

# PERFORMANCE AGREEMENT

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MADE AND ENTERED INTO BY AND BETWEEN:



**THE CACADU DISTRICT MUNICIPALITY  
AS REPRESENTED BY THE MUNICIPAL MANAGER**

**DAYALAN MURUVEN PILLAY**  
(HEREIN REFERED TO AS THE 'EMPLOYER')

**AND**

**DANIEL JOHANNES DE LANGE**  
**DIRECTOR: FINANCE AND CORPORATE SERVICES**  
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:  
1 JULY 2010 - 30 JUNE 2011

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## 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 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.
- 1.5 That the in terms of the MFMA Regulations and Government Gazette Vol. 504, No. 29967 dated 15 June 2007, the **Employee** will obtain the minimum competency requirements to execute his/her function is achieved by 2013.

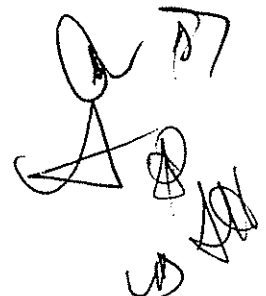
### 2. PURPOSE OF THIS AGREEMENT

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) 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 or her 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 commence on the **1<sup>st</sup> July 2010** and will remain in force until **30<sup>th</sup> June 2011** 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.

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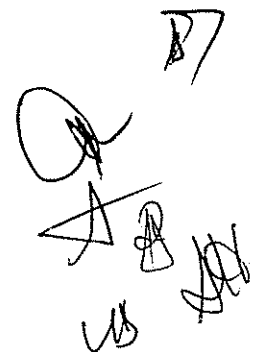
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will 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.

#### 4 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; target 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 and means of verification 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 objectives to each other.
- 4.3 The **Employee's** performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the **Employer's** Integrated Development Plan.

#### 5 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 standards required.

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- 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 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 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 (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 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 / her 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	15
Basic Service Delivery	1
Local Economic Development (LED)	0
Municipal Financial Viability and Management	50
Good Governance and Public Participation	34
<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 CCRs 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 (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Municipal Managers:

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Strategic Capability and Leadership	✓	20
Programme and Project Management		
Financial Management	✓	20
Change Management		
Knowledge Management		

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	√	WEIGHT
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	√	20
Client Orientation and Customer Focus		
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative and national policy frameworks	√	20
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Skills in Mentorship	√	20
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

## 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
- 6.1.2 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 **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.
- 6.5 The 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 6.5.1) 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 CCRs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					

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Level	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 the municipal manager, an evaluation panel constituted of the following persons must be established -
- 6.7.1 Executive Mayor;
  - 6.7.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
  - 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
  - 6.7.4 Mayor and/or municipal manager from another municipality; and
  - 6.7.5 Member of a ward committee as nominated by the Executive Mayor.
- 6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -
- 6.8.1 Municipal Manager;
  - 6.8.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of the audit committee in the absence of a performance audit committee;
  - 6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and
  - 6.8.4 Municipal manager from another municipality.
- 6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

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## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter	:	July – September	Before end October 2010
Second quarter	:	October – December	Before end January 2011
Third quarter	:	January – March	Before end April 2011
Fourth quarter	:	April – June	Before end January 2012

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**;

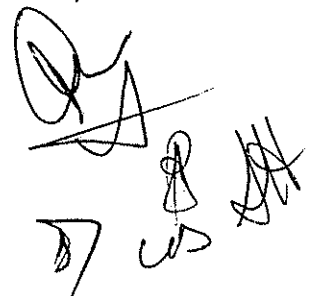
9.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and

9.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to 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**; and

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%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

11.2.3 A pro rata bonus will be payable to the **Employee** based on the amount of full months employed, in the event that the evaluation period is not for a full financial year subject to the following: -.

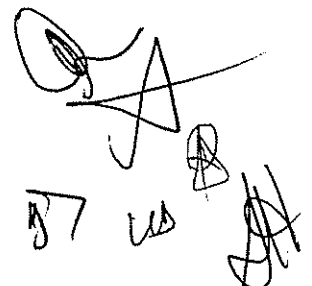
That the evaluation period be no less than 6 months

That the employee be employed on the last day of the financial year and undergo a review during the agreed review period.

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 his or her performance; and

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 unfitness or incapacity to carry out his or 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**; or

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, clause 20 of the Contract of Employment shall apply.

**13. GENERAL**

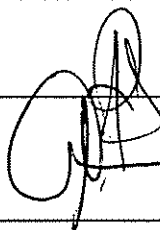
13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the **Employer**.

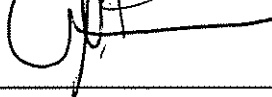
13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the **Employee** in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

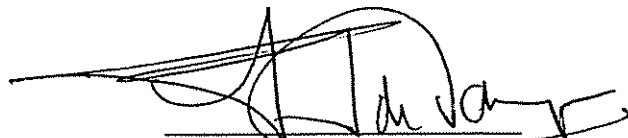
13.3 The performance assessment results of the municipal manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at Port Elizabeth on this the 30<sup>th</sup> day of June 2010

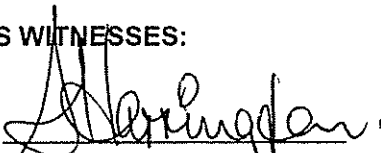
**AS WITNESSES:**


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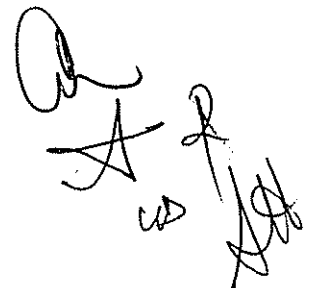
  
\_\_\_\_\_  
EMPLOYEE

**AS WITNESSES:**

1.   
\_\_\_\_\_

2.   
\_\_\_\_\_

  
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MUNICIPAL MANAGER



PERFORMANCE PLAN: DIRECTOR FINANCE AND CORPORATE SERVICES 2010/11

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target
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KEY PERFORMANCE AREAS (KPAs)

KPA 1. INSTITUTIONAL MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

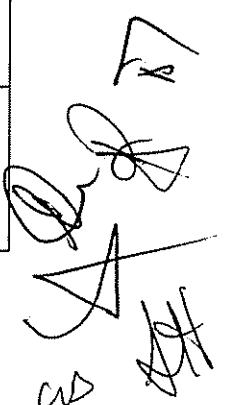
Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target
To transform the CDM in order to effectively execute its operations through investment in employees	To ensure that HR practices are performed to efficient standards and in accordance with policy	Development and implementation of a remuneration framework Recruitment process completed within 3 months	Dec-10 All Recruitment Processes completed with 3 months	Report to Remuneration Committee Report	2 3	-	In-house	NA Recruitment completed with 3 months	Remuneration Framework Developed Recruitment completed with 3 months	NA Recruitment completed with 3 months	RF Implemented Recruitment completed with 3 months
		100% disciplinary hearings organised within 2 months after service of notice of misconduct.	100% Disciplinary Hearings completed within 2 months	Report	2	-	In-house	100% disciplinary hearings organised within 2 months	100% disciplinary hearings organised within 2 months	100% disciplinary hearings organised within 2 months	100% disciplinary hearings organised within 2 months
		To ensure compliance of the targets of the CDM EE Plan as determined for 10/11	Full compliance in accordance with CDM EE Plan Targets	Departmental EE Plan and Report	2	-	In-house	Full compliance to EE Plan targets for 10/11	Full compliance to EE Plan targets for 10/11	Full compliance to EE Plan targets for 10/11	Full compliance to EE Plan targets for 10/11
		To ensure the review of the Departmental EE Plan annually	Departmental EE Plan	EE Plan	2	-	In-house	NA	NA	NA	Review of EE Plan
		To ensure training and development of staff takes place to the requirements of the department	100% of the department's T&D needs addressed.	Record of training in accordance with the needs of the department through reviews	2	-	In-house	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed
		To maintain harmonious and content labour relations	Quarterly meetings	Minutes of Meetings	2	-	In-house	Meetings	Meetings	Meetings	Meetings

KPA 2. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

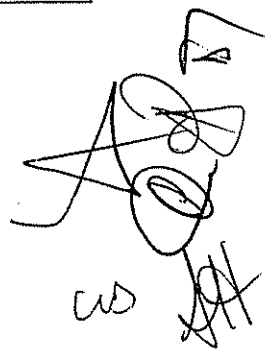
Access to basic services for the community of the DMA	Promotion of free basic services	% of households in the DMA earning less than R1100 per month with access to free basic services	90%	Registered v recipients	1	-	In-house	90%	90%	90%	90%
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KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Adherence to National Indicators	Outstanding debt to revenue ratio (DMA)	4.04	Financial statements	1	-	-	In-house	NA	NA	NA	4.04
	Cost coverage (DMA and CDM)	44.35	Financial statements	1	-	-	In-house	NA	NA	NA	44.35

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target	
Exercise financial control over CDM	Preparation of a funded budget	Adopted budget	Adoption by Council	15	-	NA	Roll-over budgets received	Draft budget tabled	31 Mar 2011 Target	30 Jun 2011 Target	Approved budget by 31 May 2011	
		Delivery of financial statements to OAG on or before 31 August annually	Proof of delivery	15	-	In-house	Statements delivered on or before 31 August	Final letter included in annual report unqualified audit report	NA	NA	NA	
		Receipt of unqualified audit report with matters of emphasis	Letter from OAG	8	-	In-house	NA	NA	Letter from OAG	NA	NA	NA
	Adherence to budgetary matters	Revenue collected (excluding project related funding) as determined by annexure A in the budget report	Financial statements	1	-	-	NA	Response provided to Draft Management letter	NA	NA	NA	less than 10%
		Operating expenditure variance for F&CS not to exceed 10%	Financial statements	1	-	-	NA	NA	NA	NA	NA	less than 10%
		Expenditure variance for F&CS not to exceed 10% (project related)	Financial statements	1	-	-	NA	NA	NA	NA	NA	less than 10%
	To ensure financial sustainability	Ability of a balanced cash flow. Meeting all financial commitments during the year.	Financial statements	3	-	-	NA	NA	NA	NA	NA	Balanced cash flow. Meeting financial commitments completed
		Completion of VAT Audit	Results	1	01 055 79260	R 100,000.0	NA	Tender advertised	Service Provider appointed	NA	NA	NA
		Valuation of long-term liability	Valuation results	1	01 076 76110	R 50.0	Valuation complete	NA	NA	NA	NA	NA
	Delivery of an Annual Financial Sustainability Report with recommendations	Delivery of Report	Report	2	-	-	In-house	NA	NA	NA	NA	NA
		<b>KPA 5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>										
	Capacity of the Cacadu District Local Municipalities	Ensure that capacity support to LMs is given priority	Implementation of the CDM Capacity building strategy - Finance and Corporate Services over and above those indicated below	3 Reports (quarterly) to Capacity Building Manager	Plan and 3 reports	3	-	In-house	Capacity building plan for Finance and Corporate Services Developed	Report to Capacity Building Manager	Report to Capacity Building Manager	Report to Capacity Building Manager
												

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target	
Maximise the potential of CDM LMs and District Municipality to effectively and efficiently deliver services to their communities	Improve corporate governance systems, both in the District and the 9 LMs	Continual support that Audit Committees are functioning effectively	Fully effective Audit Committees	Implementation report and approvals of roles delegations if gained	4		In-house	NA	Survey of CDM and LMs in shortcomings	Develop action plans	Implement action plans	
		Establishment of the unemployed graduates programme	Report on progress of programme	Registration documents and progress report	1	01 085 78151	R 1,000,000	10 Graduates placed in organisations	Report on progress of programme	Report on progress of programme	Report on progress of programme	
		Assist LMs in dealing with Audit Exceptions in achieving nil exception reports	4 LM's supported	Progress reports	1		In-house	Develop a template	Arrange a workshop	Resolving issues in AG's report (management letter)	Resolving issues in AG's report (management letter)	
	Support identified LMs with stakeholder management and public participation processes	Develop communication policies (incl. media policy guidelines) and plans at local municipalities	Communications policy is available to all LMs	Communication Policy and plan adopted by Council and IDP and report to Mayoral Committee	2		In-house	Generic Communication Policy completed and made available to LMs	Generic Communication Policy completed and made available to LMs	NA	NA	NA
		Support LM's with Supply Chain Management processes and procedures	4 LM's supported	Report on progress	3		In-house	Consulting with 4 LM's to be supported to obtain buy-in	Two LM supported	Third LM supported	Fourth LM supported	
		Provision of support to low capacity LM's in Organisational and HR arrangements	All LM's	Report	3		In-house	Meet with Ikwazi, Baviaans, Camdeboo and finalisation of support programme	Programme commenced	Implementation and review of support programme	Implementation and review of support programme	


  
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Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target
To improve effectiveness in municipal revenue generation and financial management	Support to LM's with financial systems to improve efficiency	Provision of assistance to LM's in respect to GAMAP/GRAP compliance (Financial Statements)	Provide assistance to LM's through 4 training workshops held in GMAPP/GRAP compliance	Report	1	105578207	R 1,000,000	1 Training Workshop held for LM's for GMAP/GRAP Compliance	2nd Training Workshop held for LM's for GMAP/GRAP Compliance	3rd Training Workshop held for LM's for GMAP/GRAP Compliance	3rd Training Workshop held for LM's for GMAP/GRAP Compliance
		No repeat audit exceptions	4 LM's supported	Report	-	-	in house	Develop a template	Arrange a workshop	Resolving issues in AG's report (management letter)	Resolving issues in AG's report (management letter)
		GRAP Training for Ikwezi Local Municipality	LM's Assisted	Report	4	01 028 76103	R 250,000	NA	NA	Funds transferred to Ikwezi	NA
		Development of system for the protection of revenue	4 LM's assisted	Report	1	-	in house	plan for a workshop	arrange a workshop	Implement system	Implement system
To improve effectiveness in municipal revenue generation and financial management	Ensure that the Municipality complies with Legislation applicable to it and exercises appropriate internal controls.	Full compliance with OHASA	Full compliance with OHASA	Internal audit report and checklists	-	-	in-house	100% compliance with OHASA	100% compliance with OHASA	100% compliance with OHASA	100% compliance with OHASA
		Delivery of consolidated financial statements to OAG on or before 30 September annually	Delivered on or before 30 September	Proof of delivery	2	-	in-house	Statements delivered on or before 30 September	Response provided to Draft Management letter	Final letter included in annual report	NA
To improve effectiveness in municipal revenue generation and financial management	Ensure that the Municipality complies with Legislation applicable to it and exercises appropriate internal controls.	100% Financial obligations required by MFMA adhered to in accordance with National Treasury MFMA Implementation priorities	100%	MFMA checklist complete with comments	2	-	in-house	Report against checklist	Report against checklist	Report against checklist	Report against checklist

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Account Number 2010/2011	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target
A legally compliant and internally controlled CDM (cont)	Ensure that development occurs in the most logical way possible and in a manner that is in line with the adopted SDF principles	Completion of the OHASA quarterly safety checklist	4 x checklists	4 x checklists	2	-	In-house	1	2	3	4
		All projects registered on the IDP roster system	100%	IDP review	1	-	In-house	NA	All projects for the 2008/9 financial year on the IDP system	All projects for the 2008/9 financial year on the IDP system	NA
	Support the implementation of the IDP through the performance management of the institution and its workforce	100% of indicators met by officials reporting directly to post according to Performance Plans (shown through review documentation)	100%	Performance review report (all officials) 4th quarter	4	-	In-house	All plans in place, signed and sent to PMS Officer	First quarter reports and reviews sent to PMS Officer	Second quarter reports and reviews sent to PMS Officer	Third and Fourth quarter reports and reviews sent to PMS Officer
		100% of SDBIP (operational and capital projects) implemented.	SDBIP Performance Report	SDBIP Reports for 4 Q's	4	-	In-house	1st Q Departmental SDBIP Report submitted to PMS Officer	2nd Q Departmental SDBIP Report submitted to PMS Officer	3rd Q Departmental SDBIP Report submitted to PMS Officer	4th Q Departmental SDBIP Report submitted to PMS Officer
<b>TOTAL WEIGHTING (KPA'S)</b>											
100											

**CORE COMPETENCY REQUIREMENTS (CCR's)**

**CCR 1: CORE MANAGERIAL COMPETENCIES**

Financial Management

Competency	Standard	Weighting	Proof	2010/11 R000s	2010/11 R000s	30 Sep 2010 Target	31 Dec 2010 Target	31 Mar 2011 Target	30 Jun 2011 Target
People Management and empowerment	Displays standard aligned to that recommended in the MSA competency guidelines	20	Evidence of standard achieved as documented in a written report	NA	NA	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines
	Displays standard aligned to that recommended in the MSA competency guidelines	20	Evidence of standard achieved as documented in a written report	NA	NA	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines