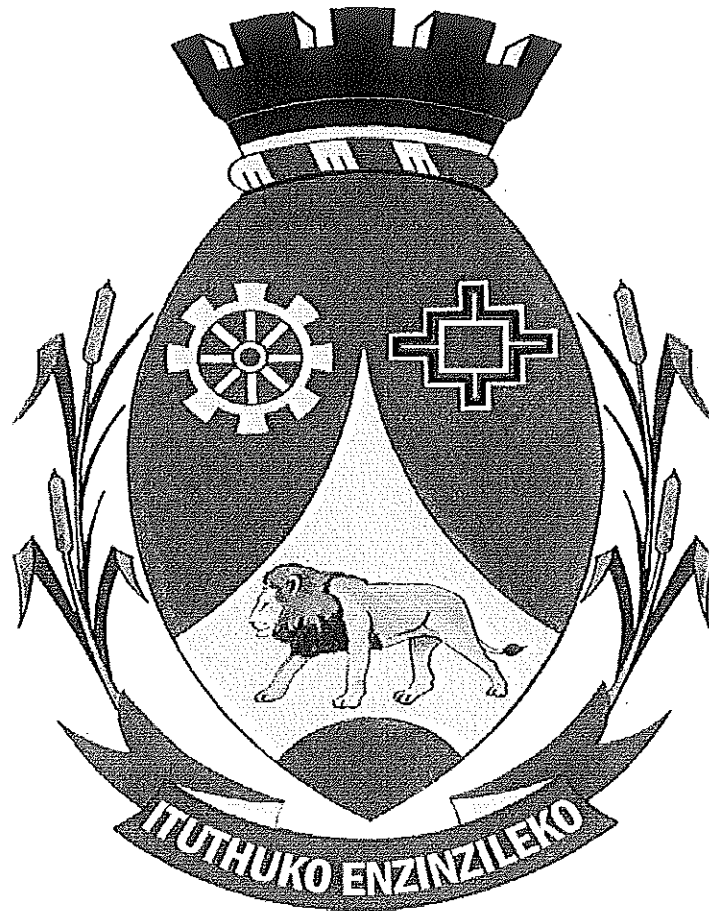
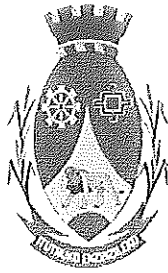


THEMBISILE HANI LOCAL  
MUNICIPALITY



PERFORMANCE AGREEMENT



***PERFORMANCE AGREEMENT***

MADE AND ENTERED INTO BY AND BETWEEN:

**THE THEMBISILE HANI LOCAL MUNICIPALITY  
AS REPRESENTED BY THE MUNICIPAL MANAGER**

**JABULANI ISAAC SINDANE**

AND

**MAMARE MAKGABA**

***THE CHIEF FINANCIAL OFFICER OF THE MUNICIPALITY***

FOR THE

**FINANCIAL YEAR: 01 JULY 2013 - 30 JUNE 2014**

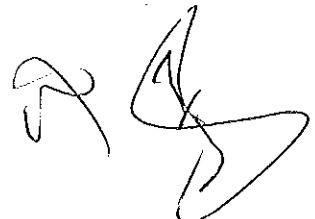
Two handwritten signatures in black ink, one to the left and one to the right, positioned at the bottom right of the page.

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1. Introduction
2. Purpose of this agreement
3. Commencement and Duration
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11. Consultation
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### **Annexure: A Performance Plan**

### **B Personal Development Plan**

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## PERFORMANCE AGREEMENT

### ENTERED INTO BY AND BETWEEN:

The *Thembisile Hani Local Municipality* herein represented by *Jabulani Isaac Sindane* in her/his capacity as Municipal Manager (hereinafter referred to as the **Employer** or Supervisor)

and

*Mamare Makgaba* (CFO) Employee of the Municipality (hereinafter referred to as the **Employee**).

### WHEREBY IT IS AGREED AS FOLLOWS:

#### 1 INTRODUCTION

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

#### 2 PURPOSE OF THIS AGREEMENT

**The purpose of this Agreement is to -**

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;

- 2.2 specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure A to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- 2.6 in the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

### **3 COMMENCEMENT AND DURATION**

- 3.1 This Agreement will commence on the **01 July 2013** and will remain in force until **30 June 2014** where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

Handwritten initials 'NS' and a signature.

## 4 PERFORMANCE OBJECTIVES

### 4.1 The Performance Plan (Annexure A) sets out:

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

4.1.2 the time frames within which those performance objectives and targets must be met.

4.2 The performance objectives and targets reflected in Annexure A are set by the **Employer** in consultation with the **Employee** and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.

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

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

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


4.2.4 The weightings show the relative importance of the key objectives to each other.

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

## 5 PERFORMANCE MANAGEMENT SYSTEM

5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.

5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific

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performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.

- 5.3 The **Employer** will consult the **Employee** about the specific performance standards that will be included in the performance management system as applicable to the **Employee**.

## 6. THE EMPLOYEE AGREES TO PARTICIPATE IN THE PERFORMANCE MANAGEMENT AND DEVELOP SYSTEM THAT THE EMPLOYER ADOPTS

6.1 The **Employee** undertakes to actively focus towards the promotion and implementation of the IDP priorities (including special projects relevant to the employee's responsibilities) within the local government framework.

6.2 The criteria upon which the performance of the **Employee** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.

6.2.1 The **Employee** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Area (KPAs) and the Core Competency Requirements (CCRs) respectively.

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

6.2.3 KPA's covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.

6.3 The **Employee's** assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPA's and will constitute 80% of the overall assessment result as per the weightings agreed to between the **Employer** and **Employee**:

KEY PERFORMANCE AREAS	WEIGHTING
Basic Service Delivery	5%
Municipal Institutional Development and Transformation	5%
Local Economic Development	0%
Municipal Financial Viability	80%
Good Governance and Public Participation	10%
Total	100%

6.4 . The CCRs will make up the other 20% of the **Employee's** assessment score. CCRs that are deemed to be most critical for the **Employee's** specific job should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for Chief Financial Officer

<b>CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES</b>		
<b>CORE MANAGERIAL COMPETENCIES (CMC)</b>	✓	WEIGHT
Strategic Capability and Leadership	✓	5.5%
Programme and Project Management		4.5%
Financial Management	compulsory	4.5%
Change Management		4.5%
Knowledge Management		4.5%
Service Delivery Innovation		4.5%
Problem Solving and Analysis		4.5%
People Management and Empowerment	compulsory	4.5%
Client Orientation and Customer Focus	compulsory	4.5%
Communication		4.5%
Honesty and Integrity	✓	4.5%
<b>CORE OCCUPATIONAL COMPETENCIES (COC)</b>		
Competence in Self Management		4.5%
Interpretation of and implementation within the legislative an national policy frameworks	✓	4.5%
Knowledge of Performance Management and Reporting	✓	4.5%
Knowledge of Developmental Local Government	✓	4.5%
Knowledge of global and South African specific political, social and economic contexts		4.5%
Competence in policy conceptualisation, analysis and implementation	✓	4.5%
Knowledge of more than one functional municipal field / discipline		4.5%
Skills in Mediation		4.5%
Skills in Governance		4.5%
Competence as required by other national line sector departments		4.5%
Exceptional and dynamic creativity to improve the functioning of the municipality		4.5%
Total percentage	-	<b>100%</b>

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## 7 EVALUATING PERFORMANCE

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

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

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

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

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

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

7.5 The annual performance appraisal will involve:

### 6.5.1 **Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.

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7.5.1.b. the employee to be evaluated must given the opportunity before the evaluation panel site to bring evidence for good performance for consideration of the panel

**7.5.2 Assessment of the CCRs**

Level	Terminology	Description	Rating			
			1	2	3	4
5	Outstanding performance	Performance far exceeds the standard expected of an employee this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.				
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieves all others throughout the year.				
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.				
2	Not fully effective	Performance is below 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.				
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved 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.	
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- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) 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 paragraph 7.5.1) 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. Such overall rating represents the outcome of the performance appraisal.

7.6 The assessment of the performance of the **Employee** will be based on the following rating scale for IDP KPA and CCRs:

7.7 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -

7.7.1 Municipal Manager;

7.7.2 Chairperson of the audit committee;

7.7.3 Member of the Mayoral committee; and

7.7.4 Municipal Manager from another municipality

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

## 8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates:

<b>1<sup>st</sup> quarter</b>	: not later than end of 3 <sup>rd</sup> week of October
<b>2<sup>nd</sup> quarter</b>	: not later than end of 3 <sup>rd</sup> week of Jan
<b>3<sup>rd</sup> quarter</b>	: not later than end of 3 <sup>rd</sup> week of April
<b>4<sup>th</sup> quarter</b>	: not later than end of 3 <sup>rd</sup> week of July

8.2 The **Employer** shall keep a record of the mid-year review and annual assessment 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 Annexure "A" from time to time for operational reasons. The **Employee** will be fully consulted before any such change is made.

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



## 9. DEVELOPMENTAL REQUIREMENTS

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

## 10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer shall –

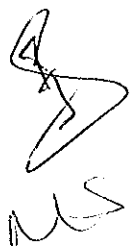
10.1.1 create an enabling environment to facilitate effective performance by the employee;

10.1.2 provide access to skills development and capacity building opportunities;

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

10.1.4 on the request of the **Employee** delegate such powers reasonably required by the **Employee** to enable him / her to meet the performance objectives and targets established in terms of this Agreement; and

10.1.5 make available to the **Employee** such resources as the **Employee** may reasonably require from time to time to assist him / her to meet



the performance objectives and targets established in terms of this Agreement.

## 11. CONSULTATION

- 11.1 The **Employer** agrees to consult the **Employee** timeously where the exercising of the powers will have amongst others –
- 10.1.1 a direct effect on the performance of any of the **Employee's** functions;
  - 11.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and
  - 11.1.3 a substantial financial effect on the **Employer**.
- 11.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

## 12. MANAGEMENT OF EVALUATION OUTCOMES

- 12.1 The evaluation of the **Employee's** performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 12.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

FINAL SCORE	BONUS AMOUNT
150% - above	10 - 14% of inclusive annual Package
130% - 149%	5 - 9% of inclusive annual Package
Below 129%	0% Bonus

- 12.3 In the case of unacceptable performance, the **Employer** shall –



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

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

### **13. DISPUTE RESOLUTION**

13.1 the matter will be dealt with in terms of applicable legislation.

### **14. GENERAL**

14.1 The contents of performance agreement must be made available to the public by the employer in accordance with the Municipal Finance Management Act, 2003 and section 46 of the Act.

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

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Thus done and signed at Kwaqqa fontein on this 30 day  
of July 2013.

AS WITNESSES


1. G. Mogorosi

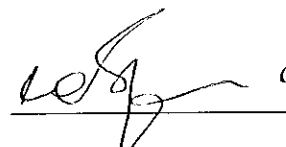
2. \_\_\_\_\_

  
M MAKGABA  
CFO

Thus done and signed at Kwaqqa fontein on this 30 day  
of July 2013.

AS WITNESSES

1. 

2. 

  
JI SINDANE  
MUNICIPAL MANAGER



ANNEXURE A: PERFORMANCE PLAN  
(FINANCE SERVICES)

**1. DEVELOPMENTAL OBJECTIVES**

Toward the achievement of its long-term vision, and as informed by the priority issues confirmed through the situational analysis, the municipality has brought a set of brought development objectives to create a sense of focus around key priority issues. These development objectives are aimed at bridging the gap between the current priorities or challenges and the municipality's long-term vision by offering a high level of what needs to be achieved in a short to medium.

**The following are the developmental objectives that the municipality has set:**

- 1) To enhance revenue and to ensure financial viability and sustainability for Thembisile Hani Local Municipality
- 2) To deepen democracy and strengthen democratic institutions.



KPA 1: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT ADMINISTRATIVE AND FINANCIAL CAPABILITY													
KPA	OUTCOME	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORM MANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
								Q1	Q2	Q3	Q4		
	OUTPUT 1 OUTPUT 6												
Financial Viability			Approval of Medium Term Revenue and Expenditure Framework (MTREF)		Approved 2013/14 adjustment budget	Adjusted 2013/2014 Budget by 28 February 2014	In house	N/A	N/A	Adjusted Budget 2012/13	Balanced budget	improve service delivery	
Financial Viability			260470 Budget Process		Approved MTREF budget	Approved Budget by May 2014	50	Tabled schedule of key deadline	Consultation	tabled MTREF budget for 2014/2015	Compliant budgets	improve service delivery	
Financial Viability			all budget related policies		Reviewed and adopted all budget related policies	Adopted all budget related policies	In house	n/a	n/a	none	all adopted budget related policies	improve service delivery	
Financial Viability			Revenue collection		Amount to be collected within the financial year	R 52 600 000	In house	13 500 000.00	13 500 000.00	13 500 000.00	decreasing doubtful debts	collect all revenue legally due to the Municipality	
						Property rates R 6 200 000	In house	R 1 550 000	R 1 550 000	R 1 550 000	decreasing doubtful debts	collect all revenue legally due to the Municipality	
						Interest on fixed deposit- R 12 800 000	In house	R 3 200 000	R 3 200 000	R 3 200 000	decreasing doubtful debts	collect all revenue legally due to the Municipality	

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT ADMINISTRATIVE AND FINANCIAL CAPABILITY													
KPA	OUTCOME	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFOR MANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
								Q1	Q2	Q3	Q4		
	OUTPUT 1 OUTPUT 6					Interest on arrears- R10 500 000	In house	R 2 600 000	R 2 600 000	R 2 600 000	R 2 600 000	decreasing doubtful debts	collect all revenue legally due to the Municipality
						MIG- VAT revenue- R 20 600 000	In house	R 5 150 000	R 5 150 000	R 5 150 000	R 5 150 000	decreasing doubtful debts	collect all revenue legally due to the Municipality
						Other revenue- R2 200 000	In house	R 550 000	R 550 000	R 550 000	R 550 000	decreasing doubtful debts	collect all revenue legally due to the Municipality
Financial Viability			MFMA Section 71 reports		Number of MFMA Section 71 reports submitted to the Executive Mayor and provincial treasury within 10 working days after the end of each month.	12 monthly reports	In house	3 monthly reports	3 monthly reports	3 monthly reports	3 monthly reports	12 Monthly reports	improve service delivery
Financial Viability			Supply Chain Management		number of quarterly SCM report submitted to council	4 quarterly SCM report	In house	1	1	1	1	4 SCM reports	improve service delivery
Financial Viability			financial statement		Number of quarterly financial statement submitted	4 quarterly financial statement		1	1	1	1	4	improve services delivery
Financial Viability			monthly bank reconciliation		Number of monthly bank reconciliation submitted	12 monthly bank reconciliation		3	3	3	3	12 monthly bank reconciliation	improve services delivery

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT ADMINISTRATIVE AND FINANCIAL CAPABILITY														
KPA	OUTCOME	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR	
								Q1	Q2	Q3	Q4			
Financial Viability	OUTPUT 1 OUTPUT 6		monthly calculation of revenue		Number of monthly calculation of revenue submitted	12 reports	In house	3	3	3	3	3	12 reports	Compliance with Sect 64 (2) (b) MFMA]
Financial Viability			monthly salary report		Number of monthly salary report submitted	12 reports	In house	3	3	3	3	3	12 reports	Compliance with sec 66 of the MFMA
Financial Viability			weekly reconciliation		Number of weekly reconciliation submitted	52		13	13	13	13	13	52	Compliance with sec 64(2)(b) of the MFMA
Financial Viability			260710 Compilation and Submission of financial statements for audit.		AFS submitted to Auditor General and Audit committee	AFS submitted to AG	In house	2013/08/30 Completion to be done internally / external	Submission of revised AFS to AG	0	0	0	AFS submitted to Auditor General and Audit committee	2012/2013 AFS
Financial Viability			260390 Software Licence		Payment and upgrading of Annual software licence fees	Upgrading software licence	350	Payment of Upgrading software licence R150 000.00	Payment of upgrading system R200 000.00	0	0	0	Annual software licence fees	effective and efficient software
Financial Viability			260520 Software Consultancy		Munsoft consultancy maintained	Munsoft software maintenance	250	Payment of munsoft maintenance 60 000.00	Payment of munsoft maintenance 65 000.00	0	0	0	Munsoft consultancy	effective and efficient system
Financial Viability			260540 Grap Implementation - FMG		Number of official trained on implementation of FMG activity plan to ensure GRAP compliance training	4 official	230	0.00	130 000.00	100 000.00	0.00	0.00	implementation of FMG	GRAP compliance



MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT													
IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT													
ADMINISTRATIVE AND FINANCIAL CAPABILITY													
KPA	OUTCOME	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
								Q1	Q2	Q3	Q4		
Financial Viability	9	Financial Viability	260510 Budget Reform Grant		Strengthened financial Capacity. Upgrading stores office and AFS/ Budget related activities in terms of FMG activity plan	Capacity building and upgrade store office	840	210 000.00	210 000.00	210 000.00	210 000.00	Upgraded stores	improve service delivery
Financial Viability		Financial Viability	260570 Grap Implementation - MSIG	THLM/SCM/2012/2013	Conducted INFO training(MSIG conditions and capacity building)	Conducted INFO training	50	0	0	conduct INFO training R50 000	0	capacity building	improve service delivery
Financial Viability		Financial Viability	260580 Revenue Enhancement -MSIG		Improving revenue collection	Debt recovery from all debtors of the municipality	300	00-Jan-00	R 100 000	200 000	0	enhance revenue management	improve service delivery
Financial Viability		Financial Viability	260625 Data Cleansing & Indigent Register		Updated indigent register	Indigent register	150		Implementation on. R50 000	Implementation. R50 000	Implementation R50 000	updated indigent register	improve service delivery
Financial Viability		Financial Viability	260720 Asset Register & Inventory Management		GRAP 17 Compliant Assets register	Updated GRAP 17 Compliant Assets register	3 701		Implementation on R 3 700 000	0	0	Asset management Grap 17 compliance	Asset management Grap 17 compliance
Financial Viability		Financial Viability	235090 Rep & Maint - Valuation Roll	THLMSCM14/2012/2013	Community consultation on MPRA S32 Compliant valuation roll	Compliant valuation roll	3 500		Issues of R 1 000 000	Submission of valuation roll R 1 000 000	Publication of valuation roll R 1 000 000	Valuation roll	improve service delivery



**MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

**IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT**

**ADMINISTRATIVE AND FINANCIAL CAPABILITY**

KPA	OUTCOME	OUTPUT 1	OUTPUT 6	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR	
									Q1	Q2	Q3	Q4			
								000 (R500 000)							
Financial Viability				235110 Munsoft Upgrade And Maintenance		upgraded finance software - munsoft	Upgraded munsoft software	500	0	0	0	0	finance software - munsoft Upgraded at the end of the financial year R500 000	upgraded finance software - munsoft	effective and efficient system
Financial Viability				307070 Meter Reading Machine		Automated meter reading machine for convenience of use purchase	30-Dec-13	300	Terms of reference and advertisement	Appointment and purchased automated meter reading R 300 000	0	0	enhance revenue management	improve service delivery	

# MONTHLY PERFORMANCE TARGETS AND BUDGETS

KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	MONTHLY PERFORMANCE TARGET												
			JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	
Approved 2013/14 adjustment budget	Adjusted 2013/2014 Budget by 28 February 2014	In house	Implementation on of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Approval of adjustment budget	Implementation	Implementation on	Implementation of the adjustment budget	Implementation of the adjustment budget	Implementation on	Implementation on
Approved MTRF budget	Approved Budget by May 2014	50	Implementation on of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Adoption of the adjustment budget	Implementation of the adjustment budget	Implementation on of the adjustment budget	Implementation of the adjustment budget	Adoption of the annual Budget 2014/2015 MTRF	Adoption of the annual Budget 2014/2015	Printing of Annual Reports, Budget and IDP Docs. R 45 000
Reviewed and adopted all budget related policies	May 2014	In house	Implementation on of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation of 2013/2014 adopted budget	Implementation on of 2013/2014 adopted budget	Implementation approved for 2013/2014. Reviewal of the policies	Implementation approved for 2013/2014. Reviewal of the policies	Serve in council committees. Table in council	Implementation of community consultations. Implementation 2013/2014	Adoption of the draft policies. Implementation of 2013/2014	Submission of 2014/2015 policies to NT/PT.	Implementation on of 2013/2014 policies
Amount to be collected within the financial year	R 52 600 000 Property rates R 6 200 000	In house	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667	R 516 667



MONTHLY PERFORMANCE TARGET

KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	MONTHLY PERFORMANCE TARGET												
			JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	
	Interest on fixed deposit- R 12 800 000	In house	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667	R 1 066 667
	Interest on areas- R 10 500 000	In house	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000	R 875 000
	MIG- VAT revenue- R 20 600 000	In house	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667	R 1 716 667
	Asset Disposal R	In house	R 187 500	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333	R 183 333
Number of MFMA Section 71 reports submitted to the Executive Mayor and provincial treasury within 10 working days after the end of each month	12 monthly report by June 2013	In house	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission	1. Discussion with the MM and Mayor before submission
number of quarterly SCM report submitted to council	4	In house	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.	Submission of June 2013 to Council.



MONTHLY PERFORMANCE TARGET														
KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
AFS submitted to Auditor General and Audit committee	30-Aug-12	In house	Financial year end closure and preparation.	submission to audit committee, incorporate comments before submission to PT	Auditing	Auditing.	Auditing. Receive Audit report	Development of action plan	Implementation of the action plan	Implementation of the action plan	Implementation of the action plan	Implementation of the action plan	Implementation of the action plan	Implementation and finalisation. Development of the 2013/2014 AFS preparation plan.
Annual software licence fees	30-Dec-13	350	Upgrading the finance software in July 2013. R 150 0000					Upgrading of the payroll system R 200 000						
Munsoft consultancy	30-Jun-14	250	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees	20833.33. Provision for maintenance and munsoft management fees
Implementation of FMG activity plan to ensure GRAP compliance training	30-Mar-14	230		Training officials on finance management issues. Info training	IMFO conference					Training continued.				



MONTHLY PERFORMANCE TARGET


KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
Strengthened financial Capability, Upgrading stores office and AFS/ Budget related activities in terms of FMG activity plan.	30-Jun-14	840	Salaries and allowances of interns. R 70 000	Salaries and allowances of interns. R 70 001	Salaries and allowances of interns. R 70 002	Salaries and allowances of interns. R 70 003	Salaries and allowances of interns. R 70 004	Salaries and allowances of interns. R 70 005	Salaries and allowances of interns. R 70 006	Salaries and allowances of interns. R 70 007	Salaries and allowances of interns. R 70 008	Salaries and allowances of interns. R 70 009. submission of FMG Activity plans.	Salaries and allowances of interns. R 70 010	Salaries and allowances of interns. R 70 011
Conducted IMFO training(MSIG conditions and capacity building)	30-Mar-14	50								Conducting training for revenue and IT in terms of . MSIG activity pain. R 50 000				
improving revenue collection	30-Jun-14	300	revenue collection mechanism. Eg. Legal costs	Debits follow ups	Reminders	Final letter of demands	R 50 000	R 50 000	33 333	33 333	33 333	33 333	33 333	33 333
Updated indigent register	30-Jun-14	150	Implementation of the register	Implementation of the register	Implementation of the register	Implementation of the register	Implementation of the register	Reviewal of the indigent register	Approval and implementation of reviewed register	Approval and implementation of reviewed register	Approval and implementation of reviewed register	Approval and implementation of reviewed register	Approval and implementation of reviewed register	Approval and implementation of reviewed register

MONTHLY PERFORMANCE TARGET

KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
GRAP 17 Compliant Assets register	30-Aug-13	701	Data finalisation	Submission of the report	Attending to audit issues	Attending to audit issues	Attending to audit issues	Development of action plan	Amendments of the Assets register to comply with AG recommendations	Amendments of the Assets register to comply with AG recommendations	Complete Grap Compliant Assets Register	Asset register serve in Section 79 and Maycom	Adoption of the GRAP compliant Assets register.	Implementation of GRAP
rand to be spent on Community consultation on MPRA S32 Compliant valuation roll	30-Jun-14	500	Community consultations	Data capturing & Aerial photography	Data capturing & Aerial photography	Completion of draft valuation roll	Completion of draft valuation roll	Completion of draft valuation roll	Compilation of draft valuation roll	Submission of the Draft Valuation Roll	Amending the Valuation roll with municipality comments	Submission of the final roll. Advertisement inviting the community for comments and objections to the valuation roll	Community participation continued.	Adoption of the valuation roll by Council for implementation on 2014/2015
upgraded finance software - munsoft	30-Jun-14	500	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Implementation of the 2013/2014 upgrades made in July 2013.	Upgrading of the financial software in preparation for 2014/2015 financial year. R 500 000

MONTHLY PERFORMANCE TARGET

KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR '000)	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE
Automated meter reading machines for convenience of use	30-Dec-13	300	Advertisement and procurement	Finalisation of appointment and delivery. R 300 000	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system	Implementation of automated meter reading machines system



**KPA 2 : GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

OUTCOME: OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT  
 OUTPUT 5: DEEPEN DEMOCRACY THROUGH A REFINED WARD COMMITTEE MODEL  
 OUTPUT 7: SINGLE WINDOW OF COORDINATION

KPA	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFOR MANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
							Q1	Q2	Q3	Q4		
<b>IDP</b>												
Good governance		(Vote no:260520) IDP Process	THLM/IDP/01/2013/14	Reviewed Departmental IDP	Submitted departmental IDP to Municipal Manager	In house	none	none	Reviewed and Submitted departmental IDP to Municipal Manager.	Submitted final comment on departmental IDP to Municipal Manager	Reviewed and adopted IDP	Credible Approved IDP
<b>PERFORMANCE MANAGEMENT SYSTEM</b>												
Good governance and public participation		Annual report	THLM/PMS/02/2013/14	Submit departmental annual report to Municipal Manager	December 2013	In house	none	Complied departmental annual report	none	none	2012/2013 annual report	Credible and accurate report
Good governance and public participation		Submission of Mid-year budget and performance assessment	THLM/PMS/03/2013/14	submitted the Departmental Mid-year budget and performance assessment Municipal Manager	submitted the Departmental Mid-year budget and performance assessment Municipal Manager 10 January 2014	In house	none	submitted the Departmental Mid-year budget and performance assessment Municipal Manager 10 January 2014	none	none	credible Mid-year budget and performance assessment	improved performance and service delivery
Good governance and public participation		Quarterly assessment	THLM/PMS/06/2013/14	number of quarterly assessment conducted	4 assessment conducted by June 2014	In house	1	1	1	1	4 assessments	improved performance and service delivery



**GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

KPA	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
							Q1	Q2	Q3	Q4		
Good governance and public participation		Quarterly performance reports	THLM/PMS/07/2013/1 4	Number of quarterly Departmental performance reports submitted to Municipal Manager	quarterly Departmental performance reports submitted to Municipal Manager	In house	1 quarterly performance report	1 quarterly performance report	1 quarterly performance report	1 quarterly performance report	4 reports	improved performance and service delivery
Good governance and public participation		Toplayer SDBIP	THLM/PMS/08/2013/1 4	Developed departmental 2014/15 SDBIP	Developed departmental 2014/15 SDBIP	In house	none	none	none	Developed departmental 2014/15 SDBIP	adopted 2013/14 Toplayer SDBIP	adopted 2013/14 Toplayer SDBIP aligned to budget and IDP
Good governance and public participation		Signed PAS	THLM/PMS/09/2013/1 4	signed performance agreement	30 July 2013	In house	Signed Performance agreements by 30 July 2013	none	none	none	productive workforce	improved performance and service delivery
Good governance and public participation		Compliance Register	THLM/RM/02/2013/14	Developed compliance register with laws, policies and Resolutions for council	Compliance Register	In house	Developed implementation on tool for compliance with laws, policies and Resolutions for council by July 2013	Reporting on implementation	Reporting on implementation	Reporting on implementation	Compliance with legislations	Compliance with legislations

**KPA 3: MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT  
 OUTCOME 9: Output 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT  
 Output 6: ADMINISTRATIVE AND FINANCIAL CAPABILITY**

KPA	MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT											
	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
							Q1	Q2	Q3	Q4		
Corporate Services	(Vote no. 260310) Training	TH-CS 01	Number of officials and councillors to be capacitated in compliance with minimum regulations as required by National Treasury	3	training budget	3 assistant managers (Revenue, Assets & SCM)					officials and councillors capacitated in compliance with National Treasury Standard	improve service delivery
Corporate Services	Filling of vacant positions to meet strategic objectives	TH-CS 09	Number of vacant position filled.	7	operational Budget	2 assistant managers, 1 chief accountant budget and reporting, 1 accountant M&E, 1 accountant Pay roll, 1 Account Budget and 1store supervisor	none	none	none	none	filled vacant posts	improved service delivery
Corporate Services	260420 Records Management Upgrade	TH-CS 10	Submitted document to record unit	Monthly (continuously)	In house	Submitted document to record unit	Submitted document to record unit	Submitted document to record unit	Submitted document to record unit	Submitted document to record unit	cent. Of records in the municipality	proper record management

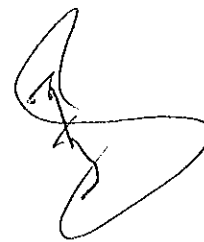


**MUNICIPAL TRANSFORMATIONS AND INSTITUTIONAL DEVELOPMENT**

KPA	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	KEY PERFORMANCE INDICATOR	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
							Q1	Q2	Q3	Q4		
	Corporate Services	235160 Website Updates-MSG	TH-CS 16	website updated	website updated	house in	updated Website (section 71 and SCM quarterly report ect.)	updated Website (section 71 and SCM quarterly report ect.)	updated Website (section 71 and SCM quarterly report ect.)	updated Website (section 71 and SCM quarterly report ect.)	comply with section 75	improve communication

**KPA 4: BASIC SERVICES DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

KPA	BASIC SERVICES DELIVERY AND INFRASTRUCTURE DEVELOPMENT					ANNUAL BUDGET (INPUT INDICATOR' 000)	ANNUAL TARGET 2013/2014	KEY PERFORMANCE INDICATOR	ANNUAL BUDGET (INPUT INDICATOR' 000)	QUARTERLY PERFORMANCE TARGET AND BUDGET				OUTPUT INDICATOR	OUTCOME INDICATOR
	LOCATION	PROJECT DESCRIPTION	PROJECT ALLOCATION NUMBER	ANNUAL TARGET 2013/2014	ANNUAL BUDGET (INPUT INDICATOR' 000)					Q1	Q2	Q3	Q4		
	Finance service	Updated Indigent	THLM/03/05	September 2013	In house	Updated indigent register	Updated indigent register	Updated indigent register	Updated indigent register	Updated indigent register	Updated indigent register	Updated indigent register	Updated indigent register	Access to free basic services	improve service delivery





**ANNEXURE B  
PERSONAL DEVELOPMENT PLAN**

Name: Mamare Makgaba

Job title: CFO

Employer: Thembisile Hani Local Municipality

Financial year: 2013/2014

No.	Competency to be addressed	Work opportunity created to practice skill / development area	Suggested training and development activity	Time frame	Expected outcome
1.	Additional modules in CPMD	Enhanced leaderships skills	Course contents are directly applicable to job area	June 2014	Municipal strategic leadership , and financial management
2.	Advance Excel course	Enhanced leaderships skills	Course contents are directly applicable to job area	June 2014	Budget and reporting compliance

Signature:  \_\_\_\_\_  
Employee

Date: 30/07/2013

Signature:  \_\_\_\_\_  
Employer

Date: 30/07/2013