

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

An Organizational review and re-design was done and adopted by Council in October 2012 with, amongst other, the following changes:

- Migration of Emergency Medical Service to the Gauteng Province Health Department.
- Transfer of Individual Performance Management Unit and Integrated Development Planning Unit to the office of the Municipal Manager.

For the period under review Council lost a number of key employees, holding scarce skills positions, as a result of attrition (service termination and deaths).

The reviewed and re-designed organizational structure had no major financial implications for the Municipality. To date the adopted structure is being used to provide an effective and efficient service delivery to the community.

The Municipality is currently under transition towards a Metropolitan Municipality (Metro) in 2016.

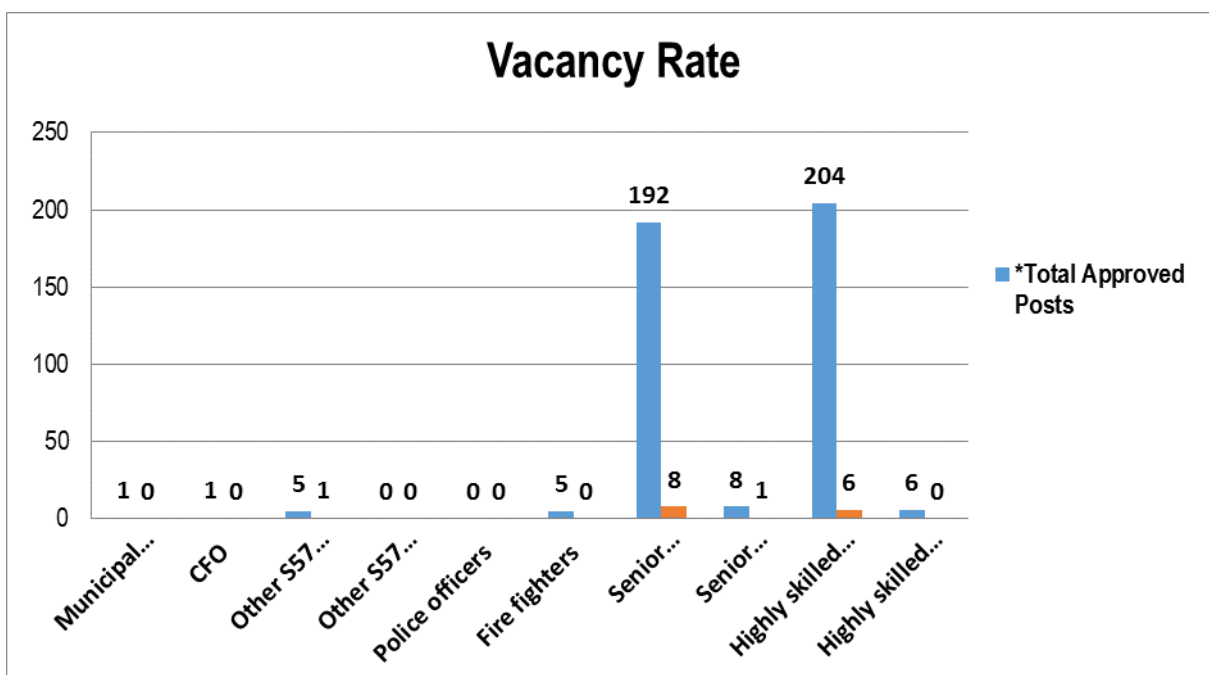
COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Water	0	0	0	0	0%
Waste Water (Sanitation)	0	0	0	0	0%
Electricity	0	0	0	0	0%
Waste Management	8	8	8	0	0%
Housing	4	4	4	0	0%
Waste Water (Storm water Drainage)	0	0	0	0	0%
Roads	0	0	0	0	0%
Transport	174	174	174	0	0%
Planning	22	22	22	0	0%

Employees					
Description	Year -1	Year 0			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
Local Economic Development	5	5	5	0	0%
Planning (Strategic & Regulatory)	0	0	0	0	0%
Local Economic Development	0	0	0	0	0%
Community & Social Services	93	93	93	0	0%
Environmental Protection	0	1	0	1	100%
Health	92	92	92	0	0%
Security and Safety	3	3	3	0	0%
Sport and Recreation	10	10	10	0	0%
Corporate Policy Offices and Other	192	192	186	6	3%
Totals	604	604	597	7	1%

Vacancy Rate: Year 0			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0%
CFO	1	0	0%
Other S57 Managers (excluding Finance Posts)	5	1	20%
Other S57 Managers (Finance posts)	0	0	0%
Police officers	0	0	0%
Fire fighters	5	0	0%
Senior management: Levels 13-15 (excluding Finance Posts)	192	8	4%
Senior management: Levels 13-15 (Finance posts)	8	1	12%
Highly skilled supervision: levels 9-12 (excluding Finance posts)	204	6	3%
Highly skilled supervision: levels 9-12 (Finance posts)	6	0	0%
Total	422	16	4%



Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	2	51	9%
Year -1	2	183	32%
Year 0	0	26	9%

* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year

COMMENT ON VACANCIES AND TURNOVER:

The 183 terminations during the financial year includes the total movement of Emergency Medical Services employees from SDM to the Provincial department of Health.

Only one vacancy exists in the Section 57 category (Executive Director: Strategic Planning and Economic Development). Council appointed an acting person in this post since 08 July 2013. The post will however be advertised and filled in due course.

The overall turnover rate is influenced by the transitional measures in relation to the moratorium on filling of vacancies as we move towards the Metro status.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

In order to comply with the prescripts of the Municipal Systems Act No. 32 of 2000 the following strategic interventions, amongst others, have been invoked to ensure fair; efficient; effective; and transparent personnel administration:

- Local Labour Forum (where Management and Organised Labour engage on matters relating to Conditions of Employment for employees) is fully functional.
- A number of workforce policies that forms part of the Human Resources Strategy were compiled and reviewed during the period under review and are to be tabled for adoption by Council.
- An Employment Equity Central Committee and its sub-committees were established during the period under review to ensure compliance to the provisions of the EEA.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Affirmative Action	100%		4-Nov-09
2	Attraction and Retention	100%		There is no policy on its own safe for mentioned of this in 3.13 of the Recruitment, Selection and Placement Policy of December 2012
3	Code of Conduct for employees	100%		Draft
4	Delegations, Authorisation & Responsibility	100%		2-Dec-09
5	Disciplinary Code and Procedures	100%		Draft -as part of the Collective Bargain Council- SALGBC
6	Essential Services			Not updated
7	Employee Assistance / Wellness	100%		28-Nov-07
8	Employment Equity	100%		8/27/2008 to be reviewed
9	Exit Management	100%		1-Dec-10
10	Grievance Procedures	100%		Policy goes hand-in-hand with Disciplinary Code of procedures hence there is a draft -as part of the Collective Bargain Council- SALBC
11	HIV/Aids	100%		2-Oct-02
12	Human Resource and Development			No policy except that an Internal Bursary Policy has been compiled to meet needs for development-2007 new draft
13	Information Technology	100%		31-Jul-02
14	Job Evaluation	20%		SALGA circulated a Policy for Municipalities to implement and a Council resolution in this respect was taken to establish a Job Evaluation Unit on 12-12-2012 (Resolution A1146)
15	Leave	100%		Draft 05 October 2010
16	Occupational Health and Safety	100%		1-Oct-10
17	Official Housing	100%		Draft
18	Official Journeys	100%		29-Oct-96
19	Official transport to attend Funerals	100%		23-Feb-96
20	Official Working Hours and Overtime	100%		Draft
21	Organisational Rights	100%		Depends on decision taken at the Collective Bargaining Council- SALGBC

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
22	Payroll Deductions	100%		11-Aug-11
23	Performance Management and Development		100%	June 2014
24	Recruitment, Selection and Appointments	100%		1-Dec-10
25	Remuneration Scales and Allowances			No policy in place
26	Resettlement	100%		Draft
27	Sexual Harassment	100%		Draft 23 June 2009 requires revision
28	Skills Development	100%		28-Aug-07
29	Smoking			No Policy
30	Special Skills			No Policy
31	Work Organisation			No Policy
32	Uniforms and Protective Clothing	100%		Forms part of item 16
33	Other:			

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

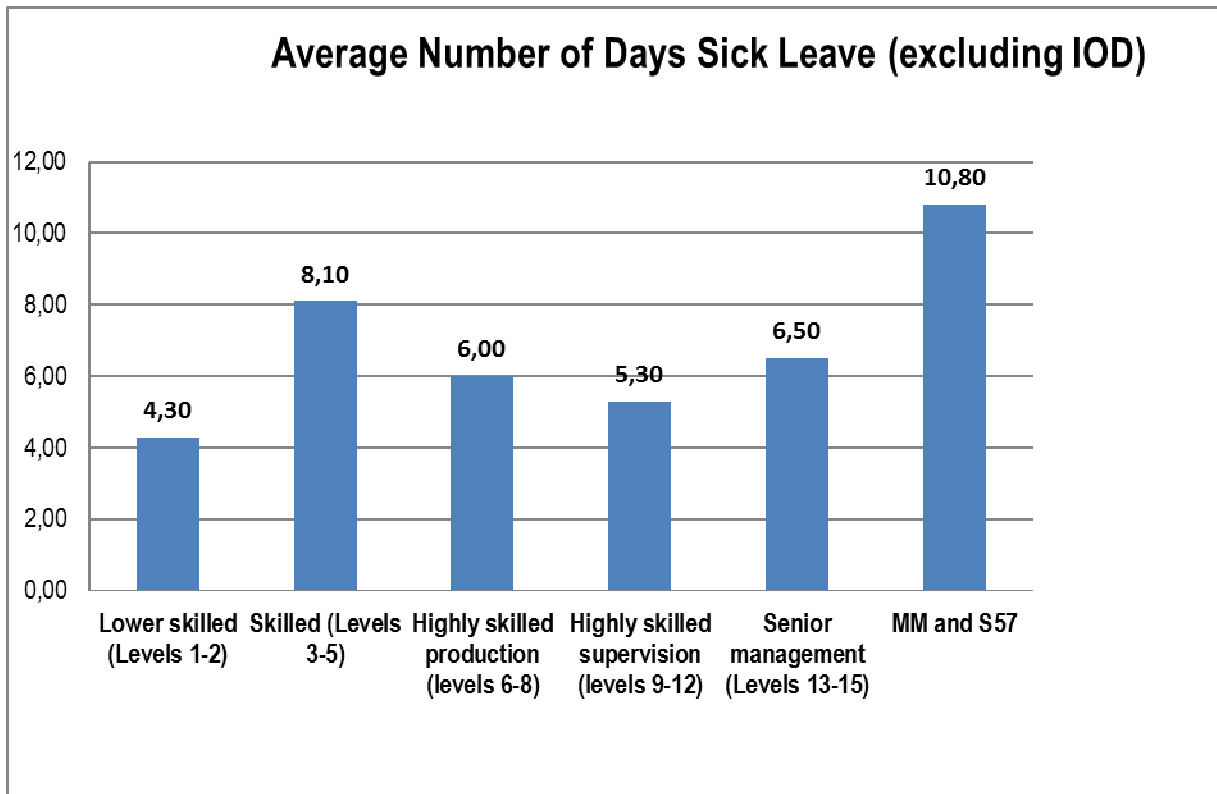
A number of workforce policies that forms part of the Human Resources Strategy were compiled and reviewed during the period under review and are to be tabled for adoption by Council. SDM has a variety of compliant policies not included in this report due to

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	2	0	0%	0	18000
Temporary total disablement	15	15	100%	231	135000
Permanent disablement	0	0	0	0	0
Fatal	0	0	0	0	0
Total	17	15	88%	15	153000

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	556		60	128	4,30	
Skilled (Levels 3-5)	1223		109	150	8,10	
Highly skilled production (levels 6-8)	962		86	163	6,00	
Highly skilled supervision (levels 9-12)	432		39	81	5,30	
Senior management (Levels 13-15)	204		14	31	6,50	
MM and S57	65		3	6	10,80	
Total	3442	#DIV/0!	311	559	6,16	0

* - Number of employees in post at the beginning of the year
 *Average is calculated by taking sick leave in column 2 divided by total employees in column 5



COMMENT ON INJURY AND SICK LEAVE:

Road shows on Occupational health and Safety were done to educate and make employees aware about Health and Safety measures in the workplace.

A proper record is kept for sick leave instances and an amount of time taken each year is recorded as per Human Resources Dashboard.

An Occupational Health and Safety Officer monitors all instances of injuries on duty and makes follow up on all Occupational Health and Safety incidents within the Municipality and submits reports on progress.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Assistant manager	Insolent behaviour	24/06/2013	Investigations	26/09/2013 (Employee Deceased)
Acting HR Administrator	Insolent behaviour	24/06/2013	Investigations	01/11/2013
Acting WSQA	Insolent behaviour	24/06/2013	Investigations	02/01/2014

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Office Manager	Insolent behaviour	08/11/2013 to 10/02/2014	Chairperson Recused himself and postponements	Ongoing
VIP Protection Officer	Bringing SDM into disrepute	24/05/2014	Investigations	Ongoing

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None	None	None	None

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

There were no suspensions of more than 4 months for the period under review.

4.4 PERFORMANCE REWARDS

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 1-2)	Female	50	35	31588,2	70%
	Male	74	56	50370,24	76%
Skilled (Levels 3-5)	Female	154	122	174725,84	79%
	Male	67	48	63702,74	72%
Highly skilled production (levels 6-8)	Female	56	38	81324,48	68%
	Male	70	35	71541,36	50%
Highly skilled supervision (levels 9-12)	Female	25	18	51293,76	72%
	Male	48	33	98248,68	69%

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1 R' 000	Proportion of beneficiaries within group %
Senior management (Levels 13-15)	Female	2	2	7991,28	100%
	Male	14	14	50884,32	100%
MM and S57	Female	0	0	0	0%
	Male	0	0	0	0%
Total		560	401	681670,9	76%
Has the statutory municipal calculator been used as part of the evaluation process ?					Yes/No
<p><i>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i></p>					

COMMENT ON PERFORMANCE REWARDS:

Performance incentives rewarded to employees were for the period 2011/2012 financial year during the year under review.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Note: MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

The Workplace Skill Plan (WSP) for the year under review has been submitted to the Local Government Sector Education and Training Authority at the end of April 2014, after proper consultation with all stakeholders within the Municipality. The WSP was populated based on the individual Personal Development Plans (PDP) of employees and training/development will be carried out on the basis of these.

Most Senior Managers are currently attending the Competency Requirements course as determined by the Municipal Finance Management Act (MFMA).

Challenges faced by the Municipality on Capacity Development are to some extent the unavailability or insufficient funds to finance developmental training and capacity building for career-pathing of employees within Municipality.

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0	Year 0 Target	Actual: End of Year -1	Actual: End of Year 0
MM and s57	Female	2	0	0	0	0	2	0	0	0	0	0	2	0
	Male	5	0	0	0	0	5	0	0	0	0	0	5	0
Councillors, senior officials and managers	Female	31	0	0	0	0	12	0	0	1	0	0	12	1
	Male	77	0	0	0	0	35	0	0	3	0	0	35	3
Technicians and associate professionals*	Female	31	0	0	0	0	15	0	0	0	0	0	15	0
	Male	54	0	0	0	0	25	0	0	0	0	0	25	0
Professionals	Female	257	0	0	0	0	177	0	0	4	0	0	177	4
	Male	165	0	0	0	0	45	0	0	2	0	0	45	2
Sub total	Female	321	0	0	0	0	206	0	0	0	0	0	206	0
	Male	301	0	0	0	0	110	0	0	0	0	0	110	0
Total		622	0	0	0	0	316	0	0	10	0	0	316	10

*Registered with professional Associate Body e.g. CA (SA)

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Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	4	4	8	8	8	8
<i>Any other financial officials</i>	12	1	13	0	13	0
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	1	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
TOTAL	19	5	24	11	24	11

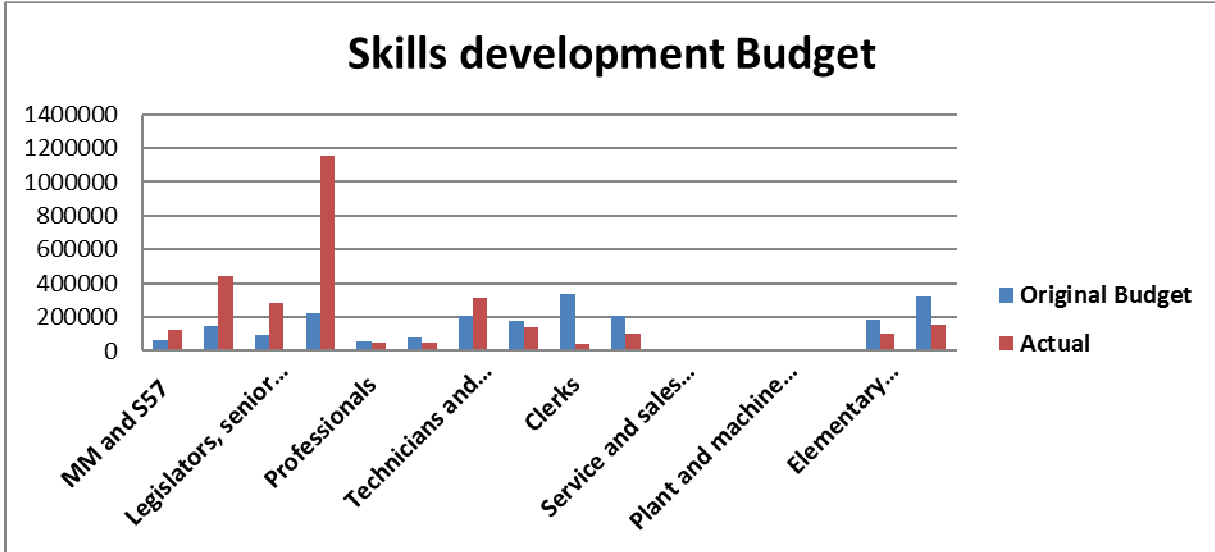
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)

Skills Development Expenditure										R000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	2	0	0	60000	122502	60000	0	60000	122502
	Male	5	0	0	150000	444186	150000	0	150000	444186
Legislators, senior officials and managers	Female	31	0	0	90416	280508	90416	0	90416	280508
	Male	77	0	0	224532	1031575	224532	121851	224532	1153426
Professionals	Female	25	0	0	52950	28041	52950	17536	52950	45577

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Skills Development Expenditure										
										R000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
	Male	31	0	0	82212	46965	82212	0	82212	46965
Technicians and associate professionals	Female	99	0	0	209577	286387	209577	27861	209577	314248
	Male	68	0	0	180303	142289	180303	0	180303	142289
Clerks	Female	90	0	0	337500	19496	337500	20153	337500	39649
	Male	48	0	0	206557	90382	206557	8703	206557	99085
Service and sales workers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Elementary occupations	Female	50	0	0	187500	102050	187500	0	187500	102050
	Male	74	0	0	318422	141817	318422	8894	318422	150710
Sub total	Female	297	0	0	0	838984	0	65550	0	904534
	Male	303	0	0	0	1897214	0	139448	0	2036662
Total		600	0	0	2100000	2736198	2100000	204998	2100000	2042091
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%*	R 2 941 196,00

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COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The Workplace Skill Plan (WSP) for the year under review has been submitted after proper consultation all stakeholders within the Municipality. The WSP was populated based on the individual Personal Development Plans (PDP) of employees and training/development will be carried out on the basis of these.

Most Senior Managers are currently attending the Competency Requirements course as determined by the Municipal Finance Management Act (MFMA).

Challenges faced by the Municipality on Capacity Development are to some extent the unavailability or insufficient funds to finance developmental training and capacity building for career-pathing of employees within Municipality.

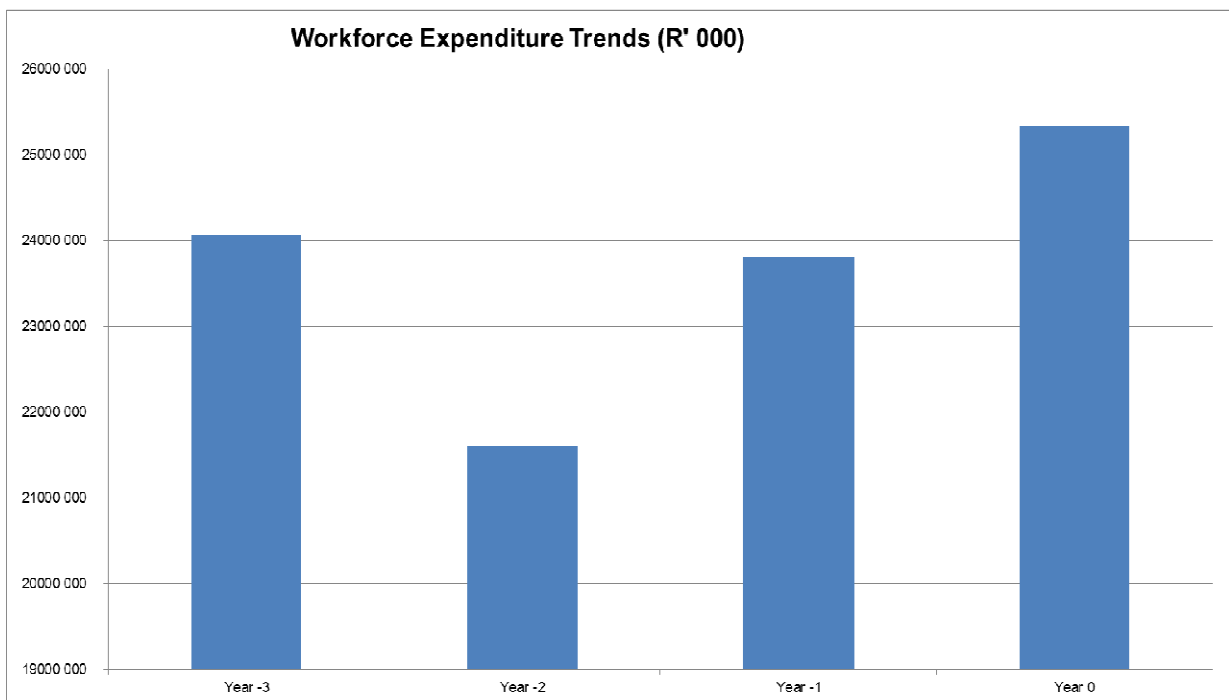
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COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

SDM manages its workforce expenditure in a cooperative way and directed to have quality employees who perform their responsibilities against organisational objectives, and always within prescriptions of their job descriptions. Due to current transitional expectations towards a Metro Municipality, and a moratorium on filling of posts, vacant positions are temporarily addressed through acting capacity roles.

4.6 EMPLOYEE EXPENDITURE



Source: MBRR SA22

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	0
	Male	0
Skilled (Levels 3-5)	Female	0
	Male	0
Highly skilled production (Levels 6-8)	Female	0
	Male	0
Highly skilled supervision (Levels 9-12)	Female	0

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Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Senior management (Levels 13-16)	Male	0
	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		0

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	None	None	None	None

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
None	None	None	None	None

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

No posts were upgraded and Council is in the process of completing compilation of Job Descriptions aligned to the Service Delivery Budget Implementation Plan with the intention of evaluating the Job Descriptions on the TASK system

DISCLOSURES OF FINANCIAL INTERESTS

A Declaration of Interest form has been issued to all employees in which each employee has to indicate in writing as to whether he/she has any financial interests in the Municipality. For the period under review 80% of non-Section 56 and 57 staff have declared their financial interest and these are being processed to establish any conflict of interest. Processes are under way to follow up on submission on the outstanding 20% of the declaration forms.