

## Annexure A

### Performance Plan

#### Mopani District Municipality



The **main parts** to this Performance Plan are:

1. Performance Plan Overview
2. Strategy Map
3. A statement about the *Purpose* of the Position;
4. A performance scorecard per Key Performance Area (KPA's), IDP Objectives, Performance Indicators (KPIs), KPI Weightings (per Objective), Targets (quarterly), evidence required
5. Competencies
6. Summary Scorecard
7. Rating Scales
8. Assessment Process
9. Approval of Personal Performance Plan

**Name: Mr MASIYE ELIAS MANKABIDI**

**Position: Chief Financial Officer**

**Accountable to: Municipal Manager**

**Plan Period: 01.07.2012 – 30.06.2013**

## PERFORMANCE PLAN OVERVIEW

### **1. Purpose**

The performance plan defines the Council's expectations of the Chief Financial Officer'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. Objects of Local Government**

The following objects of local government will inform the Chief Financial Officer's performance against set performance indicators:

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

### **3. Key Performance Areas**

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

- 3.1 Municipal Transformation and Organisational Development
- 3.2 Infrastructure Development and Service Delivery
- 3.3 Local Economic Development (LED)
- 3.4 Municipal Financial Viability and Management
- 3.5 Good Governance and Public Participation
- 3.6 Spatial Rationale

### **4. BSC Perspectives**

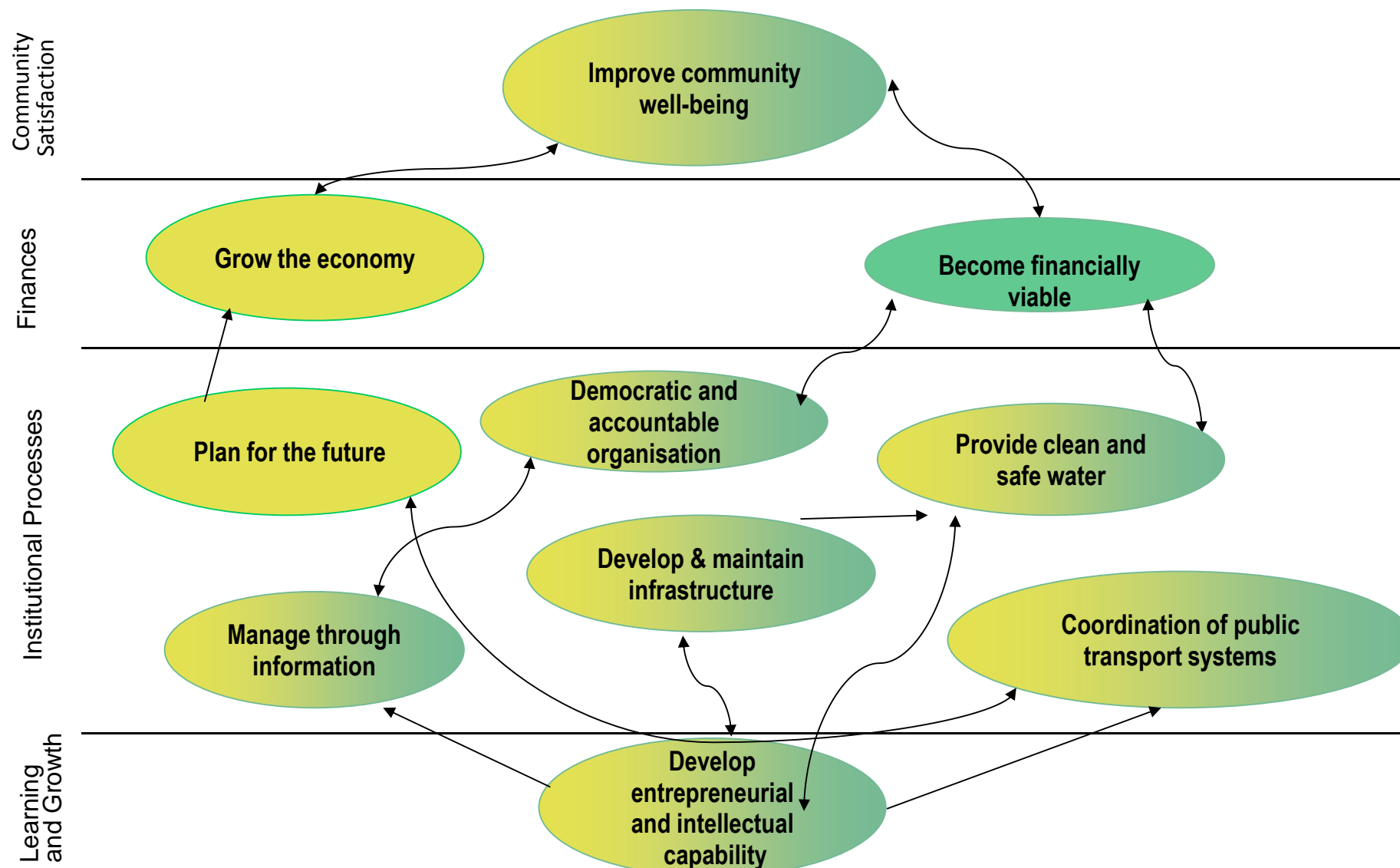
The BSC Methodology was used for the development of the Performance Management System and will read as follows:

- 4.1 Community
- 4.2 Financial
- 4.3 Institutional Processes
- 4.4 Learning and Growth

### **5. Strategic Objectives**

The Key Performance Indicators are devised according to the IDP Strategic Objectives to be achieved as depicted on the next page

# To be the food basket of Southern Africa and the tourism destination of choice



<b>STRATEGIC VISION</b>
<b>“To be the Food Basket of Southern Africa and the Tourism Destination of choice”</b>
<b>STRATEGIC MISSION</b>
- To provide integrated sustainable equitable services through democratic responsible and accountable governance
- Promoting the sustainable use of resources for economic growth to benefit the community
<b>JOB PURPOSE</b>
<b>Position Goal</b>
To be the leading financial department in Limpopo Province who is recognized by Mopani District Municipality and other Municipalities as an extremely competent financial department who can be consulted if necessary
<b>Position Purpose</b>
To secure sound and sustainable management of the financial affairs of Mopani District Municipality by managing the budget and treasury office and advising and if necessary assisting the accounting officer and other directors of their duties and delegation contained in the MFMA
<b>The Chief Financial Officer is accountable and responsible for amongst others:</b>
The management of Municipality's financial accounting functions to ensure unqualified audit reports
The compilation and control of the municipality's budget to effect no budget variance
To manage cash receipts and disbursement to facilitate non-utilisation of bank overdrafts
The management of the payroll and ensuring timeous and accurate payment of personnel salaries and allowances
The administration of the municipal finances to ensure cash is available for projects and operations
Ensuring daily banking of cash received
Management of investment to earn above national average interest on surplus funds
Determination of tariffs and taxes and ensuring budgeted costs are recovered
Timely development and submission of financial statements to ensure positive financial results
Alignment of the budget, Integrated Development Plan and Performance Management System
Manage income and expenditure of the municipality to ensure sound financial management of Council

Key Performance Indicators and Targets											
KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
Financial Viability	Become financially viable	Budget and Expenditure Management	% creditors paid within 30 days	5%	90%	100%	100%	100%	100%	100%	Financial reports
			Percentage MSIG utilization	5%	100%	25%	50%	75%	100%	100%	Financial reports
			% Capital budget actually spent on capital projects identified for financial year i.t.o. IDP	10%	79%	25%	50%	75%	100%	100%	Financial reports
			% outstanding debtors more than 90 days	5%	30%	18%	18%	18%	18%	18%	Financial reports
			% O & M spend of water services income	5%	53%	100%	100%	100%	100%	100%	Financial reports
			% Staff costs to total water services costs	5%	67%	9.25%	19%	25%	30%	30%	Financial reports
			Draft budget tabled to Council by 31 March	5%	100%	Not applicable this quarter	Not applicable this quarter	100%	Not applicable this quarter	100%	Minutes
			Final budget adopted by Council by end May	10%	100%	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	100%	100%	Minutes

Key Performance Indicators and Targets											
KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
Financial Viability	Become financially viable	Budget and Expenditure Management	% grant funds spent on intended purposes	5%	100%	100%	100%	100%	100%	100%	Financial reports
			Budget related policies reviewed and approved by Council	10%	50%	Not applicable this quarter	Not applicable this quarter	100%	Not applicable this quarter	100%	Policies and minutes
		Financial reporting	Financial statements drafted and submitted to AG by end Aug	5%	100%	100%	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	100%	Financial statements
			# O & M reports submitted on or before due date to DWA	10%	12	3	6	9	12	12	O & M reports and proof of receipt.
			# Refurbishment reports submitted on or before the due date	10%	12	3	6	9	12	12	Refurbishment report and proof of receipt
			Development and implementation of the MFMA management calendar	10%	0%	100%	100%	100%	100%	100%	Calendar and checklist
		Revenue Management	Monthly collection rate on water billings	5%		85%	95%	95%	95%	95%	Financial reports
			% reduction of dependence on grant funding	5%		Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	10%	10%	Financial reports

## Key Performance Indicators and Targets

KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
			% revenue collected for water services in rural areas where there is sustainable water	5%	0%	3.75%	7.5%	11.25%	15%	15%	Financial reports
			Average debtor days on water accounts	5%	132	120	100	80	60	60	Financial reports
			% Sales received on water services	5%	100%	100%	100%	100%	100%	100%	Financial reports
			% revenue collected on fire services	5%		100%	100%	100%	100%	100%	Financial reports
			% revenue collected on air quality services	5%	0%	3.75%	7.5%	11.25%	15%	15%	Financial reports
		Supply Chain Management	Percentage Tenders adjudicated within 60 days of closure of tender	10%	12.4%	100%	100%	100%	100%	100%	SCM register
			Number of SCM reports submitted to council and treasuries	5%	4	1	2	3	4	4	Reports
			# of tenders evaluated within 14 days of closure	5%							
			# of tenders adjudicated within 14 days after conclusion of evaluation	5%							
			# SCM workshops conducted with internal stakeholders	10%	0	1	2	3	4	4	Attendance register

Key Performance Indicators and Targets											
KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
			Percentage total business awarded to businesses located in District area	5%	79%	95%	95%	95%	95%	95%	SCM reports
Service delivery	Improve Community well being	Water Services	% Contribution towards Blue Drop rating	10%	75%	100%	100%	100%	100%	100%	Financial reports
			% Contributions towards Green Drop rating	10%	75%	100%	100%	100%	100%	100%	Financial reports
Good Governance and Public Participation	Democratic and accountable organisation	Cooperative Governance	Number of Budget Steering Committee meetings held successfully	5%	0	3	6	9	12	12	Minutes
			# of Governance and Admin Cluster meetings held successfully	5%	6	3	6	9	12	12	Minutes
			Percentage of Governance and Admin resolutions related to MDM implemented within timeframes	5%		100%	100%	100%	100%	100%	Reports
		Fleet Management	Number of fleet vehicle maintenance reports related to directorate compiled	5%		3	6	9	12	12	Reports
			# of fleet inspection report submitted to management	5%	0	3	6	9	12	12	Reports



Key Performance Indicators and Targets											
KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
		Governance and Administration	% findings raised by the AG related to directorate	10%	70%	Not applicable this quarter	10%	Not applicable this quarter	Not applicable this quarter	10%	AG Report
			% Identified risks addressed within the directorate	10%	33%	100%	100%	100%	100%	100%	Risk report
			% issues raised by Internal Audit related to directorate	10%	50%	10%	0%	0%	0%	10%	Internal Audit report
			% issues raised by the MPAC resolved and reported	10%	100%	100%	100%	100%	100%	100%	Reports
Good Governance and Public Participation	Democratic and accountable organisation	Governance and Administration	% Executive Management meetings attended and decisions implemented within timeframes	10%	62.5%	100%	100%	100%	100%	100%	Minutes
			# Anti-corruption action plan related to Directorate developed and implemented	10%	0	1	1	1	1	1	Action plan and reports
			% Audit Committee decisions related to Directorate implemented	10%		100%	100%	100%	100%	100%	Resolution register

Key Performance Indicators and Targets											
KPA	IDP Objective	Programme	Institutional KPI	KPI Weighting	Baseline	2012/13 Quarterly Targets				Annual Target 2012-2013	Evidence Required
						1st Q	2nd Q	3rd Q	4th Q		
			% Risk register related to Directorate reviewed	10%		100%	Not applicable this quarter	Not applicable this quarter	Not applicable	100%	Risk register
			# Risk reports submitted on time	5%		3	6	9	12	12	Risk reports
Spatial Rationale	Plan for the future	Integrated Development Planning	% Contributions to the IDP review process	100%		50% (Analysis and strategies related to Directorate)	75% (Projects)	100% (Integration - summary of integrated plans)	Not applicable this quarter	100%	Analysis, Projects, Strategies and summary of integrated plans related to Directorate
Transformation and Organisational Development	Develop entrepreneurial and intellectual capability	Human Resource Management	% Inputs on the review of the organogram submitted to Corporate Services by end January	40%		Not applicable this quarter	Not applicable this quarter	100%	Not applicable this month	100%	Inputs and memo
			% LLF issues related to Directorate resolved within specified timeframe	40%		100%	100%	100%	100%	100%	Register
			# staff at lower levels taken through formal qualification within area of operation	20%		3	Not applicable this quarter	Not applicable this quarter	Not applicable this quarter	3	Training register
			% Vacancy rate within Directorate	5%		10%	5%	2.5%	0%	0%	
			# Performance reviews and evaluations of the employees within Directorate conducted year to date	20%	0	1	2	3	4	4	Evaluation reports

Competencies		
	Definitions	Weighting
Strategic Capability and Leadership	Must be able to provide vision, set the direction for the municipality and inspire others in order to deliver on the municipality's mandate	5%
Programme and Project Management	Must be able to plan, manage, monitor and evaluate specific activities in order to ensure that policies are implemented and that Local Government objectives are achieved	5%
Financial Management	Must be able to know, understand and comply with the Municipal Finance Management Act No 56 of 2003.	20%
Change Management	Must be able to initiate and support municipal transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments	5%
Knowledge Management	Must be able to promote the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the municipality	5%
Service Delivery Innovation	Must be able to explore and implement new ways of delivering services that contribute to the improvement of municipal processes in order to achieve municipal goals	10%
Problem Solving and Analysis	Must be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner	15%
People and Diversity Management	Must be able to manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve the municipality's goals	5%
Client Orientation and Customer Focus	Must be willing and able to deliver services effectively in order to put the spirit of customer service (Batho Pele) into practice	5%
Communication	Must be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes	10%
Accountability and Ethical Conduct	Must be able to display and build the highest standard of ethical and moral conduct in order to promote confidence and trust in the municipality	15%
<b>Section Total:</b>		<b>100%</b>

\* These Competencies are dependent on final promulgation of the Guidelines in terms of the Regulations

Summary Scorecard								
Position Outcomes/Outputs	KPA Weighting (%)	IDP Objective	Objective Weighting (%)	Assessment Weighting	1st Assessment	2nd Assessment	Total Score	Comment
Key Performance Areas				80%				
Financial Viability	50%	Become financially viable	100%					
Good Governance and Public Participation	35%	Democratic and accountable organisation	100%					
		Manage through information	n.a.					
Local Economic Development	n.a.	Grow the economy	n.a.					
Service Delivery	n.a.	Improve Community well-being	n.a.					
		Develop and maintain infrastructure	n.a.					
		Provide clean and safe water	n.a.					
		Coordination of public transport services	n.a.					
Transformation and Organisational Development	10%	Develop entrepreneurial and intellectual capability	100%					
Spatial Rationale	5%	Plan for the future	100%					
Competencies				20%				

The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CMCs:				
5	4	3	2	1
Outstanding Performance	Performance Significantly Above Expectations	Fully Effective	Not Fully Effective	Unacceptable 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.	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.	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.	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 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.	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.

## Performance Assessment Process

The following steps will be followed to ensure a fully participative and compliant performance assessment process is adhered to.

1. Performance Assessment:

1.1. Formal assessment between employee and employer will take place at least twice a year to measure the performance of the employee against the agreed performance targets for the half yearly and yearly assessments respectively.

1.2. Progress against the targets will be captured in preparation for the assessments.

1.3. Scores of 1-5 will be calculated based upon the progress against targets.

1.4. KPI's and targets are audited and copied to the Performance Plans before assessment date.

1.5. The employer must keep a record of the mid-year assessment and annual assessment meetings.

2. The employee being assessed will compile a portfolio of evidence confirming the level of performance achieved for a given assessment period and made available to the Panel on request. One independent person may be assigned to act as an Observer.

3. The process for determining Employee ratings are as follows:

3.1. The employee to motivate for higher ratings where applicable.

3.2. The panel to rate the achievement for the KPI's on a 5 point scale. Decimal places can be used.

3.3. The panel to rate the employee's core competency requirements (CCR) on the 5 point scale. Decimal places can be used.

3.4. The panel scores are averaged to derive a total score per KPI /CCR. Overall scores are calculated by taking weightings into account where applicable.

3.5. The final KPA's rating will account for 80% of the final assessment total. The CCR's are to account for 20% of the final assessment total.

4. The five point rating scale referred to in regulation 805 correspond as follows:

Rating:	1	2	3	4	5
% Score:	0-66	67-99	100-132	133-166	167

5. The assessment rating calculator is used to calculate the overall % score for performance.

6. The half-year assessment rating can be used in combination with the Annual Performance Assessment to derive a final Annual rating score.

7. The performance bonus percentages described in the performance agreement will be calculated on a sliding scale of the all inclusive remuneration package as indicated in table below:

% Rating Over Performance	% Bonus
130-149%	5-9%
150% and above	10-14%

8. The Personal Development Plan (PDP) can be reviewed after the performance assessment had been finalised in case where more clarity has been established on what the essential development needs for the relevant person will be.

9. The results of the performance assessment will be submitted to the performance audit committee for final approval of the assessment/s.

10. The performance assessment results of the Municipal Manager will also be submitted to the MEC responsible for Local Government in the relevant Province.

## Approval of the Personal Performance Plan

The process followed ensures individual alignment to the strategic intent of the institution and give clear direction on what needs to be achieved through a self-directed approach to execute on the objectives, to build sound relationships, to develop human capital and to strengthen the organisation through excellent performance. This plan has derived from intense workshopping to ensure integration, motivation and self-direction. The employer and employee both have responsibilities and accountabilities in getting value from this plan. Neither party can succeed without the support of the other.

### Undertaking of the employer / superior

On behalf of my organisation, I undertake to ensure that a work environment conducive for excellent employee performance is established and maintained. As such, I undertake to lead to the best of my ability, communicate comprehensively, and empower managers and employees. Employees will have access to ongoing learning, will be coached, and will clearly understand what is expected of them. I herewith approve this Performance Plan.

Signed and accepted by the Municipal Manager on behalf of Council:

**DATE:**

### Undertaking of the employee

I herewith confirm that I understand the strategic importance of my position within the broader organisation. I furthermore confirm that I understand the purpose of my position, as well as the criteria on which my performance will be evaluated twice annually. As such, I therefore commit to do my utmost to live up to these expectations and to serve the organisation, my superiors, my colleagues and the community with loyalty, integrity and enthusiasm at all times. I hereby confirm and accept the conditions to this plan.

Signed and accepted by the Employee:

**DATE:**