



PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

**THE NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
AS REPRESENTED BY THE ACTING CITY MANAGER**

MR JOHANN METTLER

AND

THE EXECUTIVE DIRECTOR: SAFETY AND SECURITY

MR LINDA MTI

THE EMPLOYEE OF THE MUNICIPALITY

FOR THE

FINANCIAL YEAR: 1 JULY 2016 - 30 JUNE 2017

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SECTION A: MR LINDA MTI

PREAMBLE

The performance agreement is divided into four sections:

- **Section A:** Performance Agreement
- **Section B:** Performance Plan
- **Section C:** Assessment Rating Calculator (example)
- **Section D:** Core Competency Requirements

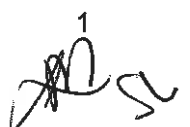
1. PARTIES

The parties to this Agreement are:

- 1.1 The Nelson Mandela Bay Metropolitan Municipality ("the Employer").
- 1.2 **Mr LINDA MTI** of the Employer ("the Employee").

2. INTRODUCTION

- 2.1 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, No. 32 of 2000 ("the Systems Act").
- 2.2 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.
- 2.3 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 achieve local government policy goals.



2.4 The parties wish to ensure full compliance with Sections 57(4B) and 57(5) of the Systems Act.

3. PURPOSE OF AGREEMENT

The purpose of this Agreement is to -

- 3.1 comply with the provisions of Section 57(1) (b), (4B) and (5) of the Systems Act, as well as with the employment contract entered into between the parties;
- 3.2 specify objectives and targets defined and agreed with the Employee and to communicate to the Employee the Employer's expectations regarding his performance and accountabilities in alignment with the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP), as well as the Budget of the Municipality;
- 3.3 specify accountabilities as set out in a Performance Plan, which constitutes Section B of this Performance Agreement;
- 3.4 monitor and measure performance against set targeted outputs;
- 3.5 use this Performance Agreement as the basis for assessing whether the Employee has met the performance expectations applicable to his position;
- 3.6 appropriately reward the Employee in the event of outstanding performance; and

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3.7 give effect to the Employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

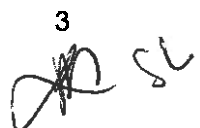
4. COMMENCEMENT AND DURATION

4.1 This Agreement shall commence on **01 July 2016** and shall remain in force until **30 June 2017**. Upon the expiry of this Performance Agreement and in the event that the employee is still in the service of the Municipality, a new Performance Agreement shall be concluded between the parties.

4.2 This Agreement will terminate on the termination of the Employee's contract of employment, for any reason.

4.3 The content of this Agreement may be revised at any time during the above-mentioned period, to determine the applicability of the matters agreed upon.

4.4 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 content of this Agreement is no longer appropriate, the content must be revised immediately.



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5. PERFORMANCE OBJECTIVES

5.1 The Performance Plan (Section B) sets out –

5.1.1 the performance objectives and targets that must be met by the Employee; and

5.1.2 the timeframes within which those performance objectives and targets must be met.

5.2 The performance objectives and targets reflected in Section B are set by the Employer in consultation with the Employee and based on the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP), as well as the Budget of the Employer, and shall include key objectives, key performance indicators, target dates and weightings.

5.2.1 The Key Performance Areas (KPAs) describe the key functional areas of responsibility.

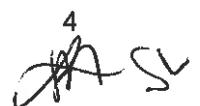
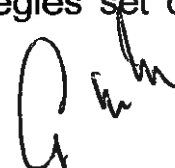
5.2.2 The key objectives describe the main tasks that need to be done.

5.2.3 The key performance indicators (KPI) provide the details of the evidence that must be provided to show that a key objective has been achieved.

5.2.4 The target dates describe the timeframe in which the work must be achieved.

5.2.5 The weightings indicate the relative importance of the key objectives to each other.

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



6. PERFORMANCE MANAGEMENT SYSTEM

- 6.1 The Employee agrees to participate in the Performance Management System that the Employer adopts or introduces for the Municipality.
- 6.2 The Employee accepts that the purpose of the Performance Management System will be to provide a comprehensive system of specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 6.3 The Employer will consult the Employee about the specific performance standards that will be included in the Performance Management System, as applicable to the Employee.
- 6.4 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the Employee's responsibilities) within the local government framework.
- 6.5 The criteria, upon which the performance of the Employee must be assessed, shall consist of two components, both of which must be contained in the Performance Agreement.
- 6.5.1 The Employee must be assessed against both components, with a weighting of 80:20 respectively allocated to the KPAs and the Core Competency Requirements (CCRs).

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6.5.2 Each area of assessment will be weighted and shall contribute a specific part to the total score.

6.5.3 KPAs covering the main areas of work will account for 80%, while of the final assessment, CCRs will account for 20%.

6.6 The Employee's performance assessment shall be based on performance in terms of the outputs/outcomes (performance indicators) identified as per the attached Performance Plan (Section B), which are linked to KPAs, which constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee

NO	Key Performance Areas (KPAs)	Weighting
1	Effective city governance	11%
2	Integrated service delivery to a well-structured city	36%
3	Inclusive economic development and job creation	0%
4	Institutional and capacity development	28%
5	Financial Sustainability and Viability	25
TOTAL PERCENTAGE		100%

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6.7 The following CCRs, which are critical to the employee's specific job, shall make up the other 20% of the Employee's assessment score and must be considered with due regard to the proficiency level agreed to.

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)			
CORE MANAGERIAL COMPETENCIES		INDICATE CHOICE	WEIGHT
1	Strategic financial management	Compulsory	9%
2	People management and empowerment	Compulsory	9%
3	Client orientation and customer focus	Compulsory	9%
4	Strategic leadership and management	Compulsory	8%
CORE OCCUPATIONAL COMPETENCIES			
FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCE		INDICATE CHOICE	WEIGHT
5	Operational financial management	Compulsory	9%
6	Governance, ethics and values in financial management	Compulsory	9%
7	Financial and performance reporting	Compulsory	9%
8	Risk and change management	Compulsory	9%
9	Project Management	Compulsory	7%
10	Legislation, policy and implementation	Compulsory	7%
11	Supply Chain Management	Compulsory	8%
12	Audit and assurance	Compulsory	7%
TOTAL PERCENTAGE			100 %

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7. EVALUATING PERFORMANCE

7.1 The Performance Plan (Section B) sets out –

- 7.1.1 the standards to be met by the Employee; and
- 7.1.2 the intervals for the evaluation of the Employee's performance.

7.2 Schedule for Performance reviews / evaluations

7.2.1 The employee must be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

EVALUATION	PERIOD	DATE
First Quarter	July – September	01 November 2016
Second Quarter	October – December	Review date to be determined in line with 2017 Council Calendar of meetings.
Third Quarter	January – March	Review date to be determined in line with 2017 Council Calendar of meetings.
Fourth Quarter	April – June	Review date to be determined in line with 2017 Council Calendar of meetings.
Annual Performance Evaluation	July – June	Evaluation date to be determined in line with 2017 Council Calendar of meetings.

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

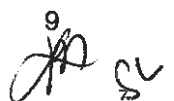
7.3 Personal growth and development needs identified during any performance review discussion, if any, must be documented in a Personal Development Plan, as well as the actions agreed to, and implementation must take place within set time frames.

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

7.5 The annual performance review shall involve:

7.5.1 Assessment of achievement of results, as outlined in performance plan:

- (a) Each KPA shall be assessed according to the extent to which the specified standards and 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 must be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to Clause 7.5.3 below) must then be used to add the scores and calculate a final KPA score.



7.5.2 Assessment of CCRs

- (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 must be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to Clause 7.5.3) must then be used to add the scores and calculate a final CCR score.

7.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator (see Section C). Such overall rating represents the outcome of the performance appraisal.

7.6 The assessment of the performance of the Employee shall be based on the following rating scale for KPAs 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 Performance Agreement and Performance Plan and has maintained this in all areas of responsibility throughout the year.					

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Level	Terminology	Description	Rating				
			1	2	3	4	5
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 per KPA and fully achieved all others throughout the year.					
3	Performance Fully effective	Performance fully meets the standards expected in all areas of the position. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators, as specified in the Performance Agreement 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 Employee has achieved below fully effective results against more than half the key performance criteria and indicators, as specified in the Performance Agreement 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 Performance Agreement and Performance Plan. The Employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job, despite management efforts to encourage improvement.					

7.7 For purposes of evaluating the performance of the **employee**, an evaluation panel constituted of the following persons must be established -

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- (a) Municipal Manager;
- (b) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;
- (c) Member of the Mayoral Committee; and
- (d) Municipal Manager from another Municipality.

7.8 The Executive Director responsible for the human resources function of the Municipality must provide secretariat services to the evaluation panel.

7.9 The Chief Operating Officer shall co-ordinate the performance management process including the evaluation, implementation and management of performance outcomes.

8. SCHEDULE FOR QUARTERLY PERFORMANCE REVIEWS

8.1 The Employer must conduct performance reviews on a quarterly basis during the financial year.

8.2 The Employer must keep a record of performance review meetings.

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

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

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8.5 The Employer may amend the provisions of Section B whenever the performance management system is adopted, implemented and/or amended, as the case may be, in which case the Employee will be fully consulted before any such change is made.

8.6 The Employer shall within a reasonable period after each quarter deliver to the Employee a written report setting forth the results of the relevant assessment.

9. OBLIGATIONS OF EMPLOYER

9.1 The Employer must –

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 at the request of the Employee delegate such powers reasonably required by the Employee to enable him 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 in meeting the performance objectives and targets established in terms of this Agreement.

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10. CONSULTATION

10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will, amongst others –

10.1.1 have 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 have 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 9.1 as soon as is reasonably practicable, to enable the Employee to take the 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, as reflected in the table below.

FINAL SCORE (%)	PERFORMANCE BONUS (%)
Less than 100	Remedial Action
100 – 129	No Bonus
130 – 139	5
140 – 149	9
150 – 159	10
160 – 167	14

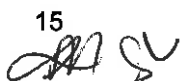
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- 11.2 In the case of unacceptable performance, the Employer shall –
- 11.2.1 provide systematic remedial or developmental support to assist the Employee to improve his performance; and
 - 11.2.2 after appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or his duties.

12. DISPUTE RESOLUTION

- 12.1 If the Parties are in dispute, they will use their best endeavours to resolve the dispute through mediation. In the event of the Parties being unable to resolve the dispute by way of mediation, then the dispute between the parties will be determined in accordance with the arbitration procedures detailed below.
- 12.2 Unless otherwise provided for in this agreement, any dispute between the Parties hereto (and which dispute has previously been submitted to mediation without resolution) in regard to–
- 12.2.1 The interpretation of; or
 - 12.2.2 The effect of; or
 - 12.2.3 The carrying out of; or
 - 12.2.4 Any other matter arising directly or indirectly out of this Agreement; shall be submitted to, and decided by arbitration.
- 12.3 The arbitration will be held in Port Elizabeth informally, but otherwise under the provisions of the Arbitration Act 1965, as amended from



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time to time, or any act passed in substitution for it, it being the intention that the arbitration will as far as possible be held and concluded within twenty-one (21) days after it has been demanded. All parties are entitled to be represented at the arbitration.

12.4 The arbitrator shall be, if the matter in dispute is:-

12.4.1 Primarily an accounting matter, an independent chartered accountant of not less than fifteen (15) years standing, practicing as a registered auditor, agreed upon between the Parties;

12.4.2 Primarily a legal matter, a practicing attorney of not less than fifteen (15) years' standing, or a Senior Counsel, agreed upon between the Parties;

12.4.3 Any other matter, an independent person agreed upon between the Parties.

12.5 If the Parties cannot agree whether any matter in dispute falls under Clauses 12.4.1 or 12.4.2 within seven (7) days, then that dispute will be submitted for decision in terms of Clause 12.4.3 above within seven (7) days after the Parties have so failed to agree, so that the arbitration can be held and concluded as far as possible within the period of twenty-one (21) days referred to above.

12.6 If the Parties are agreed as to whether any matter in dispute falls under clauses 12.4.1 or 12.4.2 above, or should a determination be made in terms of Clause 12.4.3 above, but fail to agree on the appointment of an arbitrator, such failure to agree shall be referred to the most senior executive officer of the association representing the particular profession concerned, and in the case of Clause 12.4.3







above, to the President for the time being of the Law Society of the Cape for the appointment of arbitrator.

12.7 The decision of the arbitrator will be final and binding upon all the Parties and shall be carried into effect and may be made an order of any competent court, including any decision regarding the costs of the arbitration that the arbitrator shall be empowered to make.

13. GENERAL

13.1 The contents of this agreement and the outcome of any review conducted in terms of Section B must 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 contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

13.3 The annual performance evaluation results of the Executive Director must be submitted to the MEC responsible for local government in the province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.



SECTION B: PERFORMANCE PLAN

1. PURPOSE

This Performance Agreement defines Council's expectations of the Executive Director's performance, of which the Performance Plan is a part. Section 57(5) of the Municipal Systems Act provides that performance objectives and targets must be based on key performance indicators, as set in the Municipality's Integrated Development Plan (IDP) and must be reviewed annually.

2. KEY RESPONSIBILITIES

The following objectives of local government inform the Executive Director'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) set inline with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006), Government Gazette No29089, inform the strategic objectives listed in the Performance Plan in Section B of this agreement:

KPA 1: Effective city governance.

KPA 2: Integrated service delivery to a well-structured city.

KPA 3: Inclusive economic development and job creation.

KPA 4: Institutional and capacity development.

KPA 5: Financial sustainability and viability.

as well as the core competency requirements as outlined in Section D of this agreement.



SECTION B: 2016/17 PERFORMANCE PLAN: SAFETY AND SECURITY

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KEY INDICATOR (KPI)	TARGET - QUARTER ENDING 30 SEPTEMBER 2016	TARGET - QUARTER ENDING 31 DECEMBER 2016	TARGET - QUARTER ENDING 31 MARCH 2017	ANNUAL TARGET - QUARTER ENDING 30 JUNE 2017	2016/17 BUDGET INFORMATION	RECOMMENDED PORTFOLIO OF EVIDENCE	RECOMMENDED INTERPRETATION OF RATING SCALE	WEIGHTING	TOTAL WEIGHTING
KPA 1: Effective city governance	KPE 1.1: Risk Management	Number of Safety and Security directorate's risk management reports submitted to the Chief Operating Officer	1	2	3	4	No budget provision required	Risk Management Report Correspondence on the submission of Risk Management Report Confirmation of receipt of Reports from Risk Management Unit	5: 6 4: 5 3: 4 2: 3 1: Below 3	6%	11%
			N/A	N/A	90%	90%	No budget provision required	Independent report from Internal Audit indicating the percentage achievement of the audit action plan in respect of the 2015/16 audit by the Auditor General	5: Above 95% achieved by June 2017 4: Above 90% up to 95% achieved by June 2017 3: 90% achieved by June 2017 2: Below 90% down to 70% achieved by June 2017 1: Below 70% achieved by June 2017	5%	
KPA 2: Integrated service delivery to a well-structured city	KPE 2.1: Protection of municipal assets	% of surveillance cameras in municipal buildings and / or facilities operational to facilitate safety and security	Service Provider appointed to conduct an audit of existing CCTV cameras and contracted security personnel	Audit of existing CCTV cameras and contracted security personnel concluded Draft CCTV cameras and contracted security personnel Integration / Migration Strategy proposed to EXCO Specifications in respect of the installation; monitoring and maintenance of CCTV cameras in municipal buildings and / or municipal property drafted	Service Provider appointed Integration / Migration Strategy implemented All CCTV cameras linked to Control Room First round operational inspections conducted	90% CCTV cameras operational (confirmed through monthly inspections)	Vote: Project No: 20090062 Job No: 2009JCSX00456 Description: CCTV Equipment and Infrastructure Amount: R1 500 000	Inspection Reports Appointment Letter Audit Report Integration / Migration Strategy Implementation Plan	5: 90% (confirmed through daily inspections) 4: 90% (confirmed through weekly inspections) 3: 90% operational (confirmed through monthly inspections) 2: Below 90% down to 75% (confirmed through monthly inspections) 1: Below 75% (confirmed through monthly inspections)	9%	36%

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KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI NO	KEY INDICATOR (KPI)	PERFORMANCE	TARGET - QUARTER ENDING 30 SEPTEMBER 2016	TARGET - QUARTER ENDING 31 DECEMBER 2016	TARGET - QUARTER ENDING 31 MARCH 2017	ANNUAL TARGET - QUARTER ENDING 30 JUNE 2017	2016/17 BUDGET INFORMATION	RECOMMENDED PORTFOLIO OF EVIDENCE	RECOMMENDED INTERPRETATION OF RATING SCALE	WEIGHTING	TOTAL WEIGHTING
KPA 2: Integrated service delivery to a well-structured city	KPE 2.2 Metro police	2.1	Number of Metro Police Precincts established		1	2	3	4	Vote No: 16796239 Description: Metro Police Operating Costs Amount: R20 000 000	1. Lease Agreement 2. Photographs 3. MoU	5: 4 precincts established by December 2016 4: 4 precincts established by March 2017 3: 4 precincts established by June 2017 2: Below 4 down to 2 precincts established by June 2017 1: Below 2 precincts established by June 2017	9%	9%
KPA 2: Integrated service delivery to a well-structured city	KPE 2.2 Metro police	2.2	Number of personnel appointed to populate the Metro Police structure		100	200	300	400	Vote No: 16796239 Description: Metro Police Operating Costs Amount: R20 000 000	Appointment letters	5: Above 500 appointed by June 2017 4: Above 400 up to 500 appointed by June 2017 3: 400 appointed by June 2017 2: Below 400 down to 300 appointed by June 2017 1: Below 300 appointed by June 2017	9%	36% continues
KPA 2: Integrated service delivery to a well-structured city	KPE 2.3: Safety and Security Fleet	2.1	Number of safety and security fleet procured					6	Project ID: 20140015 Description: Vehicles for security Amount: R2 400 000	Report from fleet management	5: 6 fleets procured by December 2016 4: 6 fleets procured by March 2017 3: 6 fleets procured by June 2017 2: Below 6 down to 4 fleets procured by June 2017 1: Below 4 fleets procured by June 2017	9%	9%
KPA 3: Inclusive economic development and job creation	KPE 3.1 Job creation and Expanded Public Work Programme (EPWP)	3.1	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%
KPA 4: Institutional and capacity development	KPE 4.1 Monitoring and Evaluation	4.1	% Safety and Security KPIs reflected in the 2016/17 performance agreement with a Technical Description and Business Process Guide in place		100% by September 2016	N/A	N/A	100% by September 2016	No budget provision required	2016/17 Technical Description and Business Process Guides	5: 100% by 31 July 2016 4: 100% by 31 August 2016 3: 100% by September 2016 2: Any one of the Guides not in place 1: Two or more Guides not in place	5%	28%
KPA 4: Institutional and capacity development	KPE 4.2 Labour Relations	4.2	Number of Management Union Meetings (MUM) held		1	2	3	4	No budget provision required	1. Attendance registers 2. Minutes	5: 6 4: 5 3: 4 2: 3 1: Below 3	9%	9%




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KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	KPI	KEY INDICATOR (KPI)	TARGET - QUARTER ENDING 30 SEPTEMBER 2016	TARGET - QUARTER ENDING 31 DECEMBER 2016	TARGET - QUARTER ENDING 31 MARCH 2017	ANNUAL TARGET - QUARTER ENDING 30 JUNE 2017	2016/17 BUDGET INFORMATION	RECOMMENDED PORTFOLIO OF EVIDENCE	RECOMMENDED INTERPRETATION OF RATING SCALE	TOTAL WEIGHTING
KPA 4: Institutional and capacity development	KPE 4.3 Performance management	4.3.1	Conducting quarterly performance reviews of Managers directly reporting to the Executive Director	Executive Director's performance agreement in place Performance plans of direct reporting managers in place 2015/16 Fourth quarter performance reviews conducted with direct reportees	2016/17 First Quarter performance reviews conducted with direct reporting managers	2016/17 Mid-Term performance reviews conducted with direct reporting managers	2016/17 Third Quarter performance reviews conducted with direct reporting managers	No budget provision required	Performance Agreement Performance Plans Attendance Registers Reports on Reviews/Assessments	5: In addition to 3 and 4 below, demonstrate a % quarter-to-quarter improvement in performance 4: In addition to 3 below, conduct monthly Directorate Management Team meeting where "Performance" (directorate KPIs, targets and performance) is an agenda item 3: Performance agreement and performance plans in place, as well as 2015/16 Fourth Quarter, 2016/17 First, Second and Third Quarter performance reviews conducted with direct reporting managers 2: Any 1 or 2 of the quarterly performance reviews not completed / conducted 1: More than 2 quarterly performance reviews not completed / conducted	9%
KPA 4: Institutional and capacity development	KPE 4.3 Performance management	4.3.2	Conducting quarterly performance reviews of Safety and Security Directorate's Service Providers and/or Contractors in line with concluded Service Level Agreement and/or project plan	Within 5 days after the end of the quarter	Within 5 days after the end of the quarter	Within 5 days after the end of the quarter	Within 5 days after the end of the quarter	No budget information required	List of active service providers per directorate Performance review forms Reports / correspondence	5: Conduct monthly performance reviews or Conduct quarterly performance reviews within 1 day after the end of the quarter; and demonstrate that the outcome of the performance review has been dealt with. 4: Conduct bi-monthly performance reviews or Conduct quarterly performance reviews within 3 days after the end of the quarter; and demonstrate that the outcome of the performance review has been dealt with. 3: Conduct quarterly performance reviews within 5 days after the end of the quarter. 2: Conduct quarterly performance reviews later than 5 days but within 10 days after the end of the quarter. 1: Conduct quarterly performance later than 10 days after the end of the quarter.	5%

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KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE ELEMENT (KPE)	Q1	Q2	KEY INDICATOR (KPI)	PERFORMANCE	TARGET - QUARTER ENDING 30 SEPTEMBER 2016	TARGET - QUARTER ENDING 31 DECEMBER 2016	TARGET - QUARTER ENDING 31 MARCH 2017	ANNUAL TARGET - QUARTER ENDING 30 JUNE 2017	2016/17 BUDGET INFORMATION	RECOMMENDED PORTFOLIO OF EVIDENCE	RECOMMENDED INTERPRETATION OF RATING SCALE	WEIGHTING	TOTAL WEIGHTING
KPA 5: Financial Sustainability and Viability	KPE 5.1 Budgeting and Financial Accounting	5.1	5.1	% of Safety and Security Directorate's Capital actually spent	Security Budget	10%	30%	60%	95%	Vote No:1195 Description: Safety and Security Capital Amount: R 14 000 600	Financial report	5: Above 97% 4: Above 95% up to 97% 3: 95% 2: Below 95% down to 24% 1: Below 24% down to 0%	6%	
KPA 5: Financial Sustainability and Viability	KPE 5.1 Budgeting and Financial Accounting	5.1	5.1	% of Safety and Security Directorate's Training spent on implementing its Workplace Skills Plan	Security Budget	25%	50%	75%	95%	Vote No: 1195/0375 Description: Training Amount: R 1 154 480	Financial report	5: Above 97% 4: Above 95% up to 97% 3: 95% 2: Below 95% down to 24% 1: Below 24% down to 0%	7%	
KPA 5: Financial Sustainability and Viability	KPE 5.2: Revenue Management	5.2	5.2	% revenue collection from traffic and licensing services (excluding fines) as per the set budget target		20%	45%	65%	100%	No budget provision required	Financial report	5: 100% by April 2017 4: 100% by May 2017 3: 100% by June 2017 2: Below 100% down to 80% by June 2017 1: Below 80% by June 2017	7%	
KPA 5: Financial Sustainability and Viability	KPE 5.2: Revenue Management	5.2	5.2	% of revenue collection from fines (as per the set budget target)		20%	40%	60%	100%	Vote No: 0692 5414 4247 Description: Various Votes Amount: R 44 000 000	Financial report	5: 100% by April 2017 4: 100% by May 2017 3: 100% by June 2017 2: Below 100% down to 80% by June 2017 1: Below 80% by June 2017	5%	

SECTION C

ASSESSMENT RATING CALCULATOR

NELSON MANDELA BAY MUNICIPALITY										
Assessment Rating Calculator										
Name:		LINDA MTI								
Cycle:		Jul-16		to		Jun-17				
Key Performance Indicator	Weight	Rating	Score		CCR	Weight	Rating	Score		
1.1.1	6%		0		1	9%		0		
1.2.1	5%		0		2	9%		0		
2.1.1	9%		0		3	9%		0		
2.2.1	9%		0		4	8%		0		
2.2.2	9%		0		5	9%		0		
2.3.1	9%		0		6	9%		0		
3.1.1	0%		0		7	9%		0		
4.1.1	5%		0		8	9%		0		
4.2.1	9%		0		9	7%		0		
4.3.1	9%		0		10	7%		0		
4.3.2	5%		0		11	8%		0		
5.1.1	6%		0		12	7%				
5.1.2	7%		0							
5.2.1	7%		0							
5.2.2	5%		0							
			100%	0				100%	0	
KPA weight			80%		CCR weight			20%		
KPA SCORE			0%		CCR SCORE			0%		
FINAL SCORE										0%

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SECTION C

(a) Performance Calculations and Ratings

At the end of each performance review cycle, the employee will be assessed in terms of the required targets reflected on his / her respective performance plan. The following elements are essential in determining performance levels:

(b) Performance Weighting

Weightings allow emphasis to be placed on KPAs and key objectives that carry more importance and/or take more time. Every KPA in the performance agreement or plan must be assigned a weighting. The total of the weightings on each of the two components of the performance plan must add up to 100.

The purpose of the weighting is to enable Council to ensure performance of the key objectives with the highest strategic importance, and to reward outstanding performance accordingly.

(c) Performance Rating

The rating can be defined as the level of achievement of the targets set for a specific key performance area. The Nelson Mandela Bay Municipality uses the five-point system for rating performance, as contained in the performance agreement (see Clause 7.6).

(d) Score

The score represents the product of the average rates of all the targets for each key performance indicator, and the weight for the respective key performance area; e.g. if the average rate is 3 and the weighting is 15, then the weighted score = 3×15 , which equals 45.

(e) Total Weighted Score and Performance Percentage

The total score is the sum of the weighted scores for all the key performance areas and core competency requirements for a specific position. Therefore by adding all the weighted scores, one arrives at a figure representing the total weighted score.

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SECTION D: CORE COMPETENCY REQUIREMENTS (100%)

MINIMUM COMPETENCY LEVELS

NO	Competence	Description	Generic performance standards	WEIGHT
1	<p>CORE MANAGERIAL COMPETENCIES: Financial Management</p> <p>Also listed under:-</p> <p>FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Operational Financial Management</p>	<p>Apply cost management information systems in the preparation of management reports (119341)</p> <p>Conduct working capital management activities in accordance with sound financial management policy (119331)</p> <p>Plan a municipal budgeting and reporting cycle (116384)</p> <p>Maximises the organisation's business sense and displays a sound business understanding in applying the most effective management practices to achieve organisational financing goals and objectives.</p> <p>Applies the techniques of sound financial management in local government.</p> <p>Demonstrates an understanding of the principles of good governance and ethical behaviour within a municipal setting.</p> <p>Uses the working capital management policy applicable to the public management and administration sector.</p>	<p>= Identify and apply different methods of accounting for costs in the public setting.</p> <p>= Compile costing information for management control.</p> <p>= Prepare cost performance reports using variance analysis techniques.</p> <p>= Present relevant data to support non-routine short-term decisions.</p> <p>= Use the working capital management policy applicable to the public management and administration sector.</p> <p>= Use financial information to inform working capital decisions.</p> <p>= Manage accounts receivable.</p> <p>= Manage inventory.</p> <p>= Manage cash resources.</p> <p>= Identify the roles and responsibilities of municipal political executive and senior management required by the local government legislative framework for budgeting</p> <p>= Plan a municipal budget calendar in accordance with the legislation</p> <p>= Develop a legislatively compliant municipal budget and treasury office</p> <p>= Comply with the conditions for municipal delegations</p> <p>= Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate.</p> <p>= Manages and monitors financial risk.</p> <p>= Defines and evaluates mechanisms and processes for deciding the overall levels of expenditure at local government level.</p> <p>= Defines the notions of political and managerial accountability and separation of responsibilities within the municipal context.</p> <p>= Explains the working capital policy in the public finance management and administration sector.</p> <p>= Identifies the element covered by the working capital policy.</p>	9%

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NO	Competence	Description	Generic performance standards	WEIGHT
1	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Operational Financial Management <i>Continues</i>	Uses the working capital management policy applicable to the public management and administration sector.	= Demonstrates the need to manage the overall working capital position to meet overall financial management policy.	continues
		Manages inventory.	= Applies government guidelines relating to procurement and inventory.	
			= Provides management techniques and practices are used with reference to various inventory items.	
			= Implements Asset Management Strategy.	
		Identifies the roles and responsibilities of municipal political executive and senior management required by the local government legislative framework for budgeting.	= Identifying the roles and responsibilities of municipal political executives, accounting officers and senior managers in the budget preparations are identified using regulatory framework.	
			= The typical scope of this outcome will include roles and responsibilities of the Mayor, Municipal Manager, Council, Chief Finance Officer and Senior Managers.	
		Plans a municipal budget calendar in accordance with the legislation.	= The typical scope of this outcome will include community participation, Integrated Development Plans, Mayoral activities and budget approval.	
	Develops a legislatively compliant municipal Budget and Treasury Office.	= Develops a budget that complies with relevant legislation.		
2	CORE MANAGERIAL COMPETENCIES: People management and empowerment	Manages and encourages people, optimises their outputs and effectively manages relationships in order to achieve organisational goals.	= Delegates and empowers others to increase contribution and level of responsibility.	9%
			= Applies labour and employment legislation and regulations consistently.	
			= Recognises individuals and teams and provides developmental feedback in accordance with performance management principles.	
			= Adheres to internal and national standards with regard to HR practices.	
			= Deals with labour matters according to legislation.	
			= Identifies competencies required and ensures that all employees in the directorate have personal development plans.	
			= Manages conflict through a participatory and transparent approach.	
3	CORE MANAGERIAL COMPETENCIES: Client orientation and customer focus	Understands the service needs of a client/customer (internal or external) and actively focuses on anticipating, meeting and exceeding the needs in a timely and appropriate manner.	= Follows through on client enquiries, requests and complaints in a timely manner.	9%
			= Advises clients about status of issues or progress of projects.	
			= Maintains clear communication with clients regarding mutual expectations and monitors client satisfaction.	
			= Implements Batho Pele principles.	
			= Aligns the organisational structure and management processes to support the client's vision.	
4	CORE MANAGERIAL COMPETENCIES: Honesty and Integrity	Displays and builds the highest standards of ethical and moral conduct in order to promote confidence and trust.	= Conducts self in accordance with organisational code of conduct and policies.	8%
			= Reports fraud, corruption, nepotism and maladministration.	
			= Honours the confidentiality of matters and does not use it for personal gain or the gain of others.	
			= Discloses conflict of interest issues.	
			= Uses work-time for organisational matters and not for personal matters.	

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NO	Competence	Description	Generic performance standards	WEIGHT
5	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Strategic leadership and management	<p>Contribute to the strategic planning process in a South African Municipality (116358)</p> <p>Determines and articulates the vision, sets the direction for the organisation and/or directorate and inspires others to deliver on the organisational mandate.</p> <p>Conducts a stakeholder analysis and develops a framework for a community participation process.</p> <p>Demonstrates knowledge of the legislative framework for integrated development planning and applies requirements of legislation.</p> <p>Formulates programs and develops methods for monitoring the implementation of a strategic plan and related programmes.</p> <p>Interpret South African legislation and policy affecting municipal financial management (116361)</p>	<p>= Formulate vision and mission statements in a South African Municipality as required by the Local Government Legislative Framework.</p> <p>= Conduct a stakeholder analysis and develop a framework for a community participation process.</p> <p>= Identify key performance areas applicable to institutional strategies as required by the Local Government Legislative Framework.</p> <p>= Formulate institutional strategies.</p> <p>= Demonstrate knowledge of the legislative framework for integrated development planning and apply requirements of legislation.</p> <p>= Formulate programmes and develop methods for monitoring the implementation of a strategic plan and related programmes.</p> <p>= Gives direction and realises the organisation's strategic objectives as expressed in the SDBIP, Budget and IDP.</p> <p>= Develops detailed action plans to execute strategic initiatives.</p> <p>= Achieves strategic objectives against specified performance measures.</p> <p>= Translates strategies into action plans.</p> <p>= Builds and supports a high-performance team.</p> <p>= Communicates strategic plan to the directorate(s).</p> <p>= Provides strategic leadership to relevant key Council structures.</p> <p>= Various stakeholders are identified that should be consulted in municipal strategic planning process, after which a database is developed.</p> <p>= An institutional IDP and SDBIP is drafted and reviewed according to legislation and institutional timelines.</p> <p>= Develops indicators to be used in the measurement of the delivery of all elements of a strategic plan and effects periodic monitoring and evaluation.</p> <p>= Apply the techniques of sound financial management in local government.</p> <p>= Identify and describe the key elements in the structure of public policy making in South Africa and the connections and power relations between them.</p> <p>= Interpret the elements of initiatives taken through various pieces of legislation to promote sound financial management in local government.</p> <p>= Demonstrate, through analysis, an understanding of the environment in which policy-making takes place with emphasis on factors that significantly impinge on policy making.</p> <p>= Demonstrate an understanding of the principles of good governance and ethical behaviour within a municipal setting.</p>	9%

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NO	Competence	Description	Generic performance standards	WEIGHT
6	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Governance, ethics and values in financial management	Applies the principles of ethics in a municipal environment (116343)	= Demonstrate knowledge and insight into existing legislation, regulations and codes affecting activities of municipalities in South Africa	9%
			= Apply the principles of ethics and professionalism to a municipal code of conduct	
			= Develop an implementation plan to achieve compliance with an established code of ethics	
7	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Financial and performance reporting	Prepare and analyse municipal financial reports (116363)	= Select measure, record, classify and report financial data in accordance with current financial reporting standards	9%
			= Prepare and comment on financial reports for different forms of municipal entities	
			= Apply and comment on statements of generally recognized accounting practice	
			= Analyze and interpret financial statements for stakeholders	
		Apply accounting principles and procedures in the preparation of reports and decision making (119350)	= Demonstrate an understanding of accounting principles and reporting requirements and nature of functions in public sector	
			= Use accounting techniques and approaches to process financial information	
			= Apply end of period accounting procedures in the preparation of financial statements	
			= Apply procedures necessary for control over cash transactions and balances	
			= Utilise procedures for reporting and recording accounts receivable	
			= Utilise procedures for recording and reporting on liabilities in the public sector	
		Apply selected GRAP (Generally Recognised Accounting Practices) to periodic accounting reporting process (119348)	= Explain and apply the conceptual framework underlying GRAP	
			= Present separate periodic financial statements in accordance with GRAP	
			= Explain selected statutory provisions related to financial reporting	
			= Analyse and interpret financial statements	
		Conduct performance management to a South African municipal environment (116341)	= Implement performance management systems and mechanisms in a South African municipality, as required by the Local Government Legislative Framework	
			= Write and develop performance management concepts for the effective measurement of municipal strategic and financial performance	
			= Develop and identify the critical areas of a performance management agreement to be used as a form of contract of employment for a municipal staff member	
= Identify and establish Institutional arrangements required for performance management in a municipality				
= Apply performance management concepts to municipal service delivery				
8	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Risk and change management	Apply risk management in South African municipalities (116339)	= Identify the role played by risk management in a municipality	9%
			= Interpret and apply legislation relevant to municipal risk management in South Africa municipalities	
			= Demonstrate how risk management contributes to good governance	
			= Develop a municipality wide risk management and reporting system	
			= Develop a risk management process	

NO	Competence	Description	Generic performance standards	WEIGHT
8	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Risk and change management	Demonstrates how risk management contributes to good governance.	<ul style="list-style-type: none"> = Develops and implements risk management plans and reporting quarterly. = Ensures the establishment and functionality of risk structures. = Ensures the development and implementation of risk management strategies. 	continues
9	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Project Management	<p>Initiates and manages projects in terms of project management principles.</p> <p>Applies operations research, principles and tools in the management of project activities and resources (119343).</p>	<ul style="list-style-type: none"> = Identifies and solves performance problems using critical and creative thinking processes. = Ensures performance improvement. = Plans and reviews performance management annually in the institution. = Works effectively with others as members of a team, group, organisation, community regarding performance issues and fostering team commitment to achieve a high level of service excellence. = Collects, analyses, organises and critically evaluates performance information and presenting conclusions. 	7%
10	<p>CORE OCCUPATIONAL COMPETENCIES: Interpretation of and implementation within the legislative and national policy frameworks</p> <p>Also listed under:-</p> <p>FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Legislation, policy and implementation</p>	<p>Discuss the selected legislative regulatory framework governing the public sector management and administration environment (119334)</p> <p>Interprets the elements of initiatives taken through various pieces of legislation to promote sound financial management in local government.</p> <p>Applies the principles of ethics and professionalism to a municipal code of conduct Assessment Criteria.</p> <p>Demonstrates an understanding of and interprets the South African Constitution in relation to public sector financial management.</p>	<ul style="list-style-type: none"> = Demonstrate an understanding of and interpret the South African Constitution in relation to public sector financial management = Identify and apply the regulations governing the Division of Revenue = Demonstrate knowledge of and apply the South African legal system within the public sector financial management and administration context = Apply legislative regulations and legal principles to contracts = Manage the implementation of the Municipal Finance Management Act in a municipality = Adheres to legislative compliance. = Adheres to the Municipal Finance Management Act. = Adheres to the Code of Conduct. = Avoids misconduct and bringing the Municipality into disrepute. = Implements intergovernmental relations. = Adheres to good corporate governance. = Ensures the functionality of Legal Services Sub-Directorate. = Ensures adherence to the Policy Development Framework. = Ensures the development and adherence to the By-law Process Framework. = Ensures the review and uniformity of all by-laws. 	7%

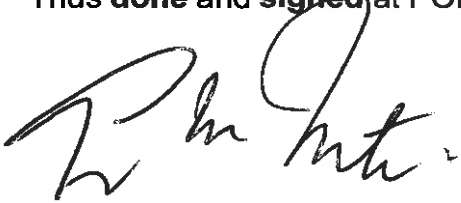
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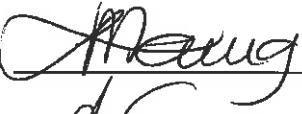

NO	Competence	Description	Generic performance standards	WEIGHT
11	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Supply Chain Management	Participate in the design and implementation of municipal supply chain management (116353) Applies legislative requirements governing supply chain management. Manages risks in supply chain management processes. Delegates supply chain management powers and functions. Complies with required ethical standards applied in municipal supply chain management. Develops and evaluates a municipal supply chain management policy.	= Apply legislative requirements governing supply chain management. = Manage risks in supply chain management processes. = Delegate supply chain management powers and functions. = Comply with required ethical standards applied in municipal supply chain management. = Develop and evaluate a municipal supply chain management policy. = Adheres to the Municipality's Supply Chain Management Policy. = Appoints companies which are registered on NMBM service providers database. = Implements contract management system to check on performance of contractors. = Implements delegated powers in terms of supply chain management. = Discloses requirements by supply chain management officials and other role players are identified in legislation and incorporated into the procedures, which will be implemented. = Contributes to the annual review of the supply chain management policy. = Investigates and implements programmes to ensure the promotion of broad-based economic empowerment.	8%
12	FINANCIAL AND SUPPLY CHAIN MANAGEMENT COMPETENCIES: Audit and Assurance	Conducts auditing planning and implementation in a South African municipality (116351) Describes and evaluates the scope of both internal and external audit work and audit's relationship to management.	= Rectifies issues identified by Internal Audit. = Develops and implements annually an Action Plan to rectify findings from the Office of the Auditor-General. = Enhances the implementation of the annual Audit Plan. = Conducts self in accordance with organisational code of conduct and policies. = Reports fraud, corruption, nepotism and maladministration. = Honours the confidentiality of matters and does not use it for personal gain or the gain of others. = Discloses conflict of interest issues. = Uses work-time for organisational matters and not for personal matters. = Timeous response to audit queries and submission of information (both by Internal Audit and the Office of the Auditor-General). = Maintains a good working relationship with the Office of the Auditor-General.	7%

Thus done and signed at PORT ELIZABETH on 8 July 2016



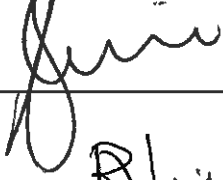

LINDA MTI
EXECUTIVE DIRECTOR: SAFETY AND SECURITY

AS WITNESSES

- 1.  _____
- 2.  _____


JOHANN METTLER
ACTING CITY MANAGER

AS WITNESSES:

- 1.  _____
- 2.  _____

2016/17 PERSONAL DEVELOPMENT PLAN / INDIVIDUAL LEARNING PLAN - MR L MTI

No	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 Frames	Work opportunity created to practice skill / development area	Support Person	
1					The PDP will be populated during the 2015/16 fourth quarter performance evaluation scheduled for August 2016 and thereafter updated during the 2016/17 quarterly performance reviews			
2								
3								
4								

MR L MTI
EXECUTIVE DIRECTOR: SAFETY AND SECURITY

DATE:

J MIETTLER
ACTING CITY MANAGER

DATE: