

PERFORMANCE PLAN

Entered into by and between

**ALBERTUS STEPHANUS ABRAHAM DE KLERK
MUNICIPAL MANAGER**

["the Employer"]

and

**GESINA WILHELMINA VAN NIEKERK
EXECUTIVE DIRECTOR: FINANCE SERVICES**

["the Employee"]

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1. Purpose

The performance plan defines the Council's expectations of the Municipal Manager's performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

2. Key responsibilities

The following objects of local government will inform the Municipal Manager's performance against set performance indicators:

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development.
- 2.4 Promote a safe and healthy environment.
- 2.5 Encourage the involvement of communities and community organizations in the matters of local government.

3. Key Performance Areas

The following Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

- 3.1 Municipal Transformation and Organizational Development.
- 3.2 Infrastructure Development and Service Delivery.
- 3.3 Local Economic Development.
- 3.4 Municipal Financial Viability and Management.
- 3.5 Good Governance and Public Participation.

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**MIDVAAL LOCAL MUNICIPALITY
PERFORMANCE MANAGEMENT SYSTEM**
(LOCAL GOVERNMENT: PERFORMANCE REGULATIONS – GOVERNMENT GAZETTE 29089 DATED 1 AUGUST 2006)

EXECUTIVE DIRECTOR: FINANCIAL SERVICES: MRS. G.W. VAN NIEKERK

PERIOD: 1 JULY 2010 – 30 JUNE 2011

2010/2011

KEY PERFORMANCE AREAS (KPA) – 80 %								
KEY PERFORMANCE AREA	WEIGHTING	KEY PERFORMANCE INDICATOR	TARGET & TIME-FRAME	RATING PER QUARTER				PROGRESS QUARTERLY REPORT PERIOD:
				1	2	3	4	
KPA 1 – TOTAL WEIGHT	10							
KPA 1 Basic Service Delivery	5	1.1 Service Delivery & Budget Monitoring and Reporting Monitoring and Reporting Plan Monitoring and Reporting to be reported to: <ul style="list-style-type: none"> ➤ Municipal Manager ➤ Executive Mayor, ➤ National Treasury; and other authorities by: 	1.1.1 Monthly reports submitted before the 15 th of each month = 5 15 th of each month = 4 20 th of each month = 3					
	3	1.2 Attend to departmental public complaints received via Helpdesk by: <ul style="list-style-type: none"> ✓ Acknowledge Receipt; ✓ Appropriate attention received; ✓ Returned to Helpdesk; within (average to be achieved): 	1.2.1 Complaints received from Helpdesk to be finalized within: <ul style="list-style-type: none"> 10 working days = 5 12 working days = 4 15 working days = 3 					

	2	1.3 Maintain a list of e-mail addresses for Midvaal publications (e.g. Bulletin) if accounts are to be sent out electronically	<p>1.3.1 1st Quarter Accounts e-mailed to increase: 1470 = 5 1500 = 4 1530 = 3</p> <p>1.3.2 2nd Quarter 1560 = 5 1590 = 4 1620 = 3</p> <p>1.3.3 3rd Quarter 1650 = 5 1680 = 4 1710 = 3</p> <p>1.3.4 4th Quarter 1800 = 5 1770 = 4 1740 = 3</p>					
KPA 2: TOTAL WEIGHT	14							
KPA 2 Municipal Institutional Development & Transformation								
2.1 Staff turnover	3	2.1 Staff turnover due to resignations maintained. Voluntary resignations within department to be limited to encourage career pathing and transfer of skills for current financial year	<p>2.1.1 Resignations on job levels 1 – 6 to be maintained below:</p> <p>2 officials = 5 3 officials = 4 5 officials = 3</p>					

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2.2 Training	5	2.2 Training of departmental staff to comply with Section 83 of the MFMA. Determine backlog baseline of number of staff members not compliant.	2.2.1 % of staff identified enrolled or in process to address need, by 30 June 2012: 50 % = 5 40 % = 4 30 % = 3					
2.3 Disciplinary Action	2	2.3 Effective and consequent disciplinary actions to be instilled	2.3.1 Submit request for disciplinary action, after date of incident to Management Services, including the details of the prosecutor within (excluding externalized processes): 3 weeks = 5 4 weeks = 4 6 weeks = 3					
2.4 Occupational Health & Safety	2	2.4.1 Legislative compliance to the OHSACT (Act No. 85 of 1993)	2.4.1.1 Legal appointment in terms of Section 16.2 accepted, training attended, Appointment Letter signed = 3 2.4.1.2 Attend quarterly Central Safety Committee Meeting = 4 2.4.1.3 Quarterly executions of Central Safety Committee resolutions, received from Management Services in writing = 5					

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2.4 Indigent Debt	2	<p>2.4 Registered indigents as at 30 June 2010 to be determined and registration as indigents to be improved by 30 June 2011</p> <p>Outstanding Debt: 1 July 2010</p> <p>Sicelo: Households 1123 ?</p> <p>Lakeside: Households 1187 ?</p>	<p>2.4.1 % reduction of debt in Sicelo & Lakeside by 30 June 2011:</p> <p>10 % = 5 8 % = 4 6 % = 3</p>					
KPA 4: TOTAL WEIGHT	53							
<p>KPA 4 Municipal Financial Viability and Management</p> <p>4.1 Revenue Enhancement</p>	5	<p>4.1.1 Property audit to be conducted to ensure correct billing and maximize revenue.</p> <p>Determine areas already finalized in line with Wards 4, 5, 7, 8 and 10) and review plan to include:</p> <p>Noldick Meyerton Farms Highbury</p> <p>Multi-departmental project, including Development & Planning, Engineering Services and Finance</p>	<p>4.1.1.1 Plan implemented and 1500 properties completed by 30 June 2011 = 3</p> <p>4.1.1.2 Plan implemented and 2200 properties completed by 30 June 2011 = 4</p> <p>4.1.1.3 Plan implemented and 3000 properties completed by 30 June 2011 = 5</p>					

	5	<p>4.2.1 Continued billing standard</p>	<p>4.2.1.1 Accounts for cycles 40, 43, 47 and 48 to be handed in monthly for posting (Mail a Million) as follows (Meyerton: 20th week-end prior to the week-end):</p> <p style="text-align: center;">18th = 5 19th = 4 20th = 3</p> <p>4.2.1.2 Accounts for cycles 41, 42, 44, 45 and 46 to be handed in monthly for posting (Mail a Million) as follows:</p> <p style="text-align: center;">23rd = 5 24th = 4 25th = 3</p> <p>4.2.1.3 E-mail accounts to be sent out monthly by:</p> <p style="text-align: center;">24th = 5 25th = 4 26th = 3</p>																							
4.3 Meter Reading	5	<p>4.3 Improved meter reading</p> <table border="1" data-bbox="622 1121 976 1257"> <thead> <tr> <th></th> <th>Meters</th> <th>Read</th> <th>Diff</th> </tr> </thead> <tbody> <tr> <td>Water</td> <td>12983</td> <td>11282</td> <td>1701</td> </tr> <tr> <td>Elec</td> <td>4607</td> <td>3167</td> <td>1440</td> </tr> </tbody> </table> <table border="1" data-bbox="622 1294 976 1425"> <thead> <tr> <th colspan="2">TARGET</th> </tr> </thead> <tbody> <tr> <td>Water</td> <td>425</td> </tr> <tr> <td>Electricity</td> <td>360</td> </tr> </tbody> </table>		Meters	Read	Diff	Water	12983	11282	1701	Elec	4607	3167	1440	TARGET		Water	425	Electricity	360	<p>4.3.1 Quarterly accumulative % increase in reading of meters</p> <p style="text-align: center;">25 % increase by Jun 2011 = 5 20 % increase by March 2011 = 4 15 % increase by Dec 2010 = 3</p>					
	Meters	Read	Diff																							
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		Baseline as at: 30 June 2010 -						
4.4 Debt Collection	6	4.4.1 Continuous handovers for the effective debt collection in all ward	<p>4.4.1.1 Handovers for appropriate legal action to be done monthly in wards; and</p> <p>4.4.1.2 Submit weekly reports on debt collections received from service provider to Municipal Manager:</p> <p>All wards = 5 9 wards = 4 8 wards = 3</p>					
	5	4.4.2 Effective management of debt Outstanding: 1 Jul 10 ?	<p>4.4.2.1 % Decrease in debt by 30 June 2011:</p> <p>5 % decrease = 5 2.5 % decrease = 4 No increase = 3</p>					
	3	4.4.3 Government debt to be monitored and reduced as per baseline dated 30 June 2010 Outstanding: 1 Jul 10 ?	<p>4.4.3.1 % Reduction in outstanding government by 30 Jun 2011:</p> <p>15 % = 5 10 % = 4 5 % = 3</p>					
4.5 Revenue Management	5	4.5.1 Payment levels maintained (levied income) by enforcing disconnections according to the approved Credit Control Policy	<p>4.5.1.1 % Payment levels quarterly maintained:</p> <p>97 % = 5 96 % = 4</p>					

			95 % = 3					
	2	4.5.2 Overdraft to be monitored	<p>4.5.2.1 R value of overdraft by 30 June 2011:</p> <p>No overdraft = 5 Less than R2 m = 4 More than R2 – R4 m = 3</p>					
	3	4.5.3 Investments to be secured in operational income to cover loan cost payable	<p>4.5.3.1 R value of investment by 20 Dec 2010:</p> <p>R10 m = 5 R8 m = 4 R5 m = 3</p>					
4.6	Asset Management	2	4.6 Continuous adequate asset management, with a focus on auctioning of redundant assets only if genuinely not usable , according to approved policy by 31 Oct 2009	<p>4.6.1 Set up inspection with Mayoral Committee and Municipal Manager to identify genuinely not usable assets by 30 Sept 2010</p> <p>4.6.2 Report submitted to Council by 31 Oct 2010</p> <p>4.6.3 Proceeds of auction deposited into Council's bank account by 30 April 2011</p> <p>Targets achieved: 4.6.1, 4.6.2 & 4.6.3 = 5 4.6.1 & 4.6.2 = 4 4.6.1 = 3</p>				

4.7 Financial Sustainability	2	4.7 Liquidity ratio maintained	4.7.1 Liquidity ratio on 30 June 2011 maintained at: 1:2 = 5 1:1.5 = 4 1:1 = 3					
4.8 Financial Statements	5	4.8 Opinion issued on audit report as per financial legislation	4.8.1 Opinion on audit report received: Unqualified = 5 Qualified = 0					

4.9	Budget Expenditure	3	Infrastructure of service delivery is maintained and improved	4.9.1					INCOME	
				% Income generated by 30 June 2011:					Budget	R97 441 408.00
				1.					Revised	
				Assessment Rates					1st Quarter	
					R16 009 047.00				Projection	
				2.					Actual YTD:	
				Dishonoured Cheques					% Expenditure	
					R5 000.00				2nd Quarter	
				3.					Projection	
				Clearance / Valuation Certificates					Actual YTD:	
					R63 000.00				% Expenditure	
				4.					3rd Quarter	
				Equitable Share					Projection	
					R4 145 861.00				Actual YTD:	
				Municipal Systems Improvement Programme					% Expenditure	
				Income					4th Quarter	
									Projection	
				97 % = 5					Actual YTD:	
				96 % = 4					% Expenditure	
				95 % = 3						

	2		4.9.3 % Expenditure of approved service delivery focussed operational funding by 30 June 2010: Operational 90 % = 5 85 % = 4 80 % = 3							<table border="1"> <tr> <th colspan="2">OPERATIONAL</th> </tr> <tr> <td>Budget</td> <td>R27 496 000.00</td> </tr> <tr> <td>Revised</td> <td></td> </tr> <tr> <th colspan="2">1st Quarter</th> </tr> <tr> <td>Projection</td> <td></td> </tr> <tr> <td>Actual YTD:</td> <td></td> </tr> <tr> <td>% Expenditure</td> <td></td> </tr> <tr> <th colspan="2">2nd Quarter</th> </tr> <tr> <td>Projection</td> <td></td> </tr> <tr> <td>Actual YTD:</td> <td></td> </tr> <tr> <td>% Expenditure</td> <td></td> </tr> <tr> <th colspan="2">3rd Quarter</th> </tr> <tr> <td>Projection</td> <td></td> </tr> <tr> <td>Actual YTD:</td> <td></td> </tr> <tr> <td>% Expenditure</td> <td></td> </tr> <tr> <th colspan="2">4th Quarter</th> </tr> <tr> <td>Projection</td> <td></td> </tr> <tr> <td>Actual YTD:</td> <td></td> </tr> <tr> <td>% Expenditure</td> <td></td> </tr> </table>	OPERATIONAL		Budget	R27 496 000.00	Revised		1 st Quarter		Projection		Actual YTD:		% Expenditure		2 nd Quarter		Projection		Actual YTD:		% Expenditure		3 rd Quarter		Projection		Actual YTD:		% Expenditure		4 th Quarter		Projection		Actual YTD:		% Expenditure	
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KPA 5: TOTAL WEIGHT	3																																															
KPA 5 Good Governance & Public Participation	3	5.1 Draft 2010/2011 budget submitted to Council for approval	5.1 Date submitted to Council: 25 March 2011 = 5 15 April 2011 = 4 20 April 2011 = 3																																													

CORE MANAGERIAL COMPETENCIES – 20 %

<p>1. Strategic Capability and leadership</p>	<p align="center">4</p>	<p>Determines and articulates the vision, sets the direction for the organisation and / or unit and inspires others to deliver on the organisational mandate</p>	<p>Generic Standard for “Fully Effective” Performance</p> <ol style="list-style-type: none"> 1. Gives direction to team in realising the organisation’s strategic objectives; 2. Creates and secures commitment to a clear vision; 3. Develops detailed action plans to execute strategic initiatives; 4. Achieves strategic objectives; 5. Translates strategies into action plans; 6. Inspires staff with own behaviour – “walks the talk”; 7. Is visible, approachable and earns respect; 8. Manages and calculates risks; 9. Communicates strategic plan to the organisation; 10. Utilises strategic planning methods and tools; 11. Inspires and shows loyalty 					
<p>2. People Management & Empowerment</p>	<p align="center">4</p>	<p>Manages and encourages people, optimises their outputs and effectively manages relationships in order to achieve organisational goals</p>	<ol style="list-style-type: none"> 1. Seeks opportunities to increase personal contribution and level of responsibility; 2. Supports and respects the individuality of others and recognises the benefits of diversity of ideas and approaches; 3. Delegates and empowers others to increase contribution and level of responsibility; 4. Applies labour and employment legislation and regulations consistently; 5. Facilitates team goal setting and problem solving; 6. Deals with labour matters; 7. Displays personal interest in the well-being of colleagues; 					

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			<ul style="list-style-type: none"> 8. Able to manage own time as well as time of colleagues and other stakeholders; and 9. Manages conflict. 				
3. Customer Orientation & Client Focus	4	Understand the service needs of clients, customers (internal and external) and actively focuses on anticipating, meeting and exceeding the needs in a timely and appropriate manner	<ul style="list-style-type: none"> 1. Understand the range of clients to be served; 2. Follows through on client enquiries, requests, and complaints in a timely manner; 3. Advises clients about status of issue or progress of projects; 4. Maintains clear communication with clients regarding mutual expectations and monitors client satisfaction; 5. Ensures professional and courteous service; 6. Makes clients and their needs a primary focus of actions; 7. Supports others to take personal responsibility to deliver excellent customer service; 8. Effectively represents the needs and interests of the client; 9. Aligns the organisational structure and management processes to support the client vision; and 				
4. Financial Management	4	Maximises the organisations' business sense and displays a sound business understanding in applying the most effective management practices to achieve organisational financing goals and objectives	<ul style="list-style-type: none"> 1. Sets strategic direction in the allocation of funding based on the utilization of cost-benefit thinking to established business priorities; 2. Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate; 3. Manages and monitors financial risk; 4. Continuously looks for new opportunities to obtain and save funds; 5. Prepares financial reports and guidelines based on prescribed format; 				

			<ol style="list-style-type: none"> 6. Understand, analyses and monitors financial reports; 7. Aligns expenditure to cash flow projections; 8. Ensures effective utilisation of financial resources; 9. Develops corrective measures/actions to ensure alignment of budget to financial resources; and 10. Prepares own budget in line with the strategic objectives of the organisation; 11. Allocates resources according to supply chain management objectives and requirements. 					
5. Service Delivery Innovation	4	Demonstrates ability to identify and seek potential sources of new ideas to enhance service delivery	<ol style="list-style-type: none"> 1. Consults clients and stakeholders in ways which improves delivery of services; 2. Communicates the benefits of service delivery opportunities to stakeholders; 3. Formulates and implements new ideas in service delivery; 4. Consults and utilises SDI best practices; 5. Integrates processes, policies and structures across the organisation to achieve improved effectiveness and efficiency in service delivery. 					
				PERFORMANCE				
				1 st Q	2 nd Q	3 rd Q	4 th Q	
TOTAL	100							

Accepted and Agreed:


 MRS. G.W. VAN NIEKERK
 EXECUTIVE DIRECTOR: FINANCE SERVICES
 31/7/2010
 DATE

MR. A.S.A. DE KLERK
 MUNICIPAL MANAGER
 DATE

CLLR. P.D. HUTCHESON
 MMC: SUPPORT SERVICES
 DATE