

MOSES KOTANE LOCAL MUNICIPALITY



PERFORMANCE MANAGEMENT POLICY FRAMEWORK

2018/2019 FINANCIAL YEAR

SECTION 1 - PMS POLICY FRAMEWORK

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SECTION 1

1. DEFINITIONS

Competencies	The visible application of knowledge and skills within a specific environment. The evaluation of competency not only addresses the knowledge of a person, but also the manner in which this knowledge is applied in the work environment.
Evidence	The documentary proof that must be submitted to substantiate the level of achievement i.e. rating against the KPI. Evidence must be independent, clearly reflect achievement, and signed off by relevant person/s.
Financial Rewards	This refers to the monetary rewards paid to employees as reward for good performance. This is often referred to as “performance bonus”
Goals	General statements that describes the desired outcome or purpose of any activity. This means the positive impact that the department wishes to have on Community at large.
Impact	Refers to the changes and consequences that result from specific activities or achievement. These may be both intended and unintended. Impact is generally assessed in terms of the contribution made to the achievement of a goal .
Indicators	Are agreed signs/ measures of effective performance that clarify intentions and help in assessment of achievement? Deliverables, standards, or measures used to indicate whether or not an objective has been met. The results must be within the control of the employee, objective and observable, and capable of being measured.
Input	The resources that are used to produce outputs or results. Inputs may be monetary or the amount of time employees spent on producing desired results.
Job analysis	is the process of identifying the purpose of a job in relation to: <ul style="list-style-type: none"> ▪ Organizational goals. ▪ Key performance areas or results that need to be achieved. ▪ How they would be achieved? ▪ What will be required to achieve them?
Key Performance Areas	(KPAs) are those areas of a job that are critical in terms of making an effective contribution to achievement of organizational goals.
Municipality	refers to Moses Kotane Local Municipality
Nonfinancial Rewards	These are non-monetary rewards such as holidays, flexible working hours, access to training opportunities, sabbatical/study leave, planned career breaks, occupational health counselling and recreational facilities given to employees as rewards for good performance
Objectives	Are statements that concretely and specifically describe a result to be achieved? They serve as a basis for: <ul style="list-style-type: none"> ▪ Clarifying intentions ▪ Planning ▪ Guiding activity towards a desired result

	<ul style="list-style-type: none"> ▪ Assessing achievement. <p>Objectives are directly linked to the IDP Priorities of a Municipality</p>
Outcome	It is the consequence of achieving specific objectives. It is assessed in terms of goals and impact on the achievement of goals. It describes what changed as a result of the effort.
Output (Result)	It is a concrete achievement that contributes to the achievement of a longer-term outcome or goal. They may be: Specific outputs such as houses built, patients served, performance agreements developed and signed.
Performance agreement	It is the outcome of a process that links individual performance plans to organizational goals and defines what is required to achieve effective performance. It involves supervisors and employees agreeing on objectives and standards of performance to guide performance and performance assessment.
Performance appraisal	It is the process of assessing performance. It is part of a larger process of linking individual performance management and development to organizational goals. It is also only one aspect of managing and developing the performance of individuals. It is a cyclical and iterative process aimed primarily at performance improvement through ongoing learning and development.
Performance management and development	Are all those processes and systems designed to actively manage and develop performance at the level of individuals, teams, Departments and the entire organisation; to ensure that the strategy and vision of the organisation Are achieved. Performance management therefore entails: <ul style="list-style-type: none"> • The definition of the performance that is being managed (design); • The process of performance management (implementation); and • The management of the consequences of the performance (integration).
Performance Management Specialist	This is the person within the Municipality that is appointed to develop and maintain the system and support all performance managers with logistical and technical arrangements related to the implementation of the performance management systems.
Performance Manager	This is the person that has staff members that report to him or her and is therefore required to conduct the performance appraisal and management processes with these staff members.
Performance review	Is the formal process of assessing performance? During the review: <ul style="list-style-type: none"> ▪ Achievement is assessed ▪ Problems are identified ▪ Remedial measures are agreed upon
Performance standards	These are mutually agreed criteria to describe how well work must be done. They may be used to clarify the key performance areas of a job by describing what minimum performance levels are required to meet the requirements of the job as well as what “doing well” means or would

	look like to an observer.										
Personal Development Plan	It is a general but realistic development plan based on an employee's aspirations and the longer-term needs of the municipality. It generally reflects specific actions to be taken by the employee and the municipality to help the employee develop his/her potential and capacity.										
Qualitative measures	Tells you "how well" is the specific performance										
Quantitative measures	tell you "how many" or "how much" is the specific performance										
Target Rating scale	<p>It is a standard scale for rating an employee's performance in relation to specific categories of performance. These are often used to introduce a degree of comparability into systems for performance assessment. A rating scale of 1 – 5 is used to determine the extent to which a target has been achieved. The details of the rating scale are as follows:</p> <table border="1"> <tr> <td>5</td> <td>Outstanding performance: Performance far exceeds the standard expected of an employee at this level.</td> </tr> <tr> <td>4</td> <td>Performance significantly above expectations: Performance is significantly higher than the standard expected in the job.</td> </tr> <tr> <td>3</td> <td>Fully effective: Performance fully meets the standards expected in all areas of the job.</td> </tr> <tr> <td>2</td> <td>Performance 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.</td> </tr> <tr> <td>1</td> <td>Unacceptable performance: Performance does not meet the standard expected for the job. 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.</td> </tr> </table>	5	Outstanding performance: Performance far exceeds the standard expected of an employee at this level.	4	Performance significantly above expectations: Performance is significantly higher than the standard expected in the job.	3	Fully effective: Performance fully meets the standards expected in all areas of the job.	2	Performance 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.	1	Unacceptable performance: Performance does not meet the standard expected for the job. 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.
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Targets	These are agreed quantitative or qualitative standards which must be achieved. This refers to the output level the person must achieve in order to be given a particular performance score. Targets must consider realistic timeframes and it must be possible to implement them within a 12-month period. Inclusion of these targets eliminates subjectivity in the review process.										
Weighting	Relative importance of one key performance area to another. Each SPO or KPA must be assigned a weighting out of 100%. The sum of all the weightings for SPOs must equal 100% and the sum of all weightings for all KPAs must equal 100%.										

2. PURPOSE-

- 2.1 The purpose of this policy framework is to refine the requirements of Chapter **6 section 38(a) of the Municipal Systems Act, 2000**, which requires a municipality to establish a performance management system that is commensurate with its resources.
- 2.2 This policy states and affirms the performance management principles to which the Municipality is committed, describes broadly how the Municipality intends to realise these principles and ensure their consistent application.
 - 2.2.1 The purpose of the policy as emphasised by the Municipal Planning and Performance Management Regulations, 2001 is to provide all stakeholders within the Municipality with a clear description of the performance management procedure that will be applied to all individuals. Demonstrates how the system will operate and be managed from the planning stage up to the stages of performance and reporting.
 - 2.2.2 It defines the overview of the performance management environment and then outlines the key procedures that are linked to performance management.
 - 2.2.3 It also presents the Municipality's approach to performance management and a detailed description of the individual performance appraisal implementation process. Determine the frequency of reporting and the lines of accountability for performance.
 - 2.2.4 Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system.

3. SCOPE

- 3.1. The policy is intended to ensure the consistent implementation of the performance management System within the municipality. Accordingly, this policy applies to:
 - 3.1.1 The Municipal Manager;
 - 3.1.2 HOD's who report directly to the Municipal Manager;
 - 3.1.3 Managers who are not HOD's but are employed on a fixed term contract;
 - 3.1.4 Employees at reporting levels three and four.
 - 3.1.5 All permanently employed employees.

4. OBJECTIVES

- 4.1 The integrated development plan of the municipality amongst other objectives advocates for: ***"Promotion of a culture of accountability, transparency and performance excellence through proper implementation of performance management system, other compliance monitoring mechanisms and by ensuring effective internal audit services"***

4.2 The Objectives of the Municipal Wide Performance Management System aims to:

- The most important objective of the performance management system is to ensure that the entire Municipality is in synchrony with a common vision and mission and that all the objectives and strategies of the Municipality as contained in the IDP are achieved.
- The establishment of a framework for effective and regular performance feedback and reporting
- To create management information that enables the municipality to take decisions with reference to other Human Resource processes, such as remuneration and training, for example.
- Ensure that the top Layer SDBIP is aligned to the IDP, and therefore, to organisational priorities;
- Ensure effective linkage between planning and budgeting through SDBIP
- Develop a monitoring and evaluation system that guarantees performance management and reporting against performance;
- Instil a performance-oriented culture across the Municipality.

4.3 The Organisational Performance Management system aims to:

- Improve Municipal Wide performance by enhancing performance at a departmental and municipal entity level;
- Ensure alignment between the Municipal performance management system – and the Municipal Manager’s scorecard – and the activities and targets for which the departments and municipal entities are held accountable;
- Ensure constant monitoring and evaluation at this level through quarterly reviews;
- Enable the Municipality to assess the extent of delivery at strategic points, and to plan for interventions where necessary; and

4.4 The employee performance management system aims to:

- To accelerate work performance of individuals to a higher level and to develop the capacity and ability of the Municipality to sustain performance by encouraging Individual accountability and responsibility for individual performance, as well as development.
- Improve the organisational performance by enhancing and acknowledging individual exceptional performance;
- Communicates the standards and performance expectation to each employee
- Serves as a vehicle for implementing the Municipality’s objectives
- Clarify expectations of what individuals are required to achieve;
- Develop the skills and competencies of individuals within the organisation;
- Foster a sound working relationship between managers and employees through counselling and coaching; the provision of feedback,
- Provide a tool for managers to manage the performance of their staff;
- Allow employees to become more actively involved in managing their own performance;

- To identify underperformance and to implement and justify the resultant corrective follow-up actions.
- Reward employees whose performance exceeds the output criteria;
- Instil a performance-oriented culture throughout the organisation, at the level of employees.
- Focus on the development of staff members.
- Offer improved token of appreciation as part of motivation to reward excellent performance by individuals.
- Strengthening the accountability of individuals and their ownership of their own development
- Improved communication within the work environment.

5. PRINCIPLES

The performance management system of the Municipality and the way it is to be implemented is underpinned by a set of key performance management principles. These principles drive the design and implementation of the performance management system itself.

Principles of Performance Management

- 5.1 The framework shall be directly linked to the municipality's IDP to enable the translation of the strategic plan into focus areas.
- 5.2 This framework allows for organisational objectives to be cascaded and aligned throughout the organisation.
- 5.3 The management of performance shall be the responsibility of every manager, and shall be done in a consultative, supportive and non-discriminatory manner.
- 5.4 Personal development is an enabler and integral part of the Performance Management process.
- 5.5 Performance appraisals should be objective and consistent.
- 5.6 Every employee shall be responsible for his own performance.
- 5.7 Performance management shall not be used as a tool to unfairly favour or prejudice any employee.
- 5.8 Performance management shall be development orientated and aimed at cultivating good human resource management and career development practices.
- 5.9 Each manager shall strive to promote productivity.
- 5.10 Ensure all employees are responsible for achieving service delivery excellence through constantly improving on areas of individual performance and collective effort.
- 5.11 Performance management is about actively communicating expectations, motivating success through constructive feedback, focusing on coaching and development, and ensuring service delivery. The performance management system is not only a scoring mechanism!
- 5.12 Over and above performance will be fairly recognized and rewarded.
- 5.13 Managing both Poor and Good performance within the Municipality

6. PERFORMANCE MANAGEMENT AND TRAINING & DEVELOPMENT

Every employee is required to have an individual learning plan (ILP) that is prepared at the end of the third quarter before to inform the Workplace skills plans for the next financial year. These plans form a key part of the skills development planning process. Individual learning plans provide the opportunity for managers/supervisors and employees to jointly identify training and development needs in order to improve job performance and to support individual development.

The individual learning plan, which must be completed annually, records the (interventions) actions agreed to improve performance and to develop skills and competencies. It must be developed to improve the ability of the employee in their current job but also to enable employees to take on wider responsibilities and extend their capacity to undertake a broader role where appropriate.

Where applicable it should also contribute to enhancing the potential of individuals to carry out higher-level jobs. This plan therefore contributes to the achievement of continuous development of employees within the Municipality. This individual learning plan must be used by the Department Corporate Support Service to develop a comprehensive workplace skills plan.

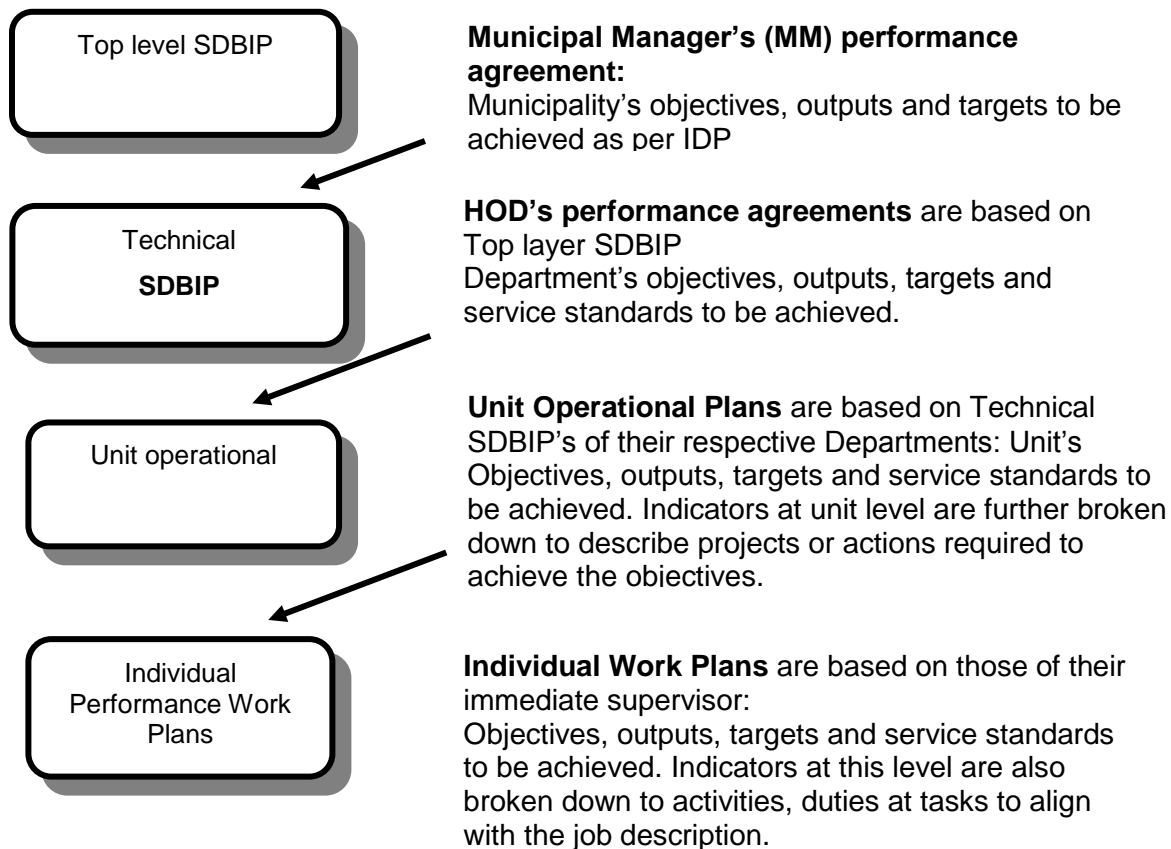
In cases where certain competencies are prescribed by any regulation, such must be prioritised when developing ILP's

7. CASCADING OF THE STRATEGIC FOCUS LINKAGES

Performance management in the Municipality is a multilevel process that starts with an overall strategy and cascades to organisational, departmental and employee performance management planning, monitoring and review.

The vertical cascade linkage is a downward cascading which links various Municipal process outputs with those of individuals in planning, monitoring progress and evaluation.

The diagram below helps to clarify the cascading linkages. According to the strategic and operational levels, the initial parts of the strategic component refer more to the organisation while the lower parts of the operational levels are largely for the individuals



8. MANAGEMENT AND OPERATION OF THE OF SYSTEM

The Mayor manages the development of the performance management system. The system is submitted to the municipal council for adoption and the Mayor assigns the management responsibility for the system to the Municipal Manager in terms of section 39 of the Municipal Systems Act, 2000.

8.1. Community Participation

The municipality must involve the community in the development of the performance management system, and setting of KPIs and performance targets in accordance with sections 42 and 44 of the Municipal Structures act and clause 9 and 15 of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The community will participate through the Representative Forum meeting. All Representative Forum meetings will be arranged at a central venue which will be in the municipal area.

All stakeholders represented on the representative forum will be allowed a period of 2 weeks to report back to constituents or to forward feedback from their constituents.

Roles and responsibilities of all key stakeholders are depicted from page 27 of this framework documents.

8.2. Operation

The Operation of the system occurs during the drafting of the Service Delivery and Budget Implementation Plan, when programmes are implemented and budgets expended. Performance must be measured against key performance indicators and performance targets set for Departments and individuals in the SDBIP and as shall be translated into performances plans and progressively contribute to the achievement of top layer SDBIP targets of the municipality. Achievement of targeted milestones shall where practical be linked to the cash flow projections to ensure that the reported milestones match the expenditure levels.

The performance management process involves four key phases as follows:

Planning: This is about jointly identifying, agreeing on individual performance expectations and gaining the employee's commitment to achieving these expectations.

Coaching: This is a crucial phase of continuously tracking and improving performance, through feedback and reinforcement of key results and competencies.

Reviewing: This phase involves jointly assessing actual performance against expectations at the end of the performance cycle to review and document planned vs. actual performance. (Reporting)

Rewarding: This phase establishes the link between performance and reward. It aims to direct and reinforce effective work behaviours by determining and allocating equitable and appropriate rewards to employees.

The following table details the timing and activities required for each of the four key phases in the performance management cycle:

PHASE	TIMING	ACTIVITIES
PLANNING	<p>This should occur at two months before the beginning of the new financial year and finalised in July each year i.e. beginning of the financial year.</p>	<p>Manager to schedule meeting with Employee to agree on Key performance Indicators and targets for the year. Both the Manager and the Employee are required to prepare for this meeting. Manager and Employee to finalise and sign the employee's scorecard. Utilization of the Technical SDBIP is of highly significant during this process to ensure accurate alignment.</p>
COACHING	<p>Ongoing throughout the year</p>	<p>Manager to create both formal and informal opportunities to provide feedback to the Employee on his/her performance against the agreed objectives. Where baselines and targets have not been finalised by the start of the new performance cycle, these should be finalised and signed off within the first three months of the financial year. Formal coaching sessions take place once a quarter where discussions, progress and agreed solutions are documented and signed off. The quarterly review in December is regarded as the formal mid year review (see below) Employees are entitled to feedback and to require assistance at any given time.</p>
REVIEWING	<p>December of each year – mid year review</p> <p>July of each year - final review.</p> <p>All performance reviews must be done before the new scorecard is signed off at the end of July.</p>	<p>Manager to set up formal mid-year review in December to assess the relevance of the objectives, evidence may need to be presented at this stage and the Employee's performance against the objectives. No formal scoring is done at this stage as it is unlikely that KPIs and targets will already have been met. Manager to set up a formal final review in July. The process for reviewing performance is as follows: Employee to compile required evidence throughout the year assessments and submit the evidence to the Manager at least 7 days before the formal review. Manager to prepare rough scores/ratings of Employee's performance against the agreed objectives as a result of the evidence. Manager to ask Employee to prepare for formal review by rough scoring him/herself against the agreed objectives. Manager and Employee to meet to conduct formal performance review and agree final scores. It may be necessary to have two meetings i.e. give Employee rough scores and allow him/her time to consider them before final agreement. A moderation process is conducted to ensure parity and quality of the review process across.</p>

PHASE	TIMING	ACTIVITIES
		<p>Manager and Employee to prepare and agree on individual learning plan – this only needs to be done at the final review in June and not at the mid-year review.</p>
REWARDING	<p>Section 57 employee’s Financial reward in February of next financial year -after the financial audit and the annual report have been tabled and after Council approves the results.</p> <p>All Non section 57 Managers on fixed term contracts – same as section 57 employees.</p>	<p>In February of each year after the annual report is tabled the Manager is required to provide information to the Department Corporate support services in relation to the budget and the possible maximum payout required in terms of the performance reward scheme.</p> <p>After approval of the oversight report and the report on the results of the performance reviews, Department Corporate support to execute payment of performance bonuses for all qualifying and legible employee.</p>

8.3. Section 57 employees & Managers on fixed term contracts

Every section 57 employee and employees on fixed term contracts are required to have a performance scorecard which should be finalised and signed by the end of July of each financial year:

The Local Government Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (August 2006) requires that the “parties must review the provisions of this agreement during June each year and must conclude a new performance agreement that replaces the previous agreement at least once a year **within one month after the commencement of the new financial year.**”

An example of the scorecard

Objective	Weighting		Key Performance Indicator (KPI)	Baseline	Target					Rating based target	Evidence			
					ANN	Q1	Q2	Q3	Q4					
	30	10								3 =				
					Budget					4 =				
										5 =				
		10											3 =	
								Budget					4 =	
													5 =	
	10										3 =			
											4 =			
											5 =			
	Employees signature				Manager's signature					Date				
			Attachment of signature by contracting parting hereby indicates full understanding of, and agreement with the content of the scorecard. The manager and the employee acknowledge that this is in full compliance with the Municipality's performance management policy.											

8.4. National key Performance Indicators

The Municipality shall when developing performance indicators respond to the 7 **National General Key Performance Indicators** as prescribed by the Local Government: Municipal Planning and Performance Management Regulations, 2001 by integrating them into the Service Delivery and Budget Implementation Plans.

8.5. Scorecard integration

It is important that integration occurs between the top Layer SDBIP and individual performance. All key performance indicators and targets captured in top Layer SDBIP must be included somewhere in senior management individual scorecards. In order to address this issue of integration, the following is required:

- All relevant KPIs and targets from the top Layer SDBIP are taken into consideration in the drafting of the individual performance agreements.
- The interdependence in the attainment of KPIs and targets must be clearly captured. This will serve to assist in integration of deliverables, so that the Municipality performs in an integrated manner.
 - The Municipal Manager must communicate the interdependence with all the affected role players
 - All KPIs and targets from the top Layer SDBIP must be included somewhere in an individual scorecard; and
 - To ensure any interdependency features and standards thereof are set and Directors and managers have common understanding and that they have been included in other individual scorecards where necessary.
- The various scorecards are then amended and integrated.

8.6. Planning: Scorecard Development

The scorecards include the measurement of both inputs (knowledge, skills and behaviour) and outputs:

- The number of KPI in each scorecard should be limited to develop appropriate focus. Scorecards should include KPAs and KPIs for which the scorecard owner has control over the implementation of the KPA and associated KPIs included in his/her scorecard.
- All KPIs should adhere to the SMART principle (within the span of control of the individual, measurable, achievable, realistic, and time-bound).
- The question of whether the KPIs indicated appropriately line up with the KPA should be asked – to ensure that appropriate indicators of success have been identified in respect of each performance area.

8.6.1. Assigning Weightings and rating based target

- a) Scoring of performance takes place at the level of KPIs.
- b) In essence when establishing the scorecard, each Objective is assigned one or more Key Performance Indicators (KPIs). Each KPI is then considered in terms of the scale of 1 to 5, and the indicators of performance at each level must be defined. In so doing, by

achieving the targets in full, **the individual will receive a score of 3**. By **exceeding** the target by the level specified, the individual will be scored for this excess, **through the assignment of a “4” or “5”**. Each Objective will therefore include the KPIs, the baseline and target, and a description of achievement against a 1, 2, 3, 4 or 5 for each KPI. This eliminates subjectivity or bias in the system.

8.6.2. Targets and Baselines

- a) Where baselines have not been finalised by the start of the new performance cycle, these should be finalised at the first quarter review.
- b) Sound records of all confirmed targets and baselines are to be signed and maintained. Both the manager and the employee should keep a record of the updated signed scorecard.
- c) Once targets are identified, the question should be asked as to whether these are too easy. The balance between stretch and easily achievable must be emphasised. Stretch target are encouraged.

8.7. Evidence / Means of Verification

- a) The owner of the scorecard takes responsibility for ensuring that the form of evidence identified within his/ her scorecard will be carried out / provided (e.g. ensuring that the relevant survey is undertaken – even if it is just about following up with the driver of such a survey).
- b) The form of evidence or measure identified in the scorecard must be realistic, relevant, independent and manageable. In terms of evidence being manageable, extensive checks of evidence such as fines submitted may best be carried out through application of electronic systems where feasible, or through a report being provided by internal audit following their review of data.
- c) Evidence to an effect that a certain event or occurrence (deviation) disturbed achievement of the target does not justify full score.

9. MONITORING AND REPORTING OF PROGRESS

Individual performance is monitored on a quarterly basis. Section 57 employees are required to complete a quarterly report and making use of the appropriate monitoring mechanisms. These feed into the Municipality's quarterly, mid year and annual reports which are submitted to National and provincial Treasuries and the Provincial and department responsible for Local Government. At the discretion of a Minister responsible local government or the chair person of the select committee responsible for local government the accounting officer and / or the mayor may be summoned to present performance report. Thus reporting must be on time.

It is therefore compulsory for all managers directly accountable to the Municipal Manager to:

- submit all required performance report within the prescribed timeframes,
- accurately within the required format as may be determined from time to time by the accounting officer and to
- Be available for all performance review meetings as would have been scheduled by the Accounting officer.
- Conduct quarterly performance review meeting with direct reportees

9.1. Reviewing Performance - An Overview of the Review Process

- Performance reviews are compulsory discussions between managers and their subordinates aimed at reviewing and rating an employee's performance;
- Employees performance is reviewed against both the KPIs and related targets;
- The mid-year review takes place in the middle of the performance year (i.e. December of each year or early January).
- The formal review takes place at the end of the performance year (i.e. July of each year).

10. REPORTING LINES AND FREQUENCY OF REPORTING

10.1. Heads of Municipal Departments

- a) Heads of Municipal departments report to the Municipal Manager in writing on a quarterly basis not later than 7 days after the end of each quarter. The quarterly reports must reflect whether SDBIPS targets are met or not.
- b) The reasons for under performance must be clearly spelt out, as well as measures to address under performance.
- c) The reports are made available to the internal audit unit, which make comments and report to the Municipal Manager.
- d) The Municipal Manager submits monthly budget statements to the Mayor and the relevant provincial treasury.
- e) All performance reports must be submitted to the performance audit committee before submission to council.
- f) Council receives performance reports from the Mayor on a quarterly basis a year. (Local Government: Municipal Planning and Performance Management Regulations, 2001. clause 13(2) (a). The reports should be accompanied by the report of the Audit Committee.
- g) Council reports twice per annum to the community through mechanisms determined by it through its community participation and communication policy.
- h) Council also reports annually to the Office of the Auditor General and the MEC responsible for local government in the province. The MEC consolidates all municipal annual reports in the province and reports to the Minister responsible for Provincial and Local Government who in turn will present a report on the state of local government to the national assembly.
- i) A key feature of the minister's report is the performance of the municipalities on the objectives prescribed by the General Key Performance Indicators in the Planning and Performance Management Regulations, 2001.

10.2. Who rates who

- a) The Evaluation Panel established as per the provisions of the regulations for Municipal Managers and managers directly accountable to Municipal Manager, only conducts the annual performance evaluation of Section 57 employees. In the process outlined below the Committee is led by the manager who performs the function of the "manager" with administrative support provided by the Strategy Unit in the office of the Municipal manager;
- b) For all other levels of employees, the immediate manager is responsible for reviewing and rating performance and for submitting review results for moderation.

- c) The presence of a PMS Manager is optional, at the request of the manager or the employee. If there is no need or request, the appraisal process should be completed between the manager and relevant employee, with PMS Manager Role being limited to assisting in the execution of the process.

10.3. Amending the Individual Performance Scorecard at the Mid-Year Review

- a) At the mid-year review, amendments may be made to the employee's performance scorecard. These amendments may be affected if:
 - I. The achievement or non-achievement of the particular KPI will be out of the employee's/team's span of control (e.g. the budget has been pulled from the project);
 - II. The Municipality has changed its scorecard, and the achievement of the KPI is no longer strategically important.
 - III. Since performance is done on a dynamic environment, should any disparities realized then contents of the Agreement shall immediately be revised.
- b) Any amendments must be reflected on a new performance scorecard, developed in accordance with the procedure in the performance agreement. The employee will be reviewed and rated on the amended scorecard. The employee and manager must sign the amended scorecard and a copy must be kept by both the manager and the employee.

10.4. Final Performance Review

The final review will take place in July of each year;

- a) A month before the formal review, the employee must be informed that the review will take place. The Manager will issues a schedule of performance reviewed meeting which shall be agreed upon;
- b) The employee and the manager should prepare for the final review discussions by reviewing the scorecard and collecting evidence on progress to date against each KPI;
- c) The employee and the manager must decide independently whether the Key Performance Indicators have been met or are on track to be achieved;
- d) The manager and the employee therefore review any evidence that substantiates the achievement of a Key Performance Indicator; and
- e) Using the 5-point rating scale, the manager and the employee assign preliminary ratings to each Key Performance Indicator, i.e. a "rough score" is assigned to each Key Performance Indicator before the actual review meeting.
- f) In case of section 57 Managers, The portfolio of evidence and the report shall be submitted to the Municipal Manager, 7 working days before the review meeting.

10.5. Deviations

Any deviation that occurs when an employee is unable to achieve a particular Key Performance Indicator and the reason for non-achievement is outside of the employee's span of control. The employee submits a written deviation within the comment column of the report to his/her manager to explain the reasons for non-achievement, and if the manager agrees with the deviation, the KPI is not rated.

A deviation must:

- Be submitted along with evidence;
- Indicate clearly the KPI not achieved and the reasons for non-achievement;
- Both managers and employees should clearly commit themselves on how non-achievements will be addressed
- Indicate clearly the action plans implemented by the employee over the performance year attempting to achieve the KPI.

A deviation will not be granted if there is no clear evidence of the employee attempting to achieve the KPI.

10.6. Conducting the Final Performance Review

- At the final review, the manager and employee should discuss each Key Performance Indicator and each preliminary rating;
- The formal review is a consultative process – therefore, the rating of an employee should be explained fully throughout the review and the employee should be provided with an opportunity to discuss the rating in order to either influence or understand the rating;
- As part of these discussions, the manager and the employee should review any evidence used in the determination of a “rough score” to decide upon a final rating;
- The outcome of the review process is a jointly agreed rating;

11. SCORING PERFORMANCE

11.1. CALCULATING AND CHECKING SCORES

- The rating for each KPI will be calculated as follows: ***Final Rating x Weighting = KPI Score***
- The weighting for the ***leadership dimension*** must always add up to 100.
- The weighting for the ***functional dimension*** must always add up to 100.
- All KPI scores for the ***leadership dimension*** are then added together to obtain a final score out of 300 for the full performance period. The spreadsheet calculates this automatically.
- The score for the ***leadership dimension*** is then multiplied by the leadership dimension weighting to obtain a weighted score for the dimension. The spreadsheet calculates this automatically.
- All KPI scores for the ***functional dimension*** are then added together to obtain a final score out of 300 for the full performance period. The spreadsheet calculates this automatically.

The score for the *functional dimension* is then multiplied by the functional dimension weighting to obtain a weighted score for the dimension. The spreadsheet calculates this automatically and formulas used to calculate can be tested and audited for accuracy.

The following table illustrates how a final weighted score is obtained for all KPI

Rating	Actual Performance Rating (Rating scale from 1-5)	Relative Weight out of 100%
	1	33
	2	67
	3	100
	4	133
	5	167
Total weighted score for all KPI (sum of weighted scores):		

12. THE MODERATION PROCESS

12.1 The Moderating Committee

12.1.1 The moderation process ensures that there is consistency in the management and measurement of individual performance across the Municipality. This process also serves to entrench the link between the measurement of individual performance and organisational performance

12.1.2 The moderation process differs according to levels of employees within the Municipality. It takes place after the formal performance reviews but before final reward decisions have been made.

12.1.3 The Moderating Committee shall in respect of permanent employees who are affected by the policy

- i. Conduct assessment moderating meetings to review and/or ratify assessment outcomes.
- ii. Ensure that there is an objective assessment of all employees' performance.
- iii. Ensure that performance bonuses are widely distributed and that pay progression and bonuses are within budgetary provisions
- iv. Monitor procedural and substantive compliance with the policy in assessing employees' performance; and
- v. Provide the Accounting Officer with recommendations relating to performance assessment reports presented to it.
- vi. Recommend changes (if any, based on patterns of use and/or problems encountered) to enhance the PMS Policy

12.2 The Performance Assessment Appeal Panel

The Appeal Panel shall

12.2.1 moderate on all assessment reports of employees who have lodged grievances

12.2.2 provide the Accounting Officer with recommendations on the grievance lodged;

12.2.3 monitor procedural and substantive compliance with the policy in assessing performance of employees.

13. DISPUTE RESOLUTION

- 13.1 The employee may follow either the normal grievance procedure and/or the dispute resolution process, depending on the nature or circumstances of the grievance/dispute; and
- 13.2 The employer commits to speedy resolution of these matters, within 30 days of finalisation of the performance review. Should employees not agree with the final scores allocated to them by their manager after the review discussions, they are required to follow the Municipality's grievance procedure.

14. REWARDS

14.1 Municipal Managers, Managers directly accountable to the Municipal Manager and Managers on Fixed Term Employment

- 14.1.1 A score of 130% - 149% shall be awarded financial reward in the form a performance bonus ranging from 5% to 14% depending on their final score.
- 14.1.2 The actual scores will be captured in the municipality's remuneration policy

14.2 Permanent Employees

- 14.2.1 Employees on permanent contracts of employment are eligible to receive non-financial rewards, this should be outlined in the Municipality's remuneration Policy on Nonfinancial Rewards (OR)
- 14.2.2 Employees on permanent contracts of employment are eligible to receive rewards ranging from 3% to 5% of their annual salary.
- 14.2.3 Annual Increases for permanent employees are not linked to performance
- 14.2.4 Bonuses for permanent employees are not linked to performance but are paid annually as 13th cheques

15. MANAGING POOR PERFORMANCE

It is the manager's responsibility to follow up on the performance review of an employee who was ranked as a poor performer. It is important to note that an employee may not be dismissed due to his poor performance unless he has received appropriate evaluation, instruction, training, guidance or counselling.

The management of poor performance should occur throughout the performance period so that the employee does not hear that his/her performance is not satisfactory for the first time in an annual performance appraisal meeting.

Managers must be aware that an employee may have work habits that differ from the appraiser's habits. If these work habits do not impede the employee from meeting the

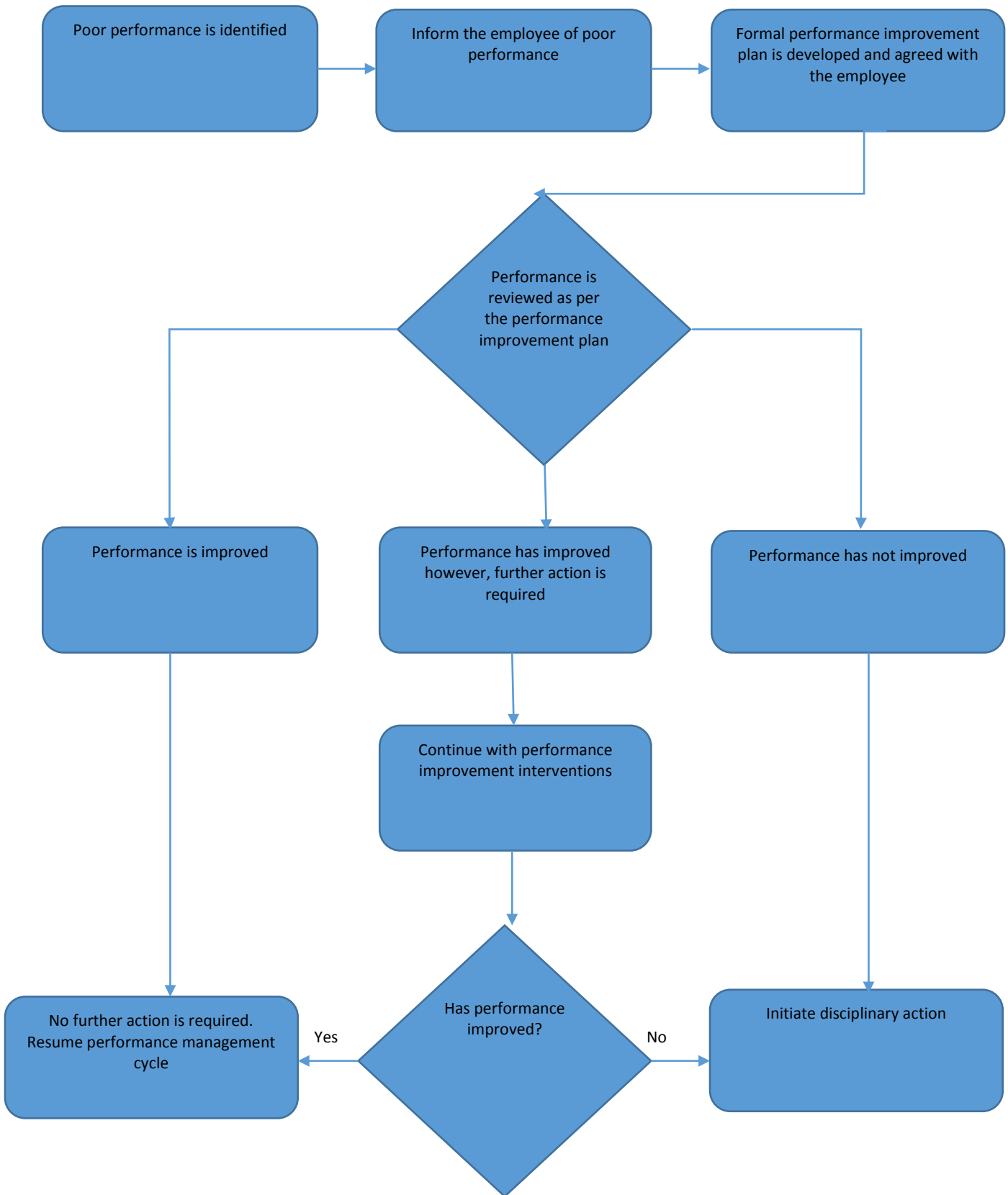
Municipality's performance standards, they are not considered performance *deficiencies*. Managers must also realise that personal problems may interfere with an employee's ability to satisfactorily perform his or her job.

The Code of Good Practice in the Labour Relations Act requires an employer to:

- Investigate to establish the reasons for the employee's unsatisfactory performance;
- Give the employee appropriate evaluation, instruction, training, guidance or counselling;
- Allow the employee a reasonable time to improve; and
- Consider alternative sanctions short of dismissal.

The manager must assess the employee's review, and identify a course of action that will address the shortcomings. Whilst the primary aim is to assist the employee to achieve satisfactory work performance, there is the possibility that it may also ultimately lead to dismissal.

The process map that follows describes the different steps and outcomes that result from an intervention to address poor performance.



There are three broad phases for dealing with poor performance:

- Establishing poor performance;
- Affording the employee an opportunity to improve performance; and
- Outcome of actions initiated to deliver sustained performance improvements.

Phase 1: Establishing poor performance

Firstly, the manager must identify whether the poor performance is due to incapacity or ill health, in which case the manager must contact the directorate Corporate Support services for assistance on how to deal with the situation. If poor performance is not related to ill health or incapacity, then the manager must establish the following:

- **Existence of performance standard.** The requirement to establish the existence of a performance standard should be easily satisfied as the employee has participated in the performance management process that has resulted in a performance scorecard, to which he or she has consented. Sources of performance standards can be varied, including letters of appointment, direct instruction, custom, and practice in the Municipality.
- **Proof of poor performance.** This is a question of fact to be determined on a balance of probabilities, and not beyond a reasonable doubt. The outcomes of the performance management review process in the form of the scorecard, evaluation of evidence, and rating should corroborate the lack of performance.
- **Awareness of the performance standard.** The manager must establish that the employee was aware of the performance standard, before he/she can be held accountable for poor performance.

Phase 2: Affording the employee the opportunity to improve performance

The manager should meet with the employee to discuss their performance and to establish why it is falling short of the required standard and to agree on how performance can be improved. This process will incorporate the following:

- The manager should review and assemble any relevant information and documentation prior to the meeting.
- It should be made clear that the purpose of the meeting is to establish the fact of the existence and causes of the employee's poor performance and to agree on next steps.
- Care must be taken to establish whether or not there are contributory problems or circumstances in the workplace for which the employee is not responsible.
- The discussion should include clear examples of the ways in which the employee has failed to reach the required standards.
- The discussion should include ways in which the necessary improvements can be made. Actions should be agreed, together with regular monitoring and feedback arrangements.
- The manager should identify - in consultation with the individual - whether any training, support and/ or other assistance could help the employee to improve sufficiently.
- Meetings should be conducted in a confidential setting, using an informal, counselling style. The manager should ask relevant open questions relating to work performance,

but intrusive or personal matters relating to the employee's medical or domestic circumstances should not be raised unless introduced by the employee.

At the conclusion of the meeting, there should be a clear and common understanding of the following points:

- The shortfalls in performance, the underlying reasons for these, and the timescales agreed for the necessary improvements.
- Acknowledgement by the employee that the reasons for the problems have been fully discussed.
- The standards and expectations of acceptable performance in the role.
- The establishment and agreement to a clear work programme, with proper supervision and adequate guidance and monitoring.
- The support to be provided by the line manager, for example on-job training.
- The consequences of failing to achieve and sustain the required standards. These could include redeployment, demotion, or dismissal.

Subsequent to the meeting and in the months ahead, the following actions will need to take place:

- Notes covering the above points and any others that the employee wishes to raise should be sent to HR for filing.
- The employee will also receive a copy.
- The employee must undergo 'compulsory counselling' in terms of the performance management system.
- The action plan must include a timetable of regular review meetings at which the manager must give clear, detailed and supportive feedback on the employee's performance. The feedback given to the employee by the manager at each review meeting should state whether or not the targets have been achieved at each stage, and should provide the information on which agreed revisions of the action plan may be made. All review meetings must be carefully documented, in the interests of fairness and accountability. Copies of the action plans and the record of the meetings should be given to the employee concerned, and placed in his file.
- Having agreed and documented the targets and measures for improvement, it is essential that these be followed through, that regular monitoring and feedback takes place throughout the review period. In addition, the manager must ensure delivery of any measures promised by way of documentation, guidance or training to assist the employee.
- The employee must be given a reasonable period of time for improvement, taking into account the natural length of the work cycle as well as any time required for guidance
- The Municipality must continually monitor and evaluate the employee's performance, recording improvements and highlighting areas of concern.

Phase 3: Outcome of actions initiated to deliver sustained performance improvements

At the end of the review period, the manager must again assess the employee's performance and should convene a final meeting with the employee, at which he/she will be informed of the outcome, orally and in writing. The possible outcomes will be as follows:

- If there has been a measurable and sustained improvement in performance, this should be recognised and the individual should be informed that no further action is necessary.

In addition, the performance counselling process will not count against him or her in any subsequent application for promotion or benefits.

- If the employee has shown some improvement it may be considered appropriate to offer some extension to the review period.
- If there has been insufficient improvement, or improvement is not sustained thereafter, there may be no alternative but to have recourse to a formal performance hearing, the outcomes of which may range from a decision to redeploy to an alternative post (either at the same or a lower grade), or to dismiss.

16. COUNSELLING

The first step in addressing performance deficiencies is to discuss them with the employee. Depending on the severity of the deficiencies, this step may be verbal counselling, followed by a written report to the employee's file.

16.1. The purpose of this counselling session is to:

- (a) conduct a formal discussion with the employee in an effort to address performance deficiencies;
- (b) review areas where current performance levels are below the goals and expectations of the position;
- (c) discuss possible causes and reasons for the substandard performance;
- (d) review training or retraining needs to assist in remedying the performance deficiencies;
- (e) determine what action steps are required to correct the performance problem;
- (f) determine how progress will be measured; and
- (g) Establish follow-up procedures to ensure that progress is measured and feedback is provided to the employee.

16.2. The counselling session should provide insight as to the causes of the performance deficiencies. Elements may include:

- (a) a review of the performance expectations;
- (b) An explanation that the current performance level is a concern and requires immediate improvement. The time frame for improvement should be established as well as dates for follow-up;
- (c) additional training;
- (d) If additional counselling sessions are required, these sessions should be documented in writing to the employee.

Where it is established that the employee *is unable to meet job requirements* as a result of physical or mental limitations the case should be referred to HR who will ensure that appropriate steps are taken to sympathetically address the issue.

17. APPOINTMENTS DURING THE YEAR

A newly appointed employee and his/her manager must agree a performance scorecard for the balance of the year. However, the employee becomes eligible for participation in the performance management system. Any incentive bonus for performance achievement will be pro-rated for the length of time employed in the year.

17.1. New appointment during the financial year

The employee becomes eligible for performance **rewards** after **three (3) months** of employment. Subject to:

- Has a **signed performance agreement and scorecard**
- Met all requirements of the performance agreement and scorecards
- **Performance reward** being **pro-rated** for the length of time employed within the financial year.

17.2. Internal department transfers and appointments

If an employee is transferred or appointed to a different department during the year, the following conditions apply:

- The departing employee must have a performance review with the manager and agree on the level of performance reached to date in the year; the manager must provide an assessment (review) report based on the actual performance at the time of departure.
- The assessment (review) report must be forwarded to the new manager.
- The new manager and the employee must then agree on a performance scorecard for the balance of the year.
- At the end of the financial year the review report (from the old department) is then reconciled with the final assessment/reviews (in the new department)
- It is important in both departments that the employees must have signed the performance agreement and scorecard.

17.3. Conversions from permanent employment to fixed term contract

Employees, who convert during the financial year to fixed term contract, are regarded as new appointments and the same provisions outlined above will be applicable.

18. AUDITING

The Municipal Planning and Performance Management Regulations, 2001, requires municipalities to develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its auditing processes. This is meant to ensure that performance information collected by the municipality is verifiable, reliable and correct.

The Regulations and the MFMA provides for the establishment of an internal audit function. Internal auditing must include assessment of the following:

18.3.1. The functionality of the municipality's performance management system. Whether the performance management system complies with the relevant provisions of the Municipal Systems Act, 2000.

18.3.2.

18.3.3. The extent to which the municipality's performance measurements are reliable in measuring performance.

18.3.4. On a quarterly basis, audit the performance measurements of the municipality and the results of the performance assessments for section 57 Managers.

18.3.5. Submit quarterly reports on their audits to the municipal manager and the Audit Committee.

Additional functions of the Internal Audit relating to other systems of the municipality are outlined in the Municipal Finance Management Act.

19. AUDIT COMMITTEE

The municipality will use the Audit Committee established in terms of the MFMA to perform the function of performance audit. The functions of the Audit Committee must take into account the stipulations of the Planning and Performance Management Regulations and the Municipal Financial Management Act.

20. COMMUNICATING THE SYSTEM

To address the issue of the extent to which employees understand the performance management system and target achievement, regular engagement processes with employees shall be structured and include:

- Quarterly meetings that involve discussion of the SDBIP formulation and progress, to which employees are invited, and through which all can develop a greater sense of the end target of their own responsibilities.
- Responsibility for communication of these issues rests with the office of the Municipal Manager.
- Communication of an accountability framework and process map of performance management to all parties, to ensure an understanding of how the Municipality's SDBIP is devised and rolled down.

21. ROLES AND RESPONSIBILITIES OF STAKEHOLDERS IN THE OPERATION AND MANAGEMENT OF THE PERFORMANCE MANAGEMENT SYSTEM

21.1 Municipal Council's political oversight roles and responsibilities

Planning	Monitoring		
	Review	Reporting	Performance Audit
<ol style="list-style-type: none"> 1. Adopts priorities and objectives of the Integrated Development Plan. 2. Adopts the PMS framework. 3. Adopts the municipality's corporate strategy that includes key performance indicators and performance targets. 4. Assigns the responsibility for the management of the PMS to the Mayor. 5. Adopts SDBIPS. 	<ol style="list-style-type: none"> 1. Approves the annual review programme of the IDP, including the review of key performance indicators and performance targets. 2. Approves the annual improvement measures of the municipality as part of the new municipal strategic scorecard. 3. Approves any changes to the priorities, objectives, key performance indicators and performance targets of the municipality. 	<ol style="list-style-type: none"> 1. Receives externally audited performance reports from the mayor every quarter. 2. Reports the municipality performance to the community twice a year. 3. Approves recommendations for the improvement of the performance management system. 4. Annually approves performance appraisal of the municipal manager and other section 57 employees. 5. Submits the municipal annual report to the Auditor General and the MEC. 	<ol style="list-style-type: none"> 1. Notes the municipal annual audit plan and any substantial changes to it. 2. Can receive reports directly from the Audit Committee. 3. Approves the implementation of the recommendations of the Audit Committee with regard to both improvement in the performance of the municipality or improvement of the performance management system itself. 4. Receives performance audit report from the Auditor General and approves implementation of its recommendations.

21.2 Roles and responsibilities of the Executive Committee

Planning	Monitoring		
	Review	Reporting	Performance Audit
<ol style="list-style-type: none"> 1. Submits priorities and objectives of the Integrated Development Plan to Council for approval. 2. Submits the PMS framework for approval. 3. Submits the municipality's corporate strategy that includes key performance indicators and performance targets for approval. 4. Approves the Service Delivery and Budget Implementation Plan. 5. Mandate the mayor to enter into a performance agreement with the Municipal manager on behalf of Council. 6. Assigns the responsibility for the management of the PMS to the Municipal Manager. 	<ol style="list-style-type: none"> 1. Proposes to Council, the annual review programme of the IDP, including the review of key performance indicators and performance targets. 2. Proposes the annual performance improvement measures of the municipality. 3. Proposes changes to the priorities, objectives, key performance indicators and performance targets of the municipality. 4. Quarterly evaluates the performance of the municipality against adopted KPIs and targets. 5. Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipality. 6. Quarterly and annually evaluates the performance of the Municipal Manager. 	<ol style="list-style-type: none"> 1. Receives performance reports quarterly from the Municipal Manager 2. Receives performance reports twice a year from the Audit Committee. 3. Receives Monthly financial indicators and quarterly performance reports from the Municipal Manager on the performance of section 57 employees. 4. Reports to Council on the performance of the municipality once every quarter. 5. Reports to Council on the recommendations for the improvement of the performance management system. 6. Annually reports to Council on the performance of the Municipal Manager and other section 57 employees. 	<ol style="list-style-type: none"> 1. Submits the municipal annual audit plan and any substantial changes to it to Council for approval. 2. Approves the implementation of the recommendations of the internal auditor with regard to both improvement in the performance of the municipality or improvement of the performance management system itself. 3. Receives performance audit report from the Auditor General and makes recommendations to Council.

21.3 Roles and responsibilities of the Municipal Manager

Planning	Implementation	Monitoring		
		Review	Reporting	Performance Audit
<ol style="list-style-type: none"> 1. Coordinates the process of IDP needs identification and prioritization among all stakeholders, including community structures. 2. Coordinates the formulation and revision of the PMS framework. 3. Coordinates the formulation and revision of the municipality's corporate strategy that includes key performance indicators and performance targets. 4. Leads the process of the formulation and revision of the Service Delivery and Budget Implementation Plans. 5. Enters into a performance agreement with other 	<ol style="list-style-type: none"> 1. Manages the overall implementation of the IDP. 2. Ensures that all role players implement the provisions of the PMS framework. 3. Ensures that the Service Delivery and Budget Implementation Plan serve the achievement of corporate performance targets. 4. Ensures that the SDBIP is implemented according to the approved targets and timeframes. 5. Implements performance improvement measures approved by the Mayor and the Council. 6. Ensures that 	<ol style="list-style-type: none"> 1. Formulates the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the Mayor. 2. Formulates the annual performance improvement measures of the municipality as part of the new corporate strategy and SDBIP. 3. Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipality. 4. Quarterly and annually evaluates 	<ol style="list-style-type: none"> 1. Receives performance reports quarterly from the internal auditor. 2. Receives performance reports twice a year from the Performance Audit Committee. 3. Receives monthly departmental performance reports from HoDs. 4. Reports once quarterly to council committees and the Mayor on the performance of Directorates. 5. Reports on the implementation of improvement measures adopted by Mayor and Council. 6. Annually reports on the performance of section 57 	<ol style="list-style-type: none"> 1. Formulates the municipal annual audit plan. 2. Formulates a response to the recommendations of the internal auditor and the Audit Committee. 3. Formulates a response to performance audit report of the Auditor General and makes recommendations to the Mayor.

section 57 employees on behalf of Council.	performance objectives in the section 57 employee's performance agreements are achieved.	the performance of section 57 employees.	employees. 7. Submit the municipal annual report to the Mayor	
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21.4 Roles and responsibilities of Council Committees

Planning	Monitoring		
	Review	Reporting	Performance Audit
<ol style="list-style-type: none"> 1. Advise the mayor on priorities and objectives of the Integrated Development Plan. 2. Deliberates and advice on the corporate strategy and SDBIP that includes key performance indicators and performance targets. 3. Ensures that concerns of community structures are taken into account in discharging their responsibilities. 	<ol style="list-style-type: none"> 1. Participate in the formulation of the annual review programme of the IDP. 2. Participate in the formulation of proposals for the annual performance improvement measures of the municipality as part of the corporate strategy. 3. Quarterly evaluates the performance of their portfolios against adopted KPIs and targets. 4. Quarterly reviews the performance of their portfolios to improve the economy, efficiency and effectiveness of the municipality. 	<ol style="list-style-type: none"> 1. Receives quarterly reports from the Directors responsible for their portfolios before they are tabled at the mayor and Council. 2. Reports to the mayor on the recommendations for the improvement of the performance management system. 	<ol style="list-style-type: none"> 1. Participate in the formulation of the annual audit plan. 2. Advises e mayor on the implementation of the recommendations of the internal auditor with regard to both the improvement in the performance of the municipality and improvement of the performance management system itself.

21.5 Roles and responsibilities of Heads of Departments

Planning	Implementation	Monitoring		
		Review	Reporting	Performance Audit
<ol style="list-style-type: none"> 1. Participates in the IDP process 2. Participates in the formulation and revision of the municipality's corporate strategy that includes key performance indicators and performance targets. 3. Develop Technical SDBIP 4. Enters into a performance agreement with the Municipal Manager. 5. Manages the development of subordinates' performance measurement system. 	<ol style="list-style-type: none"> 1. Manages the implementation of the SDBIP. 2. Ensures that the SDBIP is implemented according to the approved targets and timeframes. 3. Implements performance improvement measures approved by the mayor and the Council. 4. Manages the implementation of subordinates' performance measurement system. 5. Ensures that performance objectives in the performance agreements are achieved. 	<ol style="list-style-type: none"> 1. Participates in the formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the mayor. 2. Annually reviews the performance of the Municipality 3. Quarterly and annually evaluates the performance of the department. 	<ol style="list-style-type: none"> 1. Submit monthly section 71 2. Comment on section 71 reports on material variances 3. Reports on the implementation of improvement measures adopted by the mayor and Council. 4. Quarterly and annually reports on the performance of the department. 	<ol style="list-style-type: none"> 1. Participates in the formulation of the response to the recommendations of the internal auditor and the Performance Audit Committee. 2. Participates in the formulation of the response to performance audit report of the Auditor General and makes recommendations to the Municipal Manager

21.6 Roles and responsibilities of staff

Planning	Implementation	Review	Reporting
<ol style="list-style-type: none"> 1. Participates in the development of the SDBIP 2. Participates in the development of their own performance measurement. 	<ol style="list-style-type: none"> 1. Executes individual work plans. 	<ol style="list-style-type: none"> 1. Participates in the review of unit plans. 2. Participates in the review of own performance. 	<ol style="list-style-type: none"> 1. Reports to line manager on the implementation of their work plans.

21.7 Roles and responsibilities of the internal Audit

Planning	Monitoring	
	Review	Reporting
<ol style="list-style-type: none"> 1. Participates in the formulation of the Internal Audit Charter. 2. Ensure the formulation of the annual risk based audit plan. 	<ol style="list-style-type: none"> 1. Verify the performance of departments according to KPIs and performance targets set in the corporate strategy and SDBIP. 2. Assess the functionality of the PMS. 3. Ensures that the system complies with the Act. 4. Audit the performance measures in the corporate strategy and SDBIP. 5. Audit Performance of the Municipal entity. 	<ol style="list-style-type: none"> 1. Submit quarterly reports to the Municipal Manager. 2. Submit quarterly reports to the Audit Committee.

21.8 **Roles and Responsibilities of the Audit Committee**

Planning	Monitoring	
	Review	Reporting
<ol style="list-style-type: none"> 1. Participates in the formulation of the Audit Committee Charter. 2. Participates in the formulation of the annual audit plan. 	<ol style="list-style-type: none"> 1. Review quarterly reports from Departments and the internal audit committee. 	<ol style="list-style-type: none"> 2. Reports quarterly to the Municipal Council.

21.9 **Roles and Responsibilities of the Community and /or Community Development Workers**

Planning	Monitoring	
	Review	Reporting
<ol style="list-style-type: none"> 1. Participate in the drafting and implementation of the municipality’s IDP through established forums 2. Participates in the development of the PMS, to Comment on KPIs and targets set for the municipality every year 3. Make representations on the draft annual budget 	<ol style="list-style-type: none"> 1. Participate in the annual review of performance through their involvement in the development of the Oversight Report. 	<ol style="list-style-type: none"> 1. Receive annual performance and budget reports from council 2. Participate in the development of the Oversight report

7. Action Plan – 2018/2019 Financial year

Table 3 Process plan/ action Plan

Activity	Estimated Timeframe
Development of top layer SDBIP	June 2018
Conclude performance agreements for MM and section 57 managers	July 2018
Drafting of annual performance report	August 2018
Adoption of the revised framework.	August 2018
Performance measurements, monitoring and reporting	Continuously – 1 July 2018– 30 June 2019
	Quarterly, annually and midyear performance reporting
Auditing of Financial statements; and results on performance measurement	30 September 2018
Report from Auditor-General	31 December 2018
Adoption of mid-term performance review	31 January 2019
Municipality tables annual report to council	31 January 2019
Municipality prepare an oversight report	March 2019
Municipality submit copies to MEC for local government; Auditor-General and other institutions	March 2019