



Midvaal Local Municipality
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MADE AND ENTERED INTO BY AND BETWEEN:

MIDVAAL LOCAL MUNICIPALITY

AS REPRESENTED BY THE

EXECUTIVE MAYOR

AND

MUNICIPAL MANAGER

FOR THE FINANCIAL YEAR

1 JULY 2020 – 30 JUNE 2021

Original signed as per Council Resolution C2526/14/2021 dated 29 April 2021

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

Midvaal Local Municipality

herein represented by the Executive Mayor (herein after referred to as the Employer or Supervisor)

and

Employee of the Municipality of **Midvaal** (hereinafter referred to as the Employee)

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

- 1.1. The Employer has entered into a contract of employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties"
- 1.2. Section 57 (1) (b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.
- 1.3. The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Employee to a set of outcomes that will secure local government policy goals.
- 1.4. The parties wish to ensure that there is compliance with Sections 57 (4A), 57 (4B) and 57 (5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to –

- 2.1. comply with the provisions of Section 57 (1)(b), (4A), (4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- 2.2. specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3. specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.4. monitor and measure performance against set targets and outputs;
- 2.5. use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the Employee has met the performance expectations applicable to his/her job;
- 2.6. give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **1 July 2020** and will remain in force until **30 June 2021** where-after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.

- 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

4. PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) as sets out
- 4.1.1 the performance objectives and targets that must be met by the Employee; and
 - 4.1.2 the time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A are set by the Employer in the consultation with the Employee and based on the Integrated Development Plan and the Budget of the Employer, and shall include key objectives, key performance indicators; target dates and weightings.
- 4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.

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

5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.
- 5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 5.3 The Employer will consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.
6. The Employee agrees to participate in the performance management and development system that the Employer adopts.
- 6.1 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 local government framework.
- 6.2 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 6.2.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Managerial Competencies (CMC's) respectively.

- 6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 6.2.3 KPA's covering the main areas of work will account for 80 % and CMC's will account for 20 % of the final assessment.
- 6.3 The Employee's assessment will be based on his/her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (Annexure A), which are linked to the KPA's, and will constitute 80 % of the overall assessment result as per the weightings agreed to between the Employer and Employee.

KEY PERFORMANCE AREAS (KPA'S)	WEIGHTING
KPA 1: Good Governance & Public Participation	
KPA 2: Safety & Environment	
KPA 3: Social & Community Development	
KPA 4: Institutional Transformation	
KPA 5: Financial Sustainability	
KPA 6: Physical Infrastructure & Energy Efficiency	
KPA 7: Services & Customer Care	
KPA 8: Economic Growth & Development	
Total	100 %

- 6.4 The CMC's will make up to the other 20 % of the Employee's assessment score. CMC's that are deemed to be most critical for the Employee's specific job should be selected (✓) from the list below as agreed to between the Employer and Employee:

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)			
CORE MANAGERIAL COMPETENCIES (CMC)		√	WEIGHT
1. Strategic Direction & Leadership	- Impact & Influence - Institutional Performance Management - Strategic Planning & Management - Organisational Awareness		
2. People Management	- Human Capital Planning & Development - Diversity Management - Employee Relations Management - Negotiation & Dispute Management		
3. Program & Project Management	- Program & Project Planning & Implementation - Service Delivery Management - Program & Project Monitoring & Evaluation	Compulsory	
4. Financial Management	- Budget Planning & Execution - Financial Strategy & Delivery - Financial Reporting & Monitoring		
5. Change Leadership	- Change Vision & Strategy - Process Design & Improvement - Change Impact Monitoring & Evaluation		
6. Governance Leadership	- Policy Formulation - Risk & Compliance Management - Co-operative Governance		
CORE OCCUPATIONAL COMPETENCIES			
7. Moral Competence			
8. Planning & Organising			
9. Analysis & Innovation			
10. Knowledge & Information Management			
11. Communication			
12. Results & Quality Focus			
Total percentage			100 %

7. EVALUATING PERFORMANCE

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

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

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

7.2 Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.

7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.

7.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP.

7.5 The annual performance appraisal will involve:

7.5.1. Assessment of the achievement of results as outlined in the performance plan:

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

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

- (c) The applicable assessment rating calculator (refer to paragraph 7.5.3. below) must then be used to add the scores and calculate a final KPA score.

7.5.2 Assessment of the CMC's

- (a) Each CMC should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CMC.
- (c) The applicable assessment rating calculator (refer to paragraph 7.5.1) must then be used to add the scores and calculate a final CMC score.

7.5.3 Overall rating

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

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

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance Plan and maintained this in all areas of responsibility throughout the year.					

4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.	
3	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 in the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.	
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The Employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	

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

- 7.7.1 Executive Mayor;
- 7.7.2 Chairperson or delegated member of the Performance & Audit Committee;
- 7.7.3 At least one member of the Mayoral Committee (MMC);
- 7.7.4 Mayor and/or Municipal Manager from another Municipality; and
- 7.7.5 One ward committee member as nominated by the Executive Mayor.

8. SCHEDULE FOR PERFORMANCE REVIEWS

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

8.2

First quarter	:	July - September
Second quarter	:	October – December
Third quarter	:	January – March
Fourth quarter	:	April - June

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

8.4 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

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

8.6 The Employer may amend the provisions of Annexure "A" whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case the Employee will be fully consulted before any such change is made.

8.7 With reference to Section 3.6 of the Employment Contract entered into with the Employee, the particulars of Section 8 and 32 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006, will be applicable as follows:

“32. (1) *The evaluation of the employee’s performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.*

(2) *A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment calculator; provided that:*

(a) *a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and*

(b) *a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.”*

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer shall –

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

10.1.2 Provide access to skills development and capacity building opportunities;

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

- 10.1.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable him/her to meet the performance objectives and targets established in terms of this Agreement; and
- 10.1.5 Make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this Agreement.

11. CONSULTATION

- 11.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others -
- 11.1.1 A direct effect on the performance of any of the Employee's functions;
- 11.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer; and
- 11.1.3 A substantial financial effect on the Employer.
- 11.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

12. MANAGEMENT OF EVALUATION OUTCOMES

- 12.1 The evaluation of the Employee's performance will form the basis for evaluating performance or correcting unacceptable performance.
- 12.2 The Employee's performance will be evaluated on the basis as provided for in the Municipal Performance Regulations. The attainment of a total aggregated score of 100% in terms hereof is equated to the notion of fully effective or a score of 3 out of 5 as per Council's relevant policy and e-Perform PMS. An aggregated

score of 100% or 3 out of 5 or fully effective over the 5 year contract period of the Employee, forms the basis of the renewal provision in clause 17 of the Employee's Employment Contract.

12.3 In the case of unacceptable performance, the Employer shall

12.3.1 Provide systematic remedial or developmental support to assist the Employee to improve his/her performance; and

12.3.2 After appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his/her duties.

13. DISPUTE RESOLUTION

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

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

13.1.2 Any other person appointed by the MEC.

13.2 In the event that the mediation process contemplated above fails, clause 19.3 of the Contract of Employment shall apply.

14. GENERAL

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

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

Thus done and signed at Meyerton on this _____ day of _____ 2021

AS WITNESSES:

1. _____

2. _____

MUNICIPAL MANAGER

AS WITNESSES:

1. _____

2. _____

EXECUTIVE MAYOR

Original signed as per Council Resolution C2526/04/2021 dated 29 April 2021

PERFORMANCE PLAN

Entered into by and between

EXECUTIVE MAYOR

["the Employer"]

and

MUNICIPAL MANAGER

["the Employee"]

Original signed as per Council Resolution C252619 dated 29 April 2021

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 objectives of Midvaal Local Municipality will inform Municipal Manager's performance against set performance indicators:

- 2.1 Reducing poverty through growth and jobs;
- 2.2 Ensuring clean and transparent government;
- 2.3 Ensuring efficient and effective government;
- 2.4 Planning and regulating for growth;
- 2.5 Building and maintaining infrastructure;
- 2.6 Making government accessible;
- 2.7 Building strategic partnerships;
- 2.8 Using recourse sustainability;
- 2.9 Building human settlements;
- 2.10 Fighting crime; and
- 2.11 Delivering services for all.

3. Key Performance Areas

The following Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2004) 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.

4. **Midvaal Local Municipality's Key Performance Areas (KPA's) as defined in the Integrated Development Plan (IDP):**

1. **KPA 1: Good Governance & Public Participation**

To promote increased participation and improved communication with all key internal and external stakeholders.

2. **KPA 2: Safety & Environment**

To create a sustainable environment safe from harm.

3. **KPA 3: Social & Community Development**

To create an environment focused on uplifting the youth, the poor and the most vulnerable.

4. **KPA 4: Institutional Transformation**

To transform and align the people, processes and systems of the municipality to achieve its objectives.

5. **KPA 5: Financial Sustainability**

To improve the financial sustainability and capacity of the municipality, whilst adhering to statutory requirements.

6. **KPA 6: Physical Infrastructure & Energy Efficiency**

To ensure efficient infrastructure and energy supply that will improve the quality of life of the community.

7. **KPA 7: Services and Customer Care**

To deliver inclusive and excellent services to the community

8. **KPA 8: Economic Growth & Development**

To facilitate sustainable economic empowerment for all communities within Midvaal and through the development of partnerships and innovation

NO OF INDICATORS PER DEPARTMENT	RESPONSIBLE DEPARTMENT	KPI NO	KPA NO	KPA DESCRIPTION	KFA NO	KFA DESCRIPTION	KEY PERFORMANCE INDICATOR (KPI) 2020/2021	DEFINITION	OBJECTIVE OF INDICATOR	WEIGHTINGS	2017 - 2022	OUTER YEAR	SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN - 2020/2021			
											YEAR 4		Q1	Q2	Q3	Q4
											2020/2021					
											ANNUAL TARGET	2021/2022	TARGET	TARGET	TARGET	TARGET
1	CORP	KPI 018	KPA 1	Good Governance & Public Participation	KFA 02	Stakeholder Participation	Number of events arranged per approved year planner	(1) Council Related Events, approved per Year Planner executed = Year Planner approved by Mayoral Committee (Mayoral Committee Resolution) (2) Evidence of execution of event planned	Council hosts events as a medium to enhance a positive relationship/partnering with external stakeholders and portray a positive image of Council (Planning & Execution)		2	3	0	0	0	0
2	CORP	KPI 019	KPA 1	Good Governance & Public Participation	KFA 03	Inter-governmental Relations	Number of Mayoral Committee reports on formalised Inter-governmental Relations (IGR) Fora meetings attended, per quarter	(1) Report submitted to Mayoral Committee to reflect (1.1) Type of meeting (1.2) Purpose of the Meeting (1.3) Department (1.4) Delegate attended. (2) Report submitted into reporting cycle within one month after the end of the quarter. (3) Proof of submission into reporting cycle = signature and date received by Committees	IGR Fora Report as per Section 10 of the IGR Policy (Policy approved per item C987/1/2013 dated 31 Oct 2013). Creating opportunity for Council to share information and networking. Promoting inter-governmental relations		4	4	1	1	1	1
3	CORP	KPI 021	KPA 4	Institutional Transformation	KFA 11	Systems & Technology	Average percentage compliance to baseline turn-around time to attend to calls logged via the ICT Help Desk, per month	ICT Service Desk Report verified and signed off by the Director: ICT, by the 10th working day, monthly	To establish mechanisms to monitor performance of ICT staff		85%	90%	85%	85%	85%	85%
4	CORP	KPI 023	KPA 4	Institutional Transformation	KFA 12	Policies, Processes & Procedures	Number of average working days legal actions are assessed, per month	Legal & Property Action Register reflecting turn-around time to be within 4 working days (as per court rules, i.e. first day out and last day in, excluding weekends and public holidays) = Date of Receipt vs date of action/decision (determination of legal process to be followed)	To ensure timeous response to legal claims / actions and/or summonses served on Council to minimise delays and avoid punitive orders due to non-attendance of legal actions		4	4	4	4	4	4
5	CORP	KPI 024	KPA 4	Institutional Transformation	KFA 10	Performance Management	Number of Section 52(d) - performance reports (SDBIP) submitted to Council quarterly	(1) Report considered by Council within 30 days after the end of each quarter (Council Resolution) (2) Assessment and Analysis Report received from the Gauteng Department of Co-operative Governance & Traditional Affairs (COGTA) on the Quarterly Performance Report	To comply with the requirements of Section 52(d) of the MFMA		4	4	1	1	1	1

6	CORP	KPI 025	KPA 1	Good Governance & Public Participation	KFA 04	Communications	Number of customer satisfaction outcome survey reports distributed to Mayoral Committee members and HOD's quarterly	Survey report to reflect: (1) The 5 most common complaints (2) The 5 most common affected areas (3) % Level of satisfaction per department (4) Report e-mailed to all stakeholders by the 15th working day, quarterly	To monitor customer satisfaction and ensure feedback on public complaints received via the outsourced Complaints Hotline		4	4	1	1	1	1
7	CORP	KPI 026	KPA 1	Good Governance & Public Participation	KFA 04	Communications	Percentage compliance to the requirements of Section 75 (MFMA) in terms of the Website updating monthly	(1) Website updated within 5 working days after date of the Council Resolution. (2) Monthly Section 75 MFMA compliance checklist signed-off by Deputy Municipal Manager within 5 working days, after end of each month	To monitor compliance to Section 75 of the MFMA in order to create community awareness, transparency and consistency		100%	100%	100%	100%	100%	100%
8	CORP	KPI 027	KPA 1	Good Governance & Public Participation	KFA 01	Governance Structures	Number of Ward Committee meetings arranged annually	Meetings arranged according to Council approved Annual Year Planner	To monitor and report on the functioning of Ward Committees and also to monitor attendance by Ward Committee Members		60	60	15	15	15	15
1	FIN	KPI 007	KPA 5	Financial Sustainability	KFA 13	Financial Management	(NKPI - 7c) - Annual Cost Coverage	Available cash + investments / Monthly fixed operating expenditure (cash expenditure)	This ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue. The target is one month, meaning that the Municipality must have at least cash equalling one month's fixed operation expenditure		2	2	0	0	0	2
2	FIN	KPI 008	KPA 5	Financial Sustainability	KFA 13	Financial Management	Annual Liquidity Ratio	Current Assets / Current Liabilities (as per the Statement of Financial Position) annually reported	The ratio is used to assess the Municipality's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory and receivables). The target 1.5 : 1 means, that the Municipality must have at least current assets equalling the current liabilities		1.5 : 1	1.5 : 1	0	0	0	1.5 : 1
1	MM	KPI 009	KPA 5	Financial Sustainability	KFA 13	Financial Management	Audit opinion issued by the Auditor-General	The objective is to monitor the addressing of audit findings raised by the Auditor-General in the opinion expressed on the Annual Financial Statements (AFS), Predetermined Objectives (PDOs) and Compliance to relevant Laws & Regulations	Auditor-General opinion expressed on Annual Financial Statements (AFS), Predetermined Objectives (PDOs) and Compliance must be financially unqualified		Unqualified	Unqualified	0	0	Unqualified	0
4	FIN	KPI 010	KPA 5	Financial Sustainability	KFA 13	Financial Management	(NKPI - 7a) - Annual Debt Coverage	Total operating revenue - operating grants received / debt service payments due within the year. Operating grants will include all grants recognised as grants on the operating budget. Operating revenue will exclude capital revenue	The ratio indicates the Municipality's ability to meet at least its debt service payments (interest and redemption) commitments from cash and short-term investment without collecting any additional revenue. The target is 15 times meaning that the Municipality must have at least cash equalling 15 times the annual interest and redemption charges		15	15	0	0	0	15

5	FIN	KPI 011	KPA 5	Financial Sustainability	KFA 14	Revenue Management	(NKPI - 7b) - Annual percentage of outstanding service debtors to revenue	Total outstanding service debtors (GROSS, excluding VAT) / revenue received for services calculated per annum (all consumer debtors included excluding developer contributions)	The ratio indicates the proportion of the Municipality's outstanding debtors in relation to its annual revenue. The target is 50% (maximum) meaning that the Municipality must have a gross consumer debtors balance of less than 50% of the annual revenue received for service charges	50%	35%	0	0	0	50%
6	FIN	KPI 012	KPA 5	Financial Sustainability	KFA 14	Revenue Management	Percentage Collection Rate maintained, annually	Actual amount collected (cash) / amount billed for the period (per billing cycle - excluding any debt write-offs)	The ratio indicates the collection rate, i.e. % level of payments. It measures increases or decreases in debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration. The target is 93% meaning that at least 93% of the amount billed in a month must be collected in cash	90%	90%	0%	0%	0%	89%
7	FIN	KPI 013	KPA 5	Financial Sustainability	KFA 14	Revenue Management	(NKPI - 2) - Percentage of households earning less than R5 000 per month with access to free basic services	Percentage of number of households registered as formal indigent households who receive the benefit (subsidy) of free basic services	The ratio shows that all approved and registered indigents are receiving their municipal subsidies for free basic services, i.e. subsidy on property rates, waste removal, sewerage and water as per the approved Indigent Policy	95%	95%	95%	95%	95%	95%
2	MM	KPI 014	KPA 5	Financial Sustainability	KFA 15	Supply Chain Management	(NKPI - 3) - The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP	Accumulative actual percentage expenditure incurred on the overall capital budget (all line items on capital budget)	The ratio indicates the proportion of the Municipality's Capital Budget actually spent. The target is 90% meaning the Municipality must have a spending level of at least 90% of the Capital Budget	90%	90%	14%	40%	66%	90%
3	MM	KPI 015	KPA 5	Financial Sustainability	KFA 15	Supply Chain Management	Percentage of annual procurement spent awarded to Township Economies	Percentage calculated by dividing the total expenditure to township suppliers by the total procurement expenditure x 100	Expenditure to township suppliers (procurement to suppliers registered as township supplier based on their residential address) versus total procurement spent (all classes). Non-procurement spent is then removed based on the name of the supplier, i.e. Eskom (bulk electricity), Rand Water (bulk water) MLM (petty cash) and any employee related costs	5%	5%	0%	0%	0%	5%
4	MM	KPI 016	KPA 5	Financial Sustainability	KFA 15	Supply Chain Management	Percentage of annual procurement spent awarded to Youth owned enterprises	Percentage calculated by dividing the total expenditure to youth suppliers by the total procurement expenditure x 100	Percentage of the value of the annual procurement through the formal bidding process that was awarded to businesses with owners that are 35 years of age or younger	3%	5%	0%	0%	0%	3%

11	FIN	KPI 017	KPA 5	Financial Sustainability	KFA 16	Asset Management	Percentage of annual operational budget allocated to repairs and maintenance	Repairs & Maintenance Budget as a % of the total Operating Budget (exclusive of internal charges)	The Operating Budget is defined as the latest approved version of the budget, i.e. either the originally approved budget, or the adjustments budget in the case of Council approving an Adjustments Budget, inclusive of the approved virements that have been approved and processed in terms of the System of Delegations		8%	8%	0%	0%	0%	8%
5	DP	KPI 002	KPA 8	Economic Growth & Development	KFA 26	Spatial & Development Planning	Percentage compliance in terms of turn-around time maintained to consider building plan applications quarterly	(1) Percentage compliance to 30 calendar day turn-around time, in terms of the National Building Regulations and Building Standards Act of 1977, (Building Plan applications exceeding 500 m ² floor area) (2) Date of application received versus date considered (signature by Assistant Director: Building Control)	To monitor and improve the turn-around times for building plan applications in order to ensure faster development on the ground and to benefit the economy. To accelerate local economic development		100%	100%	100%	100%	100%	90%
6	DP	KPI 003	KPA 8	Economic Growth & Development	KFA 26	Spatial & Development Planning	Percentage compliance in terms of turn-around time maintained to consider land use applications quarterly	(1) Percentage compliance to 8 months turn-around time, applications submitted in terms of SPLUMA (2) Date of Legally Compliant Application received versus Date Considered (Minutes of the Municipal Planning Tribunal or signature of authorised official)	To monitor and to improve the turn-around times for land use applications, in order to ensure faster development and to benefit the economy. Also to ensure new income revenue generation to the municipality. SPLUMA dictates a turn-around time of 14 months, however MLM adopted a 8 month-turn-around time		100% within 8 months	100% within 8 months	100%	100%	100%	80%
7	DP	KPI 005	KPA 8	Economic Growth & Development	KFA 25	LED & Capacity Building	(NKPI - 4) - Number of jobs created through municipality's local economic development initiatives including capital projects	Report to Department of Labour approved by Mayoral Committee (Mayoral Committee Resolution) (EPWP and any other jobs created, excluding CWP). Report submitted into reporting cycle by 20 Aug 2020 (Proof of receipt by Committee Clerk) (2019/2020 = report)	To ensure that Midvaal Local Municipality's vision of growing the economy and creation of jobs be realised. The focus remains on Local Economic Development (LED)		1 500	1 500	1 200	0	0	1 500

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5	ENG	KPI 030	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 17	Electricity & Energy Efficiency	Percentage of electricity losses not to exceed target annually	Loss electricity kW purchase/kW accounted for due to loss	Percentage of electricity losses not to exceed target annually		-11.50%	11.50%	0	0	0	11.50%
6	ENG	KPI 031	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 17	Electricity & Energy Efficiency	Terms of Reference Report III (TVR III) inclusive of Public Private Partnership (PPP) Agreement submitted to National Treasury by 30 June 2021	(1) Proof of submission of TVR III Report inclusive of PPP Agreement, to National Treasury by 30 Jun 2021 (2) Acknowledgement of Receipt from National Treasury	To ensure the implementation in terms of procurement for the proposed PPP mechanism for Electricity function in Midvaal			1	0	0	0	1
7	ENG	KPI 032	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 18	Roads & Storm-water Infrastructure	Number of square meters of tarred roads resealed annually	Accumulative square meters of tar roads resealed with (1) Fog-spray and/or (2) Slurry Seal	Number of square meters of tar roads rehabilitated and resealed		25 000 m²	25 000	5 000 m²	10 000 m²	20 000 m²	25 000 m²
8	ENG	KPI 033	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 19	Water & Sanitation Infrastructure	Percentage of water losses reduced in line with the Water Demand Management (WDM) Plan per annum	kL water purchased divided by kL of water accounted for	To ensure by-law enforcement to benefit quality built environment and to ensure clean and transparent development through compliance		-24.50%	22.50%	0	0	0	-24.50%
9	ENG	KPI 035	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 19	Water & Sanitation Infrastructure	(NKPI - 1b) - Percentage of households with access to basic sanitation	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account	To increase the percentage of households with access to basic sanitation		67%	69%	0	0	0	67%
10	ENG	KPI 036	KPA 7	Services & Customer Care	KFA 22	Water & Sanitation	Number of additional formal households with access to basic level of sanitation per annum	Number of additional formal houses connected to basic sanitation (Monthly Solar Billing Report)	To increase the access to basic sanitation to formal households		500	500	0	0	0	500
11	ENG	KPI 037	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 19	Water & Sanitation Infrastructure	(NKPI - 1a) - Percentage of households with access to basic water	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account	To increase the percentage of households with access to basic water		72%	74%	0	0	0	72%
12	ENG	KPI 038	KPA 7	Services & Customer Care	KFA 22	Water & Sanitation	Number of additional formal households with access to basic level of water per annum	Number of additional formal houses connected to basic water (Monthly Solar Billing Report)	To increase the access to basic water to formal households		500	500	0	0	0	500
13	ENG	KPI 039	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 17	Electricity & Energy Efficiency	(NKPI - 1c) - Percentage of households with access to basic electricity	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account	To increase the percentage of households with access to basic electricity		56%	56.50%	0	0	0	56%
14	ENG	KPI 040	KPA 7	Services & Customer Care	KFA 23	Electricity	Number of additional formal households with access to basic level of electricity per annum	Number of additional formal houses connected to basic electricity (Monthly Solar Billing Report)	To increase the access to basic electricity to formal households		500	500	0	0	0	500

5	COMM	KPI 043	KPA 2	Safety & Environment	KFA 05	Safety & Security	Number of deployed Midvaal security patrollers	Agreement signed between Midvaal & related service providers	To enhance security		20	20	0	0	0	20
15	ENG	KPI 044	KPA 3	Social & Community Development	KFA 07	Sport & Recreation Programmes & Facilities, including Parks & Open Space	Completion of Phase 4 at the Lakeside Sport Centre and related Sports Infrastructure	Phase 4 - Completion Certificate signed off by Consultant for Ablution Facility & Combi-Courts	Development, construction and completion of a multi-purpose sport centre for the Lakeside Community (Ward 6). It is a 4 phase project, namely: Phase 1 = Earth Works Completed, Phase 2 = Fence and water connection completed (R2.5 m), Phase 3 = Construction of the Soccer Field (R3.9 m) and Phase 4 = Ablution Facility & Combi-Courts (R2.6 m)		1	0	0	0	0	1
6	COMM	KPI 046	KPA 3	Social & Community Development	KFA 08	Libraries, Arts Culture & Special Programmes	Number of Gender, Elderly, Youth and Disabled Groups (GEYODI) programmes implemented per annum	Gender, Elderly, Youth or Disabled Groups (GEYODI) implemented according to approved Annual Year Planner	GEYODI, Gender, Elderly, Youth and Disabled Group programmes are focused on awareness and education of the community. It also creates a platform for early intervention where required		4	4	1	1	1	1
7	COMM	KPI 047	KPA 3	Social & Community Development	KFA 08	Libraries, Arts Culture & Special Programmes	Number of Early Childhood Development Centres formalised	Early Childhood Development Programme Monitoring Tool (MRR) signed off by the Executive Director: Community Services (Certification signed off by the Executive Director: Community Services)	Early Childhood Development Centres are inspected to monitor child development milestones and growth. Outcomes of the Assessment Reports are signed off by the Executive Director: Community Services		2	2	0	0	0	2
8	COMM	KPI 048	KPA 3	Social & Community Development	KFA 08	Libraries, Arts Culture & Special Programmes	Number of Day Mothers established	Signed contract per Day Mother, with implementing Non-Profit Organisation	A programme has been developed to assist with the establishment of day mothers and to encourage the signing of a contract with a Non-Profit Organisation		5	5	0	0	2	3
9	COMM	KPI 050	KPA 7	Services & Customer Care	KFA 24	Cleansing & Waste Management	(NKPI - 1d) - Percentage of households with access to basic level of solid waste removal	Definition of a household = "residential property contained in the Municipal Valuation Roll, categorised as Residential. "Access to basic level" = billed account	Provision of access to the basic level of solid waste removal		86%	87%	0	0%	0%	86%
10	COMM	KPI 051	KPA 7	Services & Customer Care	KFA 24	Cleansing & Waste Management	Number of additional formal households with access to basic level of solid waste removal per annum	Number of additional formal houses serviced in terms of basic solid waste removal (Increase in number of service points). Monthly Solar billing report	Expansion of access to the basic level of solid waste removal in line with the development rate in Savanna City, Eye of Africa and any other possible developments		500	500	0	0	0	500

11	COMM	KPI 054	KPA 2	Safety & Environment	KFA 05	Safety & Security	Review the Disaster Management Plan annually	Reviewed Disaster Management Plan by Executive Director: Community Services, approved with IDP for forthcoming year	The purpose is the compilation of a Disaster Management Plan complying with the Disaster Management Act, Act 57 of 2002, Section 48. Disaster Risk Management is defined as a continuous and integrated multi-sectorial and multi-disciplinary process of planning and implementation of measures aimed at disaster prevent, mitigation, preparedness, response, recovery and rehabilitation	1	1	0	0	0	1
12	COMM	KPI 056	KPA 2	Safety & Environment	KFA 06	Emergency Services	Number of actions executed against 3 identified industrial high risk environmental contraveners quarterly	Actions against the 3 identified high risk environmental contraveners, i.e.: (1) Inspection, (2) Follow-up audits and (3) Compliance inspections	Midvaal Environmental Health Section identified high risk environmental contraveners via compliance inspections. Training is provided to the identified Safety Officers, i.e. theoretical training, follow-up inspections to monitor the effectiveness of the training and to ensure sustainability	9	9	0	3	3	3
13	CORP	KPI 028	KPA 4	Institutional Transformation	KFA 09	Human Capital & Skills Development	(NKPI - 6) - Percentage of a municipality's budget actually spent on implementing its Workplace Skills Plan (WSP)	Accumulative percentage of municipal budget allocated for training viz % spent reported as per the Solar print-out on Vote (All expenditure to include VAT) and signed off by Director	To monitor the implementation of Council's approved and funded Workplace Skills Plan (WSP)	93%	93%	15%	40%	60%	93%
14	CORP	KPI 029	KPA 4	Institutional Transformation	KFA 09	Human Capital & Skills Development	(NKPI - 5) - Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved Employment Equity Plan	Report submitted into reporting cycle, signed and dated by Committee Clerk to Mayoral Committee, on verified number of appointed staff on the 3 highest levels (MM, HOD and Directors) as per the municipality's Annual Employment Equity Plan	To monitor new appointments in terms of Council's Annual Employment Equity Plan	1	1	0	0	0	1
8	DP	KPI 061	KPA 8	Economic Growth & Development	KFA 25	LED & Capacity Building	Percentage of land invasion complaints responded to within 48 hours, quarterly	(1) Register = Calculation of average percentage of complaints responded to (Date complaint lodged through Call Centre) versus date of responded (Site Inspection Report signed off within 48 hours = achievement of target) (2) Verification (correctness of evidence) signed off by Director by the 15th working day, quarterly	Prevention of illegal occupation of land, prompt response will assist in saving cost for legal fees and avoid MLM from having to provide alternative accommodation for land invaders	90%	95%	90%	90%	90%	90%
13	COMM	KPI 065	KPA 2	Safety & Environment	KFA 05	Safety & Security	Implementation of alternative traffic law enforcement method (Phase 2)	Implementation of Software (Phase 2)	Phase 1 = Procurement of Traffic Management Software, Phase 2 = Implementation of software	1	0	0	0	0	1

9	DP	KPI 070	KPA 8	Economic Growth & Development	KFA 26	Spatial & Development Planning	Number of community campaigns conducted to communicate existing rebates/incentives within Development & Planning, quarterly	(1) Number of community campaigns conducted reported to the Mayoral Committee to reflect (1.1) Actions taken to escalate or create awareness of urban Planning Policies (2) Proof of report submitted into the reporting cycle by the 15th day of the quarter = signature and date receipt by Committees	To communicate existing rebates available in terms of developments for commercial and industrial investment and residential densification.		4	4	1	1	1	1
14	COMM	KPI 074	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 20	Landfill Sites & Transfer Stations	Licensing Walkerville Landfill Site according to the new Regulations	Record of decision received from Gauteng Department of Agriculture and Rural Development (GDARD) regarding the Walkerville Landfill Site by 30 Jun 2021	To ensure the Walkerville Landfill Site is operated/legalised according to the new Regulations		1	1	0	0	0	1
16	ENG	KPI 075	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 18	Roads & Storm-water Infrastructure	Number of km of gravel road converted to tarred road annually	Completion certificate signed off by Head of Department by 30 Jun 2021 (Powerline Road (Glen Donald) = 1 km & Sicelo Phase 1 & 2 = 550 m)	To increase access to roads infrastructure services		1.550	1.550	0	0	0	2
15	COMM	KPI 076	KPA 6	Physical Infrastructure & Energy Efficiency	KFA 20	Landfill Sites & Transfer Stations	Initiate Phase 1: Component A - New identified landfill site and initiate process of acquisition	Phase 1: Component A - (1) New identified landfill site and (2) Initiate process of acquisition (Council Resolution) by 30 June 2021	To increase access to landfill infrastructure services: Phase 1: Component A - New landfill site identified and process of acquisition initiated (Council Resolution) and Component B - Licence Application Processed		Phase 1 - Component A completed (Council Resolution)	Phase 2	0	0	0	1
5	MM	KPI 079	KPA 8	Economic Growth & Development	KFA 26	Spatial & Development Planning	Number of interventions implemented from the Midvaal Economic Recovery Plan, per quarter	Number of interventions implemented (resolution of appointment), per quarter	(1) Implementation of projects/programmes/activities as contained in the Midvaal Economic Recovery Plan (2) Outcome/Impact of interventions reported to the Mayoral Committee quarterly = Proof of submission of report into reporting cycle within 10 working days of the following quarter (3) Mayoral Committee Resolution		8	8	2	2	2	2
11	DP	KPI 080	KPA 8	Economic Growth & Development	KFA 26	Spatial & Development Planning	Percentage average turn-around time maintained to consider Certificates of Occupancy (COOs) for properties fully compliant to SANS 10400	Expected average turn-around time to issue Certificate of Occupancy (COO) not to exceed 14 calendar days. (1) Date of COO application received (2) Date of COO considered (signature by Assistant Director: Inspections Sub-Section) (3) Calculate average number of turn-around time maintained divided by number of COOs applications received = Average turn-around time maintained per quarter	Expected average turn-around time to issue Certificate of Occupancy (COO) not to exceed 14 days. (1) Date of COO application received (2) Date of COO considered (signature by Assistant Director: Inspections Sub-Section) (3) Calculate average number of turn-around time maintained divided by number of COOs applications received = Average turn-around time maintained per quarter		100%	80%	100%	80%	80%	80%

Date

Municipal Manager

PERSONAL DEVELOPMENT PLAN (PDP)

ENTERED INTO BY AND BETWEEN:

MIDVAAL LOCAL MUNICIPALITY

AS REPRESENTED BY THE

EXECUTIVE MAYOR

["the Employer"]

AND

MUNICIPAL MANAGER

["the Employee"]

Original signed as per Council Resolution C252/04/2021 dated 29 April 2021

1. Personal Development Plan

1.1.1 A Municipality should be committed to –

- (a) the continuous training and development of its employees to achieve its vision, mission and strategic objectives and empower employees; and
- (b) managing training and development within the ambit of relevant national policies and legislation.

1.1.2 A Municipality should follow an integrated approach to Human Resource Management, that is:

- (a) Human Resource development forms an integral part of human resource planning and management.
- (b) In order for training and development strategy and plans to be successful it should be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals and career pathing.
- (c) To ensure the necessary linkage with performance management, the Performance Management and Development System provides for the Personal Development Plans of employees to be included in their annual performance agreements. Such approach will also ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs can be identified through performance management and appraisal.
- (d) Career-pathing ensures that employees are placed and developed in jobs according to aptitude and identified potential. Through training and development they can acquire the necessary competencies to prepare

them for future positions. A comprehensive competency framework and profile for Municipal Managers are attached and these should be linked to relevant registered unit standards to specifically assist them in compiling Personal Development Plans in consultation with their managers.

- (e) Personal Development Plans are compiled for individual employees and the data collated from all employees in the municipality forms the basis for the prescribed Workplace Skills Plan, which municipalities are required to compile as a basis for all training and education activities in the municipality in a specific financial year and report on progress made to the Local Government Sector Education and Training Authority.

1.1.3 The aim of the compilation of Personal Development Plans is to identify, prioritise and implement training needs.

1.1.4 Compiling the Personal Development Plan attached as Appendix.

- (a) Competency assessment instruments, which are dealt with more specifically in Appendix 1 and 2, should be established to assist with the objective assessment of employees' actual competencies against their job specific competency profiles and managerial competencies at a given period in time with the purpose of identifying training needs or skills gap.

- (b) The competency framework and profiles and relevant competency assessment results will enable a manager, in consultation with his/her employee, to compile a Personal Development Plan. The identified training needs should be entered into column 1 of Appendix 1, entitled Skills / Performance Gap. The following should be carefully determined during such a process:

- (i) Organisational needs, which include the following:

- Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.
- The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description should be compared to the current competency profile of the employee to determine the individual's competency gaps.
- Specific competency gaps as identified during the probation period and performance appraisal of the employee.

(ii) Individual training needs that are job / career related.

- (c) Next, the prioritization of the training needs [1 to ...] should be listed since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs should be prioritized for purposes of accommodating critical / strategic training and development needs in the HR Plan, Personal Development Plans and the Workplace Skills Plan.
- (d) Consideration must then be given to the expected outcomes, to be listed in column 2 of Appendix 1, so that once the intervention is completed the impact it had can be measured against relevant output indicators.

(e) An appropriate intervention should be identified to address training needs / skills gaps and the outcome to be achieved but with due regard to cost effectiveness. These should be listed in column 3 of Appendix 1, entitled: Suggested training and / or development activity in line with the National Qualifications Framework, which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Deve-

lopment / Skills Development Unit within the municipality whether unit standards have been developed and registered with the South African Qualifications Authority that are in line with the skills gap and expected outcomes identified. Unit standards usually have measurable assessment criteria to determine achieved competency.

- (f) Guidelines regarding the number of training days per employee and the nominations of employees: An employee should on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions.
- (g) Column 4 of Appendix 1: The suggested mode of delivery refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. The training / development activity should impact on service delivery back in the workplace. Mode of delivery consists of, amongst others, self-study [The official takes it upon him / her to read e.g. legislation]; internal or external training provision; coaching and / or mentoring and exchange programmes, etc.
- (h) The suggested time frames (column 5 of Appendix 1) enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.

Work opportunity created to practice skill / development areas, in column 6 of Appendix 1, further ensures internalization of information gained as well as return on investment (not just a nice to have skill but a necessary to have skill that is used in the workplace).

- (j) The final column, column 7 of Appendix 1, provides the employee with a support person that could act as coach or mentor with regard to the area of learning.

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