



THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA

DEPARTMENT: PERFORMANCE MONITORING AND EVALUATION

Directorate: Local Government Performance Assessment

Municipal Assessment Tool

Version 3.2
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KPA 1: Integrated Development Planning

1	Key Performance Area: Integrated Development Planning (Service delivery improvement)
1.1	Performance Standard name: Service delivery improvement mechanisms
<p>Performance Standard definition: Integrated development Planning is a participatory process to allocate resources to development priorities for sustainable development, in accordance with legislative and regulatory requirements. <i>Municipality thus has an adopted Integrated Development Plan (IDP) and approved Service Delivery and Budget Implementation Plan (SDBIP) and implements these to improve service delivery.</i></p>	
<p>Importance of the Standard: The IDP should be the single, inclusive and strategic plan for the development of a municipality which once adopted should:</p> <ul style="list-style-type: none">• Link, integrate and coordinate plans and take into account proposals for the development of the municipality• Align the resources and capacity of the municipality with the implementation of the plan• Form the policy framework and general basis on which annual budget must be based• Respond to the needs of clients (internal and external) through the promotion of continuous improvement in the quantity, quality and equity of service provision.	
<p>The SDBIP links the IDP and budget to give effect to the municipality's plans</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none">• Constitution of the Republic of South Africa of 1996 and as amended• Municipal Finance Management Act (Act 56 of 2003) (MFMA)• Municipal Systems Act (Act 32 of 2000 and as amended)• Local Government: Municipal Planning and Performance Management Regulations 2001• MFMA: Circular 13: Service Delivery and Budget Improvement Plan, January 2005• Municipal Rules and Orders as per Section 31 and 73 of the Municipal Structures Act (Act 117 of 1998)• National Framework: Criteria for determining out-of-pocket expenses for ward committees, 2009 (Government Notice 973 of 2009) as per the Municipal Structures Act (Act 117 of 1998)• Guidelines for the establishment and operation of municipal ward committees (Government Notice 965 of 2005) as per the Municipal Systems Act (Act 32 of 2000 and as amended)	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The process and time schedule to guide the planning drafting, adoption and review of the IDP, annual budget and budget related policies are not adopted timeously and does not adhere to prescribed requirements as per S21 of the MFMA and S28 of the MSA The municipality does not have an IDP (integrated development plan) and SDBIP (Service and Delivery Budget Implementation Plan) 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The process and time schedule to guide the planning drafting, adoption and review of the IDP annual budget and budget related policies are adopted timeously and adheres to prescribed requirements as per S21 of the MFMA and S28 of the MSA The municipality has an adopted IDP and The municipality has an approved SDBIP 	<ul style="list-style-type: none"> Adopted IDP process and time schedule Adopted IDP Approved SDBIP 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That an adopted process and time schedule exists and was tabled in Council 10 months before the start of budget year That the IDP is adopted The SDBIP is approved 	Level 2
<p>Level 2 plus:</p> <ul style="list-style-type: none"> The process and time schedule as per S21 of the MFMA and S28 of the MSA is implemented resulting in the timeous approval of: <ul style="list-style-type: none"> IDP as prescribed (prior to the start of the new financial year) SDBIP is approved within 28 days after approval of the budget SDBIP gives effect to the IDP and Budget of the municipality by containing <i>inter alia</i>: <ul style="list-style-type: none"> Quarterly projections of service delivery targets and performance indicators for each vote Ward information for expenditure and service delivery Detailed capital works plan broken down by ward over three years The IDP and SDBIP are available on the municipal website The municipality has consulted stakeholders on the IDP and SDBIP 	<ul style="list-style-type: none"> Adopted IDP and approved SDBIP (please provide web addresses for the documents) Reports or minutes of consultation with stakeholders Progress and monitoring reports generated through the municipality's performance management system Internal audit reports on progress against the SDBIP Performance Audit Committee Reports 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That the IDP was timeously adopted by council That the budget was timeously approved by council SDBIP was timeously approved by the Mayor. That the SDBIP contains: <ul style="list-style-type: none"> Quarterly non-financial, measurable performance objectives in the form of service delivery targets and performance indicators (outputs) for each vote Ward information for expenditure and service delivery Detailed capital works plan broken down by ward over three years IDP & SDBIP are available to public or appear on the municipal website Evidence of consultation with stakeholders Quarterly progress reports are submitted to reporting structures, e.g. section 79 committees, Mayoral committee and Municipal Council and are perceived as reliable by the Internal Audit unit and the Performance Audit Committee Implementation is aligned to plans set out in the 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality regularly monitors compliance with the IDP & SDBIP by means of a performance management system that conforms to the requirements set out in Chapter 3 of the Local Government: Municipal Planning and Performance Management Regulations 2001 		SDBIP	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> Senior Management considers monitoring reports on service delivery Reports are used to inform improvements to service delivery The municipality makes the SDBIP public by ward and progress against the IDP and SDBIP are communicated regularly The performance management system of the municipality relates to the municipality's employee performance management processes The municipality is using innovative ways of communicating progress to the public 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Minutes of Senior Management meetings reflecting discussion of monitoring reports Evidence to support claims of innovation on communication with the public 	<p>Level 3 plus: Moderators to verify that:</p> <ul style="list-style-type: none"> Progress reports are used to frame service delivery improvement strategies/plans/actions Municipality makes the IDP and SDBIP public by ward and progress against it communicated regularly as per the rules and orders determined by the municipality The performance management system of the municipality relates to the municipality's employee performance management processes Evidence to support claims of innovation on communication with the public are relevant 	<p>Level 4</p>

KPA 2: Service Delivery

2	Key Performance Area: Service Delivery
2.1	Performance Standard name: Access to Free Basic Services (FBS) to all qualifying people in the municipality's area of jurisdiction
<p>Performance Standard definition: As part of government's strategy to alleviate poverty in South Africa a policy for the provision of a free basic level of services has been introduced. Free Basic services are defined as:</p>	
<p>Water: the provision of:</p> <ul style="list-style-type: none">• 6 000 litres of safe water per household per month	
<p>Sanitation: the provision of the least cost of:</p> <ul style="list-style-type: none">• Sanitation facility that is appropriate to the settlement conditions;• Operational support necessary and appropriate for the safe removal of human waste and black and/or grey water from the premises; and• Communication of good sanitation, hygiene and related practices	
<p>Electricity: the provision of:</p> <ul style="list-style-type: none">• 50KWh hours per household per month connected to grid-based system• 50Wp per household per month connected to non-grid supply systems	
<p>Refuse removal: The most appropriate level of waste removal service provided based on site specific circumstances. Such a basic level of service, be it in an urban or rural setup, is attained when a municipality provides or facilitates waste removal through:</p> <ul style="list-style-type: none">• On-site appropriate and regularly supervised disposal in areas designated by the municipality (applicable to remote rural areas with low density settlements and farms, supervised by a waste management officer >10 dwelling units per ha)• Community transfer to central collection point at least once weekly (medium density settlements – 10 – 40 dwelling units per ha)• Organised transfer to central collection points and/or curb-side collection at least once weekly (high density settlements - >40 dwelling units per ha)• Mixture of 2 and 3 above for medium to high density settlements	
<p>Importance of the Standard: The provision of free basic services is important in respect of providing at least a minimum quantum of electricity, water, sanitation and refuse removal as part of the social wage basket aimed at alleviating the plight of the poorest</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none">• Constitution of the Republic of South Africa (Act 106 of 1996 and as amended)• Municipal Systems Act (Act 32 of 2000 and as amended)• Water Services Act (Act 103 of 1997) Strategic Framework for Water Services (2003)• National Environmental Management: Waste Act (Act 59 of 2008)• National Policy for the provision of Basic Refuse Removal Services to Indigent households 2011	

<ul style="list-style-type: none"> • Free Basic Water Implementation Strategy (2007) • Free Basic Sanitation Implementation Strategy (2009) • Electricity Basic Services Support Tariff (Free Basic Electricity) Policy (2003) • Local Government: Municipal Planning and Performance Management Regulations 2001

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> • The municipality does not have a Free Basic Services and /or an Indigent Policy 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A 	Level 1
<ul style="list-style-type: none"> • The municipality has a Free Basic Services and /or an Indigent Policy in place 	<ul style="list-style-type: none"> • Policy document(s) 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> • Policy document(s) address the provision of all FBS and is approved by the council 	Level 2
<p>Level 2plus:</p> <ul style="list-style-type: none"> • The Free Basic Services and/or Indigent Policy budgeted for and implemented • Implementation of the Free Basic Services and/or Indigent Policy is monitored through the municipality's Performance Management System 	<p>Level 2plus:</p> <ul style="list-style-type: none"> • Progress and monitoring reports generated through the municipality's performance management system • MFMA Section 71 (last three months) reports • MFMA Section 72 Report • Annual Report • SDBIP 	<p>Level 2plus:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> • Resources have been assigned to implement FBS • The monitoring reports provide a reflection of the delivery of FBS 	Level 3
<p>Level 3 plus i.e.:</p> <ul style="list-style-type: none"> • The municipality is demonstrating cost effective and sustainable implementation of FBS 	<p>Level 3 plus i.e.:</p> <ul style="list-style-type: none"> • Indigent register • Consumer education on effective use of FBS allocations 	<p>Level 3 plus i.e.:</p> <p>Moderators to verify that the municipality is demonstrating cost effective and sustainable implementation of FBS by i.e.:</p> <ul style="list-style-type: none"> • Indigent register is up to date • Consumer education on effective use of FBS allocations has been conducted • FBS provision is aligned with municipal financial capabilities 	Level4

2	Key Performance Area: Service Delivery
2.2	Performance Standard name: Extension of water services to all people in the municipality's area of jurisdiction
<p>Performance Standard definition: Extending access to water services to all people in the municipality's area of jurisdiction</p> <p>Importance of the Standard: The primary constitutional obligation resting on Water Services Authorities (WSAs) is the provision of at least a basic level of service to all people living within their area of jurisdiction. The Water Services Development Plan (WSDP) must show how the water services authority plans to meet this universal service obligation.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Finance Management Act (Act 56 of 2003) (MFMA) Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Planning and Performance Management Regulations 2001 MFMA: Circular 13: Service Delivery and Budget Improvement Plan, January 2005 Water Services Act (Act 103 of 1997) Strategic Framework for Water Services (2003) 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have a methodology and/or technique to establish its water supply backlogs informing its performance management system The municipality does not have a Water Services Development Plan 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has a methodology and/or technique to establish its water supply backlogs informing its performance management system The municipality has at least a draft Water Services Development Plan in place 	<ul style="list-style-type: none"> Progress and monitoring reports generated through the municipality's performance management system Draft Water Service Development Plan 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality monitors progress of service delivery against percentage of households that do not have access to water services A draft Water Services Development plan (WSDP) exists 	Level 2
<ul style="list-style-type: none"> Completed WSDP is approved by council for the last financial year Water services extension projects detailed in the WSDP are captured in the SDBIP of the municipality WSA has a performance management system in place that monitors implementation and expenditure of the extension of water services projects 	<ul style="list-style-type: none"> Approved Water Services Development Plan Service Delivery and Budget Implementation Plan (SDBIP) Progress and monitoring reports generated through the municipality's 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The WSDP shows how the water services authority plans meeting the municipality's obligation to provide universal access to water services The water services extension projects in the WSDP are adequately captured within the SDBIP The monitoring reports provide a reflection of progress against set targets 	Level 3

	performance management system		
<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Contracts and SLAs in place with all appropriate services delivery role players / Water Services Providers (WSPs) • Senior management considers monitoring reports to inform decision making and/or remedial actions as required 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Minutes of senior management meeting reflecting discussion of monitoring reports 	<p>Level 3 plus: Moderators to verify that:</p> <ul style="list-style-type: none"> • Monitoring reports are analysed, and used to inform decision making and/or remedial actions as required • Improvements proposed are appropriate for improving service delivery 	Level 4

2	Key Performance Area: Service Delivery
2.3	Performance Standard name: Extension of access to sanitation to all people in the municipality's area of jurisdiction
Performance Standard definition: Extending access to sanitation facility to all people in the municipality's area of jurisdiction	
Importance of the Standard: The primary constitutional obligation resting on water services authorities is the provision of at least a basic level of service to all people living within their area of jurisdiction. The WSDP must show how the water services authority plans to meet this universal service obligation.	
Relevant Legislation and Policies:	
<ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Finance Management Act (Act 56 of 2003) (MFMA) Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Planning and Performance Management Regulations 2001 MFMA: Circular 13: Service Delivery and Budget Improvement Plan, January 2005 Water Services Act (Act 103 of 1997) Strategic Framework for Water Services (2003) 	

Standards	Evidence Documents	Moderation Criteria	
<ul style="list-style-type: none"> The municipality does not have a methodology and/or technique to establish its sanitation backlogs informing its performance management system The municipality does not have a Water Services Development Plan 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has a methodology and/or technique to establish its sanitation backlogs informing its performance management system The municipality has at least a draft Water Services Development Plan in place 	<ul style="list-style-type: none"> Progress and monitoring reports generated through the municipality's performance management system Draft Water Service Development Plan 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality monitors progress of service delivery against percentage of households that do not have access to sanitation A draft Water Services Development plan (WSDP) exists 	Level 2
<ul style="list-style-type: none"> Completed WSDP is approved by council for the last financial year Sanitation extension projects detailed in the WSDP are captured in the SDBIP of the municipality WSA has a performance management system in place that monitors implementation and expenditure of the extension of sanitation projects 	<ul style="list-style-type: none"> Approved Water Services Development Plan Service Delivery Implementation Plan (SDBIP) Progress and monitoring reports generated through the municipality's performance 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The WSDP shows how the water services authority plans meeting the municipality's obligation to provide universal access to sanitation The sanitation extension projects in the WSDP are adequately captured within the SDBIP The monitoring reports provide a reflection of progress against set targets 	Level 3

Standards	Evidence Documents	Moderation Criteria	
	management system		
Level 3 plus: <ul style="list-style-type: none"> Contracts and SLAs in place with all appropriate services delivery role players (WSPs) Senior management considers monitoring reports to inform decision making and/or remedial actions as required 	Level 3 plus: <ul style="list-style-type: none"> Minutes of senior management meeting reflecting discussion of monitoring reports 	Level 3 plus: Moderators to verify that: <ul style="list-style-type: none"> Monitoring reports are analysed, and used to inform decision making and/or remedial actions as required Improvements proposed are appropriate for improving service delivery 	Level 4

2	Key Performance Area: Service Delivery
2.4	Performance Standard name: Moderated performance against Municipal Strategic Self-Assessment (MuSSA) of effective water services management
<p>Performance Standard definition: The MuSSA assesses the business health/vulnerability of the WSA to fulfil its functions. It determines vulnerability against 16 functional areas. It is a benchmarking process through which trends can be monitored and areas requiring corrective action can be identified and addressed.</p> <p>Importance of the Standard: Capacity at local government level (personnel, finances, systems and expertise) is a recurring problem affecting the ability of local government to deliver sustainable water services.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000 and as amended) Water Services Act (Act 103 of 1997) Strategic Framework for Water Services (2003) 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not conduct the MuSSA on an annual basis 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality conducts the MuSSA on an annual basis The municipality has developed an action plan to address vulnerabilities identified through the MuSSA 	<ul style="list-style-type: none"> MuSSA Spider diagrams Action plan to address vulnerabilities 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality conducts the MuSSA on an annual basis The municipality developed an action plan to address vulnerabilities identified through the MuSSA 	Level 2
Level 2 plus:	Level 2 plus:	Level 2 plus: Moderators to verify that: <ul style="list-style-type: none"> Resources have been assigned to implement the priority actions 	Level 3
Level 3 plus:	Level 3 plus:	Level 3 plus: Moderators to verify that: <ul style="list-style-type: none"> The municipality is demonstrating continuous improvement and/or are continuously performing well in the MuSSA Are continuously performing well in the MuSSA 	Level 4

2	Key Performance Area: Service Delivery
2.5	Performance Standard name: Waste coordination and disposal
<p>Performance Standard definition: Waste coordination and disposal practices are applied in a manner that promotes human health and protects the environment through the prevention of pollution and the degradation of the environment</p> <p>Importance of the Standard: Constitutionally government is obliged to protect the right to an environment that is not harmful to a person's health and to have the environment protected for the benefit of present and future generations. Waste disposal practices in many areas of South Africa are not yet conducive to a healthy</p>	

environment and the impact of improper waste disposal practices are often borne disproportionately by the poor.

Relevant Legislation and Policies:

- Constitution of the Republic of South Africa (Act 106 of 1996 and as amended)
- Municipal Systems Act (Act 32 of 2000 and as amended)
- National Environmental Management: Waste Act (Act 59 of 2008) - NEMWA 59 of 2008
- National Environmental Management Act (Act 107 of 1998 and as amended) and Regulations – NEMA 107 of 1998
- National Health Act (Act 61 of 2003)
- Municipal Structures Act (Act 117 of 1998)
- National Water Act (Act 36 of 1998)
- R. 625 National Environmental Management: Waste Act (59/2008): National Waste Information Regulations
- Hazardous Substances Act (Act 5 of 1973)
- Government Gazette No 36784 dated 23 August 2013.
 - R634 Waste Classification & Management Regulations
 - R635 National Norms & Standards for the Assessment of Waste for Landfill Disposal
 - R636 National Norms & Standards for Disposal of Waste to Landfill

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> • Not all operational/active waste handling facilities are licensed or have licence applications lodged • The municipality does not have an Integrated Waste Management Plan (IWMP) / 1st generation Integrated Waste Management Plan in place • The municipality does not have a Waste Management Officer (WMO) 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A 	Level 1
<ul style="list-style-type: none"> • All operational/active waste handling facilities are licensed or licence applications have been lodged • The municipality has at least a draft Integrated Waste Management Plan (IWMP) / 1st generation Integrated Waste Management Plan in place • The municipality has a process in place to designate a Waste Management Officer(s) (WMO) 	<ul style="list-style-type: none"> • Register of licence applications and/or licences for waste handling facilities • Draft Integrated Waste Management Plan (IWMP) 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> • Licence applications and/or licences exists • A draft Integrated Waste Management Plan (IWMP) exists 	Level 2
<ul style="list-style-type: none"> • All operational /active waste handling facilities are licensed and are complying to licence conditions • The municipality has an approved, valid Integrated Waste Management Plan (IWMP) in place, and projects detailed in the IWMP are captured in the Integrated Development Plan (IDP) and Service 	<ul style="list-style-type: none"> • Register of licences for waste handling facilities • Approved, valid Integrated Waste Management Plan (IWMP) 	<p>Moderators to verify that</p> <ul style="list-style-type: none"> • That all operational/active waste handling facilities are licensed and complying to licence conditions • The municipality has an approved, valid IWMP as per the requirements set out in the NEMWA 59 of 2008 and is reviewed at least every 5 years 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> Delivery and Budget Implementation Plan (SDBIP) of the municipality The municipality has a designated Waste Management Officer(s) (WMO) 	<ul style="list-style-type: none"> Integrated Development Plan (IDP) Service Delivery Implementation Plan (SDBIP) Designation letter(s) of the WMO Annual consolidated landfill/ waste handling facilities external audit report 	<ul style="list-style-type: none"> Resources have been allocated to implement the priority actions in respect of waste coordination and disposal The WMO has been designated and is still in service of the municipality 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> The municipality is demonstrating effective waste coordination and disposal practices The municipality is regularly reporting into the South African Waste Information System (SAWIS) 	<p>Level 3 plus i.e.:</p> <ul style="list-style-type: none"> Landfill rehabilitation plans SAWIS generated reports 	<p>Level 3 plus: Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality is regularly reporting into the SAWIS The municipality is demonstrating effective waste coordination and disposal practices Waste minimisation is achieved through implementing waste avoidance and reduction, recovery, re-use and recycling, and treatment and processing strategies Landfill sites are designed and operated to enable i.e. harnessing of alternative energy Plans are in place to rehabilitate land fill sites and use land for open space or other allowable land uses 	Level 4

2	Key Performance Area: Service Delivery
2.6	Performance Standard name: Refuse collection and transportation
<p>Performance Standard definition: A waste service to all waste generators within the area of jurisdiction, by extending appropriate waste services to all un-serviced areas and a continuously improving level of service provided</p> <p>Importance of the Standard: Constitutionally government is obliged to protect the right to an environment that is not harmful to a person's health and to have the environment protected for the benefit of present and future generations. Poor refuse collection and transportation practices lead directly to pollution and degradation of the environment.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Planning and Performance Management Regulations 2001 National Environmental Management: Waste Act (Act 59 of 2008) National Environmental Management Act (Act 107 of 1998 and as amended) and Regulations National Health Act (Act 61 of 2003) Municipal Structures Act (Act 117 of 1998) National Policy for the provision of Basic Refuse Removal Services to Indigent households 2011 Government Gazette No 36784 dated 23 August 2013. <ul style="list-style-type: none"> - R634 Waste Classification & Management Regulations Government Notice No. 21 of 2011 (Government Gazette no 33935) NEMWA 59 of 2008:National domestic waste collection standards 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have a methodology/technique in place to establish needs in respect of refuse services in its area of jurisdiction informing its performance management system 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has a methodology/technique in place to establish needs in respect of refuse collection services in its area of jurisdiction informing its performance management system The municipality has at least a draft Integrated Waste Management Plan/ 1st generation Integrated Waste Management Plan in place in place 	<ul style="list-style-type: none"> Progress and monitoring reports generated through the municipality's performance management system Draft Integrated Waste Management Plan/ 1st generation Integrated Waste Management Plan in place 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality monitors progress of service delivery against percentage of households with access to solid waste removal services A draft Integrated Waste Management Plan / 1st generation Integrated Waste Management Plan in place(IWMP) exists 	Level 2
<ul style="list-style-type: none"> The municipality has an approved, valid Integrated Waste Management Plan in place The extension and continuous improvement of 	<ul style="list-style-type: none"> MEC approved, valid Integrated Waste Management Plan 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The IWMP has been approved by the MEC and is valid in terms of NEMWA 59 of 2008 (is reviewed at 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> refuse services as detailed in the IWMP are captured in the IDP and the SDBIP of the municipality The municipality has a performance management system in place that monitors implementation and expenditure against the IWMP aligned to the National domestic waste collection standards 	<ul style="list-style-type: none"> Integrated Development Plan Service Delivery Implementation Plan (SDBIP) Progress and monitoring reports generated through the municipality's performance management system 	<ul style="list-style-type: none"> least every 5 years) The refuse collection and transportation aspects of the IWMP are captured within the IDP and the SDBIP The monitoring reports provide a reflection of progress against set targets and provides disaggregated information as per the National domestic waste collection standards 	
Level 3 plus: <ul style="list-style-type: none"> Senior management considers monitoring reports to inform decision-making and/or remedial actions as required to facilitate effective refuse collection and transportation 	Level 3 plus: <ul style="list-style-type: none"> Minutes of senior management meetings reflecting discussion of monitoring reports 	Level 3 plus: Moderators to verify that: <ul style="list-style-type: none"> The municipality is demonstrating effective refuse collection and transportation Improvements proposed are appropriate for improving service delivery 	Level 4

2	Key Performance Area: Service Delivery
2.7	Performance Standard name: Extension of electricity to all people in the municipality's area of jurisdiction
Performance Standard definition: Extending access to electricity to all people in the municipality's area of jurisdiction	
Importance of the Standard: The primary constitutional obligation resting on a municipality is the provision of at least a basic level of service to all people living within their area of jurisdiction.	
Relevant Legislation and Policies:	
<ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Planning and Performance Management Regulations 2001 Electricity Regulation Act (Act 04 of 2006 and as amended) and Regulations 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have a methodology and/or technique to establish its electricity supply backlogs informing its performance management system The municipality does not have an Electricity Master Plan 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The Municipality has a methodology and/or technique to establish its electricity supply backlogs informing its performance management system The municipality has at least a draft Electricity Master Plan in place 	<ul style="list-style-type: none"> Progress and monitoring reports generated through the municipality's performance management system Draft Electricity Master Plan 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality monitors progress of service delivery against percentage of households with access to electricity A draft Electricity Master Plan exists 	Level 2
<ul style="list-style-type: none"> The municipality has an approved Electricity Master Plan in place Electricity extension projects detailed in the Electricity Master Plan are captured in the SDBIP of the municipality The municipality has a performance management system in place that monitors implementation and expenditure against the extension of electricity projects 	<ul style="list-style-type: none"> Approved Electricity Master Plan SDBIP Progress and monitoring reports generated through the municipality's performance management system 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> An approved Electricity Master Plan is in place Resources have been allocated to implement the priority actions The monitoring reports provide a reflection of progress against set targets 	Level 3
Level 3 plus:	Level 3 plus: <ul style="list-style-type: none"> Minutes of senior management meeting reflecting discussion of monitoring reports 	Level 3 plus: <p>Moderators to verify that</p> <ul style="list-style-type: none"> Monitoring reports are analysed, and used to inform decision making and/or remedial actions as required 	Level 4

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality is demonstrating good planning and implementation of the extension of services through i.e. rolling out of alternative energy strategies/infrastructure/ technologies 		<ul style="list-style-type: none"> Improvements proposed are appropriate for improving service delivery 	

2	Key Performance Area: Service Delivery
2.8	Performance Standard name: Generation, transmission or distribution, operation, maintenance and refurbishment of the electricity infrastructure
Performance Standard definition: To ensure efficient, effective and sustainable operation of the electricity supply infrastructure	
Importance of the Standard: The primary constitutional obligation resting on a municipality is the provision of at least a basic level of service to all people living within their area of jurisdiction.	
Relevant Legislation and Policies:	
<ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Planning and Performance Management Regulations 2001 Electricity Regulation Act (Act 4 of 2006 and as amended) and Regulations Government Gazette No. 31741 Electricity Pricing Policy (EPP), 2008 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality operates electricity generation, transmission or distribution facilities without a licence or whilst in the process of obtaining a licence issued by NERSA D-forms was not submitted or not submitted on time to NERSA 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality operates electricity generation, transmission or /and distribution facilities with a licence issued by NERSA The municipality does not fully comply with all the licence terms and conditions (Section 27 of the ERA as amended) D-forms was submitted timeously to NERSA but not all information was supplied 	<ul style="list-style-type: none"> • Licence issued by NERSA • Consolidated year-end report based on compliance auditing within municipalities to monitor compliance with licence conditions • NERSA report on D-form submission and completeness of information contained therein (Secondary data) 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That the municipality is licensed by NERSA The extent of compliance to licence conditions as adjudicated by NERSA in terms of their compliance audit The D-form was submitted timeously (end of October) but does not contain all information required 	Level 2
<ul style="list-style-type: none"> The municipality fully complies with all the licence terms and conditions (Section 27 of the ERA as amended) D-Forms are submitted timeously and signed off by the MM and CFO 	<p>Level 2 plus:</p> <ul style="list-style-type: none"> • NERSA report on D-form submission and completeness of information contained therein (Secondary data) • Consolidated year-end 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That the municipality is licensed by NERSA The extent of compliance to licence conditions as adjudicated by NERSA in terms of their compliance audit The D-form was submitted timeously (end of October), contains all required information and is signed off by the MM and CFO 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
	<ul style="list-style-type: none"> report based on compliance auditing within municipalities to monitor compliance with licence conditions • Corrective Action Plan (if available) • NERSA Reports on monitoring of Corrective Action Plans (if available) (Secondary source) 		
<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Senior management considers monitoring reports to inform decision making and/or remedial actions as required to improve operation, maintenance and refurbishment of its electricity network • The municipality is demonstrating good operation, maintenance and refurbishment of its electricity network through , for example <ul style="list-style-type: none"> - Effective incident management - Demand management • The municipality reports regularly to NERSA in terms of the Regulatory Reporting Manual (RRM) (Metros only) • The municipality annually spends at least 6% of its electricity business revenue on the refurbishment of the network • The municipality undertakes a Cost of supply Study (COS) studies at least every five years, but at least when significant licensee structure changes occur 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Minutes of senior management meeting reflecting discussion of monitoring reports • Regulatory Reporting Manual (RRM) reports (Metros only) • Report on annual expenditure on refurbishment • Cost of supply Study (COS) 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Moderators to verify that: • Monitoring reports are analysed, and used to inform decision making and/or remedial actions as required • Improvements proposed are appropriate for improving service delivery • The municipality reports regularly to NERSA in terms of the Regulatory Reporting Manual (RRM) (Metros only) • The municipality annually spends at least 6% of its electricity business revenue on the refurbishment of the network • That the municipality has an up to date Cost of supply Study (COS) 	Level 4

2	Key Performance Area: Service Delivery
2.9	Performance Standard name: Mapped and maintained municipal land transport network
<p>Performance Standard definition: The infrastructure and facilities connected therewith facilitating the movement of persons and goods by land by any means of conveyance</p> <p>Importance of the Standard: Road infrastructure supports domestic and regional needs and is an effective catalyst for spatial development, the development of businesses, transport systems and human settlements. Road infrastructure also facilitates the mobility of goods and people, provides connections to the external world and specifically access to markets and public services; such as ambulances and police services.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa (Act 106 of 1996 and as amended) Municipal Systems Act (Act 32 of 2000 and as amended) National Land Transport Act (Act 5 of 2009) 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have an Integrated Land Transport Plan in place The municipality's land transport network is not mapped 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has at least a draft Integrated Land Transport Plan in place The municipality's land transport network and its condition are mapped 	<ul style="list-style-type: none"> Draft Integrated Transport Plan Municipal land transport network and condition map DoT/ SALGA diagnostic tool (Secondary source) 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> A draft Integrated Land Transport Plan exists The municipality has mapped its land transport network indicating road conditions and/or underserviced areas 	Level 2
<ul style="list-style-type: none"> The municipality has an approved Integrated Land Transport Plan in place Road extension and maintenance projects listed in the ILTP are captured in the SDBIP of the municipality The municipality's performance management system monitors implementation and expenditure against road extension and maintenance projects 	<ul style="list-style-type: none"> MEC approved Integrated Transport Plan SDBIP DoT/ SALGA diagnostic tool (Secondary source) 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> The municipality has an MEC approved Integrated Land Transport Plan in place Resources have been allocated to implement the priority actions That the performance management monitors implementation and expenditure against road extension and maintenance projects 	Level 3
Level 3 plus: <ul style="list-style-type: none"> Senior management considers monitoring reports to inform decision making and/or remedial actions as required to improve operation, maintenance and refurbishment of its transportation network The municipality is demonstrating good management, operation, maintenance and 	Level 3 plus: <ul style="list-style-type: none"> Minutes of senior management meetings reflecting discussion of monitoring reports 	<p>Level 3 plus:</p> <p>Moderators to verify that</p> <ul style="list-style-type: none"> Monitoring reports are analysed, and used to inform decision making and/or remedial actions as required Moderators to verify that improvements proposed are appropriate for improving service delivery 	Level 4

Standards	Evidence Documents	Moderation Criteria	Level
refurbishment of its transportation network through i.e. effective integration of the means of conveyance			

KPA 3: Human Resource Management

3	Key Performance Area: Human Resources Management
3.1	Performance Standard name: Application of prescribed recruitment practices for the MM and managers reporting directly to the MM
Performance Standard definition: Vacancies at senior management level are filled through recruitment of qualified and competent staff	
Importance of the Standard: Municipal capacity to deliver on its goals and objectives is often severely constrained by high vacancy rates and lack of suitably qualified individuals who must have the relevant skills and expertise to perform the duties associated with the post in question, particularly in key management and technical positions. Regulation 493 under the MFMA gives effect to sections 83(1), 107 and 119 of the MFMA in terms of which the financial competency levels of the accounting officer (MM), CFO, senior managers, financial officials at middle management level, and supply chain management officials are prescribed. In terms of the R493 municipalities had until 1 January 2013 to ensure that all the financial officials and supply chain management officials (appointed before the effective date of the Regulations) attained the required higher education qualification and required minimum competency levels in the required unit standard for each competency area. After 1 January 2013 a financial or supply chain management official may not be appointed if the person does not meet minimum competency levels by a municipality or municipal entity.	
Relevant Legislation and Policies: <ul style="list-style-type: none">Constitution of the Republic of South Africa of 1996 and as amended,Municipal Systems Act (Act 32 of 2000 and as amended) Municipal Finance Management Act (Act 56 of 2003)National Treasury: Local Government: MFMA: Municipal regulations on minimum competency levels, 2007 (No R 493);	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> Regulation 493 (2007) of the MFMA is not implemented as prescribed (See detail below) 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> Regulation 493 (2007) of the MFMA is implemented as prescribed in terms of: <ul style="list-style-type: none"> General and minimum competency levels for : 1) accounting officers; 2) chief financial officers; 3) senior managers; and 4) other financial officials of municipalities and municipal entities General competency levels for officials involved in implementation of SCM policy Minimum competency levels for heads of SCM units Minimum competency levels for SCM managers 	<ul style="list-style-type: none"> Bi-annual reports in terms of R493 Section 14 to the National and relevant provincial Treasury (until 30 July 2015) Annual report 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> 1) Accounting officers; 2) chief financial officers; 3) senior managers; and 4) other financial officials of municipalities and municipal entities comply to general and minimum competency levels as prescribed Officials involved in implementation of SCM policy comply to general and minimum competency levels as prescribed Heads of SCM units comply to minimum competency levels as prescribed SCM managers comply to minimum competency levels as prescribed 	Level 2
<p>Level 2 plus:</p> <ul style="list-style-type: none"> There are minimal vacancies (between 11% and 30%) at senior management level (MM and S56 managers) as tested at 30 June 	<p>Level 2 plus:</p> <ul style="list-style-type: none"> Staff establishment and vacancies as at 30 June 	<p>Level 2 plus:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> Vacancy levels at senior management level are equal or less than 30% 	Level 3
<p>Level 3 plus:</p> <ul style="list-style-type: none"> There is minimal vacancies (less than 10%) at senior management level (MM and S56 managers) as tested at 30 June 	<p>Level 3</p>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> Vacancy levels at senior management level are equal or less than 10% 	Level 4

3	Key Performance Area: Human Resources Management
3.2	Performance Standard name: Implementation of prescribed Performance Management practices for the MM and managers reporting directly to the MM
	Performance Standard definition: Effective performance management practices implemented in the municipality
	Importance of the Standard: The success or failure of a municipality to deliver on its goals and objectives is dependent on the extent to which the municipality has an effective performance management system that optimise the output of its employees in terms of quality and quantity. If properly applied the results of the annual performance reviews of MMs and senior managers reporting to MMs should reflect/mirror the municipality's (institutional) performance.
	Regulations R805 of the MSA set out how the performance of municipal managers, and managers directly accountable to MMs, will be uniformly directed, monitored and improved. It addresses the employment contracts and performance agreements of these managers in anticipation that these instruments will in combination ensure a basis for performance and continuous improvement in local government.
	Relevant Legislation and Policies: <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000 and as amended) Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, 2006 (No R 805) Local Government: Municipal Planning and Performance Management Regulations 2001 Local Government: disciplinary regulations for senior managers, 2010 (GN 344 of 2011)

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> Municipality does not have an approved performance management system in place MM and senior managers reporting to MM do not have performance agreements for the current cycle in place Regulation 805 (2006) under the MSA is not implemented as prescribed (See detail below) 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> Municipality has an approved performance management system in place MM and senior managers reporting to MM do not all have employment contacts and performance agreements in place which comply to Regulation 805 (2006) of the MSA in terms of: <ul style="list-style-type: none"> General principals of the employment contract including detail of duties, remuneration, benefits, performance bonuses, terms and conditions of employment, disciplinary and grievance procedures and termination of contract General principals of the performance agreements including detail of performance objectives and targets (aligned to the IDP, SDBIP and budget), performance evaluation procedures, developmental requirements and management of evaluation outcomes Public availability of performance agreements <p>AND/OR</p> <ul style="list-style-type: none"> Disciplinary action is not taken for non-compliance 	<ul style="list-style-type: none"> Approved policy on the performance management system with timelines and structures including roles and responsibilities Report on signing of performance agreements of MM and senior managers reporting to MM Report on employment contracts of MM and senior managers reporting to MM 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That an Approved policy on the performance management system with timelines and structures including roles and responsibilities is in place That only some employment contacts and performance agreements are in place which comply to Regulation 805 (2006) of the MSA in terms of: <ul style="list-style-type: none"> General principals of the employment contract including detail of duties, remuneration, benefits, performance bonuses, terms and conditions of employment, disciplinary and grievance procedures and termination of contract General principals of the performance agreements including detail of performance objectives and targets (aligned to the IDP, SDBIP and budget), performance evaluation procedures, developmental requirements and management of evaluation outcomes Public availability of performance agreements 	Level 2
<ul style="list-style-type: none"> Municipality's performance management system is implemented i.e.: <ul style="list-style-type: none"> Quarterly assessments and feedback sessions performed throughout the year Mid-year assessments documented and finalised by due date 	Level 2 plus: <ul style="list-style-type: none"> Submission of the outcome of the annual assessment process 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> the performance management system is implemented according to the policy i.e.: 100% compliance to signing of performance agreements or disciplinary action Mid-term Reviews were completed 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> - Annual assessments documented and finalised by due date for previous cycle • MM and senior managers reporting to MM all have employment contacts and performance agreements in place which comply to Regulation 805 (2006) of the MSA in terms of: <ul style="list-style-type: none"> - General principals of the employment contract including detail of duties, remuneration, benefits, performance bonuses, terms and conditions of employment, disciplinary and grievance procedures and termination of contract - General principals of the performance agreements including detail of performance objectives and targets (aligned to the IDP, SDBIP and budget), performance evaluation procedures, developmental requirements and management of evaluation outcomes - Public availability of performance agreements <p>AND/OR</p> <ul style="list-style-type: none"> • Disciplinary action is taken for non-compliance 	<ul style="list-style-type: none"> • Report on the non-submission of performance agreements • Report on disciplinary action for non-compliance • Report on annual assessment of previous cycle • Report on the moderation process • Quarterly Report on the status of disciplinary cases to the MEC in terms of Section 19 of Local Government: disciplinary regulations for senior managers, 2010 	<ul style="list-style-type: none"> • Annual assessments are completed for relevant assessment cycle • Annual Assessments were completed by due date • That employment contract was in place before assumption of duty in the form prescribed • That the employment contract include detail of duties, remuneration, benefits, performance bonuses, terms and conditions of employment, disciplinary and grievance procedures and termination of contract • That performance agreements (in prescribed form) were put in place 60 days after appointment • That the performance agreements include detail of performance objectives and targets (aligned to the IDP, SDBIP and budget), performance evaluation procedures, developmental requirements and management of evaluation outcomes • That performance agreements of MM and managers directly accountable to the MM is available for public scrutiny • That disciplinary action was taken for non-compliance 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Municipality actively manages performance outcomes in relation to development, managing poor performance and recognition of performance • Performance Assessment results submitted to MEC in terms of Section 34 (3) of R805 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> • List of recognition of performance and incentives received • List of poor performance • List of cases where disciplinary actions was taken • Report outcomes of disciplinary action 	<p>Level 3 plus: Moderators to verify:</p> <ul style="list-style-type: none"> • Incentives for recognition of good performance does not exceed guidelines contained in Section 32 of R 805 • That there is evidence that there is a process in place to manage poor performers • That disciplinary actions are concluded 	

KPA 4: Financial Management

4	Key Performance Area: Financial Management
4.1	Performance Standard name: Maintaining a credible budget
<p>Performance Standard definition: The municipality maintains a properly funded budget (capital and operational). Ensuring that the municipality only budgets to spend what it will realistically collect in revenue as well as in funding sources for capital expenditure. Funding sources for capital include grant funding, borrowing, public contributions and other internal funding sources. Operational income includes grants, service charges and rates and taxes. The municipality's budget is not credible if it is not funded appropriately.</p> <p>Importance of the Standard: If a municipal budget is unfunded, it is not a credible budget in that the revenue projections are unrealistic, the operating expenses are too high, or the capital budget is too ambitious.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none">• Constitution of the Republic of South Africa of 1996 and as amended,• Municipal Systems Act (Act 32 of 2000) and as amended, Municipal Structures Act (Act 117 of 1998) and as amended,• Municipal Finance Management Act (Act 56 of 2003),• Municipal Property Rates Act (Act 6 of 2004)• Municipal Fiscal Powers and Functions Act (Act 12 of 2007); and Regulations to these Acts	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have an approved budget. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has a budget but not properly funded: Current commitments in terms of the MTEF that is under scrutiny including all expenditure - capital and operational - funded by own revenue, transfers from national and provincial government and borrowing (for capital) exceed available resources 	<ul style="list-style-type: none"> MFMA Section 71 reports (last three months) MFMA Section 72 report 	<ul style="list-style-type: none"> Moderators to verify that current commitments are at least equal to available resources 	Level 2
<ul style="list-style-type: none"> The municipality has a properly funded budget: Current commitments in terms of the MTEF that is under scrutiny including all expenditure - capital and operational - funded by own revenue, transfers from national and provincial government and borrowing (for capital) are at least equal to available resources. 	<ul style="list-style-type: none"> MFMA Section 71 reports (last three months) MFMA Section 72 report 	<ul style="list-style-type: none"> Moderators to verify that: <ul style="list-style-type: none"> Current commitments are less than available resources – 3 months expenditure in reserve) 	Level 3
<ul style="list-style-type: none"> The municipality has a properly funded budget: Current commitments in terms of the MTEF that is under scrutiny including all expenditure - capital and operational - funded by own revenue, transfers from national and provincial government and borrowing (for capital) are less than available resources – 3 months expenditure in reserve The budget is focussed on actual delivery and is used as such by regularly identifying available resources to expedite service delivery and development. 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Cash flow and expenditure plan SDBIP 	<ul style="list-style-type: none"> Moderators to verify that: <ul style="list-style-type: none"> Budget is adjusted as required in terms of section 28 of the Municipal Finance Management Act, Act 56 of 2003. The SDBIP has been adjusted in line with the budget. 	Level 4

4	Key Performance Area: Financial Management
4.2	Performance Standard name: Management of unauthorised, irregular or fruitless and wasteful expenditure
<p>Standard definition: Ensure efficient and effective process in place to prevent, detect and report unauthorised, irregular or fruitless and wasteful expenditure</p> <p>Importance of the standard: To encourage departments to have documented policies and procedures in place to detect, prevent and report the occurrence of unauthorised, irregular or fruitless and wasteful expenditure and to take disciplinary measures against negligent officials in this regard.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Municipal Finance Management Act (Act 56 of 2003), and its Regulations • Municipal budget and reporting Regulations: Government Notice R393 of 2009 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> • The municipality does not have a policy and process in place to prevent and detect unauthorised, irregular or fruitless and wasteful expenditure 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A 	Level 1
<ul style="list-style-type: none"> • The municipality has a policy and process in place to prevent and detect unauthorised, irregular or fruitless and wasteful expenditure 	<ul style="list-style-type: none"> • Policy document • Documented process 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> • The existence of a policy document • The existence of the process to prevent and detect unauthorised, irregular or fruitless and wasteful expenditure 	Level 2
<ul style="list-style-type: none"> • The relevant Council Committee investigates the recoverability of unauthorised, irregular or fruitless and wasteful expenditure, and report the findings to Council • The municipality recovers unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless authorised in an adjustments budget or certified as irrecoverable, and written off • The municipality addresses audit findings on unauthorised and irregular or fruitless and wasteful expenditure 	<ul style="list-style-type: none"> • Council Committee investigation report on reasons for unauthorised, irregular, fruitless and wasteful expenditure • Report by the MM to the Mayor, MEC and AG in terms of Section 32(4) of the MFMA • Approved action plan to address audit findings 	<p>Moderators to verify existence of:</p> <ul style="list-style-type: none"> • Investigation reports showing the nature of fruitless and wasteful expenditure, reasons for such expenditure, responsible officials, the measures already taken to recover such expenditure, the cost of the measures already taken to recover such expenditure, the estimated cost and likely benefit of further measures that can be taken to recover such expenditure, and a motivation explaining its recommendation to the municipal council for a final decision. • The MM reports: <ul style="list-style-type: none"> - any occurrence of unauthorised, irregular or fruitless and wasteful expenditure - whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure - the steps that have been taken to recover or rectify such expenditure; and - to prevent recurrence of such expenditure - to the Mayor, MEC for Local Government and the 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
		<p>AG in terms of Section 32(4) of the MFMA</p> <ul style="list-style-type: none"> Management feedback to responsible officials Appropriate action (disciplinary and/or criminal) taken against responsible officials Reasons for the condonement of unauthorised, irregular or fruitless and wasteful expenditure The action plan on audit findings 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> The municipality analyses and reviews the effectiveness of controls and systems to prevent recurrence of unauthorised, irregular or fruitless and wasteful expenditure The municipality implements preventative measures Positive results are achieved in recovering of unauthorised, irregular, fruitless and wasteful expenditure from guilty parties 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Report on analysis and review of controls Documented preventative measures 	<p>Level 3 plus: Moderators to verify:</p> <ul style="list-style-type: none"> The existence of the report on analysis and review of controls and systems The existence of documented preventative measures 	Level 4

KPA 5: Community engagement

5	Key Performance Area: Community Engagement
5.1	Performance Standard name: Functional ward committees
<p>Performance Standard definition: Ward Committees are established and functional</p> <p>Importance of the Standard: The Constitution provides that the first object of local government is to provide democratic and accountable government for local communities. Local government needs to have effective structures and systems in place to ensure coherent two way communication. Delivery is a partnership between all stakeholders, and ward committees (chaired by the Ward Councillor) play an essential role in providing the link between the community and the municipality.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa (Act 106 of 1996 and as amended) Municipal Systems Act (Act 32 of 2000 and as amended) Municipal Structures Act (Act 117 of 1998 and as amended) Guidelines for the establishment and operation of municipal ward committees GN 965 of 2005 DCoG functionality criteria_ DCoG requirements for Participatory ward level service improvement plans National framework: Criteria for determining out-of-pocket expenses for ward committee members GN 973 of 2009 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> No ward committees established within a year of election 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> All ward committees have been established within a year of the election At least 60% of ward committees are functional 	<ul style="list-style-type: none"> Quarterly functionality reports 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That all ward committees are established within a year and That at least 60% of established ward committees adhere to functionality criteria as prescribed by DCoG i to: Number of ward committee management meetings held and percentage attendance by members Number of ward committee meetings organised by the ward committee and percentage attendance by the ward community Submission and tabling of ward reports and plans to the council covering: 1) needs and priorities for the ward; 2) feedback on the performance of the council's various line/service functions and their impact on the ward Number of door to door campaigns and interactions with sub-structures, including street committees 	Level 2

Standards	Evidence Documents	Moderation Criteria	Level
		<ul style="list-style-type: none"> - Number of complaints, queries and requests registered from the community and attended to (checklist of met needs against registered needs and turn-around time) - Distributed publications (information brochures, flyers, newsletters, e-mails, sms, and others over a period of time - Management and updating of ward profiles and data base of indigent households - Participation in plans and programmes of municipality's and other spheres of government impacting on the ward development, and monitoring thereof 	
<ul style="list-style-type: none"> • All ward committees has been established within a year of the election • All ward committees are functional (see detail above) • All ward committee members have signed a code of conduct • Participatory ward level service improvement plans developed for each ward 	<ul style="list-style-type: none"> • Quarterly functionality reports • Participatory ward level service improvement plans • Ward Committee code of conduct 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> • That all ward committees That established ward committees adhere to functionality criteria as prescribed by DCoG: • Each ward committee has a Participatory ward level service improvement plan • All ward committee members have signed the code of conduct 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> • There is a reporting system in place to council and line departments periodically provide feedback to ward committees. • The ward committee plays an oversight function in terms of delivery per ward against the SDBIP and ward service improvement plans. • Data base of indigent households in the ward is kept up to date • Ward committees conduct annual satisfaction surveys to assist the committee in the execution of its functions and powers 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> • Feedback reports from Ward committee to Council • Feedback reports from Council to Ward Committees • Minutes of community meetings • Indigent register • Annual ward satisfaction surveys 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> • That there is a reporting system in place between council, ward committees and communities which facilitates periodic feedback on issues and progress. • The ward committee plays an oversight function i.t.o. delivery per ward against the SDBIP • That a data base on indigent households in the ward is kept and regularly updated • That annual satisfaction surveys are conducted by the ward committee and informs ward committee decision making 	

5	Key Performance Area: Community Engagement
5.2	Performance Standard name: Customer Services Standards / Charter
<p>Performance Standard definition: The main purpose of a customer charter / code of practice are to improve access to an organisation's services and promote quality. It does this by engaging customers on the standards of service to expect what to do if something goes wrong and how to make contact.</p> <p>Importance of the Standard: The Constitution provides that the first object of local government is to provide democratic and accountable government for local communities. Local government needs to have effective structures and systems in place to ensure coherent two way communication. A customer charter helps drive and sustain a process of continuous improvement in service quality, encourage customers to provide feedback on how service is delivered, focus employees on the work to promote service delivery quality, helps foster good relations with customers generally, most of whom will welcome such efforts to take account of their views.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Constitution of the Republic of South Africa (Act 106 of 1996 and as amended) • Municipal Systems Act (Act 32 of 2000 and as amended) • Municipal Structures Act (Act 117 of 1998 and as amended) 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> There are no defined client service standards and /or Customer care charter in place (setting out the standard of service the municipality is to deliver) 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> There are defined client service standards and /or customer service charter in place (setting out the standards of service council that can be expected) The municipality publishes client service standards and /or client service charter and client care contact details on their website 	<ul style="list-style-type: none"> Client service standards defined or Client service charter 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> Client service standards are defined <p>Or</p> <ul style="list-style-type: none"> Client service charter is in place Client care contact details available on the municipalities website 	Level 2
<p>Level 2 plus:</p> <ul style="list-style-type: none"> The client service standards are implemented and there is a system of feedback on performance against set standards / charter The client care contact centre is operational and respond to client enquiries 	<p>Level 2 plus:</p> <ul style="list-style-type: none"> Register of complaints queries, concerns and suggestions received for the current financial year Acknowledgements of matters raised by the community during the last month Responses to complaints queries and concerns over the last month Apologies issued to clients for mistakes made over the last month Directory of officials responsible for dealing with clients and is available publicly FSD reports (if available) 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> There is a feedback system in place that adheres to the defined client service standards in terms of: <ul style="list-style-type: none"> Acknowledgement of matters raised by the community Provide responses to complaints queries and concerns Apologises to client for mistakes made Provide details of contact persons should clients wish to contact the municipality again That the client care contact number and e-mail address is functioning in accordance with service standards as set out 	Level 3
<p>Level 3 plus:</p> <ul style="list-style-type: none"> Senior management uses information generated through the feedback system to improve and/or continuously maintain high levels of service to customers: Allow clients to make informed choices by 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Report on FSD to senior management Minutes of senior management meetings where information 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> Senior management uses information generated through the feedback system to improve and/or continuously maintain high levels of service to clients There is a feedback system in place that provides 	Level 4

Standards	Evidence Documents	Moderation Criteria	Level
<p>providing them with as much information as possible</p> <ul style="list-style-type: none"> • Welcome feedback from community member and uses it to improve services 	<ul style="list-style-type: none"> generated through the feedback system was discussed • Report on responses and turn-around times 	full responses within set timeframes	

KPA 6: Governance

6	Key Performance Area: Executive Structures		
6.1	Performance Standard name: Functionality of executive structures		
<p>Standard definition: The municipality has functioning and effective executive structures</p> <p>Importance of Standard: The municipality has formalised executive structures in place that make strategic decisions, and monitor implementation of their strategic decisions</p>			
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Municipal Structures Act (Act 117 of 1998 and as amended) and its regulations • Municipal Systems Act (Act 32 of 2000) and as amended • Municipal Structures Act (Act 117 of 1998) and as amended • Municipal Finance Management Act (Act 56 of 2003) • Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) 			

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> • The Municipality's executive structures do not have formal terms of reference and meetings do not take place 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A 	Level 1
<ul style="list-style-type: none"> • The municipality has executive structures with draft terms of reference (examples of structures: Executive Committees, Sec 79 and Section 80 Committees, Mayoral Committee, Municipal Council) in accordance with Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) • Executive management meetings are scheduled and meetings take place 	<ul style="list-style-type: none"> • Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) • Draft terms of reference (or roles and responsibilities) for the executive structures • Schedule of meetings • Approved minutes and attendance registers 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> • Executive structures are as set Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) are in place • Draft terms of reference is in place for executive structures i.e.: Executive Committees, Sec 79 and Section 80 Committees, Mayoral Committee, Municipal Council • Meetings are taking place as scheduled 	Level 2
<ul style="list-style-type: none"> • The municipality has executive structures with formal terms of reference • Executive decisions are clearly documented and oversight of implementation exercised 	<ul style="list-style-type: none"> • Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) • Approved terms of reference for the executive structures • 3 sets of recent and consecutive 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> • Executive structures are operating in accordance to prescribed procedures as set Municipal Rules and Orders as per Section 31 of the Municipal Structures Act (Act 117 of 1998) • Meetings take place in accordance with the terms of reference for each structure • Actions list sets out who has to do what, by when • Progress against action items of previous meetings 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
	<ul style="list-style-type: none"> meetings' agendas, approved minutes of meetings signed by the Chairperson and Secretariat and attendance registers reflecting designations 3 sets of recent and consecutive action lists for follow up on decisions 	are discussed	
Level 3 plus: <ul style="list-style-type: none"> Executive structure's meeting agendas focuses on strategic objectives and priorities of the municipality as described in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) 	Level 3 plus: <ul style="list-style-type: none"> IDP SDBIP 	Moderators to verify that: <ul style="list-style-type: none"> Executive structures' meeting agendas focuses on progress against strategic objectives and priorities of the Municipality as described in the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) 	Level 4

6	Key Performance Area: Governance
6.2	Performance Standard name: Assessment of responses to audit findings
Performance Standard definition: Audit findings are addressed to promote clean administration and good governance	
Importance of the Standard: Audit findings are based on an independent and often extensive verification process of the annual financial statements and the performance information and performance management in the annual report. Where audit outcomes are adverse, disclaimed or qualified, it indicates that fundamental principles of good governance, transparency and financial management are not being adhered to. Even an unqualified audit with an emphasis of matter can indicate serious financial management shortcomings – depending on the issues raised by the Auditor General.	
Relevant Legislation and Policies: <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended Municipal Systems Act (Act 32 of 2000) and as amended Municipal Structures Act (Act 117 of 1998) and as amended Municipal Finance Management Act (Act 56 of 2003) Municipal Property Rates Act (Act 6 of 2004) Municipal Fiscal Powers and Functions Act (Act 12 of 2007) Local Government: Municipal Planning and Performance Management Regulations 2001 	

Standards	Evidence Documents	Moderation Criteria	Level
• There is no management response to the management letter issued by the office of the AG	• N/A	• N/A	Level 1
• Issues (financial; statements, performance information and/or compliance) raised in the management letter issued by the office of the AG are addressed partially	• Annual report • Oversight report • AG Management letter • Audit Action plan	Moderators to verify that: • Issues raised in the management letter is addressed to some extent	Level 2
• Management (MM) has resolved issues (financial statements, performance information and/or compliance) in the management letter and/or has a plan in place to resolve these	Level 2 plus: • Minutes of Audit Committee meeting minutes	Moderators to verify that: • Issues raised in the management letter is fully addressed	Level 3
• Material improvement in the number and nature of issues raised in the management letter leading to positive changes from previous audit or are continuously maintaining an unqualified (with and unqualified opinion on the financial statements, performance information and no findings on compliance)	Level 3 plus: • Previous audit reports	Moderators to verify that: • Material improvement in the number and nature of issues raised in the management letter leading to positive changes from previous audit or are continuously maintaining an unqualified (with and unqualified opinion on the financial statements, and performance information and no findings on compliance)	Level 4

6	Key Performance Area: Internal Audit
6.3	Performance Standard name: Assessment of Internal Audit
<p>Performance Standard definition: The municipality has internal audit units/capacity that meets requirements of the Local Government Municipal Finance Management Act, (Act No 56 of 2003) and its regulations.</p> <p>Importance of the Standard: Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It can therefore assist municipalities to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of internal controls, risk management and corporate governance within the Municipality. Internal Audit Activity within municipalities assists the Accounting Officer (MM) and Audit Committee to discharge their responsibilities.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Municipal Finance Management Act, (Act No 56 of 2003), • National Treasury MFMA Circular No. 65, • Internal Audit Framework of the National Treasury (2009), • The Institute of Internal Auditors South Africa's (IIASA) International Standards for the Professional Practise of Internal Auditing (ISPPA), • Local Government: Municipal Planning and Performance Management Regulations 2001 	

Standards	Evidence Documents	Moderation Criteria	Level
• The municipality does not have an internal audit unit or shared capacity	• N/A	• N/A	Level 1
• The municipality has an internal audit unit/capacity or shared unit with suitably qualified staff, and	• Structure and staff	Moderators to verify that: • Evidence documents are valid for level 2	Level 2

Standards	Evidence Documents	Moderation Criteria	Level
skilled staff, or the unit is outsourced	profile of internal audit unit (number, rank and qualifications) or service level agreement with service provider		

Standards	Evidence Documents	Moderation Criteria	Level
<p>Level 2 plus:</p> <ul style="list-style-type: none"> The municipality has an approved internal audit plan and an operational plan that is risk based and monitored quarterly The internal audit unit/ capacity or shared unit has an approved internal audit charter The Internal Audit Unit periodically conducts internal assessments in terms of ISPPIA (International standards for the Professional Practise of Internal Auditing) 1311 Internal audit unit/capacity or shared unit has been subjected to an external review at least once every 5 years in terms of ISPPIA 1312 Internal audit has a direct reporting line to the audit committee – dual reporting administratively to the MM and functionally to the audit committee 	<p>Level 2 plus:</p> <ul style="list-style-type: none"> Approved risk based annual internal audit plan An approved operational plan with process followed for its review Quarterly progress reports to Accounting Officer/Audit Committee in terms of 165 (b) of MFMA Approved Internal Audit Charter as accepted by the Accounting Officer and approved by the Audit Committee Internal assessment report Latest External Quality Assurance Review Report (External 5 year Review) by the IIASA or other Accredited Assessor who meets the requirements of Standard 1312 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> That the annual audit coverage plan is based on the risk assessment, conducted during the year under review and audit work scope detailing what the audit coverage will be and approved by the Audit Committee That quarterly Internal Audit reports submitted to Audit Committee members and management summarising results of audit activities whether or not the external assessment appraises, amongst others, compliance with Internal Audit Activity (IAA) charter, IAA methodology and IIASA standards Whether the internal assessment conducted appraises, amongst others, compliance with the IAA Charter, the IAA methodology and compliance with the IIA standards 1311 External Quality Assurance who meets the Standard 1312 requirements - review by the Institute of Internal Auditors Internal Audit Charter signed by the Accounting Officer and Chairperson of the Audit Committee 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
Level 3 plus: <ul style="list-style-type: none"> Management acts on Internal Audit recommendations 	Level 3 plus: <ul style="list-style-type: none"> Progress on management responses to findings and recommendations 	Level 3 plus: Moderators to verify that: <ul style="list-style-type: none"> Internal Audit reports reflect progress on management responses, findings and recommendations/action plans (follow-up) 	Level 4

6	Key Performance Area: Accountability
6.4	Performance Standard name: Assessment of accountability mechanisms (Audit Committee)
<p>Standard definition: The municipality and municipal entities have properly constituted Audit Committee(s) (or shared Audit Committee) which functions in terms of the Local Government Municipal Finance Management Act and its regulations.</p>	
<p>Importance of Standard: To provide assurance on a continuous basis with regard to whether or not set goals and objectives are achieved in a regular, effective and economical manner.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Municipal Finance Management Act (Act 56 of 2003) and • National Treasury MFMA Circular 65: Internal Audit and Audit Committee • Municipal Systems Act (Act 32 of 2000) and as amended • Local Government: Municipal Planning and Performance Management Regulations 2001 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have an audit committee or shared capacity in place 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has an audit committee in place and constituted in accordance with Section 166 of the MFMA. 	<ul style="list-style-type: none"> Appointment letters or Service Level Agreement for shared audit committee AND/ OR Letter on renewal or extension of contract for AC members 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> Composition of Audit Committees: Audit committee must comprise of at least 3 persons (including chairperson) not in the employ of the municipality or municipal entity. Must be appointed by the council of municipality, or in the case of a municipal entity, by council of parent entity. Must be on contract, appointed for a minimum of between 2 and 3 years Documentation stating period of appointment and where contract is renewed reflect period of both appointment and renewal 	Level 2
Level 2 plus:	Level 2 plus:	Moderators to verify that:	Level 3
<ul style="list-style-type: none"> Audit Committee has an approved Audit Committee Charter which is published on the municipal 	<ul style="list-style-type: none"> Approved Audit Committee Charter 	<ul style="list-style-type: none"> That scheduled meetings took place A minimum of four meetings per annum for Audit 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> website Audit committee meets as scheduled Audit committees report back into council at least on a quarterly basis on the operations of the internal audit unit and the audit Committee Annual report by the Audit Committee that is incorporated into the municipality's annual report and those of its entities 	<ul style="list-style-type: none"> accepted by the Audit Committee and approved by the Municipal Council Schedule of meetings Approved minutes of last 3 Audit Committee meetings Attendance registers Quarterly Report(s) by Chairperson of Audit Committee. Annual report by the Audit Committee Annual report of the municipality Risk based internal audit plan approved by Audit Committee 	<ul style="list-style-type: none"> Committees as in the annual report The Audit Committee has an approved Audit Committee Charter which is published on the municipal website and is used as a basis for: <ul style="list-style-type: none"> Preparing the Audit committee's annual work plan Setting the agenda for meetings Requisite skills and expertise Making recommendation to the accounting officer and municipal council Assessing the audit committee's performance by its members, municipal council, management, Auditor General and internal auditors Contributions and participation at meetings Performing performance audit responsibilities if assigned in terms Local Government: Municipal Planning and Performance Management Regulations 2001 Audit Committee must have at least considered financial statements; audit risk assessment; Internal Controls; Reports of Internal and External Audits; and compliance in its reports 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> Audit Committee reviews the Audit Committee Charter annually Assessment of Audit Committee by stakeholders such as the Auditor-General and senior Municipal managers. Audit Committee reviews management responses to audit issues and reports thereon 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Updated Audit Committee Charter Copy of the assessment report on the Audit Committee by stakeholders Minutes of the audit committee meetings or a report of the audit committee on management responses to audit findings 	<ul style="list-style-type: none"> Evidence that the Audit Committee has reviewed its Audit Committee Charter annually Stakeholder satisfaction levels on the performance of the functionality of the Audit Committee Audit Committee resolutions on Internal Audit feedback on management responses Check in the Audit Committee annual report progress made by Audit Committee as well as whether management responded to specific recommendations of the internal audit 	Level 4

6	Key Performance Area: Ethics
6.5	Performance Standard name: Assessment of policies and systems to ensure professional ethics
<p>Standard definition: The municipality has systems and policies in place to promote ethics and discourage unethical behaviour and corruption.</p> <p>Importance of Standard: The Code of Conduct for municipal staff members (Schedule 2 of the MSA No 32 of 2000) and the Code of Conduct for Councillors (Schedule 1 of the MSA No 32 of 2000) requires municipal officials and councillors respectively to act in the best interest of the public, be honest when dealing with public money, never abuse their authority, and not use their position to obtain gifts or benefits or accepting bribes. The Disclosure of interests aims to prevent and detect conflicts of interest where they occur. Promotion of just and fair administrative actions of officials in senior positions protects the municipal service from actions that may be detrimental to its functioning and that may constitute unlawful administrative actions as a result of ulterior motives.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> • Municipal Systems Act (Act 32 of 2000 and as amended) and Regulations to these Acts • Municipal Structures Act (Act 117 of 1998 and as amended) and its regulations 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> • The Municipality has no mechanism or standard of providing / communicating the Codes of Conduct to either employees and councillors • Less than 25% of Councillors, MM and Section 56 managers completed declaration of interest within 60 days of appointment 	<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • N/A 	Level 1
<ul style="list-style-type: none"> • The Municipality has a mechanism of providing / communicating the Codes of Conduct to both employees and Councillors • At least 75% of Councillors, MM and Section 56 managers completed declaration of interest within 60 days of appointment 	<ul style="list-style-type: none"> • Mechanism of providing Code of Conduct to both employees and Councillors -such as training and induction programme (e.g. schedule of training/awareness sessions, attendance register and programme/agenda) • List/Report showing number and percentage of declaration of interest completed by Councillors, MM and Section 56 managers 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> • Existence of mechanism or standard • Number and percentage of declaration of interest completed by Councillors, MM and Section 56 managers 	Level 2
<ul style="list-style-type: none"> • The municipality provides all new employees and Councillors with a copy of the applicable Code of 	<ul style="list-style-type: none"> • Report confirming that new employees / Councillors received a 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> • Distribution of code of conduct and training 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
<p>Conduct</p> <ul style="list-style-type: none"> The municipality provides training on understanding and applying the Codes of Conduct All Councillors, MM and Section 56 managers completed financial disclosures and updated at least annually or disciplinary action taken for non-compliance 	<ul style="list-style-type: none"> copy of the Code of Conduct Attendance register of training conducted List/Report showing number and percentage of declaration of interest completed by Councillors, MM and Section 56 managers Report on disciplinary action for non-compliance 	<ul style="list-style-type: none"> Number and percentage of declaration of interest completed by Councillors, MM and Section 56 managers Verify that disciplinary action has been taken for non-compliance 	
<p>Level 3 plus:</p> <ul style="list-style-type: none"> An analyses financial disclosures, identifies potential conflicts of interests and takes action to address these 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Document showing that analysis has been done and indicating actions taken 	<ul style="list-style-type: none"> Moderators to verify that: Actions to address specific risks emanating from the assessment of the disclosures are appropriate 	Level 4

6	Key Performance Area: Ethics
6.6	Performance Standard name: Prevention of Fraud and Corruption
<p>Standard definition: The municipality has measures and the requisite capacity in place to prevent and combat fraud and corruption.</p>	
<p>Importance of Standard: Combating corruption will improve service delivery, efficient use of resources, increased respect for human rights, and increased investor confidence.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Prevention and Combating of Corrupt Activities Act 12 of 2004, The Protected Disclosure Act 26 of 2000, Section 195 of the Constitution of the Republic of South Africa of 1996 and as amended, Local Government Anti-Corruption Strategy (LGACS) Municipal Finance Management Act (Act 56 of 2003) Municipal Systems Act (Act 32 of 2000) and as amended 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have a fraud prevention plan, and/or a corruption prevention plan, or whistleblowing policy 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1

<ul style="list-style-type: none"> The municipality has draft fraud prevention plan, a draft corruption prevention plan, and a draft whistleblowing policy Plan to put capacity in place. 	<ul style="list-style-type: none"> Draft anti-fraud and anti-corruption prevention plan and whistle blowing Policy Capacity plan 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> Existence of draft: <ul style="list-style-type: none"> Fraud prevention plan Corruption prevention plan Whistleblowing policy Existence of capacity plan 	Level 2
<ul style="list-style-type: none"> The municipality has an approved fraud prevention plan, and corruption prevention plan that includes a policy statement and implementation plan The municipality has an approved whistleblowing policy and implementation plan (separately or part of the fraud and corruption prevention plan) Capacity plan/strategy is being implemented 	<ul style="list-style-type: none"> Approved fraud prevention plan, and corruption prevention plan that includes a policy statement and implementation plan Approved whistleblowing policy and implementation plan 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> Existence of Approved fraud prevention plan, and anti-corruption plan that includes: <ul style="list-style-type: none"> Thorough fraud and corruption risk assessment Measures to prevent fraud and corruption Capacity building on fraud prevention and corruption To whom and how fraud and corruption should be reported Reporting on investigations Making provision that investigations are conducted without interference Existence of approved whistleblowing policy and implementation plan 	Level 3
<p>Level 3 plus:</p> <ul style="list-style-type: none"> The municipality conducts proper fraud and corruption risk assessment to improve internal controls The municipality applies disciplinary procedures and/or institutes criminal procedures and/or civil procedures where fraud and corruption occur 	<ul style="list-style-type: none"> Risk assessment on fraud and corruption prevention is taking place and progress is being made with implementation of the mitigation action plan Recovery of losses due to fraud and corruption 	<p>Moderators to assess if:</p> <ul style="list-style-type: none"> Mitigation action plans are being implemented Losses due to fraud and corruption are recovered 	Level 4

6	Key Performance Area: Risk Management
6.7	Performance Standard name: Assessment of risk management arrangements
<p>Performance Standard definition: The municipality has basic risk management elements in place and these functions well.</p> <p>Importance of the Standard: Unwanted outcomes or potential threats to efficient service delivery are minimised or opportunities are created through a systematic and formalised process that enables the Municipality to identify, assess, manage and monitor risks.</p>	

Relevant Legislation and Policies:

- Municipal Finance Management Act (Act No 56 of 2003),
- Risk Management Framework (2010), National Treasury
- Chapter 4 of the King III report (2009)

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none">• The municipality has not conducted a risk assessment in the past year	<ul style="list-style-type: none">• N/A	<ul style="list-style-type: none">• N/A	Level 1
<ul style="list-style-type: none">• The Municipality has a Risk Management Committee in place but not in accordance with Chapter 13 of Risk Management Framework	<ul style="list-style-type: none">• Appointment letters for Risk Management Committee (RMC) members <i>and</i> Terms of Reference	<ul style="list-style-type: none">• Moderators to check that evidence documents are valid for level 2	Level 2

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality has a risk management committee in place in accordance with Chapter 13 of Risk Management Framework The municipality has completed a risk assessment or review in the past year The municipality has a risk assessment and risk management implementation plan approved by the Accounting Officer and Risk Management Committee Risk management Committee regularly reports to the Audit Committee on the implementation of the risk management plan The municipality updates its Risk Register based on new risks 	<ul style="list-style-type: none"> Risk management committee membership (indicating which ones are external and internal) and approved Terms of Reference Risk assessment report reflecting review process followed Approved Risk management Implementation plan Quarterly progress reports on the implementation of the Risk Management Plan to the Audit Committee Approved and updated Risk Register Process document on the review of the risk register Approved / signed minutes of last 3 consecutive Risk Management Committee meetings 	<p>Moderators to verify:</p> <ul style="list-style-type: none"> Composition of Risk Management Committee (RMC): <ul style="list-style-type: none"> The RMC appointed by Council / Mayoral Committee / Accounting officer RMC comprise both management and external members Chairperson of the RMC should be an independent external person appointed by the Council / Mayoral Committee / Accounting Officer Copy of Risk Management Plan (annual) signed off by the Chairperson of the Risk Management Committee and Accounting Officer Risk Management Plan is reviewed annually Quarterly reports on implementation of the Risk Management Plan are provided to Risk Management Committee and Audit Committee Alignment between risk identified in the Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP) and the Risk Management Plan 	Level 3
Level 3 plus: <ul style="list-style-type: none"> Management acts on risk management reports 	Level 3 plus: <ul style="list-style-type: none"> Minutes of executive management and senior management meetings reflecting 	<p>Moderators to assess if:</p> <ul style="list-style-type: none"> Actions proposed are commensurate with the risks identified. (Moderators to assess the impact of actions taken/implemented) 	Level 4

Standards	Evidence Documents	Moderation Criteria	Level
	engagement on risk reports and action taken		

6	Key Performance Area: Delegations
6.8.1	Performance Standard name: Approved administrative and operational delegations in terms of the Municipal systems Act (Act 32 of 2000 as amended) Sections 59 to 65
<p>Performance Standard definition: Accounting Officer (Municipal Manager) has implemented the of the MSA delegations as approved by the Municipal Council.</p> <p>Importance of the Standard: Effective delegations result in improved service delivery through more efficient decision making closer to the point where services are rendered. The workload of the Municipal Council and senior officials are also reduced enabling them to devote more attention to strategic issues of their Municipality.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Constitution of the Republic of South Africa of 1996 and as amended, Municipal Systems Act (Act 32 of 2000 and as amended) and relevant regulations, Municipal Structures Act (Act 117 of 1998 and as amended) 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality has no system of delegations and/or delegations in place 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> Draft delegations but not approved by Municipal Council 	<ul style="list-style-type: none"> Draft delegations document 	<ul style="list-style-type: none"> Moderators to check that evidence document are valid for level 2 	Level 2

<ul style="list-style-type: none"> The municipality's delegations are compliant with the Local Government Municipal Systems Act, (Act 32 of 2000 and as amended), and relevant regulations 	<ul style="list-style-type: none"> Approved delegations document 	<p>Moderators to verify that a delegations or instructions i.t.o. Subsection 59(1):</p> <ul style="list-style-type: none"> Must not conflict with the Constitution, the Systems Act or the Structures Act Must be in writing Is subject to any limitations, conditions and directions the municipal council may impose May include the power to sub-delegate a delegated power Does not divest the council of the responsibility concerning the exercise of a power or the performance of a duty set out in Section 162 of the Constitution Must be reviewed when a new council is elected or, if it is a district council elected and appointed 	Level 3
<p>Level 3 plus:</p> <ul style="list-style-type: none"> Delegations from the Municipal Council to Committees and Senior Managers are appropriate for the levels 	<p>Level 3 plus:</p> <ul style="list-style-type: none"> Performance Agreements of MM and Section 56 managers 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> Delegations are referenced in performance agreements of MM and section 56(senior managers) Delegation document(s) clearly indicates delegations to different levels and regional offices if applicable 	Level 4

6	Key Performance Area: Delegations
6.8.2	Performance Standard name: The municipality has an appropriate system of financial delegations in place as prescribed by the MFMA
<p>Performance Standard definition: Municipalities has an appropriate system of financial delegations in place as prescribed by the MFMA that will both maximise administrative and operational efficiency and provide adequate checks and balances in the municipality's financial administration</p>	
<p>Importance of the Standard: Effective delegations result in improved service delivery through more efficient decision making closer to the point where services are rendered. The workload of Accounting Officers (MMs) is also reduced enabling them to devote more attention to strategic issues.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> Municipal Finance Management Act, (Act 56 of 2003) , and MFMA regulations , National Treasury Guideline: Modernising Financial Governance: Implementing the MFMA, 2004 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality does not have an appropriate system of financial delegations in place as prescribed by the MFMA 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality has an appropriate system of financial delegations in place as prescribed by the MFMA 	<ul style="list-style-type: none"> Draft delegations document 	<ul style="list-style-type: none"> Moderators to verify that evidence document are valid for level 2 	Level 2
<ul style="list-style-type: none"> The municipality has financial delegations in place aligned to MFMA: <ul style="list-style-type: none"> Section 59: Delegation of Mayoral powers and duties Section 79: Delegations of the Accounting Officer to a member of the top management of the municipality's administration (CFO or senior managers) Section 82: Delegations of the CFO of a municipality 	<ul style="list-style-type: none"> Approved delegations document Updated delegations register 	<p>Moderators to verify that a delegations or instructions i.t.o. the MFMA:</p> <ul style="list-style-type: none"> That all delegations must be in writing Responsibilities are not divested through delegations The Accounting officer must have developed an appropriate system of delegation that will maximise administrative and operational efficiency and provide adequate checks and balances in the municipality's financial administration 	Level 3
Level 3 plus: <ul style="list-style-type: none"> Correct implementation and application of delegated authority Systems in financial delegations are applied in Supply chain management, asset management and revenue recognition 	Level 3 plus: <ul style="list-style-type: none"> Annual report Management letter Audit reports Internal audit reports 	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> No issues were raised against these aspects under: <ul style="list-style-type: none"> Irregular expenditure Supply chain management and Asset disposal 	Level 4

6	Key Performance Area: Access to information
6.9	Performance Standard name: Promotion of Access to Information
<p>Performance Standard definition: The Municipality follows the prescribed procedures of PAIA when granting requests for information.</p> <p>Importance of the Standard: To encourage openness and to establish voluntary and mandatory mechanisms or procedures which give effect to the right of access to information in a speedy, inexpensive and effortless manner as reasonably possible, striving towards transparency, accountability and effective governance in municipalities.</p>	
<p>Relevant Legislation and Policies:</p> <ul style="list-style-type: none"> The Promotion of Access to Information Act (Act 3 of 2000 as amended), Government Notice No R1244 of 2003 Government Notice No R990 of 2006 Government Notice No R223 of 2001 Government Notice No R187 of 2002 	

Standards	Evidence Documents	Moderation Criteria	Level
<ul style="list-style-type: none"> The municipality has not designated a deputy information officer(s) (PAIA S17) The municipality does not have a manual on functions and index of records held by public body (PAIA section 14) The municipality does not automatically issue and disclose records/notices (section 15) without a person having to request access at least once a year The information officer fails to submit accurate report/s to the Human Rights Commission on how it handles information requests as required in section 32 of PAIA 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A 	Level 1
<ul style="list-style-type: none"> The municipality has designated a deputy information officer(s). The information officer has compiled a section 14 manual on functions of, and index of records held by the municipality is in place but does not comply with all requirements of this section. The information officer submits a Section 32 report to the Human Rights Commission annually but it is not fully compliant to the requirements of Section 32. 	<ul style="list-style-type: none"> Designation letter as deputy information officer(s) Performance Agreement of the deputy information officer(s) if designated official is a S56 manager Latest annual Section 32 Report, Section 15 Notice) 	<p>Moderators to verify whether:</p> <ul style="list-style-type: none"> A deputy information officer(s) has been appointed The section 14 manual is in existence Section 32 reports was submitted to the SAHRC 	Level 2
<ul style="list-style-type: none"> The municipality has designated a deputy information officer(s). The information officer has compiled a section 14 manual, updated annually which complies with all the requirements of this section. The information officer submit a Section 32 report to the Human Rights Commission annually that is fully compliant to the requirements 	<p>Level 2 plus</p> <ul style="list-style-type: none"> Manual in terms of section 14 Section 15(2) annual Notice as gazetted by DOJCD (secondary data) Section 32 report as submitted to SAHRC Section 46 decisions / judgements List of appeals 	<p>Moderators to verify whether:</p> <ul style="list-style-type: none"> Section 14 manual is published on the municipal website and includes a description of the municipality's structure and functions; the postal and street address, phone and fax number and, if available electronic mail address of the information officer and every deputy information officer; sufficient detail to facilitate a request for access to a record of the municipality, a description of the subject on which the body holds records and the categories of records held on each subject; the latest notice in terms of Section 15 (2), if any; a description of the services available to members of the public from the municipality and how to obtain 	Level 3

Standards	Evidence Documents	Moderation Criteria	Level
		<ul style="list-style-type: none"> access to those services; description of how to participate in or influence the formulation of policy or the exercise of powers and performance of duties by the body; a description of all remedies available in respect of an act or failure to act by the municipality Section 32 report was submitted to SAHRC detailing: the number of request for access received; number of request for access granted in full; number of requests for access granted i.t.o. S46; number for requests refused in full and refused partially, and the number of times each provision of this act was relied on to refuse access in full, or partial; number of cases of where response period was extended beyond the initial 30 days (S26(1)); number of internal appeals lodged and number of cases in which as a result of an internal appeal, access was given to a record; number of internal appeals lodged on the ground that request for access was regarded as having been refused i.t.o. S27 – deemed refusal of request; number of applications to a court which were lodged on the ground that an internal appeal was regarded as having been dismissed i.t.o. S77 – notice of decision of appeal not provided within prescribed timeframes 	
Level 3 plus: <ul style="list-style-type: none"> Senior management discussions informs compliance to the PAIA An implementation plan to facilitate improved compliance to PAIA is developed, implemented and reviewed regularly 	Level 3 plus: <ul style="list-style-type: none"> Report on PAIA compliance in annual report Minutes of senior management meeting where PAIA discussion took place and actions emanating from discussions Implementation plan Process document on the review of the implementation plan 	<ul style="list-style-type: none"> Check whether resolutions taken in the senior management meetings are captured in the reviewed implementation plan 	Level 4

Level	Description	Wording for levels on graphs
Level 1	Municipality is non-compliant with legal, regulatory and prescribed best practice requirements	Non-compliance
Level 2	Municipality is partially compliant with legal, regulatory and prescribed best practice requirements	Partial compliance
Level 3	Municipality is fully compliant with legal, regulatory and prescribed best practice requirements	Full compliance
Level 4	Municipality is fully compliant with legal, regulatory and prescribed best practice requirements and doing things smartly / innovatively	Full compliance with commendation(s)