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**CERTIFIED COUNCIL RESOLUTION**

The Council at its Special Council Meeting held on the 29 June 2021 under:

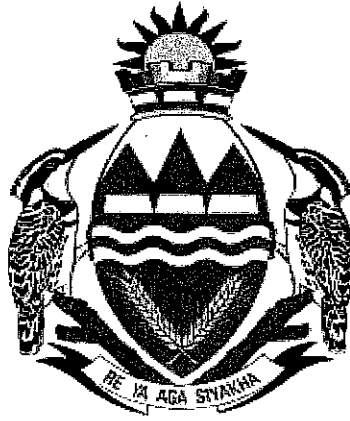
SC 03/06/21      REVIEW OF PERFORMANCE MANAGEMENT FRAMEWORK  
AND POLICY OF 2020/2021 FINANCIAL YEAR

**RESOLVED AS FOLLOWS:**

1. Council approved the Performance Management Policy and Framework for 2020/2021 financial year with inputs for implementation for the 2021/2022 financial year.

**CERTIFIED AS TRUE RESOLUTION  
COUNCIL SECRETARY  
TSOANE A**

29/06/21  
**DATE**



## Sekhukhune District Municipality

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# **Performance Management Framework and Policy 2020/2021**

Developed: 2013/2014 (Council Resolution No: OC27/08/13)

Last year reviewed: 2019/2020 (Council Resolution No: OC 001/07/19)

## Contents

<b>PREAMBLE</b> .....	<b>2</b>
<b>CHAPTER 1</b> .....	<b>3</b>
INTERPRETATION, PURPOSE AND APPLICATION OF THE FRAMEWORK AND POLICY.....	3
DEFINATIONS.....	3
ACRONYMS.....	5
PURPOSE OF THE POLICY.....	6
APPLICATION OF THE POLICY.....	6
<b>CHAPTER 2</b> .....	<b>7</b>
LEGISLATIVE FRAMEWORK.....	7
SCOPE OF APPLICATION OF THE POLICY.....	15
INITIATION OF THE POLICY.....	15
DELEGATION OF RESPONSIBILITIES.....	16
<b>CHAPTER 3</b> .....	<b>16</b>
ROLES AND RESPONSIBILITIES.....	16
ESTABLISHING INTERNAL STRUCTURE.....	17
INTERNAL AND EXTERNAL STAKEHOLDER INVOLVEMENT.....	17
CREATING STRUCTURES FOR STAKEHOLDER PARTICIPATION.....	25
<b>CHAPTER 4</b> .....	<b>25</b>
PLANNING.....	25
IDP.....	25
MTREF AND BUDGETING.....	26
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.....	26
EMPLOYEE PERFORMANCE MANAGEMENT.....	27
<b>CHAPTER 5</b> .....	<b>28</b>
PERFORMANCE MANAGEMENT CYCLE.....	28
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.....	28
AMENDMENT OF SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP).....	29
PERFORMANCE REPORTING.....	29
PREPARATION OF REPORT ON PREVIOUS YEAR'S ANNUAL REPORT.....	30
IMPLEMENTATION OF PERFORMANCE MANAGEMENT.....	30
SETTING OF OBJECTIVES.....	31
SETTING TARGETS.....	33
PERFORMANCE MANAGEMENT REGULATIONS.....	34
MONITORING.....	34
PRINCIPLES GOVERNING PERFORMANCE MANAGEMENT SYSTEM IN SEKHUKHUNE DISTRICT MUNICIPALITY.....	35
REVIEW PERIOD.....	36
REVIEW PROCESS.....	37
REPORTING.....	43
EVALUATION.....	45
AUDITING.....	45
EFFECTIVE DATE OF THE POLICY.....	47
POLICY REVIEW.....	47

## **PREAMBLE**

**The Sekhukhune District Municipality (SDM) accepts that performance management is central to building a developmental local government geared to meet the needs of communities in a sustainable and accountable manner.**

**As part of meeting its legislative requirements and policy provisions, the SDM has developed a performance management policy (PMP) that provides a platform for communities to hold it accountable but also facilitates for effective management and cultivation of a result-based management culture and ethos amongst its political office bearers and employees. The performance management policy of SDM is development oriented and provides the framework to manage and review employee performance and foster employee development.**

**CHAPTER 1  
INTERPRETATION, PURPOSE AND APPLICATION OF THE FRAMEWORK AND  
POLICY**

**1. Definitions**

<b>Term</b>	<b>Definition</b>
<b>Actions</b>	Actions are activities undertaken towards achieving products or services that need to be delivered. They are the building blocks of the KPA's.
<b>Assessment cycle</b>	The assessment cycle reflects the dates for individual PM assessment in a twelve month period
<b>Business plan</b>	The business plan is an operational plan of action developed for a period of one year
<b>Competencies</b>	Competencies are the knowledge, skills and attitudes required to perform effectively
<b>Core Management Competencies</b>	CMC's comprise a competency framework in the sense of a set of generic management competencies applicable to section 57 employees. CMCs that are deemed to be most critical for the employee's specific job should be selected from the list provided in the municipal performance regulations for section 57 employees. They should be agreed to between the employer and the employee.
<b>Portfolio of Evidence</b>	The proof that must be submitted to substantiate the level of achievement i.e. rating against the KPI and Target. Evidence must be independent, clearly reflect achievement, and signed off where possible.
<b>Indicators</b>	Indicators describe what is expected in terms of satisfactory performance. They set the required level of performance.
<b>Individual performance management system</b>	An individual performance management system is directed at the level of individuals within the organisation.
<b>Key performance areas</b>	Key performance areas are the end results of what we need to deliver within the next year
<b>Mandate</b>	Mandate is captured in policy and legislation and refers to the constitutional requirements placed on municipal Council and administration.
<b>Organisational performance management</b>	An organisational performance management system focuses on defining and directing performance at an organisational level towards achieving annual targets.
<b>Output</b>	A concrete achievement that contributes to the achievement of a longer-term outcome or goal.
<b>Performance agreement</b>	A performance agreement reflects the linking of an individual performance plan to the organisational goals and an analysis of what will be required to achieve effective performance.
<b>Performance appraisal system</b>	Performance appraisal is the mid-term and annual assessment of performance. It is: <ul style="list-style-type: none"> <li>• One of the aspects of managing individual</li> </ul>

Term	Definition
	<p>performance;</p> <ul style="list-style-type: none"> <li>• A cyclical and iterative process aimed primarily at performance improvement through on-going learning and development.</li> </ul>
<b>Performance management and development</b>	Performance management and development are all those processes and systems designed to manage and develop performance at the level of the public service, specific organisations components, teams and individuals.
<b>Performance plans</b>	Performance plans contain the essence of the performance management agreements, i.e. the performance agreements, work plan agreements and standards framework agreements.
<b>Performance standards</b>	Performance standards are mutually agreed criteria used to describe how well work must be done. They may be used to clarify the key performance areas of a job by describing what it means to do them well.
<b>Personal development plan</b>	A personal development plan outlines the areas in which improved levels of competence are required, and a process for ensuring the improvement.
<b>PM champions</b>	PM champions are the core group of people within each department who have been trained to support and assist with the implementation of the PM system. They work with departmental implementation teams.
<b>PM cycle</b>	The PM cycle describes the four phases through which the PM moves – planning and contracting, monitoring performance and evaluating performance. It should coincide with the financial year – 1 July to 30 June of each year.
<b>PM framework</b>	The PM framework describes the various components of the PM system and includes mechanisms for linking departmental plans to provincial strategic goals, and individual performance plans to departmental plans
<b>Points scale</b>	The points scale is a tool to be used when rating performance during the evaluation process.
<b>Progress review</b>	A progress review is a structured and formal process in which the staff member receives feedback on his/her performance, thereby providing an opportunity for improvement before the annual review takes place. It also provides an opportunity for the written amendment of PM agreements
<b>Quantitative and qualitative measures</b>	Quantitative measures tell you “how much” or “how many” you have done while qualitative measures tell you “how well” you have done it.
<b>Rating scale</b>	The rating scale is a standard scale for rating employees' performance in relation to specific categories of performance. These are often used to introduce a degree of comparability into systems for performance assessment.
<b>Required resources</b>	Required resources identify what is needed to ensure effective performance. These could either be physical

<b>Term</b>	<b>Definition</b>
	(infrastructural), financial or human resources.
<b>Standards framework agreement</b>	An SFA reflects the linking of an individual standards framework to the unit and organisational goals and an analysis of what will be required to achieve effective performance. It is used to assess the performance of professional staff and those involved in routine or process oriented work
<b>Strategic focus</b>	Strategic choice refers to a medium term commitment to achieving specific outcomes, based on prioritisation informed by contextual reality.
<b>Strategic goals</b>	Strategic goals are the outcomes or concrete positive results that the SDM as a whole wishes to achieve.
<b>Strategic objectives</b>	Strategic objectives are statements that concretely and specifically describe results to be achieved and serve as a basis for clarifying intentions, for planning, for guiding activity, and for assessing achievement.
<b>Targets</b>	Targets are agreed upon quantitative or qualitative amounts that support performance indicators in describing the optimal level of performance required.
<b>360° review</b>	A 360° review refers to a process through which a staff member receives feedback on performance from above (manager), below (staff s/he manages) and the side (peers and colleagues)
<b>Vision</b>	Vision refers to the long term impact desired by an organisation
<b>Work plan agreement</b>	A work plan agreement reflects the linking of an individual work plan to the organisational goals and an analysis of what will be required to achieve effective performance. It is usually used for staff who may have staff management responsibility with limited budgetary control, or project related tasks.

## 2. ACRONYMS

PMS	Performance Management System
IA	Internal Audit
IDP	Integrated Development Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
CCR	Core Competency Requirement
LLF	Local Labour Forum
SDBIP	Service Delivery and Budget Implementation Plan
MFMA	Municipal Finance Management Act

MSA	Municipal Systems Act
MEC	Member of the Executive Council
SALGA	South African Local Government Association
POE	Portfolio of Evidence

### 3. PURPOSE OF THE POLICY

The purpose of institutionalizing a PMFP is to serve as a primary mechanism to:

- Enable SDM to Plan, Monitor, Measure Report, and Review and Improve Organizational, Departmental and Individual Performance.
- Facilitate the creation of a performance culture and improve service delivery through the successful implementation of PMS.
- Improve the implementation of the IDP through PMS.
- Ensure integration and alignment of programmes across municipalities, departments and other sphere of Government.
- Promote accountability between various stakeholders.
- Help the municipality to improve Service delivery through the development of effective PMS.
- Alert the organization of failure to achieve the objectives of the IDP and government commitments.
- Develop meaningful interventions mechanisms to address failure.
- Create a culture of best practice and encourage shared learning among stakeholders.

### 4. APPLICATION OF THE POLICY

The provisions of the Performance Management Framework and Policy (PMFP) document are applicable to all employees of SDM, subject to the relevant regulatory prescripts. The principles and guidelines embedded in the performance management framework and policy have been developed to create a culture of performance management in the District municipality.



## CHAPTER 2

### 1. LEGISLATIVE FRAMEWORK

Table 1: Legislative Requirements

<b>Legislation governing PM in Municipalities</b>	<ul style="list-style-type: none"><li>• Constitution of the Republic of South Africa Act 108 of 1996</li><li>• White Paper on Transforming Public Service Delivery Notice 1459 of 1997</li><li>• White Paper on Local Government 1998</li><li>• Local Government Municipal Systems Act 32 of 2000 (MSA)</li><li>• Local Government: Municipal Planning and Performance Management Regulations and Guidelines GN 796 of 2001</li><li>• Performance Management Guidelines for Municipalities (2001)</li><li>• Local Government Municipal Finance Management Act 56 of 2003 (MFMA)</li><li>• Framework for Managing Programme Performance Information 2007</li><li>• Medium Term Strategic Framework 2014-2019</li><li>• Local Government Municipal Systems Act 32 of 2000 (MSA)</li><li>• Local Government Back to Basics strategy (2014)</li></ul>
<b>Employee PM Legislation</b>	<ul style="list-style-type: none"><li>• Constitution of the Republic of South Africa Act 108 of 1996</li><li>• Labour Relations Act, No 66 of 1995</li><li>• White Paper on New Employment Policy in the Public Service</li><li>• Local Government Municipal Systems Amendment Bill (2010)</li><li>• Municipal Planning and Performance Regulations and Guidelines</li><li>• Municipal Finance Management Act</li><li>• MFMA Regulation 493: Municipal Regulations on Minimum Competency Levels</li><li>• Local Government: Regulations on appointment and conditions of employment of Senior Managers, Regulation 21 of January 2014</li><li>• Department of Cooperative Governance Circular no. 2 of 2014, Implementation of Regulation 21 of 2014</li><li>• Local Government: Municipal performance regulations for municipal managers and managers directly accountable to municipal managers, Regulation 805 of 2001</li></ul>
<b>Recent National Planning, Monitoring and Evaluation Legislation and</b>	<ul style="list-style-type: none"><li>• Green Paper: National Strategic Planning 2009</li><li>• Green Paper on Performance Monitoring</li><li>• The Guide to Outcome Approach (2010)</li></ul>

## Guidelines

**Table 2: Legislative Requirements Detail**

<p><b>The Constitution, Act 108 of 1996</b></p>	<ul style="list-style-type: none"> <li>• Section 152 of the Constitution of the Republic of South Africa (1996)<sup>1</sup> deals with the objects of local government and paves the way for performance management with the requirements for establishing an accountable government.</li> <li>• The Constitution mandates the municipality to cooperate with the local community on better ways and means to meet their service delivery needs and improve the quality of their lives. The integrated development planning, budgeting and performance management provide a municipality with a platform to be developmental in approach.</li> </ul>
<p><b>White Paper on Transforming Public Service Delivery Notice 1459 of 1997</b></p>	<p>The Batho Pele White Paper<sup>2</sup> states that the development of a service-orientated culture requires the active participation of the wider community. It provide eight principles for good public service, namely:</p> <ul style="list-style-type: none"> <li>• Citizen Consultations</li> <li>• Publicise Service Delivery Standards</li> <li>• Equal Access to Services</li> <li>• Citizen courtesy and consideration</li> <li>• Full and accurate information about public services</li> <li>• Openness and transparency</li> <li>• Redress for sub-standard service delivery</li> <li>• Value-for-money</li> </ul>
<p><b>White Paper on Local Government 1998</b></p>	<p>The White Paper<sup>3</sup> introduced the practice of performance management as a tool to facilitate development. It states that integrated developmental planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on development in their area.</p>
<p><b>Local Government Municipal Structures Act</b></p>	<p>The Local Government Municipal Structures Act<sup>4</sup> provides for the establishment of municipalities in accordance with categories and types of municipalities, information on the division of functions and powers between categories of municipalities, the regulation of internal systems as well as structures and office-bearers.</p>
<p><b>Local Government</b></p>	<p>Section 11(3) of the Local Government: Municipal Systems Act No. 32 of 2000<sup>5</sup> states that a municipality should be setting targets for</p>

<sup>1</sup> South Africa. 1996. The Constitution of the Republic of South Africa, Act 108 of 1996. Pretoria: Government Printers.

<sup>2</sup> South Africa. 1998. White Paper on Transforming Public Service Delivery. Pretoria: Government Printers

<sup>3</sup> South Africa. 1998. *White Paper on Local Government*. Pretoria: Government Printers

<sup>4</sup> South Africa. 1998. Local Government: Municipal Structures Act, 117 of 1998. Available at: <http://www.info.gov.za/view/DownloadFileAction?id=70652>. Accessed: 18 May 2010

<sup>5</sup> South Africa. 2000. Local Government Municipal Systems Act, No 32 of 2000. Pretoria: Government Printers

delivery; monitor and regulate municipal services provided by service providers; monitor the impact of effectiveness of any services, policies, programmes or plans; and establishing and implementing performance management systems. Of particular importance are:

- Sections 26(h) and (1): The budget should include projections for at least the next three years as well as Key Performance Indicators (KPIs) and performance targets with regards to development priorities, objectives and measurable performance targets.
- Sections 39 to 46: Requires of Local Government to develop amongst others, a framework within which to:
  - Develop a performance management system
  - Set targets, monitor and review performance, based on indicators linked to the IDP
  - Publish an Annual Report on performance for the Councillors, staff, the public and other spheres of government
  - Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for Local Government
  - Conduct an internal audit on performance before tabling the Report
  - Have the Annual Performance Report audited by the Auditor-General
  - Involve the community in setting indicators and targets and reviewing municipal performance.
- Section 40: Municipality must establish mechanisms with which to monitor and review its PM System.
- Section 41: Identifies the core components of a PM System as:
  - setting Key Performance Indicators (KPIs)
  - setting measurable performance targets (PTs)
  - monitoring performance & measure and review annually
  - taking steps to improve performance
  - establishing a process of regular reporting.
- Section 42: The community should be involved in the development, implementation and review of the PM System as well as the setting of KPIs for the municipality.
- Section 44: KPIs and PTs in the PM System of the municipality must be made known both internally and externally in a manner described by the Council.
- Section 45: The results of performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General.
- Section 46: Preparation of Annual Performance Reports

**Local  
Government  
Municipal  
Planning and  
Performance  
Management  
Regulations  
and Guidelines  
GN 796 of 2001**

- Section 76: Mechanisms for providing services

The Regulations and Guidelines (2001) provide user-friendly non-prescriptive guidelines to assist municipalities in developing and implementing their legislatively required PM System. The document proposes three phases inclusive of a number of steps to guide municipalities in developing a PM System, implementing the system, setting targets, developing a monitoring framework, designing a performance measurement framework, conducting performance reviews, improving on performance and reporting on performance. Of particular importance are:

- Section 2(1) (d) & (e): The IDP of a municipality must identify all known projects, plans and programs to be implemented within the municipality
- Section 7(1) & (2): Sets out the format for the municipal performance management system framework that describes how the municipality's cycle of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.
- Section 8: Adoption of PM System
- Sections 9 & 15: Defining input indicators<sup>6</sup>, output indicators<sup>7</sup> and outcome indicators<sup>8</sup>
- Section 10: Describing of General Indicators
- Sections 12 & 13: Performance targets must be set, monitored, measured and reviewed to ensure effective, efficient and economic performance.
- Section 14: Requirements for internal Auditing of performance measurements.
- Section 43: Authorises the Minister to prescribe general KPIs that every municipality must report on.

**Local  
Government  
Municipal  
Finance  
Management  
Act 56 of 2003**

The MFMA<sup>9</sup> establishes norms and standards based on National Treasury guidelines to ensure the effective management of municipal finances.

- Sections 16 (2) & 17 (3) state that an annual budget be tabled, approved and submitted to National Treasury. This budget must be accompanied by the following documents:
  - Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the

<sup>6</sup>Refers to an indicator that measures the cost, resources and time use to produce an output.

<sup>7</sup>Refers to an indicator that measures the results of activities, processes and strategies of a programme of a municipality.

<sup>8</sup>Refers to an indicator that measures the quality and or impact of an output on achieving a particular objective.

<sup>9</sup> South Africa. 2003. *Municipal Finance Management Act, No 56 of 2003*. Pretoria: Government Printers.

**MFMA Circular  
No 63: Annual  
Report  
Guidelines  
2005**

**MFMA Circular  
No 13: Service  
Delivery and  
Budget  
Implementation  
Plan 2005**

municipality's integrated development plan

- o Any proposed amendments to the municipality's IDP following the annual review of the IDP in terms of S34 of the MSA
- Section 53 (1) provides guidance in terms of employee performance management within municipalities.
- Section 54 prescribes measures to be taken by the Mayor in relation to budgetary control and early identification of financial problems. S54 (1) (c) also provides for the revision of the service delivery and budget implementation plan (SDBIP), if necessary and following the adjustment of the budget at mid-year.

The Act further provides that the municipality must:

- Adopt service delivery & budget implementation plan annually, which must indicate quarterly service delivery targets and performance measures.
- Establish the Audit (Performance) Committee to advise Council, its structures and the management on performance management and evaluation.
- Produce the mid-year budget and performance assessment in January and annual report on the performance against the municipal budget.
- Produce performance agreements linked to measurable performance objectives approved with the budget and to the SDBIP.

Circular 63<sup>10</sup> provides guidance on the preparation of the new annual report format to better inform in a standardised framework how municipalities and municipal entities have performed, by providing information of a financial and non-financial nature in one document. It is to assist municipal councillors, municipalities, municipal entities, residents, oversight institutions and other users of annual reports with information and progress made on service delivery. It must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in-year reports. The contents will also assist with the annual audits.

Circular 13 provides guidance and assistance to municipalities in the preparation of the SDBIP as required by the MFMA. The circular<sup>11</sup> further notes that the following are the five components of a proper SDBIP:

- Monthly projections of revenue to be collected for each source
- Monthly projections of expenditure (operating and capital) and

<sup>10</sup> National Treasury. MFMA Circular No 63. Annual Report Available at: <http://www.treasury.gov.za>.

<sup>11</sup> National Treasury. 2005. MFMA Circular No 13. Service Delivery and Budget Implementation Plan. Available at: <http://www.treasury.gov.za>.

**MFMA Circular 32: The Oversight Report 2006**

**Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to the Municipal Manager Notice 805 of 2006**

**Local Government: Regulations on appointment and conditions of employment of senior managers, Regulation 21 of January 2014**

**Framework for Managing Programme**

revenue for each vote

- Quarterly projections of service delivery targets and performance indicators for each vote
- Ward information for expenditure and service delivery
- Detailed capital works plan broken down by ward over three years

Circular 32<sup>12</sup> focuses on the oversight process that Councils must follow when considering the annual report and how to deal with the Oversight Report by encouraging continuous improvement and promoting accountability to stakeholders

Regulations 805<sup>13</sup> seeks to set out how the performance of Municipal Managers will be uniformly directed, monitored and improved. The Regulations address both the Employment Contract of a Municipal Manager and managers directly accountable to the Municipal Manager as well as the Performance Agreements that are entered into between respective municipalities, Municipal Managers and managers directly accountable to Municipal Managers. Combined, these instruments ensure a basis for performance and continuous improvement in local government.

Regulation 21 of 2014 regulates the following matters regarding the appointment and conditions of employment of senior managers:

- Staff establishment
- Recruitment, selection and appointment
- Conditions of employment, inclusive of the upper limits of total remuneration packages of senior managers
- Benefits
- Termination of service

The annexures to these regulations also guide amongst others the following matters:

- The competency framework for senior managers
- Minimum competency requirements for senior managers

According to the Framework<sup>14</sup>, performance information needs to be structured to demonstrate clearly how government uses available resources to deliver its mandate. These also need to be identified

<sup>12</sup> National Treasury. 2006. MFMA Circular No 32. The Oversight Report. Available at: <http://www.treasury.gov.za>

<sup>13</sup> Department of Provincial and Local Government. 2006. Local Government Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers. No R 805. 1 August 2006. Available at: [www.participation.org.za/docs/MunicipalPerformance%20Regs2006.pdf](http://www.participation.org.za/docs/MunicipalPerformance%20Regs2006.pdf)

<sup>14</sup> National Treasury. 2007. Framework for managing programme performance information. Available at: [www.treasury.gov.za/publications/guidelines/FMPI.pdf](http://www.treasury.gov.za/publications/guidelines/FMPI.pdf)

**Performance Information 2007**

and monitored so that risks can be managed and corrective action can be taken. In managing for results, budgets are developed in relation to inputs, activities and outputs, while the aim is to manage towards achieving the outcomes and impacts. Well-defined strategic goals and objectives provide a basis from which to develop suitable programmes and projects, as well as appropriate indicators.

**Medium Term Strategic Framework 2014-2019**

The MTSF 2014-2019<sup>15</sup> serves as the Government's strategic plan for the 2014-2019 electoral term. It reflects the commitments made in the election manifesto of the governing party, including the commitment to implement the National Development Plan (NDP).

The 2014-2019 electoral mandate focuses on the following priorities:

- Radical economic transformation, rapid economic growth and job creation
- Rural development, land and agrarian reform and food security
- Ensuring access to adequate human settlements and quality basic services
- Improving the quality of and expanding access to education and training
- Ensuring quality health care and social security for all citizens
- Fighting corruption and crime
- Contributing to a better Africa and a better world
- Social cohesion and nation building.

**Green Paper on Performance Monitoring (2009)**

The Green Paper<sup>16</sup> was developed with the aim of translating Government's electoral mandate into a clear set of outcomes and output measures. It is envisaged that these outcomes and output measures will assist Government in delivering on the ten priority areas in the MTSF.

**King III Report**

The King III Report<sup>17</sup> was presented by the King Committee on Governance in September 2009. It is intended that King III applies to all entities, including municipalities regarding the manner and form of incorporation or establishment.

**Outcomes Approach**

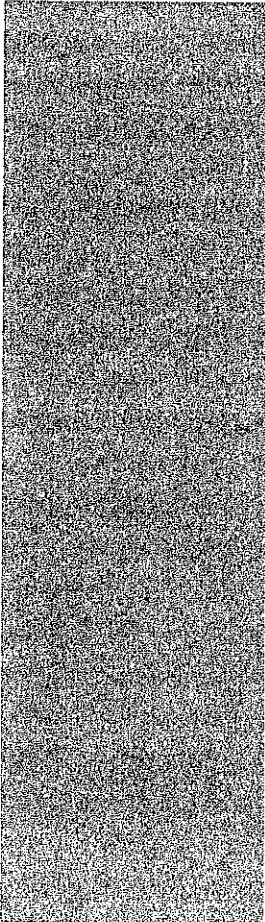
The Outcomes Approach implies a shift of accountability away from employee level to organisational level. The Department of Performance Monitoring and Evaluation made suggestions to achieve alignment in the Green Paper Improving Government Performance: Our Approach (2009) and the Guide to Outcome Approach (2010). In terms of coordinated planning, monitoring and evaluation, the documents suggest the creation of an

<sup>15</sup> MTSF 2014-2019 is available at: <http://www.thepresidency-dpme.gov.za/news/Pages/MTSF-2014-2019.aspx>

<sup>16</sup> The Presidency. Republic of South Africa. 2009. Green Paper: National Strategic Planning. Available at: <http://www.thepresidency.gov.za>

	interrelationship between strategic outcomes identified by Government, Implementation forums, Delivery Agreements, implementation, monitoring reporting and evaluation.
<b>Labour Relations Act (1995)</b>	The SALGBC Disciplinary Procedure Collective Agreement read together with the Labour Relations Act's Code of Good Practice: Dismissal provides guidelines on the management of poor performance. These provisions provide a legal basis for the implementation of performance management.
<b>Basic Conditions of Employment Act (1997)</b>	This Act links with the performance management, in that, it give effect to and regulates the right to fair labour practices and enforces the basic conditions of employment for employees on contracts and incapacity.
<b>The Skills Development Amendment Act (2003)</b>	Prescribes the need to budget for at least one 1% of the payroll for the training and development of employees. Training and development links with the performance management requirement for personal individual development plans.
<b>Promotion of Access to Information Act (2000)</b>	Promotes a culture of transparency and accountability by giving effect to the right of access to information, including access to performance information.
<b>National Development Plan – Vision for 2030</b>	<p>The National Development Plan<sup>18</sup> developed by the National Planning Commission and unveiled on 11 November 2011 focuses on the following priorities:</p> <ul style="list-style-type: none"> <li>• An economy that will create more jobs</li> <li>• Improving infrastructure</li> <li>• Transition to a low-carbon economy</li> <li>• An inclusive and integrated rural economy</li> <li>• Reversing the spatial effect of apartheid</li> <li>• Improving quality of education, training and innovation</li> <li>• Quality health care for all</li> <li>• Social protection</li> <li>• Building safer communities</li> <li>• Reforming the public service</li> <li>• Fighting corruption</li> <li>• Transforming society and uniting the country</li> </ul> <p>It is required of municipalities to align their priorities to the national priorities mentioned above.</p>
<b>Local Government Back to Basics Strategy</b>	During the Presidential Local Government Summit of 2014, the Back to Basics Strategy was introduced by the Department of Cooperative Governance and Traditional Affairs. The motto of this strategy is: "Serving our communities better".





This strategy also deals with the Back to Basics programme of change whereby it advocates the principle of acceptable level of performance means that municipalities must:

- Put people and their concerns first and ensure constant contact with communities through effective public participation platforms
- Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including budgeting to do so. Ensure no failures in services and where there are, restore services with urgency
- Be well governed and demonstrate good governance and administration. Cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability
- Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities
- Build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels

## **2. SCOPE OF APPLICATION OF THE POLICY**

**As of 2019/2020 Financial Year this policy is applicable to the following category of employees:**

1. The Municipal Manager
2. Managers accountable directly to the Municipal Manager in terms of Section 56 (1) (a) (i) (ii) of the Local Government Municipal Systems Act, No 32 of 2000 and Regulations (General Managers).
3. Deputy Directors
4. Managers
5. Chief Risk Officer
6. Level 4s & 5s

## **3. INITIATION OF THE PROCESS**

This stage involves clarifying and delegating roles and responsibilities, setting up the necessary infrastructure to support the performance management process and setting up framework for managing the change process.

#### 4. DELEGATION OF RESPONSIBILITIES

The Municipal Systems Act places the responsibility on the Council to adopt a performance management policy, while holding the Executive Committee responsible for the development and management of the policy. The Executive Committee may assign responsibilities to the Municipal Manager in this regard, but remains accountable for the development and management of the performance management system.

#### CHAPTER 3

##### 1. ROLES AND RESPONSIBILITIES OF THE ROLEPLAYERS

PROCESS	WHO/STRUCTURE	RESPONSIBLE PERSONS TO ASSIST WITH FUNCTION	TARGET DATE
PERFORMANCE PLANNING	Citizens and communities Councillors Mayoral Committee Management Employees Organised Labour	Municipal Manager	Concurrent with development of priorities and objectives of IDP
MEASURING (Setting of KPI's and targets)	Citizens and communities Councillors Mayoral Committee Management Employees Organised Labour	Ward Committee Councillors Municipal Manager PMS Manager Directors Deputy Directors Managers	Concurrent with development of priorities and objectives of IDP
MONITORING	Citizens and communities Councillors Mayoral Committee Management Employees Organised Labour	Ward Committee Councillors Municipal Manager PMS Manager Directors Deputy Directors Managers Supervisors	Continuously
REVIEWING	Council Municipal Manager Managers Internal audit Audit Committee	Municipal Manager PMS, Manager Directors Deputy Directors Managers Auditor General Coghsta	Quarterly <ul style="list-style-type: none"> <li>▪ July – Sept.</li> <li>▪ Oct. – Dec.</li> <li>▪ Jan. – March</li> <li>▪ April - June</li> </ul>
REPORTING	Council Municipal Manager	Municipal Manager PMS, Manager	Quarterly and annually

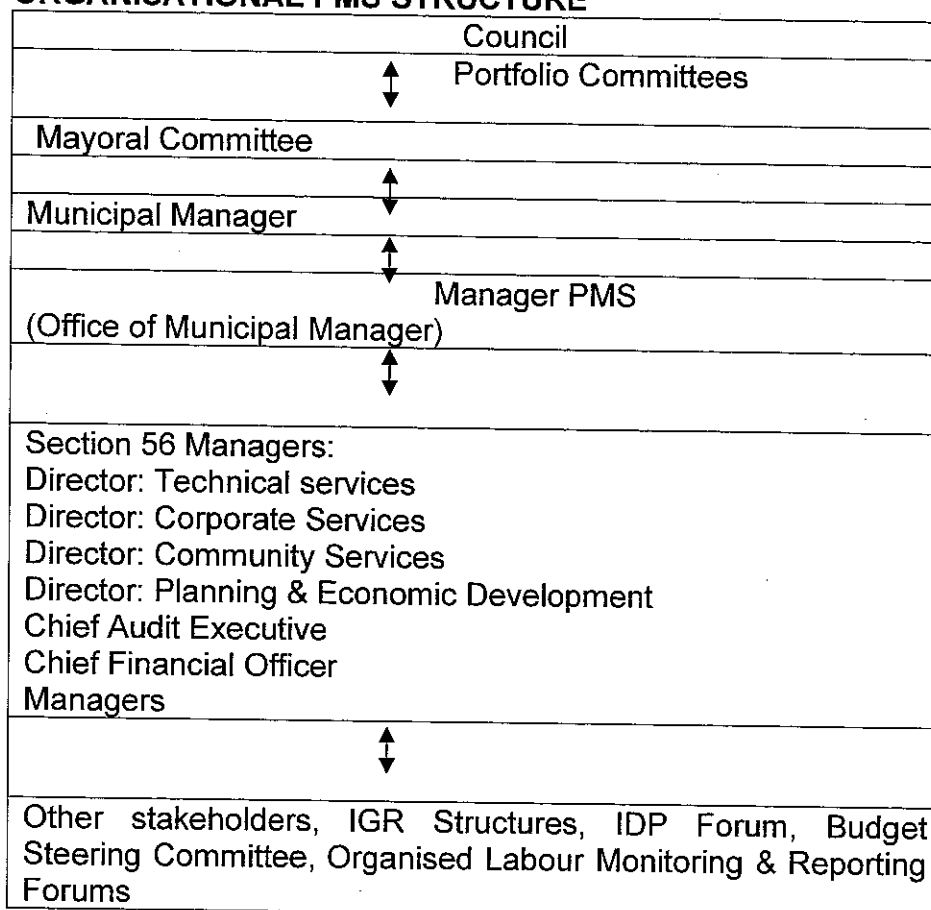
	Audit Committee Internal Auditors Managers Employees	Directors Deputy Directors Managers Auditor General Coghsta	<ul style="list-style-type: none"> <li>▪ July – Sept.</li> <li>▪ Oct. – Dec.</li> <li>▪ Jan. – March</li> <li>▪ April – June (final)</li> </ul>
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## 2. ESTABLISHING INTERNAL INFRASTRUCTURE

SDM Council delegated PMS to Municipal Manager responsible for the development and implementation of the organisational performance management system on behalf of the Council.

*Within the municipality the Organisational PMS is structured as follows:*

### ORGANISATIONAL PMS STRUCTURE



*The internal and external role-players can be illustrated as follows:*

## 3. INTERNAL AND EXTERNAL STAKEHOLDER INVOLVEMENT

Stakeholders	Planning	Implementing	Monitoring	Reviewing & reporting
<b>PARLIAMENT</b> (external to municipality)			Chapter 4 of the Constitution of the RSA, 1996	Chapter 4 of the Constitution of the RSA, 1996

<b>MINISTER OF PROVINCIAL &amp; LOCAL GOVERNMENT</b> (external to municipality)	Municipal Systems Act 32(43(1)(a))	Municipal Systems Act 32(49)	Municipal Systems Act 32(43(1)(b) & 49 of the Act	In terms of section 48(1) of the Act the Minister must: <ul style="list-style-type: none"> <li>• Annually compile and submit to Parliament and the MECs for local government a consolidated report of local government performance in terms of general KPIs.</li> <li>• Publish the report in the Government Gazette</li> </ul>
<b>NATIONAL COUNCIL OF PROVINCES</b> (external to municipality)				Sections 42 & 65-69 of Chapter 4 of the Constitution of the RSA, 1996
<b>LIMPOPO LEGISLATURE</b> (external to municipality)				The Limpopo Provincial Legislature through Coghsta must evaluate and “approve” the PMS annual report on the basis of two main criteria: <ul style="list-style-type: none"> <li>▪ The report must identify municipalities that under-performed during the year; and</li> <li>▪ Proposed remedial action to be</li> </ul>

				taken.
<b>MEC FOR COGHSTA</b> (external to municipality)	Section 31 of the Local Government: Municipal Systems Act, 2000	Section 31 of the Local Government: Municipal Systems Act, 2000	In terms of Section 155 (7) of the Constitution, national and provincial government have the legislative and executive authority to see to the effective performance by municipalities of their functions	In terms of section 47 of the Local Government: Municipal Systems Act, 2000 the MEC for local government must annually compile and submit to the provincial legislature and the Minister of COGTA a consolidated report on the performance of municipalities in the province. The MEC for local government must also publish the report in the Provincial Gazette and submit a copy of the report to the National Council of Provinces
<b>AUDITOR GENERAL</b> (External to municipality)	Local Government Municipal Finance Management Act, 2003	Local Government Municipal Finance Management Act, 2003	Local Government Municipal Finance Management Act, 2003	In terms of section 45(b) of the Act the AG must annually audit the results of performance measurements in terms of section 41(1)(c) of the Act

<p><b>COUNCIL:</b></p> <p>Mayoral Committee</p>	<ul style="list-style-type: none"> <li>• Play the leading role in giving strategic direction and developing strategies and policies for the organisation</li> <li>• Manage the development of the PMS</li> <li>• Identify indicators and set targets</li> <li>• Communicate the plan to other stakeholders</li> </ul>		<ul style="list-style-type: none"> <li>• As far as possible, monitor municipal performance from different areas</li> <li>• Commission audits of performance where necessary</li> </ul>	<p>Conduct the major reviews of municipal performance, determining where goals have or have not been met, what the causal reasons are and to adopt response strategies</p>
<p>Portfolio Committees</p> <p>Council</p>	<ul style="list-style-type: none"> <li>• Facilitate the development of a long term vision</li> <li>• Develop strategies to achieve vision</li> <li>• Identify priorities</li> <li>• Adopt indicators and set targets</li> </ul>		<p>As far as possible, monitor municipal performance from different areas</p>	<ul style="list-style-type: none"> <li>• Review municipal performance for major reviews such as the annual review</li> <li>• Review the performance of the executive committee</li> </ul>

<p><b>MUNICIPALITY:</b> Municipal Manager Management</p>	<ul style="list-style-type: none"> <li>• Assist the executive committee in providing strategic direction and developing strategies and policies for the organisation</li> <li>• Manage the development of the IDP</li> <li>• Ensure that the plan is integrated</li> <li>• Identify indicators and set targets</li> <li>• Communicate the plan to other stakeholders</li> </ul>	<p>Manage the implementation of the IDP &amp; PMS – make it a reality</p>	<ul style="list-style-type: none"> <li>• Regularly monitor the implementation of the IDP &amp; PMS, identifying risks early</li> <li>• Ensure that regular monitoring evaluation, analysis and reporting is happening in the organisation</li> <li>• Intervene in performance problems on a daily operational basis</li> <li>• Measure performance according to agreed indicators, analyse and report regularly,</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct regular reviews of performance e.g. monthly</li> <li>• Organise the performance reviews at the political level</li> <li>• Ensure the availability of information</li> <li>• Propose response strategies to the executive committee or council</li> <li>• Conduct reviews of team performance against plan before executive reviews</li> </ul>
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Employees	<ul style="list-style-type: none"> <li>• Contribute ideas to the integrated development plan</li> <li>• Adopt IDP by aligning personal goals and plan with the organisational plan</li> </ul>	Implement the IDP & PMS and fulfil the personal plan	<ul style="list-style-type: none"> <li>• Monitor own performance continuously</li> <li>• Monitor and audit the performance of the organisation and respective teams.</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in review of own performance</li> <li>• Participate in the review of organisational performance where necessary</li> </ul>
Organised Labour	<ul style="list-style-type: none"> <li>• Play a contributory role in giving strategic direction and developing long-term vision for the organisation and municipal area</li> <li>• Contribute to the development of an IDP</li> <li>• Ensure support of members of the IDP &amp; PMS</li> </ul>		Monitor and audit the performance of the organisation, especially from a labour perspective	Participate in the public review of municipal performance
<b>AUDITING:</b> Internal & external auditors			Internal auditor must on a quarterly basis audit the performance measures of the municipality after receiving the report on quarterly basis.	Must submit quarterly reports on their audits to the municipal manager and the audit committee



Performance Audit Committee/ audit Committee			<ul style="list-style-type: none"> <li>• Must meet at least twice during the financial year</li> <li>• May communicate directly to the Council, MM or the internal or external auditors</li> <li>• Access any municipal records containing information that is needed to perform its duties or exercise its powers</li> <li>• Request any relevant person to attend its meetings and, if necessary, to provide information to the Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Must review the quarterly audit reports submitted to it</li> <li>• Review the municipality's PMS and make recommendations in this regard to the Council</li> <li>• At least twice during the financial year submit an audit report to the Council</li> </ul>
			<ul style="list-style-type: none"> <li>• Investigate any matter it deems necessary for the performance of its duties</li> </ul>	
Auditor General				In terms of section 45(b) of the Act the AG must annually audit <u>the results of performance</u>

				<u>measures</u> in terms of section 41(1)(c) of the Act
<b>CITIZENS &amp; COMMUNITIES:</b> Civics Community Based Organisations Ward Committees NGOs Businesses & Organised Business	<ul style="list-style-type: none"> <li>• Be consulted on needs</li> <li>• Develop the long term vision for the area</li> <li>• Influence the identification of priorities</li> <li>• Influence the choice of indicators and setting of targets</li> </ul>		Be able to monitor and "audit" performance against commitments	Be given the opportunity to review municipal organisational performance and suggest new indicators and targets
<b>PARTNERS:</b> Public Partners Private Partners Service Providers	The KPIs must inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service level agreement			Review the KPIs set for every municipal entity and service provider with whom the municipality has entered into a service level agreement

#### **4. CREATING STRUCTURES FOR STAKEHOLDER PARTICIPATION:**

It is important to establish structures that will facilitate the meaningful participation of all stakeholders in the development of the system, consistent with the legislation.

**Sekhukhune Municipality will be utilising the following structures:**

- Mayoral/Speaker's Outreach.
- IDP Representative Forum.
- Municipal Website
- PMS Forum
- IGR Structures

#### **CHAPTER 4**

##### **1. PLANNING**

###### **Planning and Review**

Planning and review essentially consists of a number of actions that take place at different times of the Municipal Financial Year. These include:

- The planning/review of the IDP
- the compilation and review of the budget and SDBIP
- Review individual Section 54A & 56 managers and Section and all other employees performance plans
- Mid-year review and adjustment budget
- Adjustment SDBIP to feed into the adjustment of employee performance plans
- The community needs should feed into the IDP review phases.

The phase starts off with a process of regional planning. Sections 16 and 17 of the Municipal Systems Act (MSA) (2000) and Section 22 of the MFMA state that municipalities are obliged to involve its public in its operations by encouraging and creating conditions for the community to participate in the following public processes:

- The preparation, implementation and review of the IDP
- The establishment, implementation and review of the performance management system of the municipality
- Monitoring and reviewing of municipal performance including outcomes and impact.

##### **2. IDP**

The IDP is a plan of how a municipality will spend its projected funding for the next five years. It sets out the budget priorities of the municipality. The IDP is supported by the Medium Term Revenue and Expenditure Framework (MTREF) budget. The IDP is a tool the municipality can use to assist with the effective use of resources. An effective IDP will help speed up delivery and attract additional funds. It will ensure public confidence as it is a combined effort between the municipality and its community. When the municipality produces results, the public becomes more confident in its capability and

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will thus be more responsive to municipal requests. The IDP assist in creating co-ordination between Local, District, Provincial and National Government who needs to work together to ensure the needs of the community is met. The Turnaround strategy of 2009<sup>19</sup> promotes and emphasises this strategy.

Before starting the planning process, an IDP Process Plan must be drawn up to ensure the proper management of the planning process. This plan should outline:

- The structures that will manage the planning process which involves the IDP Steering Committee, IDP Manager and IDP Representative Forum
- How the public and other relevant role players and stakeholders will be engaged, i.e. through the media, website and public consultation meetings
- Time schedule for the planning process
- Roles and responsibilities within the IDP process
- The monitoring that will take place within the IDP development process

### 3. MTREF AND BUDGETING

Chapter 4 of the MFMA deals in detail with the process which is required to be followed in the development and approval of annual Municipal budgets. It provides the Local Government sphere with guidance to ensure the budgets and tariffs set by municipalities do not undermine the national economic, tax and fiscal objectives of the country.

National Treasury publishes annual MFMA Budget Guidelines Circulars. Municipalities must make every effort to comply with the legislation and related circulars. To this effect municipalities should prepare multi-year budgets, service delivery implementation plans, publish key performance targets for each vote on the budget and implement performance contracts for senior managers linked to these performance targets<sup>20</sup>.

Municipalities are required by the MFMA to table an approved three-year budget. The aim of this three-year budget or Medium Term Revenue and Expenditure Framework (MTREF) is to guide the municipality's budget formulation for the next three years. The budget framework, reviewed annually, takes account of budget and economic realities and sets the path for service provision. The MTREF shows figures for the actual fiscal year as well as for the following two years. The following two years are indicative (estimated) amounts, which is why the framework is revised and adjusted annually.

### 4. SDBIP and Lower SDBIP

The SDBIP is a contract between the delivery of goals/strategic objectives and action which the municipality or Municipal Entity undertakes. The SDBIP include targets for the activities which the municipality or Municipal Entity will undertake. The IDP informs the SDBIP and provides the monitoring and different responsibilities and targets that each Department/Municipal Entity must fulfil in order to meet the needs indicated by the community.

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<sup>20</sup>National Treasury. 2008. Circular 45: 2008/09 MTREF Budget. Available at: <http://docs.google.com/viewer?a=v&q=cache:LSHGfvenZE0J:www.treasury.gov.za/legislation/mfma/circulars/>. Accessed: 20 April 2010.

The Municipal Manager is responsible for the preparation of the Municipal SDBIP, which must be legally submitted to the Mayor for approval within 28 days once the budget has been approved by the Council (around end-May or early-June). Once the budget is approved by the Council, the Municipal Manager should merely revise the approved draft SDBIP, and submit for final approval within 28 days after the approval of the budget. The output and goals made public in the SDBIP will be used to measure performance on a quarterly basis during the financial year.

## **5. EMPLOYEE PERFORMANCE MANAGEMENT**

### ***What is a performance agreement?***

A performance agreement is an agreement between an employee (the Municipal Manager or his direct reports) and his manager (Mayor or the Municipal Manager), which regulates the performance required for a particular position and the consequences of the performance

The purpose of the agreement is to-

- assist a member of the Senior Management Team to define his/her key responsibilities and priorities;
- encourage improved communication between that member and the person he/she reports to; and
- enable the supervisor to assess his/her work and provide appropriate support.
- specify objectives and targets established for the employee and to communicate to the employee the employer's expectations of the employee's performance expectations and accountabilities;
- specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- monitor and measure performance against set targeted outputs;
- use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;

Included in the planning phase is the signing of an Employee Contract and Performance Agreement between the employee and employer linked to the IDP and SDBIP objectives, outcomes and targets. The employee performance planning sessions usually commence in July of each year, i.e. the beginning of the financial year. It is the responsibility of the Manager/Supervisor to schedule the meeting. Both Manager/Supervisor and employee are required to prepare for the planning session.

According to Regulation 805 of 2006<sup>21</sup>, Municipal Manager and Managers reporting to the Municipal Manager (Section 56 Managers) should sign Employment Contract that **should be compiled for a fixed term of employment not exceeding a period ending one year after the election of the next Council of the municipality**. The contracts should include a provision for cancelling the contract in the case of non-compliance, stipulate the terms of renewal and reflect values and principles included in the Code of Conduct, Schedule 2 of the MSA<sup>22</sup>. The contract must provide a commencement and termination date as well as a clause that there should be no expectation that the employment contract will be renewed or extended beyond the terms indicated in the contract.

Employment of the Municipal Manager and Managers reporting to the Municipal Manager is further subject to the signing of a Performance Agreement within sixty (60) calendar days after assumption of duty and annually within one (1) month after commencement of the new financial year and level 2 up to 5. The Performance Agreements must provide detail on performance objectives and targets defined and agreed upon between the employer and employee. Further to this, information on standards and procedures for evaluating performance, intervals for evaluation and consequences of substandard performance must also be included.

It is practice within the SDM to appoint the Municipal Manager and Managers directly accountable to the Municipal Manager on a contract basis and to expect them to sign a Performance Agreement. The aim thereof is to ensure parity in the application of performance management practices and provide a link to permanent employees.

The best type of performance management system adopts a cascading or “rolling-down” of performance objectives from top to bottom. In order to ensure that the SDM meets and deliver on its Municipal Scorecards KPAs and KPIs at a high standard, it is proposed that the Performance Management Results and Competency-based methodology be followed to ensure that the process of employee performance management is cascaded throughout the municipality.

The Performance commitments for Level 4 up to Level 5 must be based on their signed job description. Employment of the level 4 to Level 5’s is further subject to the signing of a Performance Commitment within ninety (90) calendar days after assumption of duty and annually be done within 90 days after commencement of the new financial year.

## CHAPTER 5

### PERFORMANCE MANAGEMENT CYCLE

#### 1. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

ROLE PLAYERS	ACTION	TIME FRAME
Internal Departments	Prepare draft SDBIP's	31 March of each year
Management	Review draft SDBIP's and recommendation to the Mayor for consideration	31 March of each year

<sup>21</sup> South Africa, 2006. *Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, Regulation 805 of 2006*. Pretoria: Government Printers.

<sup>22</sup> South Africa. 2000. *Local Government Municipal Systems Act, No 32 of 2000*. Pretoria: Government Printers.

Executive Mayor	Approves the SDBIP's in terms of section 53(1) (c) (ii) of the MFMA Act 2003.	Within 28 days after the approval of the annual budget
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## 2. AMENDMENT OF SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

ROLE PLAYERS	ACTION	TIME
Internal Departments	Review approved SDBIP's to determine if amendments are necessary	January of each year
Management	Consider and approves the proposals by departments.	February of each year
Executive Mayor	Recommend the proposed amendments on the SDBIP's in terms of section 54(1)(c) of the MFMA Act 2003.	Within 10 days after the approval of adjustment budget.

## 3. PERFORMANCE REPORTING

Frequency of reporting

Type of report	Responsibility	Destination Accountability	Time Frame
Monthly Performance Report	Directors	PMS Manager	Monthly
Quarterly Performance Report	Directors	Management, Mayoral Committee, Council, Performance Lekgotla and COGHSTA	Quarterly
Mid-year Performance Report	Directors	Management, Mayoral Committee, Council, Lekgotla, Provincial & national Treasury COGHSTA, Provincial Treasury and National Treasury	25 January each year
Annual Performance	Directors	Management,	31 August each

		Mayoral Committee, Council, Lekgotla, COGHSTA, Provincial Treasury, National Treasury and Auditor-General	year
Annual Report	Municipal Manager	Management, Mayoral Committee, Council, Lekgotla, COGHSTA, Provincial Treasury, National Treasury and Auditor-General	31 January each year

#### 4. PREPARATION OF REPORT ON PREVIOUS YEAR'S ANNUAL REPORT

Sekhukhune District Municipality must prepare a report detailing the extent to which the challenges identified in the previous year's annual report have been resolved (Oversight Report from Municipal Public Account Committee should be used as a basis).

The report on the previous year's annual report must accompany the mid-year performance report which is submitted to Council not later than 31 January each year.

#### 5. IMPLEMENTATION OF PERFORMANCE MANAGEMENT

##### Planning for Performance Management

The IDP process and the performance management process are seamlessly integrated. The IDP fulfils the planning stage of Performance Management and Performance Management fulfils the implementation management, monitoring and evaluation of the IDP process.

##### Priority Setting:

The IDP delivers products such as, amongst others a set of delivery priorities and objectives, a set of internal transformation strategies, priorities and objectives, identified projects that contribute to the achievement of the above objectives and a financial plan.

These priorities are essentially the issues that a municipality pronounces to focus on in order of importance to address the needs of the community. Priorities may be clustered into the following Key Performance Areas (KPA), which represent the broad development mandate of local government:



- a. Institutional transformation and Organisational Development
- b. Basic Service Delivery and Infrastructure Development
- c. Local Economic Development
- d. Municipal Financial Management and Viability
- e. Good Governance and Public Participation.
- f. Spatial Rationale

## 6. SETTING OF OBJECTIVES

All components of the IDP need to be translated into a set of clear and tangible objectives. The statement of objectives requires a tangible, measurable and unambiguous commitment to be made. In setting objectives, a municipality needs to:

- a. Carefully consider the results desired
- b. Review the precise wording and intention of the objective
- c. Avoid overly broad results statements
- d. Be clear about the scope and nature of change desired
- e. Ensure that objectives are outcome and impact focused

### Setting Key Performance Indicators:

**Indicators are measurements that indicate whether progress is being made in achieving the goals. Indicators are important as they:**

- a) Provide a common framework for gathering data for measurements and reporting.
- b) Translate complex concepts into simple operational measurable variables.
- c) Enables the review of goals and objectives.
- d) Assist in policy review processes.
- e) Help provide feedback to the municipality and staff.

A good performance indicator should be:

(a) Reliable: the indicator should be accurate enough for its intended use and respond to changes in the level of performance.

(b) Well-defined: the indicator needs to have a clear, unambiguous definition so that data will be collected consistently, and be easy to understand and use.

(c) Verifiable: it must be possible to validate the processes and systems that produce the indicator.

(d) Cost-effective: the usefulness of the indicator must justify the cost of collecting the data.

(e) Appropriate: the indicator must avoid unintended consequences and encourage service delivery improvements, and not give managers incentives to carry out activities simply to meet a particular target.

(f) Relevant: the indicator must relate logically and directly to an aspect of the institution's mandate, and the realisation of strategic goals and objectives.

### Types of Indicators:

- **Baseline indicators:**

These are indicators that measure conditions before a project or programme is implemented.

- **Input Indicators**

- These are indicators that measure what it cost the municipality to purchase the essentials for producing desired outputs (economy), and whether the organization achieves more with less, in resources terms (efficiency) without compromising quality. The economy indicators may be the amount of time, money or number of people it took the municipality to deliver a service.

- **Output Indicators:**

These are the indicators that measure whether a set of activities or processes yields the desired products – effectiveness indicators. They are usually expressed in quantitative terms. These indicators relate to programme activities or processes.

- **Outcome Indicators:**

These are the indicators that measure the quality as well as the impact of the products in terms of the achievement of the overall objectives. In terms of quality, they measure whether the products meet the set standards in terms of the perceptions of the beneficiaries of the service rendered. In terms of impact, they measure the net effect of the products or services on the overall objective. Outcome indicators relate to programme objectives.

Indicators should be measurable, simple, precise, relevant, adequate and objective.

In identifying indicators, it is important that a municipality consider the priorities and objectives set in the IDP. These will guide the indicators to be determined. The development of objectives should be clustered into key performance areas such as service delivery development, institutional transformation, governance and financial issues among others.

The SDM should also take into account the activities and processes identified in the IDP for achieving the developmental objectives as well as the resources earmarked.

***Performance Management Regulations (Chapter 3) Regulation 9: Setting of key performance indicators:***

The municipality must set key performance indicators, including input indicators, output indicators and outcome indicators, in respect of each of the development priorities and objects referred to in section 26(c) of the Act.

***Regulation 10: General key performance indicators***

- i. **The following general key performance indicators are prescribed in terms of section 43 of the Act:**

- a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
- b) The percentage of households earning less than R1100 per month with access to free basic services.
- c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.
- d) The number of jobs created through municipality's local economic development initiatives including capital projects.
- e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.
- f) The percentage of a municipality's budget actually spent on implementing its workplace skills plan.
- g) Financial viability as expressed by the following ratios:

$$A = \frac{B - C}{D}$$

Where:

"A" represents debt coverage

"B" represents total operating revenue received

"C" represents operating grants

"D" represents debt service payments (i.e. interest redemption) due within the financial year;

$$A = \frac{B}{C}$$

Where:

"A" represents outstanding services debtors to revenue

"B" represents total outstanding service debtors

"C" represents annual revenue actually received for services

$$A = \frac{B + C}{D}$$

Where:

"A" represents cost coverage

"B" represents all available cash at a particular time

"C" represents investments

"D" represents monthly fixed operating expenditure

The general key performance indicators prescribed in terms of section 43 of the Municipal Systems Act have been incorporated

#### **Review of key performance indicators:**

SDM must review its key performance indicators annually as part of the performance review process referred to in regulation 13. Whenever the municipality amends its integrated development plan in terms of section 34 of the Act, SDM must, as part of the process referred to in regulation 3, review those key performance indicators that will be affected by such an amendment.

#### **7. SETTING TARGETS**

Performance targets are the planned level of performance or the milestones the SDM sets for itself for each indicator identified. SDM must identify baseline measurements, which is the measurement of the chosen indicator at the start of the period. In setting targets, it is important to know how the organisation is performing at the current moment. This step also tests whether the chosen indicator is in fact measurable and whether there are any problems. The targets need to be realistic, measurable and be commensurate with available resources and capacity.

The public needs to be consulted on their needs and expectations in setting a target. Politicians need to give clear direction as to the importance of the target and how it will address the public need. Targets should be informed by the development needs of communities and the development priorities of the municipality. Managers need to advise as to what a realistic and achievable commitment for a target is, given the available resources and capacity. Managers will need to advise on seasonal changes and other externalities that should be considered in the process of target setting. There must be clear timelines related to the set targets.

#### **8. PERFORMANCE MANAGEMENT REGULATIONS (CHAPTER 3, REGULATION 12):**

The SDM must, for each financial year set performance targets for each of the key performance indicators set by it. A performance target set in terms of sub-regulation (1) must be practical and realistic. It must measure the efficiency, effectiveness, quality and impact of the performance of the municipality. It must also identify administrative components, structures, bodies or persons for whom a target has been set. It is important that the set target is commensurate with available resources and the municipality's capacity. Finally targets need to be consistent with the municipality's development priorities and objectives set out in its integrated development plan.

#### **9. MONITORING**

Performance monitoring is an ongoing process that runs parallel to the implementation of the agreed IDP. The monitoring tool must:

- Identify the roles of the different role players in monitoring and measuring the municipality's performance.
- Allocate specific tasks to the gathering of data and submission of reports.
- Determine the data that must be collected in order to assess performance, how that data is to be collected, stored, verified and analysed and how reports on that data are to be compiled.
- Provide for reporting to the municipal council at least four times a year.
- Be designed in a manner that enables the municipality to detect early indications of under-performance (organisational and employee [Human Resources] performance management).
- Provide for corrective measures where under-performance has been identified (organisational and employee [Human Resources] performance management).
- Compare current performance with performance during the previous financial year and baseline indicators.

1) **The mechanisms that must be used to gather, store, analyse, report and verify data:**

2)

The mechanisms to gather, store, analyse, report and verify information that may be used include appropriate information technology, project site reports, research, focus group research, surveys and internal reporting.

**Developing reports for monitoring**

At the beginning of the financial year PMS together with Department Heads need to develop and agree on Reporting Templates, POE, Verification Reports, Verification Calendar, EXCO reports etc.

**Collection, verification and reporting of PI**

PI documentation (reports, POE, etc.) will be collected by departmental offices (delegated officials), reported to PMS monthly. Once received PMS will verify in line with the approved POE. After verification, PMS will send verification reports to departmental heads for sign off as prove that they agree with PMS on verified reported achievements. No performance should be recognized if not supported by approved POE. PMS should utilize stamp for example or sign off POE as prove that POE was indeed verified.

Put specific date as to when you expect nominated departmental officials to submit documentation (reports, POE, etc.) to PMS monthly. Monthly basis will assist that at the end of the quarter you then just consolidate, send to internal audit for testing without struggle.

**Storage of PI documentations**

PMS shall serve as a central data repository department for storing of PI documentations. The documentation shall be stored on hard copies as well as soft copies (stored on a server), which will serve as a backup in case manual documents are lost. Documents will be stored per the departmental name and reporting period.

3) **Interventions that may take place to rectify any shortcoming, likely underperformance or unintended or undesirable outcome detected:**

The Municipal Manager and other Managers must implement appropriate actions to rectify and prevent likely under-performance.

After having exhausted all measures to improve performance, consequence management must be applied

**Table: Designing & building a measurement framework**

July	Aug	Sept	Oct	Nov	Dec	Jan	Feb.	March	April	May	Jun
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Monitoring Quarter 1	Monitoring Quarter 2	Monitoring Quarter 3	Monitoring Quarter 4
Internal Audit Performance Report to Municipal Manager, Mayoral Committee & Council	Internal Audit Performance Report to Municipal Manager, Mayoral Committee & Council	Internal Audit Performance Report to Municipal Manager, Mayoral Committee & Council	Internal Audit Performance Report to Municipal Manager, Mayoral Committee & Council
Performance Audit Committee Report		Performance Audit Committee Report	

**Table 2: Components of a performance measurement: (To be utilised by the organisational PMS Unit as a monitoring tool)**

Indicators	Baseline measures for	Targets for this financial year	Performance measures for first quarter	Performance measures for second quarter	Performance measures for third quarter	End-of-the-year performance for the financial year
(i)	(ii)	(iii)	(iv)			(iv)
Indicator 1						
Indicator 2						

## 10. PRINCIPLES GOVERNING PERFORMANCE MANAGEMENT SYSTEM (PMS) IN SEKHUKHUNE DISTRICT MUNICIPALITY

The municipality shall manage performance in a consultative, supportive and non-discriminatory manner, to enhance organizational efficiency, effectiveness, and accountability for the use of resources and achievement of objectives of the Municipal IDP objectives.

1. Performance Management should therefore open an on-going communication regarding performance between Supervisors and Employees.
2. Performance Management process shall link Performance Plans of all staff members to the municipal SDBIP and IDP as well as to their Personal

Development Plans. It is in this view that performance will be measured against targets and objectives set out in the IDP and SDBIP of which individuals will sign performance agreements/plans as stipulated in Section F subsection 2.2.1 of the 1998 White Paper on Local Government.

3. Performance Management processes shall be developmental not punitive and allow for recognising of fully effective, outstanding performance and also respond to performance that is not satisfactory.
4. Assist employees with poor performance through other programmes of the municipality that is; Training and Development, and the Employee Wellness Programmes.

PMS should provide Managers and Supervisors at all levels, the Municipal Manager, Portfolio Committees and the Executive Committee, with early warning of performance targets that cannot be reached and take corrective action.

### 11. REVIEW PERIOD

Performance appraisal of each employee in relation to his or her performance will be reviewed on quarterly basis.

#### Review Periods

Performance review must be conducted as follows:

Review Term	Term Description	Type of Review
First Quarter	July to September:	Informal reviews——if performance is satisfactory (50% institutional achieved), if not satisfactory the reviews will be formal
Second Quarter (Mid-term)	October to December	Formal reviews
Third Quarter	January to March	Informal reviews if performance is satisfactory, (65% institutional achieved) if not satisfactory the reviews will be formal
Fourth Quarter	Annually	Formal reviews

### 12. REVIEW PROCESS

During the formal performance reviews the immediate Manager together with the established panels should review the employee performance. In case of the informal assessment the Manager will review the employee' performance. Each employee's deliveries are defined in a performance plan where evidence required for each key performance indicator (KPI) is documented. The employer should keep records of all review assessments.

## 1. Evaluation Panels for Formal Assessment

Evaluation panels for assessment for the Municipal Manager and Managers directly accountable to the Municipal Manager, (Section 56 Managers) must be constituted as follows:

### Municipal Manager

- Executive Mayor
- Municipal Manager from another Municipality
- Chairperson of Performance Audit Committee or the Chairperson of the Audit Committee, in the absence of the Performance Audit Committee
- Member of Mayoral Committee or member of the Executive Committee
- Member of Ward Committee as nominated by the Executive Mayor
- Performance Management Representative (Secretariat)

### Managers Directly Accountable to the Municipal Manager

- Municipal Manager
- Chairperson of Performance Audit Committee or the Chairperson of the Audit Committee in the absence of Performance Audit Committee
- Member of Mayoral Committee or member of the Executive Committee
- Municipal Manager from another Municipality
- Performance Management Representative (Secretariat)

## 2. Rating Scales

The criteria upon which the performance of the employee must be assessed consist of two components namely KPA's and CCR's, both which must be contained in the performance agreement. The employee must be assessed against both components, with a weighting of 80:20 allocated to KPA's and CCR's respectively. Each area of assessment will be weighed and will contribute to a specific part of the total score. The KPA's covering the main areas of work will account for 80% whilst the CCR's will account for 20% of the final assessment. However taking into account that non section 56 employees do not have the CCR component, therefore, their scores will be calculated based only on the performance indicators per KPA's.

The performance assessment of employees will be based on the following rating scales.

Level	Terminology	Description	Assessment Score	Performance Bonus Ratios
5	Outstanding performance	Performance far exceeds the standards expected of an employee at this level. The appraisal indicates	75-100	Maximum bonus allowed into Regulations is between



Level	Terminology	Description	Assessment Score	Performance Bonus Ratios
		that the employee has achieved above fully effective results against all performance criteria and indicators as specified in Performance Agreement/Plan and maintained this in all areas of responsibility.		10% and 14% of person's inclusive annual remuneration package. The % are as follows: 75-76%=10% 77-78%=11% 79-80%=12% 81-84%=13% 85-100%=14%
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement/ Plan.	65-74	Maximum bonus allowed into. Regulations is between 5% and 9% of person's inclusive annual remuneration package. The % are as follows: 65-66%=5% 67-68%=6% 69-70%=7% 71-72%=8% 73-74%=9%
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	51-64	No bonus

Level	Terminology	Description	Assessment Score	Performance Bonus Ratios
		results against all significant performance criteria and indicators as specified in the Performance Agreement/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 Performance Agreement/Plan.	31-50	No bonus
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 performance criteria and indicators as specified in the Performance Agreement/Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level	Less than 30	No bonus

Level	Terminology	Description	Assessment Score	Performance Bonus Ratios
		expected in the job despite management efforts to encourage improvement.		

### 3. Bonus Calculating Formula

In terms of Section 27 (4) (a) (i-ii) and (b)(i-iii) of Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006-

4 (a) the annual performance appraisal must involve the assessment of the achievement of results as outlined in the performance plan.

(i) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with regard to the tasks that had to be performed under the KPA.

(ii) An indicative rating on the five point scale should be provided for each KPA.

(b) Assessment of CCR's:

(i) Each CCR should be assessed according to the extent to which the specified standards have been met.

(ii) An indicative rating on the five point scale should be provided for each CCR.

(iii) This rating should be multiplied by the weighting given to each CCR during the contracting process to provide the score.

4 (c) Overall Rating

The following formula derived as follows will be used to calculate the final score

$$\text{KPA Score} = \frac{\text{Total final Scores as weighted}}{\text{Total weights of the above scores}} \times 100\%$$

$$= 100\% \times 0.8 = \text{final Score}$$

The same formula will be applied for the calculation of CRR's though the CCR's will be weighted by 0.2. Finally add the total weighted score of both KPA and CCR's to get the Final Score for the incumbent performance.

Non 56 employees do not have the CCR component, therefore, their scores will be calculated based only on the performance indicators per KPA's.

### 4. Performance Bonuses

In terms of Section 32(1) and (2) of Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006-

- i. **The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable or poor performance.**
- ii. **Performance rewards can only be made after independent verification of evidence and performance plan by the Internal Audit.**
- iii. **Performance bonus must be paid once a year provided the Municipality has budget for bonuses.**

#### **5. Performance Appraisal Feed Back**

The key to a developmentally oriented performance management system towards inadequate performance is to promote improvement through feedback, learning and support, rather than judgement, sanctions or punishment.

Performance appraisal feedback shall be conveyed to employees in writing or discussed with employees on a regular basis to prevent a scenario where employees only find out about the gaps in their performance during mid-year or during the final review.

#### **6. Management of Poor or Non-Performance**

In case of unsatisfactory performance, Managers shall manage the employee's performance closely; the Municipality shall also provide systematic remedial or development support to assist the employees to improve their performances through counselling, coaching, training and Employee Assistance Programmes.

After exhausting all support and remedial systems by the employer, including being formally registered with an incapacity programme, disciplinary process will be instituted by guided by the Labour Relations Act 66 of 1995.

#### ***To improve performance, the appropriate response strategy should be Chosen***

- Training and sourcing additional capacity can be useful where skills and capacity shortages are identified.
- Change management and education programmes can address organisational culture issues.
- The revision of strategy by key decision-makers can address shortcomings in this regard.
- Consideration of alternative service delivery strategies should be explored

#### **7. Confidentiality**

All members involved in performance assessments must maintain confidentiality on all scores and performance outcomes obtained during the assessment process. Only Managers are allowed to discuss the outcomes of the assessment with their subordinates. Unlawful disclosure of information prior or after notification of employees

about their performance outcomes shall constitute misconduct. All panel members will have to complete the Sekhukhune District Municipality Declaration of Confidentiality on the day of each assessment.

## **8. Appeal**

### **- For the Municipal Manager**

In a case of the Municipal Manager, he/she will apply in writing for the review of the performance outcome to the MEC for Cooperative Governance and Traditional Affairs in the province within 14 working days from the date of receipt of assessment results. Then the MEC will, within thirty (30) days of receipt of a formal dispute mediate on the matter.

### **- Managers Directly Accountable to the Municipal Manager (Section 56 Managers)**

Managers directly accountable to the Municipal Manager may apply to the Executive Mayor within 14 working days from the date of receipt of assessment results for the review of performance outcome. The Executive Mayor must mediate on the matter within 30 days of receipt of a formal dispute.

### **- Non Section 56 Employees**

In a case where the employee is not satisfied with the assessment proceedings or results, the employee must apply in writing for reconsidering the performance review. The application for the appeal must be submitted within 14 working days from the date in which the assessment feedback has been communicated with the concerned employee. The employee shall look for a representative for assistance and support, example, Union Representatives.

The application must be submitted to the Municipal Manager and the Municipal Manager must appoint an Appeals Committee to deal with such appeals. The findings of the Appeals Committee should be forwarded to the Municipal Manager with recommendations. The Municipal Manager must make a final decision on the matter and his/her decision will be regarded as final and binding.

## **13. REPORTING**

Performance reporting collates information into intelligence. Performance reporting is a data-driven, consistent, and real-time framework for defining and achieving strategic goals. By tracking Departmental and overall performance against established objectives, municipalities can improve service levels, and identify and reverse undesirable trends.

The need and necessity for continuous reporting on Municipal performance is required by Section 41(1) (c), of the Municipal Systems Act (2000). This legislation states that a municipality must, in terms of its performance management system and in accordance with any regulations and guidelines that may be prescribed, establish a system of regular reporting to Council, other political structures, political office bearers and staff of the municipality, and the public and other organs of state.

The frequency of reporting on Municipal performance is linked to the regulations included in a variety of legislation. The rule that applies to reporting is that the more

your measure your performance, the greater the control. Based on legislative requirements, a number of reports are to be compiled to report Municipal operations.

- **Quarterly Report**

Information from Departments is collated and an accumulative performance report is compiled and submitted to the relevant stakeholder for discussion and making informed decisions to correct areas of underperformance. The purpose of the quarterly accumulative performance report is to inform the Mayoral Committee on a quarterly base on the progress made with the implementation of key performance indicators based on the objectives of the SDBIP.

The second quarterly report referred to as the mid-year report, has significantly more meaning than its predecessor. The content of this report is to comply with the requirements of both the Local Government Municipal Systems Act (2000), as well as the Municipal Finance Management Act, 56 of (2003).

- **Mid-Year Report**

The purpose of the mid-year performance report is to inform the Mayoral Committee of the progress with regards the implementation of the SDBIP. This report should be compiled to comply with the requirements of Section 41(1), (e) and (2) of the Local Government Municipal Systems Act 32 (2000) which governs the requirements stipulated in respect of the criteria to be provided in the mid-year report as well as Section 72(1), (a) (ii) and (b), of the Municipal Finance Management Act 56 of (2003) which governs the requirements stipulated in respect to the criteria to be provided in the mid-year report.

Information included in the mid-year report feed the adjustment of both the budget and the SDBIP. Adjustments are done based on financial shortcomings due to less than projected income or other impacts. Due to its significance in determining the mid-year status of targets to be achieved, the mid-year report is often referred to as the mini annual report.

According to Section 35 of Government Gazette 31804 of 2009<sup>23</sup> a copy of the mid-year report is to be submitted to National Treasury and the relevant provincial treasury by 25 January of each year.

- **Annual Report**

In terms of legislation, Section 46 (1) (2), of the Municipal Systems Act 2000, and Sections 121 and 132 of the Municipal Finance Management Act, each municipality and Municipal Entity must prepare an annual report for each financial year inclusive of information on financial and non-financial performance. The annual report should include information pertaining to:

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<sup>23</sup>National Treasury. 2009. *Government Gazette No 31804: Local Government Municipal Finance Management Act: Draft Municipal Budget and Reporting Regulations*. Available at: [http://www.finance.gov.za/legislation/mfma/reg\\_gaz/1-31804%2023-1%20Treas001.pdf](http://www.finance.gov.za/legislation/mfma/reg_gaz/1-31804%2023-1%20Treas001.pdf). Accessed: 3 May 2010.

- The performance of the municipality and of each external service provider during that financial year
- A comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year
- Measures taken to improve performance

An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act. The results of performance measurements in terms of Section 41(1)(c) must be audited annually by the Auditor-General as part of the municipality's internal auditing processes.

#### • Oversight Report

Section 129 (1) of the Municipal Finance Management Act (Act No 56 of 2003) states that the Council of the municipality must consider the Annual Report of the municipality and by no later than two months from the date on which the Annual Report was tabled in the Council, adopt an Oversight Report containing the Council's comments on the Annual Report, which must include a statement whether the Council has:

- Approved the Annual Report with or without reservations
- Rejected the Annual Report
- Has referred the Annual Report back for revision of those components that can be resolved.

## 14. EVALUATION

Evaluation involves assessing the strengths and weaknesses of strategic objectives as well as the impact of programmes/project to improve effectiveness and service delivery. Since there is no single, "best" approach to evaluation which can be used in all situations, it is important to decide on the purpose of the evaluation, the questions to be answered, and the methods to be used to obtain valid information. Evaluation should never be seen as a stand-alone process but rather as a part of an integrated process required to determine whether a municipality is functioning effectively, efficiently and economically.

Without continuous evaluation there can be no improvement and development. For the evaluation process to be effective, it should comply with the following guidelines:

- Evaluation should be conducted regularly and continuously
- Evaluation should be conducted in terms of the predetermined goals set
- A holistic approach to the organisation as a whole needs to be adopted during evaluation
- In depth collation and analysis of the information must be conducted

## 15. AUDITING

### Using Performance Audit Mechanisms

In order for the performance management system to enjoy credibility and legitimacy from the public and other stakeholders, performance reports must be audited. Audits should ensure that reported performance information is accurate, valid and reliable.

### **Legal Requirements**

The requirement according to the Municipal Systems Act is that the annual performance report must be audited internally, before being tabled and made public. The Auditor General will also audit its annual performance report/questionnaire after being reviewed by the Council. The annual report must then be audited by the Auditor General and thereafter be submitted to the MEC for local government in the province.

### **Internal Audits**

It is suggested that, over and above the legal requirements, at least quarterly performance reports or any performance report tabled to the Executive Mayor + undergo some form of internal audit. A variety of social, economic and service delivery indicators should be audited.

Where the internal audit capacity needs to be complemented with new skills, it is advisable to contract with specialists in particular sectors. Often, over and above verification of information, audits require more than in-depth expert analysis of why poor performance is occurring.

SDM must develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its internal auditing processes. Any auditing must include assessments of the following

- The functionality of the municipality's performance management system.
- Whether the municipality's performance system complies with the Act.
- The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on the set indicators.

### **Internal Auditors:**

SDM's internal auditors must:

- On a quarterly basis audit the performance measures of the municipality within 30 days after the end of each quarter;
- Submit a monthly report on their audit results to the Municipal Manager; and
- Submit quarterly reports on their audits to the Audit Committee.

### **Audit Committee:**

The municipality must on an annual basis appoint and budget for Audit Committee consisting of at least three members, the majority of which may not be involved in the municipality as a councillor or an employee.

**The Audit Committee appointed must include at least one person who is knowledgeable in performance management.** SDM may utilise any audit committee established in terms of other applicable legislation as the envisaged performance audit committee, in which case the provisions of this sub-regulation, read with the necessary changes, apply to such an audit committee.



The Municipal Council must designate a member of the Audit Committee who is not a councillor or an employee of the municipality as chairperson of the committee. If the chairperson of the Audit Committee is absent from a specific meeting of the committee, the members present must elect a chairperson to act for that meeting. In the event of a vacancy occurring in the Audit Committee, the SDM must fill that vacancy for the remaining portion of the term of office of the Audit Committee. The SDM must provide secretariat services for the Audit Committee.

The Audit Committee must meet at least twice during the financial year of the municipality. Any member of the Audit Committee may call a special meeting of the committee.

The Audit Committee may determine its own procedures after consultation with the Executive Committee of the municipality as the case may be.

**Audit Committee must:**

- Review the quarterly reports submitted to it in terms of sub-regulation (1)(c)(ii);
- Review the municipality's performance management system and make recommendations in this regard to the Council of that municipality; and
- At least twice during a financial year submit an audit report to the municipal council concerned.

In reviewing the municipality's performance and the management thereof, the audit committee must focus on economy, efficiency, and effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned.

**The Audit Committee may:**

- Communicate directly with the Council, Municipal Manager or the internal and external auditors of the municipality;
- Access any municipality records containing information that is needed to perform its duties or exercise its powers;
- Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers

## **16. EFFECTIVE DATE OF THE POLICY**

The policy will be effective from the date of approval by Council and should be read together with the Performance Management System Framework.

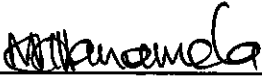
## **17. POLICY REVIEW**

This policy will be reviewed or amended annually and when necessary and the amendments must be approved by Council.

**18. Authority**

Approved by council on 29 day of 06 ~~2020~~ <sup>2021</sup>

**Council Resolution Number:**

  
**SPEAKER**  
**Clr. MANAMELA M.M**  
**DATE:**

