

**CSS1 of 2019**

**DRAFT INTEGRATED PERFORMANCE MANAGEMENT SYSTEM POLICY (SM: HR) 5/1b)**

**PURPOSE**

The purpose of this report is to effect the resubmission and noting by Council, the Matjhabeng Draft Integrated Performance Management Policy; and to request Council to rescind the Employee Performance Management and Development System Framework approved by Council on 13 December 2016.

**INTRODUCTION AND BACKGROUND**

At its meeting **COUNCIL RESOLVED (13 DECEMBER 2016)**

1. “That Council ADOPTS the Employee Performance Management and Development System.”

Subsequent to Council resolution above, the adopted Employee Performance Management and Development System was tabled at Labour Forum for consultations and **THE LOCAL LABOUR FORUM RESOLVED (26 January 2017)** “1. That the matter **BE REFERRED BACK** to Management for further interrogation.”

The Matjhabeng Local Municipality must have in terms of legislation, sound performance management policies and practices in place. Although Council, approved the Employee Performance Management and Development System, it now appears that this policy need refinement and proper consultation before it can be resubmitted to Council.

Performance management is legislatively regulated and therefore the Matjhabeng Local Municipality must comply to certain processes in order to avoid any audit qualification. Matjhabeng Local Municipality is also obliged to regular performance reporting and to effect the latter, strict processes and cut-off dates must be adhered to.

To ensure that the performance processes (organisational as well as individual) run smoothly in the Matjhabeng Local Municipality, SALGA, through European Union assisted municipalities, Matjhabeng in particular, to develop the Draft Integrated Performance Management System Policy.

The main part of the Policy deals with organisational performance management matters. Organisational performance management needs to be cascaded to individual level.

The item proposes that the Draft Integrated Performance Management Policy, after being noted by Council, be work-shopped with relevant stakeholders within Matjhabeng Local Municipality.

**\*\*\* Attached as Separate Cover 1** is the Draft Employee Performance Management and Development System Policy.

## **FINANCIAL IMPLICATIONS**

The review of the performance management policies does not constitute a financial implication as such.

## **RELEVANT LEGISLATION APPLICABLE TO THIS POLICY**

- a. The Constitution of the Republic of South Africa ;
- b. Municipal Planning and Performance Management Regulations 2006;
- c. Municipal Structures Act, Act No. 117 of 1998;
- d. Municipal Systems Act, Act No.32 of 2000.
- e. Labour Relations Act, Act No. 66 of 1995.

## **RECOMMENDATIONS**

It is recommended:

- 1. That Council rescind the resolution that approved the Employee Performance Management and Development System Framework taken on 13 December 2016.
- 2. That Council notes the Draft Integrated Performance Management Policy appended as Separate Cover 1.
- 3. That after noting the contents of Draft Integrated Performance Management Policy, that Policy be referred back to relevant stake holders within the Matjhabeng Local Municipality for refinement and consultation.

CSS2 of 2019

**PROGRESS REPORT: PROPOSED ORGANISATIONAL STRUCTURE (ED: CSS)**  
(2/1)

**PURPOSE**

To provide progress on the proposed organisational structure.

**INTRODUCTION AND BACKGROUND**

At its meeting held on 16 January 2018 **COUNCIL RESOLVED:**

- “1. That the item BE **NOTED AND REFERED BACK** for re-submission at the next Ordinary Council meeting.
2. That Municipal Manager **MUST IDENTIFY** all critical positions that Council should approve to be filled.
3. That the Whips of different political parties **MUST MEET** with the Municipal Manager to deliberate on the Organogram, clarify matters, agree and present their consensus and their disagreements to Council, to deal with disagreements.”

**DISCUSSION**

Council has recently agreed to review its organisational structure, with the aim to make it more cost –effective and enable the municipality to respond to the communities’ needs. In addition the local Government : MSA (32/2000) : Local Regulations on appointment and conditions of employment of senior managers ( Government Gazette No.37245 of 17 January 2014); requires the municipal manager to within 12 months of the promulgation of these regulations , review the municipality’s staff establishment having regard to the principles set out in these regulations, the functions and powers listed in part B of Schedule 4 to the Constitution, part B of Schedule 5 to the Constitution, Chapter 5 of the Structures Act, and based on –

- a. A municipality’s strategic objectives; and
- b. A municipality’s core and support functions.

Having gone through the process to review the organogram, Council has since referred back the proposed organogram citing affordability for the municipality. SALGA has been requested to provide comments on the process and design of the new organisational structure.

**\*\*\* Attached on page 1 to page 8 of the Annexures** are the comments received from SALGA regarding the proposed organisational structure.

Subsequent to the above advice from SALGA and during the Special Section 80 for Corporate Services held on 11 October 2018, and after the presentation conducted by Mr Goliath from COGTA, it was resolved as follows:

1. That the Proposed Organisational Structure be parked/suspended and not be escalated to Council for approval due to its unaffordability.

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2. That the Current Approved Structure (2009 Structure) form the bases for developing the new proposed organogram and align the 2009 Structure within the financial means of the Municipality.
3. That in developing the proposed organogram the following be considered :
  - a. All vacant posts on the approved structure be disestablished.
  - b. All “acting positions” on the structure be disestablished.
  - c. That the cost of jobs of positions in Political Office be aligned with job costs of similar positions in Administration.
  - d. That the number of Directorates be reduced to six, including the Office of the Municipal Manager, as per the Regulations (Circular No.26223).

The following was undertaken by the Branch Organisational Efficiency Studies.

- a. Vacant and “Acting posts” are being disaggregated and costed.
- b. Critical vacant posts are being isolated and costed.
- c. Directorates/ Departments were being aligned as per Chapter 2 of the Regulations (Circular No.26223).

### **FINANCIAL IMPLICATIONS**

The total financial implications of the attached adjusted 2009 Organisational Structure is R514 761 285. The budgeted employee costs of the staff establishment for financial year 2018/2019 is R739 105 674.

\*\*\* **Attached as SEPARATE COVER 2** are the costing tables of the proposed organisational structure as advised by COGTA.

\*\*\* **Attached as SEPARATE COVER 3** is the proposed organisational structure.

### **LEGAL REQUIREMENTS**

- Constitution of the RSA, Act 108 of 1996 (156 & 229)
- Local Government Municipal Structures Act, Act 117 of 1998
- Local Government Municipal Systems Act, Act 32 of 2000, as amended by Act No. 7 of 2011
- Municipal Finance Management Act, Act 56 of 2003 IDP of the Municipality.
- Local Government: Municipal Systems Act (32/2000): Regulations on appointment and conditions of employment of senior managers.

### **SUBMITTED FOR CONSIDERATION**

**CSS3 of 2019**

**DRAFT MATJHABENG LOCAL MUNICIPALITY HUMAN RESOURCES PLAN  
FOR 2019/2020 FINANCIAL YEAR (ED: CSS)**

**PURPOSE**

The purpose of this item is to submit to the Section 80 Corporate Services Committee Meeting, draft Human Resource Plan for 2019/2020 financial year.

**BACKGROUND**

As the staff component of any municipality is the vehicle of service delivery and ultimately responsible for compliance with the constitutional mandates, it is incumbent on municipalities to ensure that its human resources capacity is developed to a level where it can perform its responsibilities in an economical, effective, efficient and accountable way.

Against this background it was requested that HR plan for 2019/2020 be developed and be submitted to Section 80 Committee meeting for discussion.

\*\*\* **Attached as SEPARATE COVER 4** Draft 2019/2020 HR Plan.

**LEGAL IMPLICATIONS**

Labour Relations Act (Act 66 of 1995)  
Basic Conditions of Employment Act (Act 75 of 1997)  
Employment Equity Act (Act 55 of 1998)  
Skills Development Act (Act 97 of 1998)  
Skills Development Levies Act (Act 9 of 1999)  
Local Government Municipal Systems Act (Act 32 of 2000)

**PERSONNEL IMPLICATIONS**

Once the draft HR Plan is approved by Council, it will need to be made known and be marketed to all the stakeholders involved for implementation as it contains critical information.

**FINANCIAL IMPLICATIONS:**

All areas which are covered on the HR plan will need to be budgeted for implementation.

**SUBMITTED FOR DISCUSSION**

**CSS4 of 2019**

**PROGRESS REPORT ON COUNCIL RESOLUTIONS (ED: CSS) (2/2/2)**

**PURPOSE**

To submit a progress report to the Corporate Services Section 80 Committee on Council Resolutions, for noting.

**BACKGROUND**

In Local Government practices and processes, submission of written reports to Council is fundamental as a tool for measuring the performance of the Municipality and to enable Council to effectively perform its role of playing oversight over the Executive and the Administration components of the Municipality. Thus Council resolved that in all of its Ordinary Sitzings, a report on the execution of its resolutions must be tabled.

**DISCUSSION**

This report on audit of Council Resolutions covers the month of January to February 2019.

**\*\*\* Attached as SEPARATE COVER 5 is the Council Resolution Audit.**

**POLICY POSITION**

Council Resolutions

**FINANCIAL IMPLICATION**

None

**LEGAL IMPLICATIONS**

None

**SUBMITTED FOR INFORMATION**