

CENTRAL KAROO DISTRICT MUNICIPALITY



PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM (PMDs) POLICY

"WORKING TOGETHER IN DEVELOPMENT AND GROWTH"

MUNICIPALITY & OFFICE DETAILS

Central Karoo District Municipality

63 Donkin Street

Beaufort West

6970

Tel: 023 449 1000

Herein after known and identified as 'the municipality'.

DOCUMENT AUTHORIZATION

The parties hereto as below duly authorize upon their signature the acceptance of all items contained herein and annexed hereto.

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LIST OF ACRONYMS

AG	: Auditor General
CCR	: Core Competency Requirement
IDP	: Integrated Development Plan
KPA	: Key Performance Areas
KPI	: Key Performance Indicators
LED	: Local Economic Development
MEC	: Member of the Executive Council
MFMA	: Municipal Financial Management Act
MSA	: Municipal Systems Act
MTEF	: Medium Term Economic Framework
PDP	: Personal Development Plan
PMS	: Performance Management System
POE	: Portfolio of Evidence
SALGA	: South African Local Government Association
SDBIP	: Service Delivery and Budget Implementation Plan
SFA	: Strategic Focus Area
SMART	: Specific, Measurable, Achievable, Realistic, Time-frame
WSP	: Workplace Skills Plan



DEFINITIONS

"Accounting Officer"

- (a) in relation to a municipality, means the municipal official referred to in section 60 of the Local Government: Municipal Finance Management Act

"Baseline"

The accurate and quantitative data at a stated point in time that marks the beginning of a trend.

"Councillor"

A member of a municipal Council.

"Section 57 Employee"

A person employed by a Municipality as a Municipal Manager or as a manager directly accountable to a Municipal Manager;

"Employer"

The Municipality employing a person as a Municipal Manager or as manager directly accountable to a Municipal Manager and as represented by the mayor, Executive Mayor or Municipal Manager as the case may be;

"Employment Contract"

A contract as contemplated in Section 57 of the Municipal Systems Act;

"Input Indicator"

An indicator that measures the costs, resources and time used to produce an output.

"Integrated Development Plan"

A plan envisaged in section 25 of the Municipal Systems Act

"Local Community" or "Community"

In relation to a Municipality, means that body or persons comprising —

- (a) the residents of the Municipality
- (b) the ratepayers of the Municipality
- (c) any civic organizations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the Municipality

"Executive Mayor"

In relation to —

- (a) a Municipality with an Executive Mayor, means the councillor elected as the Executive Mayor of the Municipality in terms of section 55 of the Municipal Structures Act; or
- (b) a Municipality with an executive committee, means the councillor elected as the mayor of the Municipality in terms of section 48 of that Act

"Municipality"

When referred to as —

- (a) an entity, means a Municipality as described in section 2; and
- (b) a geographical area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act. 1998 (Act No. 27 of 199

"Municipal Council" or "Council"



A Municipal Council referred to in section 157(1) of the Constitution

"Municipal Finance Management Act"

The Local Government: Municipal Finance Management Act, 2003, and any regulations made under that Act

"Municipal Structures Act"

The Local Government: Municipal Structures Act No. 117 of 1998

"Municipal Systems Act"

The Local Government: Municipal Systems Act No.32 of 2000

"Outcome Indicator"

An indicator that measures the quality and or impact of an output on achieving a particular objective

"Output Indicator"

An indicator that measures the results of activities, processes and strategies of a program of a Municipality

"Performance Agreement"

An agreement as contemplated in Section 57 of the Municipal Systems Act

"Performance Management"

It is a process which measures the implementation of the organisation's development and growth strategy.

"Performance Plan"

A part of the performance agreement which details the performance objectives and targets that must be met and time frame within which these must be met

"Performance Management and Development System (PMDS)"

Means that the performance management system is used to ensure that all segments of the municipality work together to achieve the goals and targets set for the municipality.

"Service Delivery and Budget Implementation Plan"

Means a detailed plan approved by the Mayor of a Municipality in terms of section 53 (1) (c) (ii) of the Municipal Finance Management Act for implementing the Municipality's delivery of municipal services and its annual budget, and which must indicate —

- (a) projections for each month of —
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter; and
- (c) any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1)(c) of the Municipal Finance Management Act

"Staff"

In relation to a Municipality, means the employees of the Municipality, including the Municipal Manager.



1. BACKGROUND AND INTRODUCTION

Performance Management is a strategic approach to management. It is a process which measures the implementation of the organisation's development and growth strategy. It equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques for regularly planning, continuously monitoring, and periodically measuring and reviewing the performance of the Municipality in terms of indicators and targets for efficiency, effectiveness and economy.

In line with Section 32 (1) of the Municipal Staff Regulations, the Performance Management and Development System (PMDS) Policy applies to all staff members; excluding staff members appointed on a fixed term contracts with a duration less than 12 months, serving notice of termination of his/her contract of employment, to retire on reaching the statutory retirement age, appointed on an internship programme or participating in the national public works programme or any similar scheme, and appointed in terms of sections 54A and 56 of the Act.

Performance Management is aimed at ensuring that Municipality's monitor their Integrated Development Plan's and continuously improve their operations and in terms of Section 19 of the Local Government: Municipal Structures Act No. 117 of 1998 that they annually review their overall performance in achieving their constitutional objectives.

It also forms the basis for aligning the Integrated Development Plan (IDP) with the operational business plans, performance areas and performance indicators of the various departments of the Central Karoo District Municipality. Performance Management provides the vital link to determine whether the Municipality is delivering on its objective and to alert managers to areas where corrective action is required.

The Performance Management and Development System (PMDS) Policy describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measuring, reviewing, reporting and improvement will be conducted, organized and managed.

This policy is also aimed at providing guidelines and standards on how performance of the municipality and that of individuals, can be monitored, measured, improved and maintained in order to enhance efficiency, effectiveness and improve service delivery. This shall be done as guided by clause 26 of 01 August 2006 of the Government Gazette no.29089 whereby:

- (1) The employee agrees to participate in the performance management system that the employer adopts or introduces for the municipality.
- (2) The employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the employer, management and municipal staff to perform to the required standards.
- (3) The employer will consult the employee about specific performance standards that will be included in the performance management system as applicable to the employee.
- (4) The employee undertakes to actively focus towards the promotion and implementation of the KPA's, including special projects relevant to the employee's responsibilities within the local government framework.
- (5) The criteria upon which the performance of the employee must be assessed consist of two components namely, the Key Performance Areas (KPA) and the Core Competency Requirements (CCR), 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. Each area of assessment will be weighed and will contribute a specific part to a total score. The KPA's covering the main areas of work will account for 80% and the CCR's will account for 20% of the final assessment.



In line with Section 32 of the Municipal Staff Regulations: -

- (2) the performance management and development system must be collaborative, transparent and fair.
- (3) A municipality shall apply the performance management and development system in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency, effectiveness and accountability.
- (4) The performance management and development system must be underpinned by an open, constructive and on-going communication between the supervisor and the staff member.
- (5) The performance management and development system must, where reasonably practicable, link to –
 - (a) the municipality's strategic objectives, integrated development plan and the SDBIP of the relevant municipal department, and
 - (b) the senior manager's performance plan and the performance plans of the staff members within that senior manager's department.
- (6) the performance management and development system must be developmental, while allowing for –
 - (a) an effective response and relevant measures to manage substandard performance; and
 - (b) recognition and reinforcement of fully effective performance, performance significantly above expectations and outstanding performance.

2. AIM / OBJECTIVE OF PERFORMANCE MANAGEMENT & DEVELOPMENT SYSTEM (PMDS) POLICY

The aim of the Performance Management and Development System (PMDS) Policy is:

- a) to provide a clear overview and description of the Performance Management and Development system;
- b) to clarify the role of the Performance Management System within the Municipality;
- c) to guide the implementation and functioning of both the Organisational and Individual Performance Management system;
- d) to assign responsibility to individuals with regards to Performance Management;
- e) to give effect to the legislative obligations of the Municipality in a transparent and focused manner;
- f) to incorporate the performance management processes applicable to Directors and how these relate to and link with the system in a holistic, institution wide, policy;
- g) to provide a firm foundation from which to steer the process of performance management through;
- h) all phases of implementation and devolvment; and
- i) to link the IDP, the Budget and a Performance Management System in a cycle of prioritized, affordable and accountable municipal planning and effective service delivery involving all staff and the local community.
- j) to provide a mechanism for identifying and linking training needs to performance management
- k) to instil a performance orientated culture throughout the municipality

3. OBJECTIVES OF THE PERFORMANCE MANAGEMENT AND DEVELOPMENT (PMDS) SYSTEM

As a trendsetting Municipality, Central Karoo District Municipality seeks to create an efficient and effective Performance Management and Development System (PMDS) to:

- a) translate its vision, mission and IDP into clearly measurable outcomes, indicators and performance levels that define success, and that are shared throughout the Municipality and with its customers and stakeholders;
- b) provide a tool for assessing, managing, and improving the overall health and success of business



- processes and systems;
- c) continue to shift from prescriptive and simply audited oversight to ongoing, forward-looking and compliance-based strategic partnerships involving communities, citizens and other stakeholders;
- d) promote accountability;
- e) include measures of quality, cost, speed, customer service, and employee alignment, motivation, and skills to provide an in-depth, performance management system;
- f) provide services in an efficient, effective and economic manner;
- g) understand the role, duties and responsibilities of employees;
- h) implement focused management linked to an early warning system; and
- i) adequate provision for community consultation and the opportunity to have a clearer insight in the performance of the Municipality.

4. SCOPE OF APPLICATION

This policy is applicable to the following categories of employees:

- Municipal Manager or Accounting
- Officer Managers Directly Accountable 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
- All other bargaining employees.

5. LEGISLATIVE FRAMEWORK

This Performance Management Policy has been developed in accordance with the prescriptions of recently promulgated local government legislation, regulations and other guidelines. Specifically, the following are relevant to the development of this Performance Management Policy -

- a) Constitution of the Republic of South Africa (1996)
- b) White Paper on Local Government (1998) and Batho Pele (1998)
- c) The Local Government: Municipal Structures Act No. 117 of 1998 and its amendments
- d) The Local Government: Municipal Systems Act, No. 32, 2000 (Section 38 – 46) (Section 72 (1) (b) iii)
- e) The Local Government: Financial Management Act, No. 56 of 2003 and its amendments (MFMA)
- f) The Local Government: Municipal Planning and Performance Regulations, 2001(No. R. 796)
- g) The Local Government: Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (No. R. 805)
- h) Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014
- i) Public Administration Management Act 2014 / Gazette No.38374. Government Notice No.1054
- j) Notice 646: Directive: Performance information public audit act (2007)
- k) MFMA Circulars: (11: Annual Report / 13: SDBIP / 32: Oversight Report)
- l) MFMA Circulars: (42: Funding budget / 54: Municipal budget / 63: Annual Report Update)
- m) National Treasury: 2007 Framework for managing performance information
- n) Gazette 29967, June 2007, MFMA Regulation for Minimum Competency
- o) Gazette 41996, October 2018, Amendment to Regulation for Minimum Competency
- p) Employment Equity Act 1998
- q) Gazette 45181, September 2021, Local Government Municipal Staff Regulations



6. INTEGRATION OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM WITH HUMAN RESOURCES POLICIES AND PRACTICES

Regulation 32(7) of the Municipal Staff Regulations (as per the South African local government legislative framework) emphasizes the integration of the Performance Management and Development System (PMDS) with other human resource (HR) policies and practices. This integration ensures alignment and consistency in managing municipal staff and promotes both organizational effectiveness and individual growth.

Regulation 32 of the Municipal Staff Regulations (2021, under the Local Government: Municipal Systems Act, 2000) outlines the framework for performance management and development of staff.

Sub-regulation (7) states:

“A municipality must integrate its performance management and development system with its human resource policies and practices, including recruitment, probation, appointment, career development, promotion, and termination of service.”

6.1 INTEGRATION IS THEREFORE IMPLEMENTED IN THE FOLLOWING AREAS:

6.1.1. Recruitment & Selection

- PMDS should inform recruitment criteria by identifying competencies required for high performance.
- Job profiles and selection panels should consider performance indicators and desired outcomes aligned with the PMDS.

6.1.2. Probation Management

- Probation reviews should be tied to performance targets.
- A structured assessment using the PMDS framework ensures fair, measurable evaluation during probation.

6.1.3. Career Development

- Development plans should be based on performance reviews.
- Training, mentoring, and skills development initiatives are aligned with areas identified for growth through the PMDS.

6.1.4. Promotion

- Performance history plays a critical role in promotion decisions.
- Staff who consistently meet or exceed performance expectations are considered for advancement.

6.1.5. Reward & Recognition

- Performance bonuses, awards, and other incentives are linked to outcomes from the PMDS.
- Encourages a performance-driven culture.

6.1.6. Disciplinary Measures & Termination

- Persistent underperformance, once addressed through development interventions, can lead to disciplinary action or termination—guided by fair PMDS processes.

7. PERFORMANCE MANAGEMENT ACCOUNTABILITY / RESPONSIBILITY

ROLE PLAYER	ROLES AND RESPONSIBILITIES
LOCAL COMMUNITY	<p>The Municipal Systems Act (Sections 45 & 46) and the Municipal Planning and Performance Management Regulations (No. R796 of 2001, Section 14) make explicit provision for the involvement of the local community in the performance management process. Section 42 of the MSA states that the Municipality:</p> <ul style="list-style-type: none"> a) the community and stakeholders of the Municipality will be engaged in a number of ways as defined in the Municipality's Communication Policy
MUNICIPAL COUNCIL	<ul style="list-style-type: none"> a) The Municipal Council adopts and approves the following: <ul style="list-style-type: none"> b) a process to guide the planning, drafting, adoption and review of the IDP; c) the IDP including organisational indicators and targets; d) changes to the IDP, organisational indicators and target; e) the organisational Performance Management System (PMS); f) performance monitoring, review and oversight mechanisms and structures; g) adopts performance management policy and system; h) approval of performance bonuses of section 57 Managers;
EXECUTIVE MAYOR	<p>The functions performed by the Executive Mayor includes however not limited to the following:</p> <ul style="list-style-type: none"> a) identifies, reviews and evaluates the municipalities needs in order of priority; b) recommend to the Council strategies, projects and services to address priorities through the IDP; c) responsible for the management of the performance management system and submits to the d) Municipal Council for adoption; e) draft performance agreement, including measurable key performance indicators and targets for the Municipal Manager; f) formal quarterly performance evaluation of the Municipal Manager g) ensures the performance agreements of section 57 employees are made public; h) approves the organisational SDBIP and the municipality projects as per the IDP; and i) presents the Annual Report to the Municipal Council.
MUNICIPAL MANAGER (MM)	<ul style="list-style-type: none"> a) The functions performed by the Municipal Manager includes however not limited to the following: <ul style="list-style-type: none"> b) providing strategic direction and developing strategies and policies for the organisation; c) manage the development and implementation of the IDP; d) development of the performance management system; Identify indicators and set targets; e) submission of the draft SDBIP to the Executive Mayor; f) manage the implementation of the IDP and Performance Management System; g) draft performance agreements, including measurable key performance indicators and targets for h) Section 57 employees and performance development plans for lower-level staff; i) monitor the implementation of IDP and Performance Management System, identifying risks early; j) formal quarterly performance evaluation of the Section 57 Managers (Directors) k) ensure that regular monitoring measurement, analysis performance information and ensure performance reporting is done in terms of legislation; l) propose response strategies to the Mayor and/or the Municipal Council; and m) co-ordinate the compilation of the Annual Report.



ROLE PLAYER	ROLES AND RESPONSIBILITIES
SECTION 57 MANAGERS /DIRECTORS	<ul style="list-style-type: none"> a) Assisting in providing strategic direction and developing strategies and policies for the organisation; b) Assist the Municipal Manager with the development and implementation of the IDP; c) Ensure that performance agreements are inclusive and that mandatory KPI's are included as per d) legislative requirements; e) Ensure that performance information complies with the SMART principles and audit standards of the Auditor General; f) Ensure that accurate, reliable and evidenced performance results are provided for performance g) measures on a quarterly basis; h) Ensures that evidence to support the performance achievements is collected, stored and submitted for internal and external audit purposes. i) Draft performance agreements, including measurable key performance indicators and targets for immediate subordinates (Department Heads / Managers) and performance development plans j) for lower-level staff where applicable; k) Formal bi-annual performance evaluation of immediate subordinates (Department Heads / Managers) lower-level staff where applicable.
DEPARTMENT HEADS/ MANAGERS/SUB DIRECTORATE HEADS	<ul style="list-style-type: none"> a) Ensure that performance agreements are inclusive and that mandatory KPI's are included as per b) legislative requirements; c) Ensure that performance information complies with the SMART principles and audit standards of the Auditor General; d) Ensure that accurate, reliable and evidence-based performance results are provided to the e) relevant director for performance measurement on a quarterly basis; f) Ensures that evidence to support the performance achievements is collected, stored and submitted for internal and external audit purposes. g) Draft performance agreements, including measurable key performance indicators and targets for immediate subordinates and performance development plans for lower level staff where applicable; h) Formal bi-annual performance evaluation of all employees within the department.
PERFORMANCE MANAGEMENT UNIT/PERFORMANCE MANAGEMENT OFFICER	<ul style="list-style-type: none"> a) The delegated PMS Officer/Manager are required to co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis; b) It is this Manager/Officer's role to ensure conformity to reporting formats and verify the reliability c) of reported information, where possible; (Pre-Audit of performance information) and d) The Municipal Manager must review overall performance quarterly while the PMS Manager/Officer should support him/her in verifying the performance data and prepare the e) quarterly organisational performance reports for submission to the performance audit committee, f) Render municipal wide support with updating and correcting of performance information on web- based PMS system. g) Render municipal wide support and assistance with the drafting of individual performance agreements and performance development plans including the development of measurable individual key performance indicators and targets.
INTERNAL AUDIT	<ul style="list-style-type: none"> a) Must on a quarterly basis audit the performance measurement of the Municipality; and b) Must submit quarterly reports on their audits to the Municipal Manager and the Audit Committee.



ROLE PLAYER	ROLES AND RESPONSIBILITIES
THE AUDIT COMMITTEE	<p>The Municipal Systems Act (Sections 45 & 46) and the Municipal Planning and Performance Management Regulations (No. R 796 of 2001, Section 14) provide clear guidelines on the formal monitoring, audit and reporting of performance of the Municipality. In terms of Regulation 14 (4) (a) the Audit Committee must:</p> <ul style="list-style-type: none"> a) Review the quarterly reports compiled by the internal auditor; b) Review the PMS of the Municipality and report to the Council in this regard; and c) Submit an audit report to Council at least twice a year.

7. AUTOMATED WEB-BASED PERFORMANCE MANAGEMENT SYSTEM

The Municipal System Act requires the Municipality to develop and implement a Performance Management System suitable for their own circumstances. Central Karoo District Municipality has implemented a suitable electronic model to automate the performance management process. The Director: Corporate Services oversees the utilisation of this system and is primarily responsible to liaise with the relevant service provider on technical and administrative matters related to the functioning or improvement of the system.

8. ORGANISATIONAL PERFORMANCE MANAGEMENT

8.1 IDENTIFICATION AND SETTING OF KEY PERFORMANCE INDICATORS

The following aspects will be considered when identifying indicators:

- a) Development priorities and objectives set in the IDP;
- b) Available financial resources

The Municipality will set key performance indicators, including input indicators, output indicators and outcome indicators, in respect of each of the development priorities and objects as contained in its IDP. The Municipality will ensure that key performance indicators inform the indicators set for all its administrative units and employees as well as every service provider with whom the Municipality has entered into a service delivery agreement.

8.2 MUNICIPAL SCORECARD / TOP LAYER SDBIP

The Municipality implements a municipal scorecard (**Top Layer SDBIP**) at organisational level. The Municipal Scorecard (Top Layer SDBIP) is linked through the departmental SDBIP to all Section 57 Managers and Sub-Directorate Heads. The Municipal Scorecard allocates responsibility to directorates to deliver the services in terms of the IDP and budget and is used to evaluate the overall organisational performance. The SDBIP needs to be prepared as described in the paragraphs below and submitted to the Executive Mayor within 14 days after the budget has been approved. The Executive Mayor needs to approve the SDBIP within 28 days after the budget has been approved.

8.2.1 COMPONENTS OF THE TOP-LAYER SDBIP INCLUDES:

- a) One-year detailed plan, but should include a three-year capital plan
- b) The five necessary components include:
- c) Monthly projections of revenue to be collected for each source
 - i. Expected revenue to be collected NOT billed
- d) Monthly projections of expenditure (operating and capital) and revenue for each vote
 - i. Section 71 format (Monthly budget statements)
- e) Quarterly projections of service delivery targets and performance indicators for each vote
 - i) Non-financial measurable performance objectives in the form of targets and indicators



- ii) Output NOT input / internal management objectives
- iii) Level and standard of service being provided to the community

8.2.2 SYSTEM DESCRIPTIONS

System descriptions (SD's) must be prepared for each TL SDBIP KPI. SD's are essential as to improve the understanding of the requirements of the KPI, the portfolio of evidence (POE) collection and it supports audit procedures. The SD's should address the following:

- KPI Ownership
- Definition of KPI
- Input
- Source documentation origin
- Source documentation Information
- Processing transactions
- Output
- Target calculation methodology
- Controls

Regular updates should be done to ensure that the SD's is accurate and relevant. The review of the system descriptions must be done prior to an audit.

8.2.3 UPDATE OF ACTUAL PERFORMANCE

The SDBIP system that the municipality currently utilises allows for the TL SDBIP to be updated automatically with the actual results reported in the departmental SDBIP. The departmental SDBIP must be updated monthly. The KPI owners should report on the results of each KPI that they are responsible for by properly documenting the information in the performance response fields and either attach or refer to where the proof/POE is filed/kept. In the instance of poor performance, corrective measures must be identified and documented. The POE should speak to the actual performance achieved and confirm the actual as was updated. The actual performance and POE should be monitored monthly in terms of the objectives, KPI's and targets set.

It is important to note that the Municipal Manager and Directors need to implement the necessary systems and processes to provide the POE for reporting and auditing purposes. Each municipal department and staff member therefore need to proof the achievement of their performance so that it can be measured during performance monitoring and reviews. This information is also used to report performance and for internal and external audit purposes.

8.2.4 ADJUSTMENTS TO KPI'S

TL SDBIP KPI's can be adjusted after the mid-year assessment and with the adjustment budget process. KPI's should be adjusted in line with the adjustment estimate (incl. capital projects) and the reason for the adjustment of the indicator/target, must be specified when the adjusted TL SDBIP is submitted to Council for approval. Adjustments to departmental SDBIP KPI's can be made throughout the year but must be motivated and approved by the Municipal Manager.

8.2.5 VALIDATION

An evaluation of the actual performance results and POE of each target should be evaluated monthly. The KPI owners should report on the results of the KPI by documenting the following information on the SDBIP system:



- The actual result in terms of the target set;
- The calculation of the actual performance reported, where applicable;
- The reasons if the target was not achieved; and
- Corrective actions to improve the performance against the target set, if the target was not achieved.

The Municipal Manager and Directors need to implement the necessary systems and processes to provide the POE for reporting and auditing.

9. MONITORING AND MEASUREMENT OF ORGANISATIONAL PERFORMANCE MANAGEMENT

9.1 QUARTERLY PERFORMANCE REPORTING AND PERFORMANCE REVIEWS

- The Municipal Manager collates the information and drafts the organisational performance report, which is submitted to Internal Audit;
- The Internal Auditors (IA) must submit quarterly audited reports to the Municipal Manager.
- The Municipal Manager tables the quarterly performance report to the Performance Audit Committee for perusal and comment.

On a quarterly basis, the Executive Mayor and Council should engage in an intensive review of municipal performance against both the directorate's scorecards and the municipal scorecard, as reported by the Municipal Manager.

These reviews will take place as follows:

- October (for the period July to end of September)
- January (for the period October to the end of December)
- April (for the period January to the end of March)
- July (for the period April to the end of June).

9.2 BI-ANNUAL PERFORMANCE REPORTING AND PERFORMANCE REVIEWS

Section 72 of the MFMA requires the accounting officer to prepare and submit a report on the performance of the Municipality during the first half of the financial year. As with all other reports this is a crucial report for the Council to consider mid-year performance and what adjustments should be made, if necessary.

- The Accounting officer must by **25 January of each year** assess the performance of the Municipality and submit a report to the Executive Mayor, National Treasury and the relevant Provincial Treasury.
- The Audit Committee must review the PMS and make recommendations to the Municipal Council;
- The Audit Committee must submit a report at least twice during the year a report to the Municipal Council;

The Executive Mayor will need to ensure that targets committed to in the municipal scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, departments, Portfolio Councillors and the Municipal Manager.



The review will also include:

- a. An evaluation of the validity and suitability of the Key Performance Indicators and recommending any changes.
- b. An evaluation of the annual and 5-year targets to determine whether the targets are overstated or understated. These changes need to be considered.
- c. Changes to KPI's and 5-year targets for submission to Council for approval. (The reason for this is that the original KPI's and 5-year targets would have been published with the IDP, which would have been approved and adopted by Council at the beginning of the financial year.)
- d. An analysis to determine whether the Municipality is performing adequately or under-performing.

9.3 ANNUAL PERFORMANCE REPORTING AND PERFORMANCE REVIEWS

Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year, a performance report that reflects the following:

1. The performance of the Municipality and of each external service provided during that financial year;
2. A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and
3. Measures to be taken to improve on the performance

At least annually, the Executive Mayor will be required to report to the full council on the overall Municipal Performance. It is proposed that this reporting take place using the municipal scorecard in an annual performance report format as per the Municipal Systems Act. The said annual performance report will form part of the Municipality's Annual Report as per section 121 of the Municipal Finance Management Act.

9.4 ANALYSIS OF PERFORMANCE REPORTS AND FOLLOW-UP

In summary, the quarterly (S52 MFMA), mid-year (S72 MFMA) and the annual (S46 MSA) reports should be analysed and reviewed as soon as the reports are available. It will add credibility to the reports when it is published and to the individual performance assessments of the Municipal Manager and Directors.

The analysis should not only focus on POE when the performance results are audited but also on an analysis of the results. The following are important:

- Performance reported should indicate continuous improvement over time and should not only be to the benefit of communities and should focus on outcomes and not only on processes;
- The performance results reported should be a true reflection of the results reported in the Performance Management and Development system;
- The results should be effectively communicated so that it is of value to the intended users;
- The quality of performing the function should be balanced with the cost of the performance, also to the consumer and not just to municipality; and
- Promotion of equalities and sustainable growth and development should also be reported on.

Actions should be identified to address the performance shortcomings highlighted during the audit. These actions must be recorded and regularly followed-up to ensure performance improvement.



10. INDIVIDUAL PERFORMANCE MANAGEMENT

The performance of a Municipality is integrally linked to that of staff. It is therefore important to link organisational performance to individual performance and to manage both at the same time, but separately. Although legislation requires that the Municipal Manager, and Managers directly accountable to the Municipal Manager, sign formal performance contracts, it is also a requirement that all employees have performance agreements. These must be aligned with the individual performance agreement of the head of the directorate and job descriptions. Central Karoo District Municipality implements individual performance evaluation for all permanent staff.

10.1 INDIVIDUAL SCORECARDS (MUNICIPAL MANAGER AND SECTION 56/57 MANAGERS)

The Local Government Municipal Systems Act 2000 and Regulation 805 of August 2006 (**Performance of the Municipal Manager and the Managers reporting directly to the Municipal Manager**) require the Municipal Manager and the Managers reporting directly to the Municipal Manager to enter into annual Performance Agreements. The Performance Agreements of the Municipal Manager and other Section 56/57 Managers should be directly linked to their employment contract. These Performance Agreements consist of three distinct parts:

- a) **Performance Agreement:** This is an agreement between the Section 56/57 Manager and the Municipality, which regulates the performance required for a particular position and the consequences of the performance. The Agreement deals with only one aspect of the employment relationship, namely performance. This agreement must be reviewed and renewed annually, subject to the individual's annual performance.
- b) **Performance Plan:** The Performance Plan is an Annexure to the Performance Agreement and stipulates in detail the performance requirements for a single financial year. The SDBIP transcends into the Performance Plan/s of the respective Section 56/57 Managers according to their areas of responsibility.
- c) **Personal Development Plan:** The plan is an Annexure to the Performance Agreement and addresses the developmental needs/requirements of the Manager indicating actions and timeframes.

Section 56/57 Managers, which are on short-term contracts (**3 – 9 months**), are required to complete a performance agreement for the duration of their contracts, within **14 working days** after the employment contract has been signed.

The Office of the Municipal Manager must inform the Human Resources Office timeously (**within 7 working days**) of new Section 56/57 Manager appointments, and provide instruction for the compilation of a performance agreement for the incumbent.

Performance will be reviewed quarterly of which the mid-year and year-end performance will be formal evaluations.

A performance bonus, may be paid to all section 57/56 Managers and Managers reporting directly to the Municipal Manager, after;

- (a) The annual report for the financial year under review has been tabled and adopted by the Council;
- (b) An evaluation of performance in accordance with the provisions of this policy document; and
- (c) Approval of such evaluation by the Council.

Section 57/56 and managers Reporting directly to the Municipal Manager may only qualify for a



performance bonus if they have successfully completed a period of no less than **9 months** of the applicable performance cycle and if all other requirements for in terms of this policy have been met.

10.2 INDIVIDUAL SCORECARDS (EMPLOYEES IN SUPERVISORY CAPACITY)

Section 34 of the Local Government Municipal Staff Regulation, 2021, indicates that,

34. (1) A staff member of a municipality is a public servant in a developmental local government system, and therefore must –

- (a) be committed to serve the public and to a collective sense of responsibility for performance in terms of standards and targets; and
- (b) participate in the overall performance management system of the municipality, as well as the staff members' individual performance evaluation and reward system in order to maximise the ability of the municipality as a whole, to achieve its objectives.

Individuals employed in a supervisory capacity will enter into performance agreements/scorecards with his or her immediate Supervisor. The data obtained from Directorate scorecards (detailed SDBIP), will provide the user with the respective Individual performance contracts for Managers reporting to the Section 57 Managers.

An individual employed in a supervisory capacity must enter into a performance agreement for each performance cycle of the Municipality, within thirty (30) days of the commencement of the new financial year (**by 31 July of each year**).

Subsequently, an individual in a supervisory capacity must enter into a performance agreement **within sixty (60) days** of the of his or her appointment after probation, his or her transfer or promotion to a new post; or his her return from prolonged leave that is **more than three (3) months**.

The performance agreement/performance plan may not diminish the obligations and duties of a staff member in terms of the staff member's employment contract, or any applicable regulations or municipal policy.

Performance Agreements/Plans for these staff members should include the following:

- The name, job title and the department of the staff member;
- The objective or targets;
- The KPAs relates to the employee's functional area and must consist of not less than 5 and not more than 7 KPAs.
- The supervisor and employee must ensure that performance management is aligned to the employees' job and KPA's relevant to the post that the employee holds.
- The KPA weighting demonstrates the relative weight of each KPA.
 - (i) The weightings need to be determined by the relevant supervisor/ manager and agreed with the employee(s)/ team
 - (ii) The KPA weightings show the relative importance of the KPAs
- The KPIs and the performance standard for each KPI;
- The KPIs—
 - (i) include the input, quality or impact of an output by which performance in respect of a KPA



- is measured; and
- (ii) must be measurable and verifiable.

The performance standard for each KPI may be qualitative or quantitative. The planned KPAs, KPIs and targets as contained in the performance agreement must meet the SMART criteria.

The performance objectives and targets reflected in the performance agreement/scorecard is set by the employer in consultation with the employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Municipality, and shall include key objectives; key performance indicators; target dates and weightings.

COMPETENCIES:

The job specific competencies, as derived from Annexure A of the Municipal Staff Regulations (Gazette no. 45181), must include-

- (i) the name and definition of the specific competency;
- (ii) the expected level of capability;
- (iii) the relevant weightings;

The competencies must be specific and applicable to the job of the employee and should not exceed six (6) competencies within a performance cycle.

A personal development plan must be prepared in line with regulation 51 of the MSR.

The performance agreements/plans must be finalised by **31 July each year** and captured on the automated performance management system.

10.3 LOWER-LEVEL STAFF (STAFF NOT IN SUPERVISORY CAPACITY)

The data obtained from Supervisory scorecards (detailed SDBIP), will provide the user with the respective Individual performance agreements/scorecards for Lower-Level Staff.

An individual employed as a staff member must enter into a performance agreement for each performance cycle of the Municipality, within thirty (30) days of the commencement of the new financial year (**by 31 July of each year**).

Subsequently, a staff member must enter into a performance agreement within sixty (60) days of the of his or her appointment after probation, his or her transfer or promotion to a new post; or his her return from prolonged leave that is more than three (3) months.

The performance agreement/performance plan may not diminish the obligations and duties of a staff member in terms of the staff member's employment contract, or any applicable regulations or municipal policy.

A Performance Agreement/Plan should be agreed for all employees in this category based on the job functions and include the following:

- The KPAs relates to the employee's functional area and must consist of not less than 5 and not more than 7 KPAs.



- The supervisor and employee must ensure that performance management is aligned to the employees' job and KPA's relevant to the post that the employee holds.

The KPA weighting demonstrates the relative weight of each KPA.

- (i) The weightings need to be determined by the relevant supervisor/ manager and agreed with the employee(s)/ team
 - (ii) The KPA weightings show the relative importance of the KPAs
- The KPIs and the performance standard for each KPI;

The KPIs—

- (i) include the input, quality or impact of an output by which performance in respect of a KPA is measured; and
- (ii) must be measurable and verifiable.

The performance standard for each KPI may be qualitative or quantitative.

The planned KPAs, KPIs and targets as contained in the performance agreement must meet the SMART criteria.

COMPETENCIES:

The job specific competencies, as derived from Annexure A of the Municipal Staff Regulations (Gazette no. 45181), must include-

- (i) the name and definition of the specific competency;
- (ii) the expected level of capability;
- (iii) the relevant weightings;

The competencies must be specific and applicable to the job of the employee and should not exceed six (6) competencies within a performance cycle.

A Performance Agreement/Scorecard should be agreed between employer and employee. If the nature of the employee's job is team related, a supervisor can in agreement with the employee include a KPI that measures the employee's functioning within a team. The Performance Plan must be finalised by **31 July each year** and captured on the automated performance management system.

A personal development plan must be prepared in line with regulation 51 of the MSR.

The supervisor must ensure that any relevant personal development and career incidents are deliberated upon with the staff member during the performance assessment.

AMENDMENTS TO THE PERFORMANCE AGREEMENT/PLAN

a) If at any time during the performance cycle the responsibilities of the employee changes to the extent that the performance plan in the performance agreement is no longer appropriate, the parties shall revise the performance agreement. Amendments made to performance agreements/ plans must be signed and dated by both the employee and the employer.

Performance can only be assessed on mutually agreed indicators and targets.

- a) If an employee is required to act in a post for a period that exceeds three months, the supervisor to whom the acting employee is reporting, must review the KPAs and KPIs in consultation with the



acting employee, and include the KPAs and KPIs in the employees amended performance agreement.

10.4 NEWLY APPOINTED EMPLOYEES

All newly appointed employees shall be required to enter into performance agreements within sixty (60) days of the date of assumption of duty. These performance agreements shall be in line with the performance planning provisions as contained in this policy.

10.5 EMPLOYEES ON PROLONGED LEAVE

For employees who were on prolonged leave (three months or longer):

- (a) An amended performance agreement should be signed unless the prolonged absence was catered for during the performance planning phase; and
- (b) All performance reviews should take place accordingly.

10.6 EMPLOYEES IN ACTING POSITIONS

If a staff member is required to act in a post for a period that exceeds three months, the supervisor to whom the acting staff member is reporting, must review the KPAs and KPIs in consultation with the acting staff member, and include the KPAs and KPIs in the staff member's amended performance agreement.

10.7 RESIGNATIONS

All employees who have resigned during the performance cycle shall be required to undergo formal performance reviews as part of the exit management process.

If the employee resigning is a supervisor or manager, performance reviews for each employee under her/his control should be completed as part of the exit management process.

Accordingly, Section 57/56 and managers Reporting directly to the Municipal Managers, who have resigned may only qualify for performance rewards if they have successfully completed a period of no less than 9 months of the applicable performance cycle and if all other requirements for in terms of this policy have been met.

11. PERFORMANCE ASSESSMENT

The supervisor or line manager must discuss the employees' performance with him/ her on a regular basis and should give constructive feedback to ensure that performance standards are being upheld. The feedback should be given verbally and recorded in writing to serve as evidence that performance discussion took place between supervisor/ line-manager and employees.

The performance of the staff member must be reviewed at mid-year to assess the staff member or teams' progress towards meeting performance targets, to identify challenges and agree to solutions and to consider reviewing targets resulting from workplace changes beyond the staff member or team's control.

The annual performance assessment must involve –



- a) an assessment of the extent to which the staff member achieved the performance objectives and targets as outlined in the performance plan, which comprises –
 - i. each KPA assessed to determine the extent to which the specified standards or KPIs have been met, with due regard to ad hoc tasks that had to be performed under that KPA;
 - ii. an indicative rating on the five-point scale set out in the table below provided for each KPA; and
 - iii. the rating assigned to each KPA multiplied by the weight given to that KPA to provide a weighted score for that KPA (
- b) an assessment of the extent to which the staff member achieved the job specific competencies as outlined in the performance plan, which comprises-
 - i. each competency assessed to determine the extent to which the specified standards or KPIs have been met;
 - ii. an indicative rating on the five-point scale set out in the table below provided for each job specific competency;
 - iii. the rating assigned to each job specific competency multiplied by the weight given to that competency to provide a score for that competency.

The five point rating scale as set out in the table below shall for purposes of implementation of performance assessment, apply to all staff members.

LEVEL	TERMINOLOGY	DESCRIPTION
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
4	PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	FULLY EFFECTIVE	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in 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 standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. 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.



Individual performance assessments will be done bi-annually and should be concluded on the automated performance management system as follows;

Period (1 July – 31 December) : Due – 31 January annually
Period (1 January – 30 June) : Due - 31 August annually

An overall rating is calculated by using the assessment rating calculator as provided in Annexure D of the Municipal Staff Regulations (MSR). Such overall rating represents the outcome of the performance appraisal.

The annual performance evaluation must determine a performance rating for the performance cycle.

The staff member assessed or the person designated in terms of sub-regulation (7) of the MSR must provide the supervisor with a portfolio of evidence relating to his or her KPAS for the entire performance cycle. The maintenance and provision of the portfolio of evidence to support the decision on the final score to each KPA and competency, is the responsibility of the staff member.

Despite sub-regulation (6) of the MSR, the municipal manager may exempt categories of staff from maintaining a portfolio of evidence in which case the municipality must determine alternative mechanisms, or designate a staff member who will maintain the portfolio of evidence of those staff members.

The evaluation of the performance of the staff member must be conducted by that member's supervisor or his or her delegate. The staff member's supervisor must keep a record of all assessment meetings.

Personal growth and career development needs identified during any performance review or assessment, together with the actions and timeframes agreed to, must be recorded in the staff member's personal development plan.

Once the annual performance evaluation has been concluded, the performance assessment reports and outcomes must be subjected to departmental moderation processes contemplated in regulation 39 of the MSR.

The Municipality may review the performance of a staff member at any other time and on an ongoing basis to offer coaching and feedback.

11.1 EVENTUALITY FOR SICK LEAVE AND MATERNITY LEAVE

In cases of maternity leave, the employee will be evaluated for the period they performed their duties, this score will be awarded as the final score.

11.2 EVENTUALITY FOR NEW EMPLOYEES

Employees that have started service during the financial year will also be evaluated.

11.3 PROCESS FLOW FOR PERFORMANCE ASSESSMENTS

a) The first step in the assessment allows for self-evaluation by the employee. Employees that do not



have access to computers at the workplace must be provided with a hardcopy of their performance agreements/scorecards to facilitate the process of manual assessment. The signed self-assessment must be submitted to the respective supervisor for capturing on the automated performance management system.

- b) The second step in the assessment is the official rating of performance by the relevant Supervisor / Manager or Director. The outcome of the assessment should be discussed between the Supervisor / Manager or Director in order to clarify gaps between the self- assessment and the rating scored.
- c) The third step in the assessment constitutes the moderation of performance outcomes to ensure objectivity and fairness in the application of scores throughout the organisation.

11.3.1 PERFORMANCE MODERATION

The moderation committee shall review and moderate the overall performance ratings for employees determined after the annual performance evaluation process. The moderation process will be conducted in 2 levels within a reasonable timeframe after the end of the financial year, but no later than six (6) months after the financial year to ensure that the final individual performance ratings are fair across the employees and aligned to the Municipality as a whole.

11.3.1.1 DEPARTMENTAL MODERATION COMMITTEE

According to Section 39 of the Municipal Staff Regulations, the Municipal Manager must establish departmental moderation committees which must be convened annually.

At this level the moderation panel consist of:

- a) the respective Director, who must act as Chairperson;
- b) Divisional / Section / Managers reports directly to the Director, who must be recused from the committee before their assessments are considered by the committee;
- c) Senior human resource functionary who will advise, guide and provide support, including arrangements for secretariat services;
- d) One representative from the Performance Management Unit.

The purpose of the departmental performance moderation committee is to:

- (a) conduct moderation of annual staff performance results in order to ensure that the norms and standards for performance management and development systems are applied in a fair, realistic and consistent manner across the department;
- (b) assess and compare the performance and contribution of each staff member with his or her peers towards the achievement of departmental goals
- (c) ensure fairness, consistency and objectivity with regard to dispersal of performance recognition and rating” achieved for a common understanding amongst supervisors of the performance standards required at each level of the performance rating scale;
- (d) determine the cost implications for recognition of performance of all staff members within the department;
- (e) recommend the moderated performance scores for all staff members to the municipal moderating committee for approval;
- (f) ensure that performance rewards are based on affordability;
- (g) consider the impact of the performance assessments on financial rewards and options for various forms of recognition;
- (h) recommend performance rewards as well as remedial actions for performance considered to be below effective performance; and
- (i) ensure that the integrity of the performance management and development system is protected.

Moderation of performance results at this level presents an opportunity to the Division / Section Head /



Manager to clarify and substantiate the performance rating scored to subordinates. The Directorate / Departmental Moderation Committee will review the performance outcomes of the entire directorate and may effect changes to individual performance outcomes. It will also be expected from Division / Section Heads / Managers to inform subordinates in instances where changes were affected as a result of the moderation.

If the Departmental Moderation Committee has reason to believe that any performance assessment by the supervisor does not conform to performance norms and standards or that there is lack of evidence or information to support the performance ratings, the Departmental Moderation Committee may not reassess, amend or adjust the performance ratings of a staff member, but may refer the assessment back to the relevant supervisor for reassessment in consultation with the affect staff member.

This process should be finalised by 31 November each year. On completion of the moderation at this level, the performance assessment outcome of the relevant Directorate / Department will be endorsed by the relevant Director for submission to the Municipal Moderation Committee for final moderation.

11.3.1.2 MUNICIPAL MODERATION COMMITTEE

This Committee must be duly constituted by the Municipal Council and will consist of;

- a) the Municipal Manager, or his/her delegated authority who will act as Chairperson;
- b) all Directors or their representatives;
- c) Head of Municipal Planning and Organisational Performance;
- d) Senior human resource functionary who will advise, guide and provide support, including arrangements for secretariat services;
- e) One representative from the Performance Management Unit;
- f) Internal Audit;

The purpose of the municipal moderation committee is to:

- (a) provide oversight over the staff performance management and development system to ensure the performance management process is valid fair and objective;
- (b) moderate the overall performance assessment score for staff determined after the departmental moderation processes
- (c) ensure that the final individual performance ratings are fair across each grade and department or directorate
- (d) ensure that the final individual assessment outcome corresponds with the performance of the municipality and the relevant department aligned to the staff member's job description or directorate before any recognition of performance is considered;
- (e) "determine the percentages for the merit based rewards subject to affordability and the annual approved municipal budget in terms of section 16 of the Municipal Finance Management Act;
- (f) recommend appropriate recognitions for different levels of performance,
- (g) recommend appropriate remedial actions for performance believed to be substandard;
- (h) advise the municipality on recognition of performance, including financial and non-financial rewards, where applicable;
- (i) identify potential challenges in the performance management system and recommend appropriate solutions to the municipal manager;



- (j) identify developmental needs for supervisors to improve the integrity of the performance management and development system; and
- (k) consider any other matter that may be considered relevant.

Moderation of performance results at this level presents an opportunity to Directors to clarify and substantiate the performance rating scored to subordinates. The Municipal Manager will review the individual performance outcomes of all municipal staff in conjunction with Directors and may effect changes to individual performance outcomes.

This process should be finalised by 31 December of each year. On completion of the moderation at this level, the performance assessment outcome of the entire workforce will be endorsed by the Municipal Manager. Changes to individual performance assessment outcomes proposed at this level will be regarded as final and will be affected on the automated Performance Management and Development system.

11.4 COMMUNICATION OF FINAL OUTCOMES OF PERFORMANCE ASSESSMENTS

The performance management unit will provide Directors with a final report on outcome of performance assessments immediately after the moderation process has been concluded. The final outcome of performance assessments should be communicated downwards to each municipal employees by Directors / Divisional Heads and Supervisors by **31 January each year**. This feedback is important to gain employee confidence and to ensure transparency. It will also give employees an opportunity to lodge an appeal in order to request a review of his/her performance assessment.

11.5 DISPUTES ABOUT PERFORMANCE AGREEMENTS AND ASSESSMENT

Any dispute about performance objectives or targets must be mediated by the relevant head of department or directorate of the staff member to whom this function is delegated. If the dispute is not resolved to the staff member's satisfaction, the staff member may lodge a grievance in terms of the applicable procedures.

Any dispute relating to the conclusion of the performance agreement or an amendment to the performance agreement, must be referred to the head of the relevant department or directorate not later than five days of lodging the grievance in terms of the applicable procedures.

A dispute contemplated in sub-regulation (2) must be resolved within one month of receipt of the dispute by the head of the department, after-

- (a) considering the representation from the staff member concerned and his or her supervisor; and
- (b) consultation with the head of human resources.

A staff member who is not satisfied with the outcome of the procedure in sub regulation (3), may lodge a dispute in terms of the dispute resolution mechanisms of the bargaining council.

11.6 MONITORING, COACHING AND FEEDBACK

Regular monitoring and coaching sessions must take place between supervisors and employees. These sessions can be used to change an employee's behaviour to ensure that targets are met or exceeded in instances where underperformance was identified.



These coaching and mentoring sessions are important to track employee's performance and assist in strengthening competencies expected from employees. All coaching and monitoring sessions must be documented and signed by all parties involved. (Annexure B – Coaching and Review).

Employees may also be required to undergo training to improve their performance. These training needs should be in line with the training needs in their Personal Development Plans.

Coaching, monitoring and training are not only for employees who are underperforming and must also be provided to those employees who are performing well to ensure that employees are improving on their skills and knowledge to enable them to meet the evolving organisational needs.

12. OVERALL PERFORMANCE BELOW ACCEPTABLE STANDARD

A staff member who receives a performance rating below 3 in terms of the Five- Point Rating table in regulation 38(2) of the MSR must-

- (a) be assisted in developing his or her competencies through training, and supervision; and
- (b) develop a revised personal development plan with his or her supervisor

The personal development plan must contain at least-

- (a) a description of the behaviour and skills that require improvement;
 - (b) a description of the actions that will be undertaken to improve the identified behaviour and skills that require improvement;
 - (c) the deadlines for improvement;
 - (d) a schedule of meeting to assess improvements and provide feedback; and
 - (e) details of the potential consequences in the event that there is no improvement in performance.
- The meetings to assess improvements and to provide a feedback must be recorded in writing.

The personal development plan to manage performance improvement must cover a maximum period of six (6) months, at the end of which, a formal evaluation of performance must take place.

The following alternatives must be considered in respect of a staff member whose performance has not improved to at least a performance that is fully effective:

- (a) Continuation of the actions referred to in the personal development plan;
- (b) alternative actions to improve performance
- (c) offering the staff member an alternative job within the municipality that is better suited to the staff member's behaviour and skills; or
- (d) dismissal owing to incapacity in terms of the provisions of the Labour Relations Act.

Poor work performance must be dealt with in accordance with item 9 of Schedule 8 to the Labour Relations Act.

13. APPEALS PROCESS

13.1 ASSESSMENT APPEALS COMMITTEE

The Assessment Appeals Committee will convene in an event where an employee disagrees over performance ratings.

The Assessment Appeals Committee will consist of:

- a) Relevant Head of Directorate;
- b) Head of Division as expertise of the line function;
- c) Performance Management specialist;



- d) Senior Manager Human Resources Management or his representative.

The Panel will consider written representations of an employee.

In the event of any remaining disagreement over the performance assessment of an employee, the employee may follow the formal grievance rules.

13.2 SECTION 56/57 EMPLOYEES

The Appeals process as prescribed in R805 of August 2006 and as agreed in the employment and performance contracts of the Section 56/57-Managers will be applicable in instances where they are not in agreement with their final performance evaluations.

13.3 STAFF PERMANENTLY APPOINTED ON TASK GRADES

Should employees not agree with the contents of their Performance Agreements/Scorecards or with the final outcomes of performance assessments, they may request for a review of their key performance indicators of assessment outcomes through the normal grievance procedures.

14. PERSONAL DEVELOPMENT PLAN

The municipality is committed to the continuous training and development of its employees to achieve its vision, mission and strategic objectives also empowering employees. The municipality needs to manage training and development within the ambit of relevant national policies and legislations.

To ensure the necessary linkage with performance management, the municipality's PMDS provides for the Personal Development of employees to be included in their annual Performance Plans. Such approach will ensure the alignment of individual performance objectives to the municipality's strategic objectives and that training and development needs are also identified during the performance management and appraisal process.

Personal development entails increasing the capacity of employees to perform. During the processes of monitoring and review, deficiencies in performance that become evident should be addressed. Personal growth and developmental needs identified and plans to action them must be documented in a personal development plan and implementation must take place within set time frames.

15. RECORD KEEPING

The Municipal Manager/Directors/ Heads/ Managers/ Supervisors have the responsibility to keep record of signed Performance Development Plans and Performance Agreements. The Municipal Manager/Directors/ Heads/ Managers/ Supervisors also have the duty to keep record of signed Individual evaluations of their directorates/sub- directorates at a central location for their POE purposes.

The responsibility of the Head/ Manager/ Supervisor of a Sub-directorate is to maintain a list of Performance Agreements and Performance Development Plans and to notify the Performance Management Unit that an employee has been transferred or when the need arises to review Key



Performance Indicators (KPI's).

It is also the responsibility of the Sub-Directorate Head to inform the Performance Management unit when a new staff member joins the Sub-Directorate and when new Key Performance Indicators (KPI's) needs to be developed.

Copies of the Performance Agreements of all Sect 57/56 and Directors reporting directly to the Municipality Manager must be submitted to the Manager: Records for official record keeping.

