

- (d) ensure that the final individual assessment outcome corresponds with the performance of the municipality and the relevant department aligned to the staff member's job description or directorate before any recognition of performance is considered;
- (e) determine the percentages for the merit based rewards subject to affordability and the annual approved municipal budget in terms of section 16 of the Municipal Finance Management Act;
- (f) recommend appropriate recognitions for different levels of performance;
- (g) recommend appropriate remedial actions for performance believed to be substandard;
- (h) advise the municipality on recognition of performance, including financial and non-financial rewards, where applicable;
- (i) identify potential challenges in the performance management system and recommend appropriate solutions to the municipal manager;
- (j) identify developmental needs for supervisors to improve the integrity of the performance management and development system; and
- (k) consider any other matter that may be considered relevant.

7.9 Performance rewards

7.9.1 A performance related reward –

- (a) is at the discretion of the municipality, and as the municipality will pay 1.2% to staff members who performs 50%+ score during assessments
- (b) may be awarded to a staff member—
 - (i) who has served the full assessment period of 12 months on 30 June of each financial year of a municipality;
 - (ii) transferred or seconded horizontally during the performance cycle within the municipality;
 - (iii) who is on uninterrupted approved leave for 3 months or longer;
 - (iv) who is on approved maternity leave for more than 3 months; and
 - (v) who received a performance rating of performance significantly above expectations or outstanding performance during a performance cycle after moderation of performance results.

(c) may not be awarded to a staff member—

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- (i) appointed after 1 July of that performance cycle;
- (ii) who is serving probation as stipulated in this policy;
- (iii) whose performance period is less than 12 months;
- (iv) whose employment is for a fixed term duration of less than 12 months; or
- (v) Whose post was upgraded without a change in performance agreement?

7.9.2 The municipality shall limit its spend on staff member performance rewards to 1.5% of the annual salary and wage bill.

Below is the rating and performance reward scales for employees other senior managers:

Table 2: Rating Indication

Rating	Description	% Score
1	Unacceptable performance where performance does not meet the standard expected for the job	0-29
2	Performance not fully effective and below standard as required for key areas of the job	30- 49
3	Fully effective performance where performance meets the standard expected in all areas of the job	50-60
4	Performance significantly above expectation and higher than the standard expected of the job	61-79
5	Outstanding performance where performance far exceeds the standard expected of an employee at that specific level	80-100

Table 3: Assessment Bonus Sliding Scale

% Rating over performance	% Bonus
0-29	0%
30- 49	0%
50-60	1.2%
61-79	1.2%
80-100	1.2% plus Three (3) days leave

7.10 Disputes about performance agreements and ratings

7.10.1 Any dispute about performance objectives or targets shall be mediated by the

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relevant head of department or directorate of the staff member to whom this function is delegated. If the dispute is not resolved to the staff member's satisfaction, the staff member may lodge a grievance in terms of the applicable procedures.

7.10.2A dispute relating to the conclusion of the performance agreement or an amendment to the performance agreement, shall be referred to the head of the relevant department or directorate not later than five days of lodging the grievance in terms of the applicable procedures.

7.10.3A dispute contemplated in clause 7.10.2 shall be resolved within one month of receipt of the dispute by the head of the department, after –

- (a)** considering the representation from the staff member and his or her supervisor; and
- (b)** Consulting the head of human resources.

7.10.4A staff member who is not satisfied with the outcome of the procedure may lodge a dispute in terms of the dispute resolution mechanisms of the SALGBC.

7.11 Managing substandard performance

7.11.1A staff member who receives a performance rating below three in terms of the prescribed five-point rating scale shall –

- (a)** be assisted in developing his or her competencies through training, and supervision; and
- (b)** Develop a revised personal development plan with his or her supervisor.

7.11.2The personal development plan shall contain at least –

- (a) a description of the behaviour and skills that require improvement;
- (b) a description of the actions that will be undertaken to improve the identified behaviour and skills that require improvement;
- (c) the deadlines for improvement
- (d) a schedule of meetings to assess improvements and provide feedback; and
- (e) Details of the potential consequences in the event that there is no improvement in performance.

7.11.3 The meetings to assess improvements and provide feedback shall be recorded in writing.

7.11.4 The personal development plan to manage performance improvement shall cover a maximum period of six months, at the end of which, a formal evaluation of performance shall take place.

7.11.5 The following alternatives shall be considered in respect of a staff member whose performance has not improved to at least a performance that is fully effective:

- (a) continuation of the actions referred to in the personal development plan
- (b) alternative actions to improve performance
- (c) offering the staff member an alternative job within the Municipality that is better suited to the staff member's behaviour and skills; or
- (d) Dismissal owing to incapacity in terms of the provisions of the Labour Relations Act.

7.11.6 Poor work performance shall be dealt with in accordance with item 9 of Schedule 8 to the Labour Relations Act.

7.12 Performance management of staff members who are acting in posts

If a staff member is required to act in a post for a period that exceed three months, the supervisor to whom the acting staff member is reporting, shall review the KPAs and KPIs in consultation with the acting staff member, and include the KPAs and KPIs in the staff member's amended performance agreement.

7.13 Roles and responsibilities

7.13.1 The Municipality shall –

- (a) create an enabling environment to facilitate effective performance by the staff member;
- (b) within the available resources, provide access to skills development and capacity building opportunities;
- (c) work with the staff member to solve problems and generate solutions to common problems that may impact on the performance of the staff member;
- (d) on the request of the staff member delegate such powers reasonably required by the staff member to enable him or her to meet the performance objectives and targets established in terms of the performance agreement;
- (e) within the available resources of the Municipality, make available to the staff member such resources as that staff member may reasonably require from time to time to assist the staff member to meet the performance objectives and targets established in terms of the performance agreement;
- (f) consult the staff member timeously where the exercising of the powers will have, amongst others—
 - (i) a direct effect on the performance of any of the staff member's functions;
 - (ii) commit the staff member to implement or to give effect to a decision made by the Municipality; and
 - (iii) A substantial financial effect on the Municipality.

7.13.2A supervisor shall ensure that –

- (a) the annual performance plan's KPIs with regard to the Municipality's Development priorities and objectives are –
 - (i) linked to each department's objectives; and
 - (ii) The KPAs in the performance agreements of the staff member.
- (b) the KPAs of staff members in a department serve to achieve all the Department's objectives;
- (c) performance standards are specific, measurable, attainable, relevant, linked to specific time periods and in line with the ability of the staff member;
- (d) a staff member signs a performance agreement as prescribed or as determined in accordance with the applicable procedure;

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- (e) he or she monitors progress and measure performance of staff member;
- (f) he or she provides regular constructive feedback to the staff member; and
- (g) He or she are available to support the staff member through the performance period.

7.13.3 The manager responsible for human resources or the staff member to whom this responsibility is delegated shall –

- (a) provide support to the annual performance management process;
- (b) provide guidelines on how to set KPAs and KPIs and their related targets;
- (c) communicate to all staff members the performance calendar for the forthcoming financial year;
- (d) facilitate training on performance management for new and existing staff members;
- (e) provide guidance on setting development plans;
- (f) consolidate the results of the performance management process and ensure that the identified development needs are incorporated into the annual training and development plan;
- (g) prepare reports on performance ratings and salary budgets and expenditure for consideration by the Municipal Council or a duly appointed Committee of the Council; and
- (h) Communicate the performance assessment outcomes, including the final performance rating, the salary notch according to the salary scales, and any performance related salary increase.

7.13.4A staff member shall –

- (a) participate in setting his or her annual KPAs and KPIs;
- (b) enter into a performance agreement annually with the Municipality;
- (c) remain committed to the KPAs and KPIs throughout the performance period and be accountable for his or her performance;
- (d) take responsibility for his or her personal development and learning opportunities;

(e) where applicable, maintain a portfolio of evidence if required;

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(f) Actively seek out and be open to feedback; and

(g) Know what is expected of him or her.

8. POLICY MONITORING AND EVALUATION

8.1 This policy shall be implemented and effective once recommended by the Local Labour Forum and approved by Council.

8.2 Non-compliance to the stipulations contained in this policy shall be regarded as breach of Code of Conduct, which shall be dealt with in terms of the Code of Conduct.

8.3 Head of Corporate Services shall carry out the monitoring and evaluation of the policy's implementation.

9. POLICY APPROVAL

Resolution Number	SC05/05/2023
Version	01
Compiled by	Human Resources
Date approved	29/05/2023
Effective date	01/07/2023
Signature	

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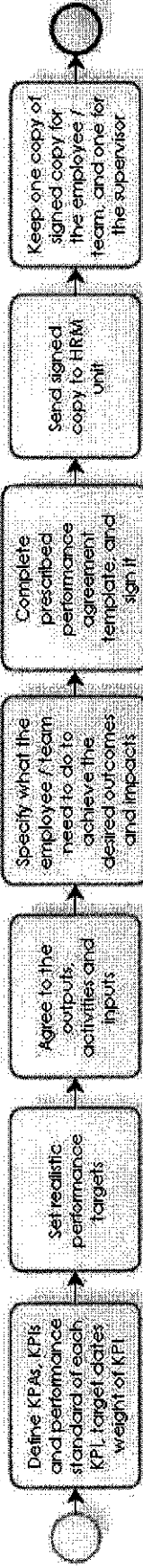
ANNEXURE B: SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS

SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS

NO.	PROCEDURE STEPS	ACTORS	AVERAGE TIME TAKEN PER TRANSACTION	AVERAGE TRANSACTIONS PER MONTH (OR YEAR)
1.	Define KPAs, KPIs and performance standard of each KPI, target dates weight of KPI			
2.	Set realistic performance targets			
3.	Agree to the outputs, activities and inputs			
4.	Specify what the staff member / team need to do to achieve the desired outcomes and impacts			
5.	Complete prescribed performance agreement template, and sign it			
6.	Send signed copy to HRM unit			
7.	Keep one copy of signed copy for the staff member / team, and one for the supervisor			

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SETTING / DETERMINATION OF PERFORMANCE OBJECTIVES AND TARGETS



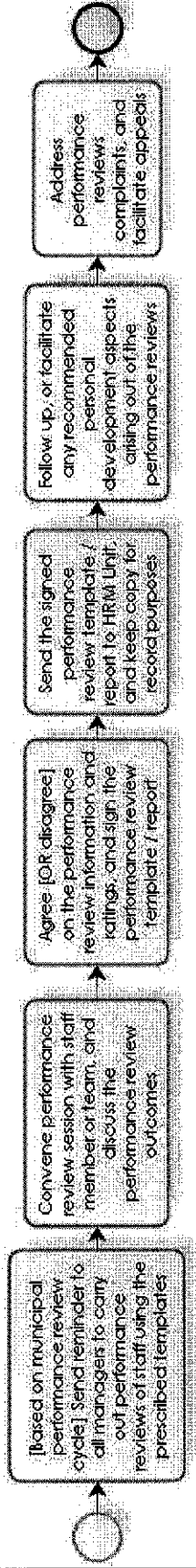
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ANNEXURE C: MANAGEMENT OF PERFORMANCE REVIEWS (QUARTERLY, OR HALF-YEARLY) FOR INDIVIDUALS & TEAMS

MANAGEMENT OF PERFORMANCE REVIEWS (QUARTERLY, OR HALF-YEARLY) FOR INDIVIDUALS & TEAMS					
NO	PROCEDURE STEPS	ACTORS	AVERAGE TIME TAKEN PER TRANSACTION	AVERAGE TRANSACTIONS PER MONTH (OR YEAR)	
1.	[Based on <i>municipal performance review cycle</i>] Send reminder to all managers to carry out performance reviews of staff using the prescribed templates				
2.	Convene performance review session with staff member or team, and discuss the performance review outcomes				
3.	Agree [<i>OR disagree</i>] on the performance review information and ratings, and sign the performance review template / report				
4.	Send the signed performance review template / report to HRM Unit, and keep copy for record purposes				
5.	Follow up, or facilitate any recommended personal development aspects arising out of the performance reviews				
6.	Address performance reviews complaints, and facilitate appeals				

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MANAGEMENT OF PERFORMANCE REVIEWS (QUARTERLY, OR HALF-YEARLY) FOR INDIVIDUALS & TEAMS



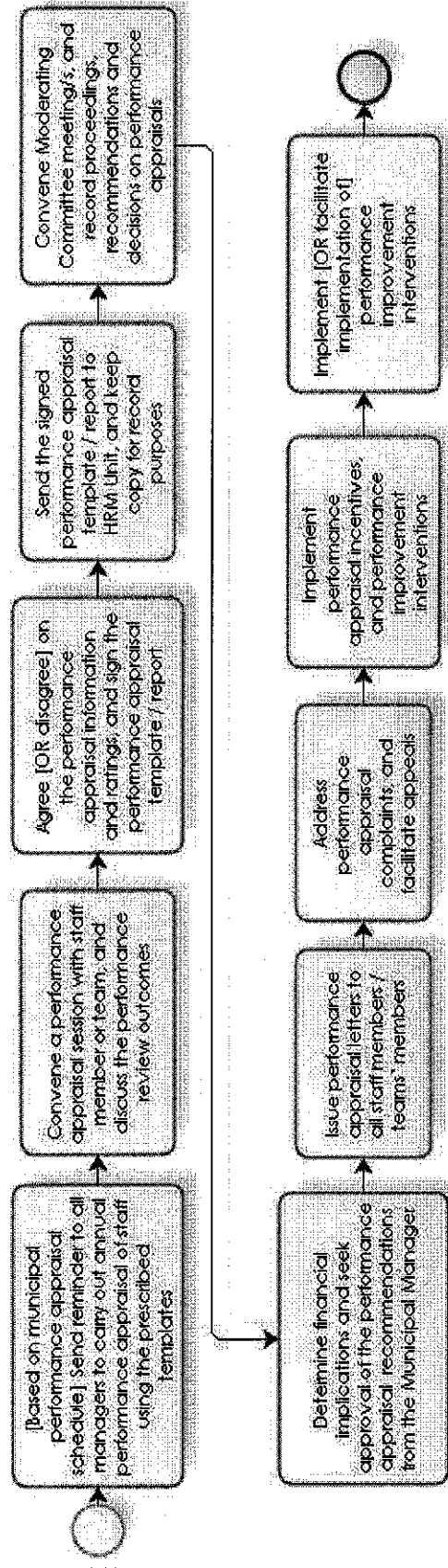
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ANNEXURE D: MANAGEMENT OF ANNUAL PERFORMANCE APPRAISALS FOR INDIVIDUALS & TEAMS

MANAGEMENT OF ANNUAL PERFORMANCE APPRAISALS FOR INDIVIDUALS & TEAMS				
NO.	PROCEDURE STEPS	ACTORS	AVERAGE TIME TAKEN PER TRANSACTION	AVERAGE TRANSACTIONS PER MONTH (OR YEAR)
1.	[Based on municipal performance appraisal schedule] Send reminder to all managers to carry out annual performance appraisal of staff using the prescribed templates			
2.	Convene a performance appraisal session with staff member or team, and discuss the performance review outcomes			
3.	Agree [OR disagree] on the performance appraisal information and ratings, and sign the performance appraisal template / report			
4.	Send the signed performance appraisal template / report to HRM Unit, and keep copy for record purposes			
5.	Convene Moderating Committee meeting/s, and record proceedings, recommendations and decisions on performance appraisals			
6.	Determine financial implications and seek approval of the performance appraisal recommendations from the Municipal Manager			
7.	Issue performance appraisal letters to all staff members / teams' members			
8.	Address performance appraisal complaints, and facilitate appeals			
9.	Implement performance appraisal incentives, and performance improvement interventions			
10.	Implement [OR facilitate implementation of] performance improvement interventions			

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MANAGEMENT OF ANNUAL PERFORMANCE APPRAISALS FOR INDIVIDUALS & TEAMS



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ANNEXURE E: PERFORMANCE MODERATION

PERFORMANCE MODERATION				
NO.	PROCEDURE STEPS	ACTORS	AVERAGE TIME TAKEN PER TRANSACTION	AVERAGE TRANSACTIONS PER MONTH (OR YEAR)
1.	Assess the SMART-ness of performance objectives and their alignment to the IDP and SDBIP objectives			
2.	Identify the defined performance ratings, weights and scores for teams and individuals to ensure consistency in standards			
3.	Assess team and individual performance as per Portfolio of Evidence, or performance reports of business units against the set performance objectives			
4.	Assess team and individual performance ratings / scores in relation to Portfolio of Evidence / performance reports of business units against the set performance objectives			
5.	Identify any inconsistencies and abnormalities in individuals' or teams' performance Ratings			
6.	Assess justifications for inconsistencies and abnormalities for such ratings			
7.	Make adjustments to ratings, scores and weights			
8.	Recommend and submit proposals for approval			
9.	[After approval, OR rejection, OR approval with amendments] Implement adjustments required			

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