



Steve Tshwete  
Local Municipality

---

**PERFORMANCE AGREEMENT**

MADE AND ENTERED INTO BY AND BETWEEN:

THE STEVE TSHWETE LOCAL MUNICIPALITY AS REPRESENTED BY

**BAGUDI JONATHAN TOLO**

IN HIS CAPACITY AS THE EXECUTIVE MAYOR

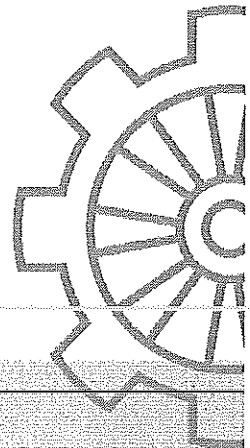
AND

**MATTHEWS BHEKUYISE KHENISA**

THE EMPLOYEE OF THE MUNICIPALITY

FOR THE

**FINANCIAL YEAR: 1 JULY 2019 - 30 JUNE 2020**



# PERFORMANCE AGREEMENT

## ENTERED INTO BY AND BETWEEN:

The Municipality of Steve Tshwete Local Municipality herein represented by **BAGUDI JONATHAN TOLO** in his capacity as Executive Mayor (hereinafter referred to as the Employer)

and

**MATTHEWS BHEKUYISE KHENISA** employee of the Municipality of Steve Tshwete (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 in alignment with the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality in alignment with the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;

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

### **3 COMMENCEMENT AND DURATION**

- 3.1 This Agreement will commence on the 1 July 2019 and will remain in force until 30 June 2020 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 abovementioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

### **4 PERFORMANCE OBJECTIVES**

- 4.1 The Performance Plan (**Annexure B**) 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

- 4.1.3 the competency requirements (**Annexure C** – definitions) as the management skills regarded as critical to the position held by the employee.
- 4.2 The performance objectives and targets reflected in **Annexure B** are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and Budget of the Employer, and shall include key objectives; key performance indicators; target dates and weightings.
  - 4.2.1 The key objectives describe the main tasks that need to be done.
  - 4.2.2 The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved.
  - 4.2.3 The target dates describe the timeframe in which the work must be achieved.
  - 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 The personal development plan (**Annexure D**) sets out the Employee's personal development requirements in line with the objectives and targets of the employer; and
- 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 Employee, 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.
- 5.4 The Employee undertakes to actively focus towards the promotion and implementation of the KPA's (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 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.

- 5.5.1 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 Competency Requirements (CCR's) respectively.
- 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.5.3 KPAs covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.
- 5.5.4 The total score must be determined using the rating calculator
- 5.6 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 B**), 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
Basic Service Delivery	36
Municipal Institutional Development and Transformation	7
Local Economic Development (LED)	8
Municipal Financial Viability and Management	21
Good Governance and Public Participation	26
Spatial and Community Development	2
<b>Total</b>	<b>100%</b>

- 5.7 In the case of managers directly accountable to the Municipal Manager, key performance areas related to the functional area of the relevant manager, must be subject to negotiation between the Municipal Manager and the relevant manager.
- 5.8 The CCR's will make up the other 20% of the Employee's assessment score. CCR'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:

Leading Competencies	
Strategic Direction and Leadership	<ul style="list-style-type: none"> <li>• Impact and influence</li> <li>• Institutional Performance Management</li> <li>• Strategic Planning and Management</li> <li>• Organizational Awareness</li> </ul>
People Management	<ul style="list-style-type: none"> <li>• Human Capital Planning and Development</li> <li>• Diversity Management</li> <li>• Employee Relations Management</li> <li>• Negotiation and Dispute Management</li> </ul>
Programme and Project Management	<ul style="list-style-type: none"> <li>• Programme and Project Planning and Implementation</li> </ul>

	<ul style="list-style-type: none"> <li>• Service Delivery Management</li> <li>• Programme and Project Monitoring and Evaluation</li> <li>•</li> </ul>
Financial Management	<ul style="list-style-type: none"> <li>• Budget Planning and Execution</li> <li>• Financial Strategy and Delivery</li> <li>• Financial Reporting and Monitoring</li> </ul>
Change Leadership	<ul style="list-style-type: none"> <li>• Change Vision and Strategy</li> <li>• Process Design and improvement</li> <li>• Change Impact Monitoring and Evaluation</li> </ul>
Governance Leadership	<ul style="list-style-type: none"> <li>• Policy Formulation</li> <li>• Risk and Compliance Management</li> <li>• Cooperative Governance</li> </ul>
<b>CORE COMPETENCE</b>	
Moral Competence	
Planning and Organizing	
Analysis and innovation	
Knowledge and Information Management	
Results and Quality Focus	

## 6. EVALUATING PERFORMANCE

6.1 The Performance Plan (**Annexure A**) to this Agreement sets out -

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

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

6.2 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.

6.3 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.

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

6.5 The annual performance appraisal will involve:

6.5.1 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 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

6.5.2. Assessment of the CCR's

- (a) Each CCR 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 CCR.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

6.5.3 Overall rating

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

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

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 for the job. The review/assessment indicates that the employees 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.	

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

6.7.1 Executive Mayor / Mayor;

6.7.2 Chairperson of the Audit Committee;

6.7.3 Member of the Mayoral Committee; and

6.7.4 Mayor and/ or Municipal Manager from another Municipality.

6.7.5 Ward Committee member (on a rotational basis), where applicable

6.8 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (d) and (e).

## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 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:

First quarter	:	July – September	30 October 2019
Second quarter	:	October- December	30 January 2020
Third quarter	:	January – March	30 April 2020
Fourth quarter	:	April – June	30 July 2020



- 7.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.
- 7.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.
- 7.4 The Employer will be entitled to review and make reasonable changes to the provisions of **Annexure B** from time to time for operational reasons. The Employee will be fully consulted before any such change is made.
- 7.5 The Employer may amend the provisions of **Annexure B** 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. DEVELOPMENTAL REQUIREMENTS**

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

## **9. OBLIGATIONS OF THE EMPLOYER**

- 9.1 The Employer shall-
  - 9.1.1 create an enabling environment to facilitate effective performance by the employee;
  - 9.1.2 provide access to skills development and capacity building opportunities;
  - 9.1.3 work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
  - 9.1.4 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
  - 9.1.5 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.

## **10. CONSULTATION**

- 10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others-
  - 10.1.1 A direct effect on the performance of any of the Employee's functions;

10.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer; and

10.1.3 A substantial financial effect on the Employer.

10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

## **11. MANAGEMENT OF EVALUATION OUTCOMES**

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

11.2 A performance bonus of 5% to 14% of the inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance.

11.3 In the case of unacceptable performance, the Employer shall-

11.3.1 provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

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

## **12. DISPUTE RESOLUTION**

12.1 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-

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

12.1.2 any other person appointed by the MEC.

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

## **13. GENERAL**

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

- 13.2 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.
- 13.3 The performance assessment results of the Municipal Manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government within fourteen (14) days after the conclusion of the assessment.

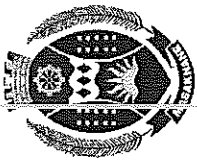
Thus done and signed at Middelburg on the ..... day of ..... 2018.

**AS WITNESSES:**

1. \_\_\_\_\_ EMPLOYEE
2. \_\_\_\_\_

**AS WITNESSES:**

1. \_\_\_\_\_ EXECUTIVE MAYOR
2. \_\_\_\_\_



Steve Tshwete  
Local Municipality

---

**ANNEXURE B**

**MUNICIPAL MANAGER**

**MATTHEWS BHEKUYISE KHENISA**

**DRAFT PERFORMANCE PLAN FOR 2019-2020**



Steve Tshwete  
Local Municipality

MUNICIPAL MANAGER  
B KHENISA  
DRAFT PERFORMANCE PLAN 2019/2020

KPA Goal: Promoting institutional efficiency		High level Strategic Alignment: References: Vision 2040:		2022 Strategic Objective: Sustain Good Corporate Governance through effective and accountable clean administration											
Priority Area	Weighting	Performance Objectives (PO)	Key Performance Indicator	Baseline	Targets set for 2019-2020	Quarterly Targets				Input indicator	Output indicator	Outcome Indicator	Lead Departments	Capex/Opex	POE
					2019-2020	Q1	Q2	Q3	Q4						
Legal compliance	4	To promote institutional efficiency	Number of activities undertaken to comply with King IV report	Coordinate Council as indicated on the King IV Report by June 2018 and 2019	Coordinate Council as indicated on the King IV Report by June 2020 (one of each meeting per Section 79 meetings 1. Council Meetings 2. Mayor meeting 3. MPAC 4. Risk Meetings 5. Audit Meetings 6. ICT Steering Committee	7	7	7	7	Human Capital	Compliance audit conducted	Good Governance	Legal and Administration	OPEX	Attendance register and Minutes or Agenda
Strategic Planning	4	To guide and inform the municipal planning, budget, management and development actions	Develop and review the IDP of the Organisation	2017/2022 IDP Reviewed	Review a 5 year IDP (2018/2019) by March 2020	-	-	1	-	Human Capital	Developed and reviewed IDP	Good Governance	Development and Strategic Support	OPEX	Process Plans, Draft and final IDP's Adverts in the news paper for community participation
Annual report	4	Promote performance measurement and reporting	Annual Report inputs submitted.	Annual report information submitted for 2018/2017 and 2017/2018	Draft and Final Annual report information submitted for 2018/2019 financial year by January 2020	1	-	1	-	Human Capital	Report submitted on previous year results.	Good Governance	Development and Strategic Support	OPEX	Process Plans, Draft and final reports Adverts in the news paper for community participation
Risk Management	4	Facilitate and coordinate risk management function and processes	Strategic risk register submitted	Risk register approved by June 2017 and 2018	Submit to Council strategic risk register by September 2019	1	-	-	-	Human Capital	Risk Register	Good Governance	All Departments	OPEX	Risk register submitted
Risk Management	2	Facilitate and coordinate risk management function and processes	% of identified risk mitigation measures implemented	% of risk mitigation measures implemented 2017/2018: 100% identified risks mitigated 2018/2019: 75% of identified risk mitigation measures implemented as at June 2018	100% of identified risk mitigation measures implemented by June 2019	15%	50%	80%	100%	Risk register and budget	Risk mitigation plan	Good Governance	All Departments	OPEX	Quarterly progress reports on implemented mitigation measures

Internal Audit	3	Provide assurance and advisory services	Number of audit reports issued	Number of Audit conducted 2017/2018; 20 Audits Conducted 2018/2019; 35 audits conducted	25 audits conducted by June 2019	5	10	5	5	Human Capital	Risk based audit plan	Good Governance	All Departments	OPEX	Quarterly Internal Audit reports
Performance Management	2	Number of performance plans for directorate developed	Number of performance plans for financial services developed	5 Signed performance agreements and plans for Municipal Manager and Managers Directly Accountable to the Municipal Manager by 2017/2018 and 2018/2019	5 performance Agreements and plans signed by 31 July 2019	5	5	5	5	Human Capital	Signed performance plans	Good Governance & Performance	All Directorates	Signed performance plans	Signed disclosures of interest
Performance Management	2	Number of organizational performance reports submitted	Number of organizational performance reports submitted	4 reports submitted for 2017/2018 and 2018/2019 financial years.	4 Organizational performance report submitted by 30 June 2020	1 (Annual 2018/2019)	1 (Q1)	1 (Q2)	1 (Q3)	Human Capital	Organization performance plan	Good Governance & Performance	All Directorates	OPEX	Performance report with evidence submitted.
Disclosure of interest	1	Number of disclosure of interest forms signed and submitted	Number of disclosure of interest forms signed and submitted	4 Disclosure on interest forms (Municipal Manager and Managers directly accountable to the Municipal Manager) signed by September 2017 and 2018	5 Disclosure on interest forms (Municipal Manager and Managers directly accountable to the Municipal Manager) signed by September 2019	1	1	1	1	Human Capital	Signed disclosure of interest submitted	Good Governance & Performance	All Directorates	OPEX	Signed disclosure of interest
	26														
	9														

1 KPA : GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Priority Area	Weighting	Performance Objectives (PO)	Key Performance Indicator	Baseline	Targets set for 2019 - 2020	Quarterly Targets	Input Indicator	Output Indicator	Outcome Indicator	Lead Departments	Capex/Opex	POE
Employment Equity	2	To ensure compliance with the EEA	Number of employees employed in levels semi and unskilled jobs approved EEP	39 employees from underrepresented target groups employed for 2018/2019	15 employees from underrepresented target groups employed by June 2020	5 3 4 3	Targets as per EEP	Employment from underrepresented disability target groups	Transformed workforce	Human Resources	Opex	Appointment letters
Promote Safety in the Workplace	3	To ensure compliance with the legislation. (OHSA)	To ensure compliance with the legislation. (OHSA)	Number of initiatives on compliance with key points of OHS 2017/2018; 29 OHS activities implemented by June 2018 2018/2019; 30 OHS activities implemented as at 31 March 2019	20 OHS activities to be implemented annually by June 2020. 1) Establishment and coordinate health and Safety committee meeting Level 2 2) Legal Appointments Section 6.2 3) Incidents are reported within 24H	1 1 1 1	Human Capital	Facilitated initiatives	Safe working environment	Human Resources	Opex	register and minutes of the meetings 2) Attendance register and safety topics discussed. 3)

2 PAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

High level Strategic Alignment References: Vision 2040: 2022 Strategic Objective: Sustain Good Corporate Governance through effective and accountable clean administration

3	ICT governance	Effective and efficient ICT aligned to organisational strategy	Developed ICT strategy	Developed and approved ICT strategy 2017/2018; 1 strategy implemented 2018/2019; 1 strategy review and implemented	1 ICT strategy reviewed, maintained and implemented by March 2020	-	-	-	1	Budget	Reviewed ICT strategy	Improved good governance	ICT services	Capex/Opex	Council resolution of approved reviewed strategy. Reviewed strategy. Implementation plan
3															Score per KPA
															0

2022 Strategic Objective: Sustain Good Corporate Governance through effective and accountable clean administration																
High level Strategic Alignment: References: Vision 2040:																
Priority Area	Key Performance Indicator	Baseline	Targets set for 2019 - 2020	Quarterly Targets				Input indicator	Output indicator	Outcome indicator	Lead Departments	Capex/Opex	POE			
				Q1	Q2	Q3	Q4									
1	Financial Services	100% of movable assets exist in the municipality	100% of movable assets the municipality counted by June 2020	-	-	-	100%	Asset verification report	Reduce financial losses	Financial Viability and sustainability	All Departments	Capex/Opex	Asset verification report			
2	Financial Services	Repairs and maintenance constitute 6.2% of OPEX budget 2017/2018; 6.2% as at 30 June 2019	8% of the Opex budget allocated and implemented for repairs and maintenance by June 2020	-	-	-	8%	Budget document maintenance projects	Maintain assets to improve service delivery	Financial Viability and sustainability	All Departments	Capex/Opex	Budget document			
3	Financial Services	Unqualified Audit with Matters for 2018/2019; 2018/2019; Unqualified Audit with matters for 2017/2018 98% of the issues resolved	Unqualified audit opinion for 2018/2019 financial year	Submit AFS	Unqualified audit opinion	Resolve 40% of audit management issues	Resolve 95% of audit management issues	AFS & Audit Opinion	Compliant municipality	Good Governance Financial Viability	All Departments	Capex/Opex	Audit Report and Audit Action Plan			
4	Financial Services	98% of matters addressed in the audit action plan 2018/2019; 96% as at 31 March 2019	95% of weaknesses addressed in audit action plan by June 2020	25%	50%	75%	95%	Audit action plan and management report	Audit Opinion	Good Governance Financial Viability	All Departments	Capex/Opex	Audit Report and Audit Action Plan			
5	Financial Services	Funded & Compliant Budget approved by May 2020/2021; funded budget approved 2019/2020; Funded Budget approved % of the Annual Budget implemented on 30 June 2017/2018; Capex 91% spent and Opex 80% spent 2018/2019; 95% spent	Funded Budget approved by May 2020/2021 for the financial year 2020/2021	Submit budget table	Draft budget	Tabled budget and tariff model	Final approve budget for 2020/2021	Budget and tariff for budget submissions	Compliant Budget Document & Resolution	Good Governance Financial Viability	All Departments	Capex/Opex	Approved Annual Budget and Resolution			
6	Financial Services	95% of the municipality Annual budget be implemented	95% of the Municipality Annual Capex Budget be implemented by June 2020	10%	50%	75%	95%	Monthly reporting for capex	Implementation of SDBIP	Good Governance Financial Viability	All Departments	Capex/Opex	Quarterly report mSCOA Schedule C4 and extract Budget vs Spending			
															Score per KPA	
															0	

2022 Strategic Objective: Sustain Good Corporate Governance through effective and accountable clean administration															
High level Strategic Alignment: References: Vision 2040:															
(PA) Goal: Promote Economic Growth through facilitation of investments and development of strategic infrastructure															



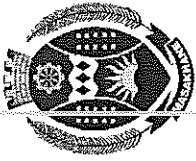


4	Water Quality	5	Ensure the safety of the public and environment through participatory in the regulatory Blue & Green Drop Certification Programme	Maintain and improve the Blue Drop Score to >85%	Monitoring the quality of drinking water within 7 Blue drop registered water supply systems 2017/2018 97% BDS report 2018/2019:84 water quality monitoring reports	Monitor the quality of drinking water within 7 Blue Drop registered water supply systems on a monthly basis	21	21	21	21	Adequate funding	Blue Drop Award	Safe and healthy environment	CES	Opex	Monthly Laboratory test result reports
5	Water Quality	5	Ensure the safety of the public and environment through participatory in the regulatory Blue & Green Drop Certification Programme	Maintain and improve the Green Drop Score to >85%	Monitor effluent quality of the 4 Green drop registered waste water treatment works 2017/2018: 81.9% GDS PAT report 2018/2019: 48 effluent quality monitoring reports	Monitor effluent quality of the 4 (12 per Quarter) Green Drop registered wastewater treatment works on a monthly basis	12	12	12	12	Adequate funding	Green Drop Award	Safe and healthy environment	CES	Opex	GDS PAT Report 2020
6	Wastewater treatment	4	Ensure continuous water supply services	Identify and develop infrastructure for alternative water sources	Boskrans Wastewater Treatment Works is sole treatment facility for Middleburg/ Mhluzi 2017/2018: Phase I project completed: 20 Mld secondary treatment facility and 45 Mld sludge handling facility. 2018/2019: Phase II under construction (new 45Mld capacity inlet works.	Refurbish/ replace five (5) SSTs at the Boskrans WWTW by June 2020 (R13m)	5%	15%	60%		Adequate funding	Blue and Green Drop Award	Safe and healthy environment	CES	Capex	Departmental Reports, Project plan, Progress/Status report
7	New Water connections to existing water network	3	To provide quality and sufficient water supply and create an environment not harmful to human health or wellbeing	% of HH with access to clean and safe drinking water.	2017/2018: Additional 636 HH (82 638) of STLM have access to water services 2018/2019 Additional 991HH with access to water services	Additional 867HH/erven with access to water services by June 2020 [1.Dennasig North-300 erven (R8m), 2.Kwaza Ext 2- 74HH (R1.89m), 3.Newtown- 60HH (R100k) 4.Kwaza Ext 8- 233HH (R200k) 5.Water connection per application received from clients as and when required- 200 erven (R11m)] By June 2020	50	150	370	297	Adequate funding	Sustainable service provision to all consumers at affordable tariffs	Access to potable water for all STLM citizens	Civil Engineering Services	Capex	Monthly Reports on new house holds, Connection and record of water tankers delivering water
8	Sewer connections	3	To provide quality and sufficient waterborne system or chemical toilets	Number of house holds with access to flush or chemical toilets	2017/2018: STLM total HH's have access to sanitation as of June 2018.2018/2019: Additional 1045HH with access to Sanitation services by June 2019	Additional 822HH/erven with access to Sanitation services by June 2020 [1.Dennasig North-135 erven (R8.1m), 2.Kwaza Ext 2- 74 stands (R2.59m), 3.Newtown- 60HH, 4.Kwaza Ext 8- 233HH (R2.59m) 5.Sewer connections per application received from clients, as and when required - 20 erven (R100k)]	5	145	225	147	Adequate funding Human Resources WSDP	Sustainable service provision to all consumer systems at affordable tariffs	Access to waterborn sewer systems for chemical toilets	CES	Capex (R100 000)	Monthly Reports on new houses Connections and low flush biological toilets

9	5 KPA - INF	Waste removal	4	To ensure a clean and healthy community	% of HH with access to solid waste removal services.	64.92% (73544) HH with access to solid waste removal services	0.68% (500 HH)	-	170 HH	170 HH	160 HH	Adequate funds	Improved cleanliness at household level.	Clean and healthy environment for the well-being	Environmental and Solid Waste management	Opex	Report on new HH serviced
			35														Score per KPA

KPA Goal: Provision of residential, business, institutional, municipal industrial and public open space																									
High level Strategic Alignment References: Vision 2040; clean administration																									
1	6 KPA: COMMUNITY AND SPACIAL PLANNING	Spatial Planning and Land Use management	2	Provision of security of tenure	Key Performance Indicator	Number of upgraded and proclaimed informal settlements	2017/2018: 2 Township registered by 30 June 2018 2018/2019: 1 Informal settlement upgraded by June 2019	Targets set for 2019 - 2020 1 Informal settlement upgraded by June 2020 (Kwaza) (R250 000)	Q1	Q2	Q3	Q4	Input indicator	Adequate budget	Output indicator	Registered stands	Outcome indicator	Sustainable human settlements and improved quality of life	Lead Departments	Town Planning and Human Settlement	Capex/Opex	Capex (R250 000)	POE	Layout Plan, General Plan, Approval of Application, Proclamation Notice, Registration Certificate	
			2																						Score per KPA

Number of KPI's	30
Weightings	100
Planned date of evaluation	



**Steve Tshwete  
Local Municipality**

---

**ANNEXURE C**

**CORE COMPETENCIES (CCR)**

Entered into by and between  
Steve Tshwete Local Municipality  
[“the Employer”]

**BAGUDI JONATHAN TOLO**

and

[“the Employee”]

**MATTHEWS BHEKUYISE KHENISA**

Period: 01 July 2019 – 30 June 2020

1.1 The CCRs will make up the other 20% of the Employee's assessment score as follows:

Competencies	Components	Competency Definition	Weighting % (total 100%)
Leading competencies			
Strategic Direction and Leadership	<ul style="list-style-type: none"> <li>• Impact and Influence</li> <li>• Institutional Performance Management</li> <li>• Strategic Planning and Management</li> <li>• Organisational Awareness</li> </ul>	Provide and direct a vision for the institution, and inspire and deploy others to delivery on the strategic institutional mandate	10
People Management	<ul style="list-style-type: none"> <li>• Human Capital Planning and Development</li> <li>• Diversity Management</li> <li>• Employee Relations Management</li> <li>• Negotiation and dispute Management</li> </ul>	Effectively manage, inspire and encourage people, respect diversity, optimise talent and build and nurture relationships in order to achieve institutional objectives	10
Programme and Project Management	<ul style="list-style-type: none"> <li>• Programme and Project Planning and Implementation</li> <li>• Service Delivery Management</li> <li>• Programme and Project Monitoring and Evaluation</li> </ul>	Able to understand programme and project management methodology; plan, manage, monitor and evaluate specific activities in order to delivery on set objectives	5
Financial Management	<ul style="list-style-type: none"> <li>• Budget Planning and Execution</li> <li>• Financial Strategy and Delivery</li> <li>• Financial Reporting and Monitoring</li> </ul>	Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner	8

Competencies	Components	Competency Definition	Weighting % (total 100%)
Change Leadership	<ul style="list-style-type: none"> <li>• Change Vision and Strategy</li> <li>• Process Design and Improvement</li> <li>• Change Impact Monitoring and Evaluation</li> </ul>	Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and deliver professional and quality services to the community	10
Governance Leadership	<ul style="list-style-type: none"> <li>• Policy Formulation</li> <li>• Risk and Compliance management</li> <li>• Cooperative Governance</li> </ul>	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualisation of relevant policies and enhance cooperative governance relationships	10
<b>Core Competencies</b>			
Moral competence	-	Able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence	8
Planning and Organising	-	Able to plan, prioritise and organise information and resources effectively to ensure the quality of service delivery and build efficient contingency plans to manage risk	8
Analysis and Innovation	-	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives	5

Competencies	Components	Competency Definition	Weighting % (total 100%)
Knowledge and Information Management	-	Able to promote the generation and sharing of knowledge and information through various processes and media, in order to enhance the collective knowledge base of local government	8
Communication	-	Able to share information, knowledge and ideas in a clear, focused and concise manner appropriate for the audience in order to effectively convey, persuade and influence stakeholders	10
Results and Quality Focus	-	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage other to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives	8
Core Competencies			100%

A more comprehensive explanation of each competency is attached as **Annexure "E"** to this plan.



Steve Tshwete  
Local Municipality

---

## **PERSONAL DEVELOPMENT PLAN (PDP)**

Entered into by and between  
Steve Tshwete Local Municipality  
[“the Employer”]

and

**MATTHEWS BHEKUYISE KHENISA**

[“the Employee”]

Period: 01 July 2019 – 30 November 2020

# Explanatory Notes to the Personal Development Plan

## 1. Introduction

1.1 The Steve Tshwete Local Municipality is 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.

1.2 The Steve Tshwete Local Municipality will follow an integrated approach to Human Resource Development, that is:

- a) Human resource development will form an integral part of human resource planning and management.
- b) In order for the Steve Tshwete Local Municipality's training and development strategy and plans to be successful it will be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals, career pathing, scarce skills and talent management and succession planning.
- c) To ensure the necessary linkage with performance management, the municipality's Performance Management and Development System will provide for the Personal Development Plans of employees to be included in their annual Performance Agreements. Such approach will ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs are also identified during the performance management and appraisal process.
- d) Career-pathing and succession planning ensures that employees are placed and developed in jobs according to aptitude and identified potential and through training and development acquire the necessary competencies to prepare them for future positions. Scarce skills and talent management also requires appropriate training, education and development interventions.

## 2. Competence Modelling

2.1. What does an institution mean when it says an employee/prospective employee is competent if he/she fits a managerial competency framework or occupational competency profile? The institution is in fact expressing competence as a **future-oriented** ideal that they require to achieve their strategic objectives [The institution is in effect giving a depiction of the desired or required knowledge, skills and attributes for an individual in a specific position]. For competence to be useful, the associated competence should be greater than the observed performance as it will allow the individual growth towards this 'ideal'.

2.2. There is however a risk in expressing a required competence that a current or prospective employee should adhere to in the future, as the future is, by definition, uncertain. Managers cannot know how an employee will perform in the future nor can they know how employees that they did not select, did not promote, did not award a qualification to, might perform.



2.3. Moreover, managers do not make their expressions in a social vacuum. They do so within a social context in which there are various actors, various stakeholders, with different interests, accountabilities, different things they are trying to achieve and various ways in which others will hold them accountable. If managers are selecting employees they shall similarly have to justify their decisions to others. Relevance thus becomes an obvious issue that affects the level of confidence in such a decision. Various human resources procedures and systems need to be established to maintain the relevance of the expression of competence to the requirements of the employer. Confidence is the basis on which the various parties implicated in the decisions and actions taken within a competence system will seek to account to others for those decisions and actions.

2.4. When linking a decision that a prospective employee / current employee is competent the communication is based on what may be called conventions of assessment. Some common understanding is achieved by which a certain set of arrangements become socially accepted as the basis for linking different contexts. Contexts differ, in particular in terms of time. So performance in the past is linked to future situations in which desired performance is anticipated. This linking of contexts will normally involve some model, some way of accounting for the claimed link. **COGTA** has decided on:

2.4.1. A managerial competency framework as an expression of required managerial competencies.

2.4.2. Occupational competency profiles as expression of occupation / post competency requirements.

### **3. Compiling the Personal Development Plan attached as the Appendix.**

3.1 The aim of the compilation of Personal Development Plans (PDPs) is to identify, prioritise and implement training needs

3.2 The Local Government: Municipal Systems Act: Guidelines: Generic senior management competency framework and occupational competency profiles provides comprehensive information on the relevance of items 2.4.1 and 2.4.2 above to the PDP process. The Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments' legislated competency requirements need also be taken into consideration during the PDP process.

3.3 The assessment results of a manager against the minimum requirements contained in the managerial competency framework and occupational competency profiles will assist a manager, in consultation with his / her employee, to **compile a Personal Development Plan** as follows:

(a) The identified training needs should be **entered into column 1 of the Appendix, 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.

- (b) Next, the **prioritisation of the training needs [1 to ...] in column 1 should also be determined** 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.
- c) Consideration must then be given to the **outcomes expected in column 2 of the Appendix**, so that once the intervention is completed the impact it had can be measured against relevant output indicators.
- d) **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 interventions should be listed in **column 3 of the Appendix, entitled: Suggested training and / or development activity**. The training / development must also be conducted either in line with a recognised qualification from a tertiary institution or unit standards registered on the National Qualifications Framework (South African Qualifications Authority), which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Development / Skills Development Unit within the municipality whether unit standards have been developed with regard to a specific outcome / skills gap identified (and registered with the South African Qualifications Authority). Unit standards usually have measurable assessment criteria to determine achieved competency. There is more detail on this in item 4 below.
- e) **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.
- f) **Column 4 of the Appendix: 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 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.
- g) The **suggested time frames (column 5 of the Appendix)** 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.
- h) **Work opportunity created to practice skill / development areas, in column 6 of the Appendix**, further ensures internalisation 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).

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

3.4 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 (LGSETA).

3.5 Funding should be made available for training, education and development, in line with the Skills Development Act, at least 1% of the personnel budget must be earmarked for it. Additional funding can also be secured in terms of the provisions of the Skills Development Levies Act from the LGSETA if:

- (a) A Skills Development Facilitator has been appointed.
- (b) The Workplace Skills Plan has been submitted.

#### 4. Life-long learning

4.1 It was agreed that an outcomes-based Lifelong Learning Development Framework would be the basis on which Curriculum 2005 would be developed. The basic principle is that learners should be able to progress to higher levels of achievement by mastering prescribed learning outcomes. Learning programmes should thus facilitate progression from one phase or learning outcome to another and from any starting point in the education and training system. Prior knowledge (acquired informally or by work experience, would also have to be assessed and credited. National qualifications would be awarded, at each of the levels of the National Qualifications Framework (NQF) [see the attached definitions] provided that candidates have accumulated certain combinations of credits and have abided by probable rules of combinations required for such qualifications.

4.2 Eight learning areas were identified to form the basis of all education up to the Further Education and Training Certificate:

No.	Learning Area
1	Language, Literacy and Communication
2	Mathematical Literacy, Mathematics and Mathematical Science
3	Human and Social Sciences
4	Natural Sciences
5	Technology
6	Arts and Culture
7	Economic and Management Sciences
8	Life Orientation

4.3 As is clear from the definitions, there will be four phases, with Adult Basic Education and Training (ABET) linked to the first three. The history of school education had the effect that the majority of the adult population for black communities, were provided with inadequate education or no schooling. Thus ABET is viewed as a force for social participation and economic development and has been brought into the mainstream of the education and training system. The underlying principles are that ABET should provide a general basic education, promote critical thinking and empower individuals to participate in all aspects of society, and promote active learning methods, and,

ABET should lead to nationally recognized certificates based on clear national standards assessed as learning outcomes.

4.4 Once the foundation phase is addressed the other phases can follow suit. In this regard the discussion in item 3.3 (d) refers. Note should also be taken that in addressing professionalization within the local government sector there may be a need to develop vocational qualifications.

### PERSONAL DEVELOPMENT PLAN

Skills performance gap (in order of priority)	Outcomes expected (measurable indicators, quantity, quality and time frames)	Suggested training and/or development activity	Suggested mode of delivery	Suggested time frame	Work opportunity created to practice skills/ development area	Support persons
E.g. 1. Appraise Performance of Managers	The manager will be able to enter into performance agreements with all managers reporting to him / her, appraise them against set criteria, within relevant time frames	A course containing theoretical and practical application with coaching in the workplace following [relevant unit standard?]	External provider, in line with identified unit standard and not exceeding R 6 000	March 200...	Appraisal of managers reporting to him / her	Senior Manager: Training