



# PERFORMANCE MANAGEMENT POLICY FRAMEWORK

2024/2025 FY

<b>Council Resolution Number:</b> 06/2023/24 Ordinary Council Meeting	<b>Approval Date:</b> 28 June 2024
<b>Review Date:</b> 11 & 12 June 2024	<b>Effective Date:</b> 01 July 2024

  
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CLLR. NP MLAHLEKI  
SPEAKER OF COUNCIL

28/06/2024  
DATE

**PERFORMANCE MANAGEMENT POLICY FRAMEWORK**

<b>Policy Status</b>	Active
<b>Version</b>	2011
<b>Date of First Implementation</b>	01 July 2011
<b>Date Last Amended</b>	28 June 2024
<b>Date of Next Review</b>	30 June 2025
<b>Purpose</b>	Amahlathi Local Municipality seeks to manage municipal performance towards the achievement of municipal objectives and comply with legislative imperatives.
<b>Aims and Objectives</b>	<ul style="list-style-type: none"> <li>• It seeks to harvest synergies through aligning the activities and developing the relevant competencies of its employees through the setting, monitoring, assessment and rewarding of the achievement of municipal objectives.</li> <li>• The Amahlathi Local Municipality seeks to maximise, in a sustainable way, delivery in terms of these set outcomes, the growth of talent and capabilities and fairly rewarding exceptional performance while taking corrective measures where set performance standards are not met.</li> </ul>
<b>Policy Custodian</b>	Executive Services
<b>Related Legislations</b>	<ul style="list-style-type: none"> <li>- The Constitution of the Republic of South Africa Act No 108 of 1996</li> <li>- The White Paper on Local Government (1998)</li> <li>- Batho Pele Principles (1998)</li> <li>- Municipal Systems Act No. 32 of 2000</li> <li>- Municipal Planning and Performance Management Regulations 2001</li> <li>- Municipal Finance Management Act No. 56 of 2003</li> </ul>

	<ul style="list-style-type: none"> <li>- Municipal Planning and Performance Management Regulations 2006</li> <li>- Local Government: Regulations on appointment and Conditions of Employment of Senior Managers 2014</li> </ul>
<b>Applicability</b>	All Employees
<b>Policy Benchmark and References</b>	District and Provincial Government – COGTA
<b>Stakeholders Consulted</b>	Technical Committee; Institutional Committee and COGTA
<b>Date of Approval</b>	28 June 2024
<b>Approving Authority</b>	Council

MIP

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## 1. PREAMBLE

In terms of the Municipal Systems Act No 32 of 2000-chapter 6 section 38 (iii)) states that the municipality must establish a performance management system that is in line with the priorities, objectives, indicators and targets contained in its Intergrated development plan. In so doing, it seeks to harvest synergies through aligning the activities and developing the relevant competencies of its employees through the setting, monitoring, assessment and rewarding of the achievement of municipal objectives. The Amahlathi Local Municipality seeks to maximise, in a sustainable way, delivery in terms of these set outcomes, the growth of talent and capabilities and fairly rewarding exceptional performance while taking corrective measures where set performance standards are not met. The Municipality commits itself to providing a fair and transparent mechanism to guide the activities of each employee, identifying and creating opportunities for staff development, and implement a seamless performance measurement structure through which performance shall be assessed at all three levels, namely, municipal, departmental as well as individual levels.

## 2. LEGISLATIVE FRAMEWORK

The PMF is then developed in line with mandates and legislation that govern Performance Management (PM) in local government. The compliance of this policy framework is then linked to the following applicable policy prerogatives :

- a) The Constitution of the Republic of South Africa Act No 108 of 1996
- b) The White Paper on Local Government (1998)
- c) Batho Pele Principles (1998)
- d) Municipal Systems Act No. 32 of 2000
- e) Municipal Planning and Performance Management Regulations 2001
- f) Municipal Finance Management Act No. 56 of 2003
- g) Municipal Planning and Performance Management Regulations 2006
- h) Local Government: Regulations on appointment and Conditions of Employment of Senior Managers 2014

### 3. PURPOSE OF POLICY

Amahlathi Local Municipality seeks to manage municipal performance towards the achievement of municipal objectives and comply with legislative imperatives. The municipal objectives shall be clearly outlined in the municipality's IDP as adopted by Council. The Departmental and Individual Key Performance Areas, Deliverables and Standards shall be formulated and aligned with IDP Objectives.

The performance of Amahlathi Local Municipality's resources shall be managed and monitored through a system that:

- a. Informs each Department and each Individual of the Key Performance Areas and the deliverables or outputs required from the relevant Department or Individual.
- b. Specifies the quality standards required for each deliverable.
- c. Specifies the Indicator for the measurement of each standard.
- d. Documents the understanding of the municipal and Individual's KPAs, Deliverables and Standards in the form of a Performance Agreement.
- e. Assesses the performance of the municipality, each Department, and each Individual in terms of actual delivery using the indicators and target to measure performance against the pre-determined Standards.
- f. Identifies performance gaps between the actual delivery and the required Standards.
- g. Identifies competency gaps between the demonstrated competencies of the individual employee and the required level of competence as outlined in the position profile and specific job requirements.
- h. Tangibly rewards superior performance.
- i. Corrects negative performance gaps.
- j. Guides the Individual Development Plans and training interventions, document commitment to the Individual Development Plans within the Performance Agreement; and
- k. Contributes towards Succession Planning in the municipality.
- l. Diagnose areas for development and further training requirements to increase an individual's performance.

	Relations Management				
	• Negotiation and Dispute Management				
Programme and Project Management	• Program and Project Planning and Implementation	Superior	8.3		
		Advanced			
		Competent			
	• Service Delivery Management	Basic			
	• Program and Project Monitoring and Evaluation				
Financial Management	• Budget Planning and Execution	Superior	8.3		
		Advanced			
	• Financial Strategy and Delivery	Competent			
		Basic			
	• Financial Reporting and Monitoring				
Change Leadership	• Change Vision and Strategy	Superior			
		Advanced			
	• Process Design and	Competent			



	Improvement	Basic			
	<ul style="list-style-type: none"> <li>Change Impact Monitoring and Evaluation</li> </ul>				
Governance Leadership	<ul style="list-style-type: none"> <li>Policy Formulation</li> </ul>	Superior	8.3		
	<ul style="list-style-type: none"> <li>Risk and Compliance Management</li> </ul>	Advanced			
	<ul style="list-style-type: none"> <li>Cooperative Governance</li> </ul>	Competent			
		Basic			
<b>CORE COMPETENCIES</b>	<b>Achievements Levels</b>	<b>Weight</b>	<b>SELF-SCORING- HOD</b>	<b>FINAL SCORE MM</b>	
<b>Moral Competence</b>	Superior	8.3			
	Advanced				
	Competent				
	Basic				
<b>Planning and Organising</b>	Superior	8.3			
	Advanced				
	Competent				
	Basic				
<b>Analysis and Innovation</b>	Superior	8.3			
	Advanced				

	Competent			
	Basic			
<b>Knowledge and Information Management</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Communication</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Results and Quality focus</b>	Superior	8.3		
	Advanced			
	Competent			
	Basic			
<b>Total</b>	<b>100%</b>			

## II. Performance Evaluation Committee for S57/56 Managers

The Evaluation Panel Committee evaluates Section 56 employees' (including the Municipal Manager's) performance through approval of their final performance ratings, based on the Performance Evaluation Committee's recommendations.

The 2006 Municipal Performance Regulations prescribe the composition of the Evaluation Panel and also stipulates in detail how the evaluation process should be undertaken.

For purposes of evaluating the annual performance of the Municipal Manager (Organisation), The Honourable Mayor must establish an evaluation panel, herein referred to Honourable Mayor's Review Panel, constituted of the following persons:

- a) Honourable Mayor;
- b) Chairperson of the Audit committee
- c) Member of the Executive Committee
- d) Mayor and/or municipal manager from another municipality; and
- e) Member of a ward committee as nominated by the Honourable Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal manager (HoD /Department), the Municipal Manager must establish an evaluation panel, herein referred to Municipal Manager's Review Panel, constituted of the following persons:

- a) Municipal Manager;
- b) Chairperson of the audit committee
- c) Member of the Executive Committee
- d) Municipal Manager from another municipality.

The Evaluation Panel committee will then prepare a report with the recommendations to the Mayor for the payment of Bonuses to the Municipal Manager and S56 Managers.

### **B. Rewarding Employees below Section 56 Managers**

The Employee's assessment will be based on his performance in terms of the outputs / outcomes (performance indicators) identified as per **SDBIP/JOB DESCRIPTION**, which are linked to the Key Performance Areas (KPA's), and relevant Competency Requirements respectively. The combined KPA and CCR assessment scores, weighted 80% and 20% respectively, will make up the overall assessment of the individual manager's score. Where the KPA portion is the

organisational performance score from the Organisational scorecard, and CCR is the result of an assessment on its own.

a. Exceeding Expectation

Employees who consistently exceed the set standards and deliver exceptional work shall be rewarded in the manner to be determined by the Municipal Council as follows:

Rating (score)	Rating (%)	Rating Definition	<i>Non-financial rewards</i>
1-2	100%	Basic	Bronze Medal and 2 special leave days
3	101-116	Competent	Silver Medal and 3 special leave days
4	117-132	Advanced	Gold Medal and 4 special leave days
5	132+	Superior	Platinum Medal and 5 special leave days

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g Below Expectation

Employees who consistently perform below the required standard which in this case is below 100% shall be assisted in boosting their competence through skills development (training, close coaching, supervision etc.). Should their performance not improve, counselling shall be undertaken.

c. Performance Evaluation Committee for Employees below 56 Managers

For purposes of evaluating the annual performance of employees below section 56 managers), the Municipal Manager must establish an evaluation panel, herein referred to Employees below section 56 Manager's Review Panel, constituted of the following persons:

- Director of the respective department
- Internal Audit Manager

- Director of another department
- Director Strategic Services

The Evaluation Panel committee will then prepare a report with the recommendations to the Municipal Manager for rewarding the incentives to the employees below section 56 Managers. The corporate services HR unit will provide technical support on annual evaluation of employees below section 56 managers.

## **9. DEALING WITH UNACCEPTABLE PERFORMANCE**

In the case of unacceptable performance, the municipality shall:

- Provide systematic remedial and/or developmental support to assist the employee to improve his/her performance; and
- If after appropriate performance counselling has been undertaken, the necessary guidance and/or support provided and reasonable time allowed for improvement, performance still does not improve, the municipality may consider invoking incapacity proceedings against the employee which may result in the termination of the employee's contract of employment.

## **10. DISPUTE RESOLUTION MECHANISM**

Any dispute about the nature of the employee's Performance Agreement, whether it relates to the key responsibilities, priorities, methods of assessment and/or salary increment in the agreement, must be mediated as follows:-

In the event that consensus between the parties cannot be reached, the fact of non-consensus together with the necessary evidence shall be referred as follows:

- In the case of the Municipal Manager, the MEC for Local Government in the province within thirty (30) days of receipt of a formal dispute from the employee.
- In the case of Section 56 Managers reporting directly to the Municipal manager, the Mayor, within thirty (30) days of a formal dispute from the employee.
- The MEC for Local Government and the Mayor, respectively, shall have the final say with regard to the Municipal Manager's and the Section 56 Managers' assessment respectively.

- d. In the case of staff other than the Municipal Manager or the Section 56 Managers, the fact of non-consensus together with the necessary evidence shall be escalated in line with the municipality's dispute resolution mechanism as embodied in the relevant Collective Agreement.

#### **11. INPUT TO INDIVIDUAL DEVELOPMENT PLAN**

- a. The gaps between actual performance and the expected level of performance shall be reviewed by the employee and immediate superior from the perspective of identifying opportunities for training and skills development.
- b. Where such opportunities are identified, they shall be documented and submitted to the Director of Corporate Services, who shall make recommendations to the immediate superior for suitable training interventions to address such skills gaps.
- c. These recommendations will then be processed in terms of the Municipality's Training Policy.

#### **12. INPUT TO SUCCESSION PLAN**

- a. Each Department will be required to compile a Succession Plan, identifying those employees with the demonstrated potential to advance to more senior positions and estimated timeframes within which the identified employees will be suitably skilled and experienced to take on the additional responsibility of more senior positions.
- b. Only employees whose performance scores are either 4 or 5 must be put on a succession planning programme.
- c. The relevant Section 56 Manager shall liaise with the Corporate Services Director to identify areas where the skills of the employee concerned can be utilised, and strategies to be followed in accommodating the aspirations of the employee within the municipal requirements.

#### **13. ROLE OF COUNCIL**

In line with the Municipal Systems Act (Act No. 32 of 2000), the Municipal Council commits to participating in the development of its performance management system through the Executive Committee and shall:

- a. Manage the development of the municipality's performance management system.
- b. Assign responsibilities in this regard to the Municipal Manager
- c. Submit the proposed system to the Municipal Council for adoption.

**14. MONITORING, REVIEW AND REPORTING**

Entails reporting Quarterly to the Audit Committee, Council and the public. In addition, a quarterly report and evidence files are also prepared and sent to Internal Audit to be audited, prior it being sent to council and the performance audit committee.

Reviews/auditing - is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to section 45, of the Systems Act, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor-General. The Municipality will therefore have to establish frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems including critical dates. This is all stipulated in the table below:

ACTIVITY	REPORTING STRUCTURE	REVIEWING STRUCTURE	SUBMISSION DATE	WHERE	WHEN
Development of budget and IDP process Plan	Strategic Management Directorates	Council	31 <sup>st</sup> August	Council	Annually
Development and review of Integrated Development Plan	Directorate	Strategic Services Directorate	A month before the start of financial year	Council	Annually
Development of SDBIP	Directorates and IDP/PMS Unit	Internal Audit,	Within 14 days after approval of budget	Mayor	June
Review of SDBIP	Directorates and IDP/PMS	Internal Audit,	After the approval of	Council	Third quarter

	Unit		an adjustment budget		
Performance Agreements	Strategic Management Directorates	Municipal Manager and managers directly accountable to the MM	31 July	COGTA	Annually
Quarterly Performance Reports	Directorates	IDP/PMS Unit	Within 3 working days of the next month after the end of each Quarter	Strategic Management Directorate	Quarterly
Consolidated Directorates Quarterly Performance Reports (Quarterly Organisational Performance Analysis Reports)	Strategic Management Directorate	Internal Audit Unit	Within 10 working days of the next month after the end of the Quarter	Internal Audit Unit	Quarterly
Head of Department's performance evaluations	Directorates	Municipal Manager	Mid-year and Annual (January and July)	Municipal Manager's Office	Quarterly
Individual Department performance evaluations/assessments	Directorates	Corporate Services Department	Within 3 working days after the end of each quarter	Corporate Services Department	Quarterly
Annual Performance Analysis Report	Strategic Management Directorate	Internal Audit	31 <sup>st</sup> July	Internal Audit Unit	Annually
Submission of directorate Unaudited	Directorates	IDP/PMS Unit	22 <sup>nd</sup> July	Strategic Management	Annually



Annual report information (Section 127 report)				Directorate	
Development and Consolidation of Unaudited Annual Report (Section 127 report)	Strategic Management Directorate	Internal Audit	08 <sup>th</sup> August	Internal Audit Unit	Annually
Submission of Unaudited Annual Report (section 127 report)	Strategic Management Directorate	Council and Auditor General	31 <sup>st</sup> August	Council and Auditor General	Annually

**15. COMMUNITY INVOLVEMENT**

- a. The Municipality, in compliance with Chapter 4 of the Municipal Systems Act, shall establish mechanisms, processes and procedures to allow the involvement of the local community in the development, implementation and review of the municipality’s performance management system. The measures are aimed at allowing the community to participate in setting appropriate key performance indicators and performance targets for the municipality.
- b. General Key Performance indicators prescribed by the Minister which are in terms of Section 43 of the Municipal Systems Act and relevant to The Municipality will be included in key performance indicators set by the municipality.

**16. PROLONGED ABSENCE AND STAFF MOVEMENT**

***a) Absence During the Performance Cycle***

- i. In the case of prolonged continuous absence (other than normal leave), supervisors and employees should have a discussion to reach mutual agreement on the ability to execute a meaningful rating for that period or for an annual assessment.
- ii. If it is not possible to make a meaningful review or annual rating, it must be indicated in writing.

- iii. New performance plans may also need to be developed on return from a prolonged absence.
- iv. While an employee is not penalised for any form of formally approved leave, it is also true that an employee who has been absent for a prolonged period, has not rendered the same extent of service as an employee who did not have such prolonged leave.

**b) Acting in Higher Positions**

- i. When an employee is appointed to act in a higher position for shorter than six weeks, the performance plan should be based on the post that the employee is permanently appointed to.
- ii. Depending on the employee's performance during the periods of acting, recognition for performance of the duties at the higher position should be given during the performance assessment, on the performance plan of the permanent post.
- iii. When acting in a higher position for longer than six weeks, where an acting allowance is being paid, a performance plan must be compiled for the higher position that the employee would be expected to perform against.
- iv. The performance of the employee, acting in the higher position, will be assessed in terms of the amended performance plan, against the standards applicable to the level of the employee's permanent position.
- v. Performance incentives must be calculated at the salary level of the post to which the employee is permanently appointed, based on the employee's salary notch on 30 June of the cycle.

**c) Staff Movement**

- i. When employees are transferred at the same level, it is their responsibility to provide their most recent performance assessment to the new supervisor.

NIP

- ii. Where staff members change jobs within the department during the performance cycle, performance reviews related to the employee vacating the post have to be completed prior to moving to the new position.
- iii. If the employee changing jobs is a supervisor or manager, performance reviews for each employee under her/his control should be completed prior to her/his movement.
- iv. When an employee is transferred to another department, a progress review discussion will be conducted for the current performance cycle prior to the employee leaving the department; and
- v. In the case of supervisors, regardless of the reason for their departure, they will be required to assess their staff prior to departure.

**d) *Misconduct and Suspension***

- i. Decisions pertaining to performance rating should be based on an employee's actual performance.
- ii. In the event of alleged misconduct, some questions need to be posed:
  - a. What was the nature of the misconduct (e.g. financial, management)?
  - b. Was the person found guilty or not?
  - c. If found guilty, what was the nature of the sanction (e.g. suspension)?
  - d. Did the misconduct and/or the sanction impact on performance?
  - e. Was the employee suspended for a prolonged period?

Depending on the response/s to the foregoing questions, a performance rating must take into account the extent to which such misconduct and/or suspension may have impacted the employee's performance.

**17. NON-FINANCIAL INCENTIVES**

Financial rewards on their own are not always sufficient to motivate staff towards performance excellence. Other more creative ways for recognising performance should be explored, i.e. where the award does not directly lead to "money in the pocket".

NIP

The municipality may, from time-to-time, introduce mechanisms for non-financial recognition to stimulate performance across the municipality. However, managers may also propose forms of non-financial recognition, provided these remain non-financial, fit into the budget and do not change any basic condition of employment.

The following are examples of recognition that can be considered:

- a) Acknowledgement and recognition of performance excellence i.e. in municipality's publications; specially created awards and certificates; citations at conferences/meetings; attendance at conferences etc.
- b) Increased autonomy to organise own work and/or increased resources with which to perform work.
- c) Public awards of various kinds made by management (e.g. Mayoral Excellence awards) in recognition of a specific achievement or innovation or for consistent achievement over a specific period.
- d) Specific access to specialised training and development opportunities.
- e) Participation on a prioritised rotation basis in study tours or overseas and other visits by senior management.

The municipality must keep accurate records of all performance assessments and the outcomes related thereto, including all performance rewards.

## **18. SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) AMENDMENTS**

In terms of section 54 of Municipal Finance Management Act 56 Of 2003, the Mayor must check whether the approved budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP), consider and if necessary, make any revisions to the service delivery and budget implementation plan provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the Council following approval of an adjustments budget.

The Mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

## 19. ANNUAL REPORTS

The Municipality shall prepare an annual performance report in the manner prescribed in Section 46(1) of the Municipal Systems Act and Circular 63 of Municipal Finance Management Act reflecting:-

- a) The Municipality's and any service provider's performance during that financial year, also in comparison with targets of and with performance in the previous financial year.
- b) The development and service delivery priorities and the performance targets set by the municipality for the following financial year.
- c) Measures that were or are to be taken to improve performance.

## 20. DOCUMENTATION

- a) The criteria upon which the performance of the Municipal Managers and Managers directly accountable to Municipal Managers must be assessed are prescribed in the Municipal Performance Regulations for Section 57 employees, No. R805 dated 01 August 2006.
- b) While the evaluations must be conducted quarterly, it is the requirement of the foregoing regulations that accurate documentation of the assessment for the second and fourth quarter be drawn and kept (in line with the Records Management System) outlining all the details pertinent to the evaluation proceedings.
- c) **NB:** Employment Contracts and Performance Agreements of the Municipal Manager and those of his/her Section 56 Managers must be submitted to the Provincial MEC for Local Government as well as the National Minister for Local Government within fourteen (14) days after concluding the Employment Contract and Performance Agreement.
- d) The Performance Assessment Results of the Municipal Manager and his/her Section 56 Managers must be submitted to the Provincial MEC for Local Government as well as the National Minister for Local Government (for the Municipal Manager) within fourteen (14) days after concluding the Performance Assessment.

**21. PERFORMANCE EVALUATION OF THE SERVICES PROVIDED BY A CONTRACTOR / SERVICE PROVIDER / SUPPLIER CONTRACTED BY THE MUNICIPALITY**

- a) Performance targets are identified as part of the initial planning for a contract and set out in the business case and request for bid documentation. Targets are generally associated with cost, timeliness and the quality of products and services to be purchased as the outputs of the contract.
- b) Officials are expected to monitor and evaluate the contractor's performance. This is essential in determining whether the requirements are being met and to avoid any future conflicts over unsatisfactory performance.
- c) Contractors should be required to report to the project manager on progress in accordance with the agreed timeframes and review schedules. The project manager must inform the contractor in writing where there is evidence that the contractor's performance is inadequate or behind schedule. If there is continuing concern that obligations are not being met, advice should be sought immediately from the Bid Adjudication Committee.
- d) Disputes must be resolved promptly and not be allowed to escalate into costly legal battles.
- e) A copy of all performance reports and reports on contract outcomes should be forwarded to the SCM Unit. The SCM Unit must ensure that these reports are available for reference purposes to staff inquiring about a contractor's performance.

**22. UNSATISFACTORY PERFORMANCE**

- a) Unsatisfactory performance occurs when performance is not in accordance with the contract. Subject at all times to the terms and conditions of such contract, the contractor must be warned in writing (with a registered letter) that action will be taken against him/her unless he/she complies with the contract and delivers satisfactorily within a specified reasonable period. If the contractor still does not perform satisfactorily despite the warning, a recommendation may be made to the Bid Adjudication Committee to cancel the contract.

- b) If during the guarantee period, a supplier does not comply with the requirements due to faulty material or otherwise, the contractor must be requested to repair or replace the faulty material at his or her cost without delay, and that it must be guaranteed for the same period as the original supplies.
- c) Continuously communicate unsatisfactory performance to contractors in writing compelling the contractor to perform according to the contract and thus to rectify or to restrain from unacceptable actions.
- d) If the performance is not rectified, the Project Manager must inform the SCM Unit of this fact.
- e) Before action is taken in terms of the general conditions of contract or any other special contract condition applicable, the Municipality must warn the contractor by registered mail that action will be taken in accordance with the contract conditions unless the contractor complies with the contract conditions and delivers satisfactory supplies or services within a specified reasonable time. If the contractor still does not perform satisfactorily despite a final warning, the SCM Unit may make a recommendation to the Accounting Officer or the delegate for the appropriate penalties to be introduced or make a recommendation to the Accounting Officer for the cancellation of the contract concerned.
- f) When correspondence is addressed to the contractor, reference must be made to the contract number, the item number and the number and date of any relevant invoice, statement or letter received from the contractor. Otherwise, the number and date of the order, a short description of the supply or service and details of the destination if applicable, must be supplied.
- g) When the Municipality has to satisfy its need through another provider (for the contractor's expense), the loss to AM must always be restricted to the minimum since it is difficult to justify the recovery of unreasonable additional costs from the contractor.
- h) Record must be kept by the SCM Unit of details of all cases of non-performance by contractors. If rejected supplies are in the possession of the AM, the contractor must be requested to collect the supplies at his/her own expense, failing which the goods will be sent back and the cost will be for the contractor's account.

### 23. ROLES AND RESPONSIBILITIES

DESIGNATION	ROLE	RESPONSIBILITIES
Municipal Council	Approval and Oversight	<ul style="list-style-type: none"> <li>• Adopts PMS Framework</li> <li>• Adopts Priorities and Objectives of the IDP</li> <li>• Adopts Municipality's corporate strategy that includes KPI and Performance targets</li> <li>• Adopts SDBIP</li> <li>• Approves the review of KPI's and targets</li> <li>• Reports Municipal performance to the community twice a year</li> </ul>
Executive Council	Oversight	<ul style="list-style-type: none"> <li>• Oversees the development of the municipality's performance management system</li> <li>• Assigns the responsibility of development to the Municipal Manager</li> <li>• Submits the PMS Framework to Council</li> <li>• Submits the priorities and objectives of the IDP to Council</li> <li>• Assigns the responsibility for management of the PMS to the Municipal Manager</li> <li>• Receives performance audit report from the AG and makes recommendations to Council</li> </ul>
Communities/Ward Committees	Participatory	<ul style="list-style-type: none"> <li>• Advise the Mayor on priorities and objectives of the IDP</li> <li>• Participates in the drafting and implementation of the IDP</li> <li>• Participates in the monitoring, measurement and review of the municipality's</li> </ul>

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		<p>PM System</p> <ul style="list-style-type: none"> <li>• Monitors the municipality's performance</li> <li>• Participates in the development of the KPI's</li> <li>• Participate in the formulation of proposals for performance improvements</li> <li>• Reports to the Mayor recommendations for the improvement of the PM System</li> <li>• Participate in the annual review of performance</li> </ul>
<p>Municipal Manager</p>	<p>Monitoring</p>	<ul style="list-style-type: none"> <li>• Manages the development of the performance management function/framework</li> <li>• Ensures that a high level scorecard, linked to the IDP and budget is developed</li> <li>• Ensures that all role players implement the provision of the PMS framework</li> <li>• Receives the quarterly and annual audited performance reports from Internal Audit</li> <li>• Submits all necessary reports on performance to EXCO and Council</li> </ul>
<p>Performance Management Unit</p>	<p>Establish, monitor and control</p>	<ul style="list-style-type: none"> <li>• Ensure compliance with the Systems Act</li> <li>• Establish a performance management system for the municipality</li> <li>• Promote a culture of performance management among its political structures, political office bearers and councillors and its administration</li> <li>• Administer the PMS in an economical, effective and efficient and accountable manner</li> <li>• Establish a framework which demonstrates the operation and management</li> </ul>

<p>of performance management</p>	<p> <ul style="list-style-type: none"> <li>• Ensure PMS links to the Integrated Development Planning processes</li> <li>• Ensure that key performance indicators in respect of development priorities and objectives are set</li> <li>• Ensure community participation in the various performance management processes</li> <li>• Obtain quarterly information on progress on targets set in the organizational scorecard</li> <li>• Review KPI's annually</li> <li>• Ensure that performance targets are set</li> <li>• Develop and implement mechanisms, systems, and processes for monitoring, measurement and review of performance</li> <li>• Establish a process of regular reporting to the Council, political office bearers and staff, the public and appropriate organs of state</li> <li>• Prepare quarterly and annual reports on organizational performance</li> <li>• Ensure that an early warning system is in place to detect indications of under-performance</li> <li>• Ensure corrective measures for under-performance have been identified</li> <li>• Ensure that a performance audit committee is appointed</li> <li>• Ensure that a budget exists for the audit committee</li> </ul> </p>
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		<ul style="list-style-type: none"> <li>• Ensure performance audit committee complies with the Systems Act regulations</li> <li>• Ensure that at secretariat service is provided for the performance audit committee</li> </ul>
Internal Audit Unit	Monitor and review	<ul style="list-style-type: none"> <li>• Assess the functionality of the PMS</li> <li>• Ensure the system complies with the Act</li> <li>• Determine whether the performance measurements are reliable in measuring performance</li> <li>• Continuously audit the performance measurements of the municipality</li> <li>• Annually audit the results of performance measurement</li> <li>• Submit quarterly reports on the audits to the municipal manager and the performance audit committee</li> </ul>
Audit Committee	Oversight review	<ul style="list-style-type: none"> <li>• Must meet at least twice during the financial year</li> <li>• Review quarterly reports</li> <li>• Review the municipality's performance management system and make recommendations to Council</li> <li>• Submit an audit report to Council at least twice during the financial year</li> </ul>

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### **23. DEVIATION FROM THE POLICY**

Any deviation that affects the contents of this policy shall be sanctioned by Municipal Manager, his/her nominee subject to rectification by council.

### **24. DISPUTE RESOLUTION**

Any dispute relating to both the interpretation of provision of the policy as well as the municipality decision on any specific matters shall be dealt with in accordance with the dispute resolution mechanism provided for in the applicable Labour Relations Legislation.

### **25. IMPLEMENTATION OF THE POLICY**

- (1) The policy will be communicated throughout the municipality. It will be posted on the Municipal Website for purposes for ease of accessibility by users.
- (2) The policy will be signed-off by the Mayor / Speaker and the Municipal Manager as a commitment to its implementation and adherence thereto.
- (3) Successful implementation of this policy will be evidenced by effective and efficient administrative processes in relation to departing employees as well as fewer complaints from departing employees with regard to issues of terminal emoluments and notice periods.

### **26. POLICY AUDIT**

Audits will be conducted on the policy annually to determine its impact in achieving the objectives it is set out to achieve as well as alignment to the process.

**27. VIOLATION AND ENFORCEMENT**

The violation of this policy may lead to disciplinary processes taken against the offender.

**28. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL**

This policy is adopted and approved by Amahlathi Local Municipality Council for implementation from (Effective Date) 01 July 2024

Approved by Resolution Number 6 of 9.2 on this the 28<sup>th</sup> day of June 2024.

Signed this the 28<sup>th</sup> day of June 2024.

  
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**DR Z. SHASHA**  
**MUNICIPAL MANAGER**

\_\_\_\_\_  
**DATE**

  
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**CLLR N. MLAHLEKI**  
**SPEAKER OF COUNCIL**

28/06/2024  
\_\_\_\_\_  
**DATE**