



PERFORMANCE AGREEMENT

Made and entered into by and between:

Elundini Local Municipality

[AS REPRESENTED BY]

Bongani Salman (Mayor)

AND

Khayaletu Gashi

[MUNICIPAL MANAGER OF ELUNDINI LOCAL MUNICIPALITY]

for the

FINANCIAL YEAR: 01 JULY 2010 - 30 JUNE 2011

ENTERED INTO BY AND BETWEEN:

The Municipality of **Elundini** herein represented by **Bongani Salman** in his capacity as **(Mayor)** (hereinafter referred to as the Employer or Supervisor) and **Khayaletu Gashi** (Employee of Elundini Local Municipality) (hereinafter referred to as the **Municipal Manager**

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of Section 57(1)(a) of the Local Government: Municipal Systems Act of 2000 (hereinafter referred to as the “Systems Act”). The Employer and the Employee (are hereinafter referred to as “parties”).
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Employee to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4)(a), 57(4)(b) and 57(5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this agreement is to –

- 2.1 comply with the provisions of Section 57 (1)(b), (4)(a), (4)(b) and (5) of the Systems Act as well the Contract of Employment entered into between the parties;

- 2.2 specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of Employee's performance expectations and accountabilities;
- 2.3 specify accountability as set out in the Performance Plan (Annexure A);
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the Employee has met the performance expectations applicable to his job;
- 2.6 appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.7 give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1 This agreement will commence on **01 of July 2010** and will remain in force until **30 June 2011** whereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof;
- 3.2 The parties will review the provisions of this Agreement at least once a year, during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.

3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

4 PERFORMANCE OBJECTIVES

4.1 The Performance Plan (Annexure A) sets out-

4.1.1 the performance objectives and targets that must be met by the Employee; and

4.1.2 the quality requirements and time frames within which those performance objectives and targets must be met.

4.2 The performance objectives and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan and the Budget of the Employer, and shall include key objectives; key performance indicators; target dates, quality requirements and weightings.

4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The quality requirements define the quality standards which the indicators must meet. The weightings show the relative importance of the key objectives to each other.

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

5 PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.
- 5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 5.3 The Employer will consult the Employee on the specific performance standards that will be included in the performance management system as applicable to the Employee.

6 AGREEMENT TO COMPLY WITH EMPLOYER'S SYSTEM

- 6.1 The Employee agrees to participate in the performance management and development system that the Employer adopts.
- 6.2 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 6.3 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
 - 6.3.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Managerial Competencies (CMCs) respectively.
 - 6.3.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

6.3.3 KPAs covering the main areas of work will account for 80% and Core Managerial Competencies will account for 20% of the final assessment.

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

#	Key Performance Areas (KPA’s)	Weighting
1.	Basic Service Delivery	20%
2.	Municipal Institutional Development and Transformation	25%
3.	Public Participation	20%
4.	Municipal Financial Viability and Management	10%
5.	Local Economic Development (LED)	5%
6.	Good Governance	25%
Total		100%

6.5 The Core Managerial Competencies make up the other 20% of the Employee’s assessment score. CMCs that are deemed to be most critical for the Employee’s specific job should be selected (v) from the list below as agreed to between the Employer and Employee:

7. EVALUATING PERFORMANCE

7.1 The Performance Plan (Annexure A) to this Agreement sets out:

7.1.1 the standards and procedures for evaluating the Employee’s performance; and

7.1.2 the intervals for the evaluation of the Employee’s performance.

- 7.2 Despite the establishment of the agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage (*e.g. quarterly – highly recommended*) while the contract of employment remains in force.
- 7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implemented within the agreed upon time frames.
- 7.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP.
- 7.5 The annual performance appraisal will involve the following:
- 7.5.1 Assessment of the achievement of results as outlined in the performance plan:
- (a) Each KPA shall be assessed according to the extent to which the specified standards or performance indicators have been met or exceeded and with due regard to ad hoc tasks that had to be performed under the KPA.
 - (b) An indicative rating on the five-point scale should be provided for each KPA.
 - (c) The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.
- 7.5.2 Assessment of the Core Managerial Competencies:
- (a) Each Assessment of the Core Managerial Competencies should be assessed according to the extent to which the specified standards have been met.
 - (b) An indicative rating on the five-point scale should be provided for each Assessment of the Core Managerial Competencies.

- (c) The applicable assessment rating calculator (refer to paragraph 7.5.1) must then be used to add the scores and calculate a final Assessment of the Core Managerial Competencies score.

7.5.3 Overall rating

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

7.6 Assessment of the performance of the employee

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

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

LEVEL	TERMINOLOGY	DESCRIPTION	RATING				
			1	2	3	4	5
		against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

7.7 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established –

7.7.1 Mayor;

7.7.2 Chairperson of the Audit Committee;

7.7.3 Ward committee member (on a rotational basis), where applicable;

7.7.4 Member of the Executive Committee; and

7.7.5 Mayor and/ or Municipal Manager from another Municipality (Optional).

8. SCHEDULE FOR PERFORMANCE REVIEWS

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

INTERVAL	PERIOD	EVALUATION DEADLINE
First quarter (July	(July – September)	2 nd week of October
*Second quarter	(October – December)	2 nd week of January
Third quarter	(January – March)	2 nd week of April
*Fourth (last) quarter	(April – June)	2 nd week of July

* These performance reviews **must** be formal and documented

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

8.3 Performance feedback shall be based on the Employer’s assessment of the Employee’s performance.

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

8.5 The Employer may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and/or amended as the case may be.

In that case the Employee will be fully consulted before any such change is made.

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is included in Annexure A.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer shall:

10.1.1 create an enabling environment to facilitate effective performance by the employee;

10.1.2 provide access to skills development and capacity building opportunities;

10.1.3 work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;

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

10.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this Agreement.

11. CONSULTATION

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

- a) a direct effect on the performance of any of the Employee's functions;
- b) commit the Employee to implement or to give effect to a decision made by the Employer; and
- c) a substantial financial effect on the Employer.

11.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

12. MANAGEMENT OF EVALUATION OUTCOMES

12.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

12.2 A **discretionary** performance bonus of up to 14% of the inclusive annual remuneration package **may** be paid to the Employee in recognition of outstanding performance.

12.3 The Employee will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least twelve months (12) service at the current remuneration package on 30 June (end of financial year) **subject to a fully effective** assessment.

12.4 In the case of unacceptable performance, the Employer shall:

- a) provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
- b) after appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer **may** consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

13. DISPUTE RESOLUTION

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

13.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the Employee, in the case of the Municipal Manager; or

13.1.2 any other person appointed by the MEC.

13.1.3 the Mayor within thirty (30) days of receipt of a formal dispute from the Employee, in the case of the Section 57 Managers

13.2 In the event that the mediation process contemplated above fails, the dispute resolution mechanism as enshrined in the Labour Relations Act shall apply.

14. CONFIDENTIALITY

In carrying out his duties, the Municipal Manager undertakes to refrain from revealing any information which she has at his/her disposal by virtue of her office and concerning which she knows or could reasonably be expected to know that the security or other interests of the Local Municipality require that it be kept secret from any person other than a person to whom she may lawfully reveal it, or to whom it is her duty to reveal it in the interest of the Local Municipality or to whom she is authorized by Council or by an officer authorized by Council to reveal it and she realizes that she will be guilty of an offence if such information is unlawfully revealed.

15. GENERAL

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

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

Thus done and signed aton this the..... day of 2010

Between: ----- (Signature)

----- (Full Name)

(EMPLOYEE)

AND

----- (Signature)

----- (Full Name)

(REPRESENTING EMPLOYER)

AS WITNESSES:

1. _____

2. _____

PERFORMANCE PLAN

Entered into
by and between

.....

in his capacity as

Mayor

of the **Elundini Local Municipality**

(hereinafter referred to as the Representative of the Municipality, the Employer)

and

Khayaletu Gashi

in his capacity as

Municipal Manager

of the

Elundini Local Municipality

(hereinafter referred to as the Employee)

FINANCIAL YEAR: 01 JULY 2010 - 30 JUNE 2011

1. Introduction

A Performance Plan is a strategic management tool that enables the performance of the employee to be assessed in an objective and fair manner. It defines the Council's expectations of the Municipal Manager's performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

This Performance Plan is composed of three distinct plans:

a. Output Plan

The output plan is a plan of what outputs the employee is expected to deliver on. The outputs are defined in terms of the tangible deliverables (product or service). The quality requirements include the standard of the product or service and the time frame within which it must be delivered. Finally, the indicator must reflect what evidence must be produced to demonstrate the delivery.

b. Competency Plan

The competency plan is a plan of what competencies (skills, knowledge, and attitude) the employee must acquire to be able to perform and deliver on the set objectives effectively. It entails the determination of the gap between the required level of competence and the employee's actual level of competence.

c. Development Plan

The development plan is a plan of what development interventions will be undertaken to bridge the gap between the required level of competence and the employee's actual level of competence and thus bring the employee to the desired competency level.

2. Output Plan

2.1 Introduction

The output plan is a plan of what outputs the employee is expected to deliver on. It consists of the key performance areas (KPA's), weighting, outputs, performance indicator, baseline information and a target. A key performance area is a defined or demarcated area of performance. The outputs are defined in terms of the tangible deliverables (product or service). The quality requirements include the standard of the product or service and the time frame within which it must be delivered. The quality requirements are the standards which measure the quality of the service or product.

The baseline information is the current information which is used as a starting point from which performance will be measured. Finally, the indicator must reflect what evidence must be produced to demonstrate the delivery.

2.2 Key Performance Areas

The following are Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) and the Municipality's IDP:

3. OUTPUT PLAN

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
1.	Basic Service Delivery	20%	1. Sustained System whereby community will be satisfied with basic service delivery	Conducted structured community satisfaction survey, empirically analysed community needs and documented mechanism on how to mitigate the identified community dissatisfaction	5	There are no systemic community feedback mechanisms to assist council continually reflect on its performance and the way Council is conducting its business	31 December 2010	Database of community needs and mechanisms of what the municipality is doing to satisfy them.
			2. Implemented Institutional Balanced Score Card governance and implementation platform.	a. Established, functional and representative IBSC Monitoring Forum	5	There are no mechanisms in place to assess the performance of the municipality outside the assessment of the performance of individual section 57 employees	30 September 2010	<ul style="list-style-type: none"> o The IBSC Forum must be representative and be capacitated on the principles on which the BSC is founded. o Must also be capacitated on how to set and review targets and milestones
				b. Crafted Terms of Reference and annual programme	4	There are no mechanisms in place to assess the	30 September 2010	These must be developed to coincide with the Performance Cycle

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
						performance of the municipality outside the assessment of the performance of individual section 57 employees		
			3. Water, sanitation and electricity	a. Facilitated provision of basic services such as: Water, Sanitation and energy	6	ELM is a water service provider in the towns of Elundini. The municipality is implementing a solar system in certain wards in Mt Fletcher	30 June 2011	Adequate clean water supply in the towns of Elundini and Provided alternative and sustainable energy in the Mt Fletcher Rural Areas
2.	Municipal Institutional Development, and Transformation	25%	1. Developed, maintained and soundly led municipal administration	a. Resourced and capacitated departments and their heads to successfully implement the Municipality's IDP	2	There are no operations meetings to look at the specific challenges impeding the attainment of IDP objectives	Quarterly	Resources must be allocated and capacitation done such that they enable the managers to perform and their departments to deliver on the objectives set in the IDP
				b. Appointed staff in line with the approved organisational structure and observing such	2	New HR policies have been adopted by the municipal council	30 June 2011	Appointments must be made procedurally and in accordance prioritised municipal staffing needs (per recruitment plan)

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
				legislation as the Employment Equity Act, 1998 (Act No. 55 of 1998)				
				c. Managed effective utilisation and development of staff	1	A skills development unit exists within the municipality	30 June 2011	Training must be competency-based and the translation of learned knowledge into tangible work-related skills debriefed
				d. Maintained discipline of staff within the Municipality	1	A labour relations unit exists within the municipality,	30 September 2011	Municipal peace but any disciplinary process undertaken, done procedurally and fairly in line with the signed Collective Agreement and the Municipality's Disciplinary Code.
				e. Sustained employee satisfaction and removed disparities which may lead to lowered employee morale	2	Salary disparities caused by improper HR practices resulting to low morale	31 December 2010	Evident disparities investigated and remedial action instituted to boost employee morale
				f. Promoted sound Labour Relations and compliance with all applicable	2	There is a labour relations unit, but generally HODs do not	31 December 2010	Confirmed compliance submitted in writing, monthly, by all Managers and smoothly conducted business of

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
				Labour Legislation		necessarily regard the maintenance of sound labour relations within their departments as their core responsibility		the LLF
				g. Managed communications between the Municipality's Administration and its Political Structures and Political Office Bearers	2	There is a policy on roles and responsibilities which addresses the issue	Ongoing (Quarterly Updates)	The communication policy must be communicated and be well understood by all participants
			2. Developed and upheld Municipal Brand and maintained good corporate identity and image of the Municipality	a. Developed and implemented Municipal Media Liaison Strategy.	2	Still needs to develop and implement the strategy	Ongoing (Quarterly Updates)	A strategy that talks to the case of an institution that embraces and accommodates its customers – the issue of the service standards charter is critical
				b. Overseen development and implementation of the Municipality's branding,	2	The MM's Executive Support must develop and implement an implementation Plan in line with	Ongoing (Quarterly Updates)	Monitored implementation

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
				including banners, advertisements, open-days,		the Municipality's Logo, Vision and Mission		
			c. Increased engagement of communities and reduced social gap	2	There are inadequate platforms to engage with communities	31 December 2010	A Community Satisfaction Survey must be undertaken	
			3. <i>Inter-governmental Relations</i> – strengthened inter-governmental Forum	2	IGR legislation makes provision for the creation of IGR structures up to district level. At a local level there is a challenge in relation to the coordination of government programs	31 March 2011	Achieved synergies and reduced bottlenecks between the municipality and extra-municipal structures	
			4. Developed and Implemented IDP and PMS to ensure that the municipality's performance against its IDP is monitored	3	The municipality has initiated a process of community based planning	31 March 2011	Documented IDP that is reflective of the community's needs	
			a. Developed and Implemented IDP that supports the municipality's needs	2	The municipality has adopted a performance	Quarterly	Implemented PMS and conducted performance evaluations on a	
			b. Developed and implemented comprehensive					

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
				PMS to monitor the municipality's performance against its IDP		management policy		quarterly basis
3.	Public Participation	20%	1. Strengthen Oversight role of Council	Implemented mandate framework for representatives in the JGDM	4	Council has approved a policy guideline from its representative to the KGDM	End October 2010	<ul style="list-style-type: none"> o Implementation of the Documented mandate for the municipality's representatives in the JGDM
			2. Entrenched public participation as a development mandate of the Elundini Municipality	Established and operational Public Participation unit in the Speaker's office	4	Ward Committees currently ineffective	Reviewed and implemented organisational structure: By End March 2011	<ul style="list-style-type: none"> o Fully functional Public Participation Unit in the Speaker's Office
			3. Provided support to Community Development Workers	a. Documented and recorded support to Community Development Workers	4	Inadequate support to Community Development Workers	End June 2011 (Quarterly Updates)	Must reflect the actual activities on the ground
			4. Supported Community Development Workers through the Office of the Speaker	Developed and implemented Community Development Workers' support programme.	4	No structured or documented support structure	End June 2011 (Quarterly Updates)	Must reflect the actual activities on the ground
			5. Supported Ward Committees through the	Developed and implemented Ward Committee support	4	Currently, the office of the Speaker does	31 December 2010	Development of a ward committee policy

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
			Office of the Speaker	programme.		not have institutional arrangements to support ward committees		
4.	Municipal Financial Viability and Management	10%	1. Take full responsibility of all income and expenditure of the Municipality	a. Signed off reports and explained Variance from budget to Council	5	Reports developed and variance analysed and explained	Monthly	Must be accurate and pay attention to detail
			2. Take full responsibility of all assets and the discharge of all the liabilities of the municipality	a. Overseen Asset register and personally signed off written-off assets	5	Municipal Manager currently signs off written-off assets	Quarterly	Must be accurate and pay attention to detail
5.	Local Economic Development	5%	Championed attraction of inward investment into Elundini Local Municipality	Number of external investors successfully attracted and settled into the municipality and number of partnerships lured to twin with local entrepreneurs	5	Currently undertaken but no specific structure to monitor	End March 2011	Documented evidence of supported SMMEs
6.	GOOD GOVERNANCE	25%	1. Developed and implemented Good Governance System	a. Developed and implemented Charter of Good Ethics/Code of Conduct for the Municipality	2	The Municipal Systems Act provides a baseline for a code of conduct	31 December 2010	Documented and accessible to staff and councillors
			2. Monitored implementation	a. Developed municipal code	2	The municipality's	31 December 2010	Must reflect the actual compliance

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
			and compliance with Municipal by-laws and legislation			bylaws have been gazetted		
			3. Prepared and submitted Municipality's Annual Report in line with legislation	Council approved and signed off Annual Report for the Municipality in line with the MFMA for 2010/2011	3	The municipality has been able to table annual reports per legislated timelines and Oversight Report for 2009 adopted by Council	31 March 2011	<ul style="list-style-type: none"> o Report to be in the correct format and accurate; o Reviewed by Oversight Committee; o Oversight report prepared, approved and submitted in accordance with legislation.
			4. Monitored and implemented Municipality's fraud-prevention and risk-reduction strategies	a. Reduced municipal risk and decisively dealt with discovered fraud cases b. Established and activated anonymous 'hot line' and 'whistle blower' protection scheme c. Implemented and	3	Risk Register developed	30 June 2011	Profile must outline all possible risk areas, their impact and likelihood of occurring
					3	There are no systems for the protection of whistle blowers	30 June 2011	The availability of the 'hot line' must be well know by employees, community and must also be communicated to service providers
					3	There are no systems for the	30 June 2011	The 'Protected Disclosures Act' must

#	Key Performance Area	Weight	Output	Indicator	Indicator Weighting	Baseline Information	Target	
							Timeframe	Quality Requirement
				operationalised 'Protected Disclosures Act'.		protection of whistle blowers		form the basis for the anti-corruption strategy and the protection of 'whistle blowers'
			3. Developed and implemented system which will ensure full compliance with the Municipal Finance Management Act	a. Signed off Compliance Certificate from the CFO	3	The municipality has appointed a Chief Financial Officer	quarterly	Must be accurate and pay attention to detail
			4. Overseen development of a system that will ensure that the municipality receives a an unqualified Audit Opinion for the year ending 30 June 2011	a. A documented mechanism to be in place to realise Unqualified Audit Opinion	3	The municipality received a qualified opinion for the year ended 30 June 2009	Year ending 30 June 2011	"Unqualified Audit Opinion"
			5. Overseen Municipal Financial Reporting	a. Confirmed and signed off Financial Reports in line with legislative/ and legislative prescripts	3	The Municipality has appointed a Chief Financial Officer	Monthly	Must be accurate and pay attention to detail
				TOTAL WEIGHTING	100			
				PROPORTIONAL WEIGHTING	(80)			

4. Competency Framework

#	Key Performance Area			Weight
	Personal Development and acquisition of satisfactory competency levels on Core Managerial Competencies			100
Job-specific Competencies				
			1. Visionary Leadership	Proficiency level 1
			2. Strategic Leadership	Proficiency level 1
			3. Advanced Planning skills	Proficiency level 1
			4. Strategic financial leadership	Proficiency level 1
			5. Advanced knowledge in policy formulation	Proficiency level 1
			6. Advanced change management skills	Proficiency level 1
			7. Advanced mediation and arbitration skills	Proficiency level 1
Core Managerial Competencies				
			1. Proficiency in Strategic Capability and Leadership	Proficiency level 1
			2. Proficiency in Programme and Project management	Proficiency level 1
			3. Proficiency in Financial Management	Proficiency level 1
			4. Proficiency in Change management	Proficiency level 1
			5. Proficiency in Knowledge Management	Proficiency level 1
			6. Proficiency in Service Delivery Innovation (SDI)	Proficiency level 1
			7. Proficiency in Problem Solving and Analysis	Proficiency level 1
			8. Proficiency in People and Diversity Management	Proficiency level 1
			9. Proficiency in Client orientation and Customer focus	Proficiency level 1
			10. Proficiency in Communication	Proficiency level 1
			11. Proficiency in Accountability and ethical conduct	Proficiency level 1
			12. Proficiency in Honesty and Integrity	Proficiency level 1
			13. Creativity	Proficiency level 1

5. Personal Development Plan

The Personal Development Plan that pertains to what development interventions are envisaged and planned to bridge the gap between the required level of competence and the employee's actual (current) level of competence and thus bring the employee to the desired competency level.

#	Identified Competency Gap(s) – Pre-capacitation level of competence <i>What is the deficiency that you experience?</i>	Outcomes Expected (measurable indicators and quantity, quality) <i>How will you know when it has been addressed?</i>	Suggested Training/development/capacitation activity <i>What method do you think would be suitable to impart the skill?</i>	Weighting <i>Weight</i>	Planned timeframes <i>By When must the capacitation take place?</i>	Work opportunity created to practice skill/development area <i>Can you link the newly acquired skill with any of your KPAs? Which one?</i>
1.	Public Administration	Masters in public Administration	Attend course facilitated by Fort Hare University through SALGA	70	2010/2011	Link to all the KPAs
2.	Certificate Programme in Management Development (CPMD)	Completion of outstanding modules	Attendance of block training programmes	30	2010/2011	Link to all the KPAs
3.						
4.						
5.						
TOTAL WEIGHTING				100%		

PROPORTIONAL WEIGHTING	(20%)	
------------------------	-------	--

Thus done and signed atOn this the..... day of 2010

Between:----- (Signature)

----- (Full Name)

(EMPLOYEE)

AND

----- (Signature)

----- (Full Name)

(REPRESENTING EMPLOYER)

AS WITNESSES:

1. _____

2. _____