> <th data-bbox="999 1160 1110 1373">5. Suggested Time Frames</th> <th data-bbox="1110 1160 1222 1373">6. Work opportunity created to practice skill / development area</th> <th data-bbox="1222 1160 1326 1373">7. Support Person</th> </tr> </thead> <tbody> <tr> <td data-bbox="459 1373 571 1680">E.g. 1. Appraise Performance of Managers</td> <td data-bbox="571 1373 759 1680">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</td> <td data-bbox="759 1373 887 1680">A course containing theoretical and practical application with coaching in the workplace following [relevant unit standard?]</td> <td data-bbox="887 1373 999 1680">External provider, in line with identified unit standard and not exceeding R 6 000</td> <td data-bbox="999 1373 1110 1680">March 200...</td> <td data-bbox="1110 1373 1222 1680">Appraisal of managers reporting to him / her</td> <td data-bbox="1222 1373 1326 1680">Senior Manager : Training/ HR</td> </tr> </tbody> </table> <p>(a) The identified training needs should be entered into column one. The following should be taken into consideration:</p> <p><u>Organisational needs</u> 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.</p>	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	E.g. 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/ HR
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									
E.g. 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/ HR									



Specific competency gaps as identified during the probation period and performance appraisal of the employee.

Individual training needs that are job / career related.

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.

**Column 2: Outcomes Expected**

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
E.g. 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/ HR

Consideration must be given to the outcomes expected in column 2 so that once the intervention is completed the impact it had can be measured against relevant output indicators.

**3. Column 3: Suggested Training**

Training needs must be identified with due regard to cost effectiveness and listed in column 3.

**4. Column 4 : Suggested mode of delivery**

The suggested mode of delivery refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. Mode of delivery consists of, amongst others, self-study, internal or external training provision; coaching and / or mentoring and exchange programmes. Training must 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 within the municipality whether unit standards have been developed with regard to a specific outcome (and registered with the South African Qualifications Authority). Unit standards usually have measurable assessment criteria to determine achieved competency.

**5. Column 5: Suggested Time Lines**

An employee should on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions. The suggested time frames 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.

**6. Column 6: Work opportunity created to practice skill / development area**

This 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).

**7. Column 7: Support Person**

This identifies a support person that could act as coach or mentor with regard to the area of learning for the employee.



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4. Personal Development Action Plan 2013/14

Skills Performance Gap	Outcomes Expected	Suggested Training/Development Activity	Suggested Mode of Delivery	Suggested Time Frames	Work opportunity created in practice (if development area)	Support Person
GRAP	Training		Attend training	End of 2013/14		MM
LEADERSHIP	Training		Attend training	End of 2013/14		MM
MIFMA	Training		Attend training	End of 2013/14		MM
Contract Management	Training		Attend training	End of 2013/14		MM
Accounting System	Training		Attend training	End of 2013/14		MM

Employee's signature: \_\_\_\_\_

*[Signature]*

Date: 30-07-13

Municipal Manager's Signature: \_\_\_\_\_

*[Signature]*

Date: 30/07/2013

FML

