



THE PRESIDENCY

REPUBLIC OF SOUTH AFRICA

DEPARTMENT: PLANNING, MONITORING AND EVALUATION

# Local Government Management Improvement Model (LGMIM)

Implementation Guide

2015/16



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## List of Acronyms

AG	Auditor General
DCoG	Department of Co-operative Governance
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
IDP	Integrated Development Plan
KPA	Key Performance Area
LGMIM	Local Government and Management Improvement Model
MFMA	Municipal Finance Management Act
MINMEC	Ministers and Members of Executive Council
MM	Municipal Manager
MPAT	Management Performance Assessment Tool
MSA	Municipal Systems Act
MuSSA	Municipal Strategic Self-Assessment
NDP	National Development Plan
NPC	National Planning Commission
NT	National Treasury
PALAMA	Public Administration Leadership and Management Academy
SACN	South African Cities Network
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
WSA	Water Services Authority

# 1. Introduction

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## 1.1 Background

The quality of management practices is key to improving performance, productivity and service delivery within the public sector. The diagnostic report of the National Planning Commission (NPC) listed 9 primary challenges in the development of the country – including that public services are uneven and often of poor quality. The National Development Plan (NDP) outlines 6 interlinked priorities to address these challenges including building a capable and developmental state to enable the state to play a developmental and transformative role. The NDP acknowledges that a capable state has to be built, sustained and rejuvenated over time – it requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate oversight systems and consistent and fair application of the rules.

The NDP chapter on a Capable and Developmental State envisioned that by 2030 we will have a developmental local state that is accountable, focussed on citizen's priorities and capable of delivering high-quality services consistently and sustainably through co-operative governance and participatory democracy. As depicted in the White Paper on Local Government, 1998 developmental local government is at the forefront of participatory democracy, involving citizens in meaningful deliberations regarding governance and development; is responsive to citizens' priorities, and enjoys high levels of trust and credibility amongst the public; whose employees are skilled, competent and committed to delivering quality services; is able to cost-effectively increase the quantity and quality of services and operates within a supportive and empowering intergovernmental system.

Local government, however, faces several related challenges including, poor capacity and weak administrative systems illustrated by poor financial and administrative management, weak technical and planning capacity, governance challenges and uneven fiscal capacity. In the past 10 years there have been various initiatives and interventions planned and co-ordinated by the national and provincial departments aimed at supporting municipalities to overcome these challenges. These interventions for the most part have produced minimal impact and less than optimal results over time. This is due to a lack of a cohesive plan, uniform approach, co-ordination and alignment amongst the sector departments in implementing these interventions. Addressing these challenges require longer term strategies developed by municipalities working collaboratively with provincial and national government, including addressing capacity constraints, a commitment to continuous and incremental improvement, as well as a commitment to high performance and a willingness to learn from experience.

It is within the spirit of building a capable state through adopting longer term strategies that the Department of Planning, Monitoring and Evaluation (DPME) in collaboration with the Department of Public Service and Administration (DPSA), National Treasury (NT), Office of the Auditor General (AG), Department of Cooperative Governance (DCoG), Public Administration Leadership and Management Academy (PALAMA) and Offices of the Premiers (OTP) launched the MPAT (Management Performance Assessment Tool) in October 2011 in support of achieving Outcome 12 "An Efficient, Effective and Developmental Orientated Public Service". Provincial and National Departments have to date gone through 4 self-assessments cycles of

the MPAT. MPAT aims to assess compliance and the quality of management practices within national and provincial departments.

Building on the success of MPAT the DPME in collaboration with the DCoG, South African Cities Network (SACN), South African Local Government Association (SALGA), relevant sector departments and the Provincial Departments responsible for Local Government developed the Local Government Management Improvement Model (LGMIM). The LGMIM is based on a proactive approach *in support of achieving Outcome 9 “Responsive, accountable, effective and efficient developmental local government system)* by identifying and resolving institutional problems, thereby ensuring that municipalities meet the minimum floor of norms and standards of good institutional performance.

## **1.2 About the LGMIM Guide**

**The purpose of the Guide is:**

- to provide practical support to municipalities and Provincial Departments of Co-operative Governance with the implementation of the LGMIM; and
- to ensure consistency in the application of LGMIM across the local government sphere.

**Who should use the Guide?**

This LGMIM is intended for use by municipalities and Provincial Departments of Co-operative Governance.

The main users of the Guide are:

- LGMIM co-ordinators within municipalities;
- Senior Managers appointed to Section 56 of the MSA at Municipal level;
- Municipal units responsible for its Performance Management System, and Monitoring and Evaluation;
- Provincial Departments of Co-operative Governance; and
- LGMIM Moderators.

It is important that Municipal Managers (MMs) and senior managers within municipalities have a good understanding of the LGMIM and they are encouraged to use the Guide as a reference. The guidelines are intended to provide a comprehensive description of the LGMIM process.

## Structure of the Guide

The LGMIM Guide is structured into the following sections:

Section	Description
Section 1: Introduction	<p>The aim of this section is to introduce the LGMIM Guide. It briefly outlines the following:</p> <ul style="list-style-type: none"><li>• Background to the LGMIM</li><li>• Purpose of the Guide</li><li>• Who should use the Guide</li></ul>
Section 2: Overview of the LGMIM	<p>The section provides an overview of LGMIM. The aim is to introduce the concept and ensure that users have a good understanding of the rationale for LGMIM</p>
Section 3: Regulatory and institutional Framework	<p>This section gives a brief overview of the mandate and institutional framework for LGMIM and briefly outlines the roles and responsibilities of the various role players</p>
Section 4: Key features of LGMIM	<p>This section outlines the key features of the LGMIM:</p> <ul style="list-style-type: none"><li>• Standards of management practice</li><li>• Levels of management performance</li><li>• Self-assessment</li><li>• Secondary data</li><li>• LGMIM Scorecard</li></ul>
Section 5: Implementing LGMIM	<p>This section sets out the main phases and steps in implementing LGMIM for the 2015/16 round of municipal assessments</p>
Section 6: LGMIM Standards for 2014/15	<p>This section sets out the LGMIM Standards, Evidence and Moderation Criteria that will be used in the 2015/16 assessments</p>

## 2. Overview of the LGMIM

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### 2.1 What is LGMIM?

LGMIM is a model or technique that is used to measure or benchmark the institutional performance of municipalities across a number of key performance areas. In each key performance area, performance is assessed against standards established by the relevant transversal departments (e.g. National Treasury for financial management and Department of Water and Sanitation for water services). The model looks at the municipality from various different angles at the same time, thus adopting a holistic approach to institutional performance analysis. LGMIM does not duplicate existing monitoring by sector departments or duplicate the auditing done by the Auditor General. Nor is it a reporting tool. Instead the LGMIM provides an analytical framework for municipal leadership to reflect on what the organisation does and how it approaches its tasks to improve the quality of service delivery and productivity. It also draws on secondary data from various departments and oversight bodies to jointly arrive at an accurate and fair reflection of management practices and workplace capabilities with the municipal leadership in a municipality.

The LGMIM framework is built around 6 Key Performance Areas (KPA's), namely, Integrated Planning and Implementation, Human Resource Management, Financial Management, Service Delivery, Community Engagement/Participation and Governance. LGMIM is designed to assess compliance and the quality of management practices in these 6 KPA's. The 6 KPA's are further broken down into 28 Management Performance Standards against which performance will be assessed.

What differentiates LGMIM from other monitoring processes is that it provides an integrated and holistic view of a municipality's performance across several critical key performance areas, thus making it easier to prioritise areas that are in need of significant improvement and potential support. At the same time LGMIM can assist sector departments and other stakeholders in identifying areas where frameworks and guidelines could be improved.

### 2.2 How does LGMIM relate to service delivery?

In view of the fact that it is generally accepted that the public sector exists to create greater public value it implies that the responsibility of the public sector is to:

- Identify and respond to the needs of citizens;
- Increase the quantity and quality of activities per resource expended;
- Reduce the costs used to achieve the current levels of service; and
- Increase capacity to innovate and improve.

The above is dependent on the quality of management practices determining how we plan, how we manage staff, finances, and infrastructure, how we govern ourselves and how we account for our performance. These actions in turn have a significant influence on the quality of outputs produced, outcomes achieved, and the impacts the services provided have on society. Ample evidence exists to show that the quality of management practices has a



measurable impact on quality of services. Therefore to improve the performance of a municipality, it is essential that the management practices are assessed and strengthened, where required. Good management practise is a precondition for effective and sustainable service delivery.

## **2.3 Why was LGMIM developed?**

A number of factors have contributed to the introduction of the LGMIM:

- The Constitution obliges national and provincial governments to support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions;
- There are a number of municipalities that have consistently underperformed in delivering services to citizens. This runs counter to Government's unequivocal commitment to delivery. The challenge for transversal departments is how to support municipalities to raise their level of performance. LGMIM enables municipalities through the assessments to determine and direct the kind of support they require, thereby setting the basis for targeted and co-ordinated support where needed;
- The assessments used in designing support interventions for poorly performing municipalities show that poor management practices are prevalent in these municipalities. Yet, little or no attention has been paid in the past to assessing the quality of the management and administrative practices. The results of the LGMIM assessments will provide information to the senior management of a municipality to assess the health of the operating environment and effect improvements;
- Oversight structures such as the Implementation Forums for Outcome 9 on local government do not have at their disposal critical and integrated municipal level information on management practices;
- There is a need for a consistent and integrated set of key data on municipal management performance to facilitate improvement in management practices of municipalities; and
- To gear national and provincial departments to better support municipalities to improve.

Ultimately, the reason for LGMIM is that management matters. Local and international studies have shown clear linkages between the quality of management and the performance of organisations in terms of productivity and quality of services rendered.

## **2.4 What are the objectives of the LGMIM?**

The objectives of the LGMIM are to:

- Provide a management tool for the municipal leadership – to reflect on ways of working and shaping management practices to deliver quality services and increase productivity; and

- Inform support measures by national and provincial departments.

## **2.5 What is the scope of LGMIM?**

- LGMIM focusses on the management practices in 6 Key Performance Areas, namely:
  - Integrated Planning and Implementation;
  - Service delivery;
  - Human Resource Management;
  - Financial Management;
  - Community Engagement; and
  - Governance.
- LGMIM focusses on the management practices of the municipality as an organisation. It does not focus on the performance of individuals – it is thus not an individual performance management and development system. Nor does it assess municipal performance information on an output level.
- LGMIM will be assessing the management practices, based on existing legal, regulatory and prescribed best practise requirements applicable to the Local Government Sphere. It does not introduce any new or additional requirements beyond what already exists.

## 2.6 What are the principles underpinning the LGMIM?

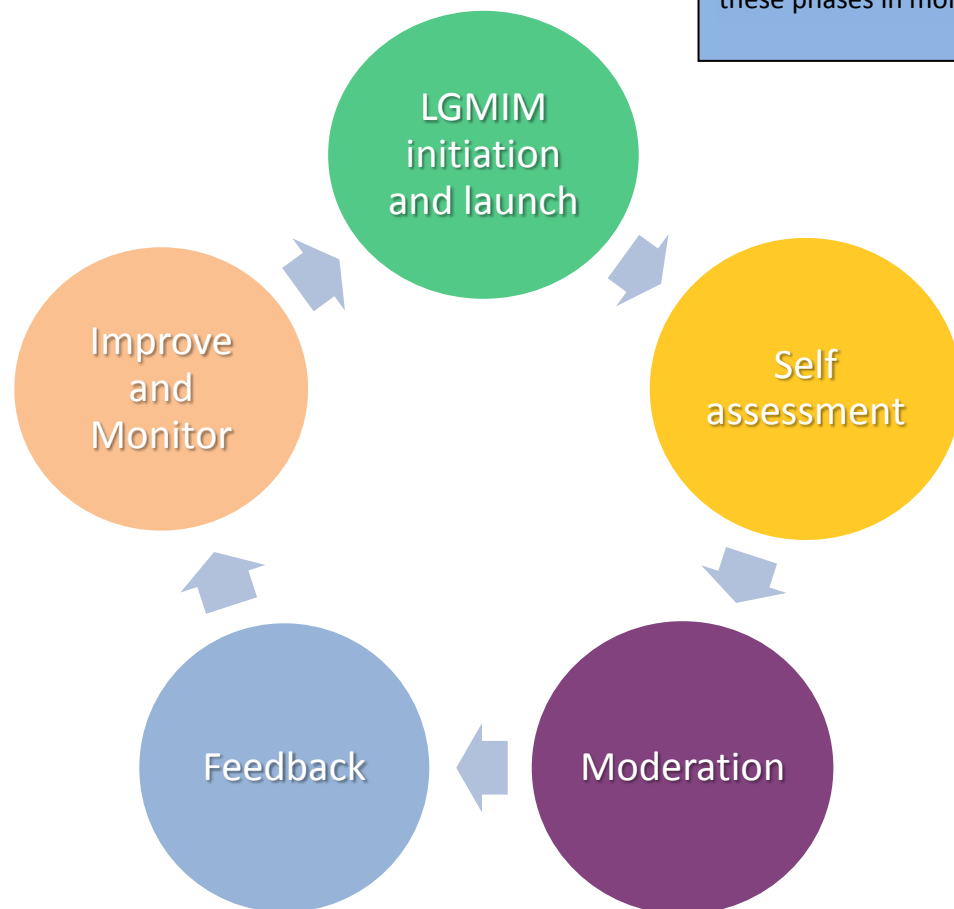
The following principles underpin LGMIM:

<b>LGMIM Principle</b>	<b>What does it mean?</b>
Ongoing learning and improvement	The overall focus of implementing LGMIM is to encourage a culture of learning and continuous improvement in municipalities. This entails that municipalities should receive feedback as a point of learning instead of it being seen as a punitive measure. It will also be communicated to municipalities that are performing very well that they have a responsibility to maintain high levels of performance whilst coaching or sharing good practice with other struggling municipalities.
Ownership of assessment process, results and improvements	The success of LGMIM depends to a large extent, on ownership of the assessment process, results and improvements by municipalities. The leadership provided by the Municipal Manager and the Senior Management team within the municipality is essential if the municipality is to benefit from LGMIM.
Simple process and tools	Keeping the assessment process and model simple enhances the prospect of successful application of the LGMIM.
Evidence-based approach	The model and process should be sufficiently detailed to accurately assess management practices. LGMIM places emphasis on the evidence provided in support of performance ratings.
Using existing legal, regulatory and prescribed best practise requirements	LGMIM is based on existing legal, regulatory and prescribed best practise requirements within the Local Government Sphere and uses the standards in existing frameworks, where these standards exist. LGMIM is therefore not introducing new management practise requirements.
Assessment beyond compliance	LGMIM's approach to assessment goes beyond compliance with legal, regulatory and prescribed best practise requirements. The approach requires municipalities to also be efficient and effective in their application of management practices, that is, work "smartly" and/or innovatively.
Continuous improvement of LGMIM	DPME will improve LGMIM, based on lessons learned and feedback from municipalities, Provincial Departments of Co-operative Governance and National Sector Departments. DPME and transversal departments will raise the bar once the majority of municipalities have reached an acceptable level of performance on particular management practices.

## 2.7 The LGMIM journey

Section 5 of the Guide describes these phases in more detail.

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Summary of the key points about LGMIM

1. LGMIM assesses compliance and quality of management practices of municipalities.
2. LGMIM serves two important purposes, namely, learning or improvement, and accountability.
3. LGMIM provides a holistic or integrated picture of the state of management practices within municipalities.
  - The information can be used by the management of the municipality to improve performance.
  - The information can be used by transversal departments to provide targeted support.
4. LGMIM does not include assessments of policy and programme results. These are done through other mechanisms.
5. LGMIM does not include an assessment of actual deliverables against planned deliverables. These are the focus of the Auditor General's performance audits. LGMIM is not a performance audit.
6. LGMIM does not duplicate existing legal, regulatory and prescribed best practices. It draws on these together into a single coherent framework.
7. LGMIM does not include an assessment of the performance of individual officials.

## 3. Regulatory and institutional frame-work for LGMIM

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### 3.1 Mandate

With the advent of democracy in 1994, South Africa shifted from a highly centralised system under apartheid to a decentralised system constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. Although distinctive the Constitution of the Republic enjoins all spheres to cooperate with one another in mutual trust and good faith to secure the well-being of all citizens. Within this framework of cooperative governance, the Constitution obliges national and provincial governments to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions [Section 154(1)] of the Constitution.

The National Development Plan (NDP) envisages that by 2030 South Africa will be a state that is capable of playing a developmental and transformative role. In broad terms such a state intervenes to support and guide development in such a way that benefits accrue across society, with particular emphasis on the poor. Drawing from the NDP chapter on a Capable and Developmental State, by 2030 we will have a developmental state that is accountable, focused on citizen's priorities, and capable of delivering high-quality services consistently and sustainably through cooperative governance and participatory democracy.

As per **Sub-Outcome 3: Sound financial and administrative management of the 2014-19 Medium Term Strategic Framework (MTSF)** the quality of the operating environment and municipal administrative and management practices is directly correlated with the quality of service delivery and improved productivity. A proactive approach to identifying and resolving institutional problems is key to ensuring municipalities meet the minimum level of norms and standards of good institutional performance. The availability of collective data on municipal governance is key to inform smarter and more effective municipal support and intervention to improve financial and administrative management. To this end the LGMIM is coined as the development and implementation of a model and tool appropriate for measuring, monitoring and supporting improved management in municipalities. Therefore the MTSF calls for the development of an in-depth understanding of the operating environment and quality of management practices of municipalities using the Local Government Management Improvement Model, amongst others.

### 3.2 Key legislation, regulations and prescribed best practise requirements

LGMIM draws on the existing regulatory framework. Section 6 of the Guideline outlines per Management Performance Standard the existing legal, regulatory and prescribed best practise requirements used in LGMIM.

### 3.3 Roles and responsibilities

The success of LGMIM requires role players to understand their roles and carry out their responsibilities diligently.

#### Municipal level

<b>Executive Authorities</b>
<ul style="list-style-type: none"> <li>• Ensure that their respective municipalities participate in the LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>• Use the results/LGMIM scorecards once moderated to monitor improvement in management performance</li> </ul>
<b>Municipal Manager (MM)</b>
<ul style="list-style-type: none"> <li>• Appoints the LGMIM champion and coordinator</li> </ul>
<ul style="list-style-type: none"> <li>• Ensure that the managers within the municipality completes the assessment with the assistance of the LGMIM co-ordinator</li> </ul>
<ul style="list-style-type: none"> <li>• Ensure that the self-assessment is completed in accordance with DPME guidelines</li> </ul>
<ul style="list-style-type: none"> <li>• Convenes the senior management deliberations on LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>• Signs off/confirm on completed self-assessment</li> </ul>
<ul style="list-style-type: none"> <li>• Submits confirmed self-assessment scorecard to Provincial Department of Co-operative Governance</li> </ul>
<ul style="list-style-type: none"> <li>• Ensures that the municipality takes actions (e.g. oversee the development of an improvement plan) to improve management practices using the most recent LGMIM results</li> </ul>
<b>Departmental Managers</b>
<ul style="list-style-type: none"> <li>• Ensure completion of the LGMIM self-assessment for their designated Key Performance Area</li> </ul>
<ul style="list-style-type: none"> <li>• Ensure submission of evidence for areas of the self-assessment that fall within their responsibility and ensure that evidence is valid and reliable</li> </ul>
<ul style="list-style-type: none"> <li>• Liaises with LGMIM co-ordinator on queries with regard to evidence and draft scores</li> </ul>
<ul style="list-style-type: none"> <li>• Develop improvement strategies if required that will be incorporated into the improvement plan</li> </ul>
<b>LGMIM Champions (executive manager to whom the LGMIM co-ordinator reports to in terms of the municipal structure)</b>

<ul style="list-style-type: none"> <li>Promotes cooperation on the LGMIM assessment amongst section 56 managers and their respective management teams</li> </ul>
<ul style="list-style-type: none"> <li>Supports LGMIM co-ordinator in fulfilling his/her duties in respect of facilitating the completion of the LGMIM self-assessment</li> </ul>
<ul style="list-style-type: none"> <li>Keeps the MM informed in terms of progress in completing the LGMIM self-assessment</li> </ul>
<b>Municipal LGMIM Co-ordinator (official tasked with facilitating the completion of the self-assessment – it is recommended that this official is either the PMS or M&amp;E coordinator in the municipality)</b>
<ul style="list-style-type: none"> <li>The Municipal LGMIM Co-ordinator is the focal point of contact with relevant Provincial Department of Co-operative Governance and DPME</li> </ul>
<ul style="list-style-type: none"> <li>Municipal LGMIM Co-ordinator guides and facilitates the self-assessment process <ul style="list-style-type: none"> <li>Facilitates the completion of the self-assessments through engagements with relevant managers to assess each of the management performance standards</li> <li>Collects and confirm portfolios of evidence and upload it onto the LGMIM web-site</li> <li>Arranges and documents the senior management meeting where LGMIM self-assessment results are discussed and confirmed</li> <li>Facilitates any corrections / amendments required to finalise the self-assessment prior to submission to the MM for final sign-off</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Submits the final signed-off scorecard to the relevant Provincial Department of Co-operative Governance</li> </ul>

#### Co-ordination of LGMIM in national and provincial spheres

<b>Department of Planning, Monitoring and Evaluation (DPME)</b>
<ul style="list-style-type: none"> <li>Overall co-ordination of LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>Raises awareness and understanding of LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>Issue national guidelines for the application of LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>Supports Provincial Departments of Co-operative Governance in their co-ordination and support role</li> </ul>
<ul style="list-style-type: none"> <li>Collates secondary data where available, to be used in moderation</li> </ul>
<ul style="list-style-type: none"> <li>Oversee the external moderation process for municipalities with the assistance of Provincial Departments of Co-operative Governance</li> </ul>
<ul style="list-style-type: none"> <li>Provides scorecards with moderated scores to Provincial Departments of Co-operative Governance</li> </ul>
<ul style="list-style-type: none"> <li>Submits a report to the Outcome 9 Technical Implementation Forum on the outcomes of LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>Updates and refines LGMIM standards, as required</li> </ul>
<b>Provincial Departments of Co-operative Governance</b>
<ul style="list-style-type: none"> <li>Overall co-ordination of LGMIM in the province</li> </ul>

<ul style="list-style-type: none"> <li>– Designate provincial LGMIM Co-ordinator</li> </ul>
<ul style="list-style-type: none"> <li>• Raises awareness and understanding of LGMIM in the province</li> </ul>
<ul style="list-style-type: none"> <li>• Manage the enrolment process of municipalities on an annual basis</li> </ul>
<ul style="list-style-type: none"> <li>• Trains LGMIM co-ordinators with the assistance of DPME, if requested</li> </ul>
<ul style="list-style-type: none"> <li>• Provides provincial specific guidance and support to municipalities <ul style="list-style-type: none"> <li>– Establish provincial support team to support municipalities in the completion of its self-assessments</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Facilitate LGMIM self-assessments at municipalities: <ul style="list-style-type: none"> <li>– Provide technical support and guidance to municipal LGMIM co-ordinators during the completion of the self-assessment</li> <li>– Assist the municipal LGMIM co-ordinator to quality check information and verify scores, on request</li> <li>– On request of the municipal LGMIM co-ordinator, to serve as external facilitators during the Senior Management discussion of the self-assessment scores</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Monitors completion of municipal self-assessments in the province <ul style="list-style-type: none"> <li>– Ensures municipalities complete self-assessments within agreed timeframes</li> <li>– Receives final self-assessments from municipalities and conducts final quality check</li> <li>– Submit final self-assessments to DPME</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Supports DPME in the collation of secondary data from provincial sector departments to be used in moderation, where required</li> </ul>
<ul style="list-style-type: none"> <li>• Gives feedback to DPME on areas for improving the LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>• Meet with municipalities to discuss their LGMIM results and support the development of improvement plans</li> </ul>
<ul style="list-style-type: none"> <li>• Monitors implementation of improvement plans and report into the Outcome 9 Technical Implementation Forum</li> </ul>
<b>Transversal Departments</b>
<ul style="list-style-type: none"> <li>• Provide secondary data to DPME as required</li> </ul>
<ul style="list-style-type: none"> <li>• Work with DPME in refining and updating their respective standards in LGMIM</li> </ul>
<ul style="list-style-type: none"> <li>• Lead the moderation process for KPAs that fall within their competency or mandate</li> </ul>
<ul style="list-style-type: none"> <li>• Utilises LGMIM results to inform intervention and support strategies to address common weaknesses in management practices</li> </ul>



## 4. Key features of LGMIM

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### 4.1 Standards of management practice

As discussed in section 2.1 LGMIM covers the following Key Performance Areas:

- Integrated Planning and Implementation;
- Service delivery;
- Human Resource Management;
- Financial Management;
- Community Engagement; and
- Governance.

The six KPAs are broken down into 28 management performance standards. Each KPA has at least one standard against which performance is assessed.

Getting to full compliance with legal, regulatory and prescribed best practise requirements is important, but LGMIM seeks to go beyond compliance to assess if municipalities are working smartly and or innovatively.

### 4.2 Levels of Management Performance

LGMIM identifies four progressive levels of management performance. Each management performance standard is assessed and scored against these four levels of performance. This gives each municipality an indication of how it performs in each of the 28 management performance standards, each KPA, and as a whole (its overall management practices). The municipality thus has an aggregate picture of its management performance in respect of each KPA, and can disaggregate the picture to pinpoint the management performance standards within each KPA that require improvement or those in terms of which good performance were recorded. It also assists transversal departments to target the support they can provide to municipalities. The table below shows the levels of management performance used in the LGMIM.

Level	Description
Level 1	Municipality is non-compliant with legal, regulatory and prescribed best practice requirements
Level 2	Municipality is partially compliant with legal, regulatory and prescribed best practice requirements
Level 3	Municipality is fully compliant with legal, regulatory and prescribed best practice requirements
Level 4	Municipality is fully compliant with legal, regulatory and prescribed best practice requirements and doing things smartly/innovatively

A municipality that scores at Level 1 or Level 2 for a management performance standard is not fully compliant with the legal, regulatory and prescribed best practise requirements and there is room for improvement before a level 3 score, indicating full compliance can be achieved.

When a municipality scores a level 4 in respect of a management performance standard it means that it is fully compliant and operating smartly and or innovatively in respect of that management performance standard. It is, however important to note that Level 4 does not provide an exhaustive list of the management practices considered as being demonstrative of operating smartly or innovatively. It thus leaves room for municipalities to list other management practices that in their opinion should be taken into account to arrive at a Level 4 score in respect of each of the management performance standards. To score at Level 4 the municipality has to verify that it is compliant with all the requirements of Level 3 and is actively implementing one of the management practices under Level 4, either already specified by LGMIM or added by the municipality for consideration by the team of external moderators.

Level 3, complying fully with legal, regulatory and prescribed best practices is essentially an indication that a municipality has effective management practices in place. All municipalities should thus aspire to operate at Level 3.

## **4.3 Self-assessment**

### **Value of self-assessment**

Each municipality is required to complete a self-assessment of its management practices in the six Key Performance Areas. The purpose of the self-assessment is to assess the current level of management practice of the municipality and to pinpoint areas that are in need of improvement.

The self-assessment is an important aspect of the LGMIM process as it gives the municipality's leadership the opportunity to honestly reflect on the internal workings of the organisation. Experiences with similar self-assessment methodologies of management practices have demonstrated that it can also have the following additional benefits:

- The active engagement of senior management in the self-assessment process motivates people to identify areas of improvement and to take specific actions to address them; and
- Leads to the identification of gaps in knowledge and understanding of management policies and prescripts that can be addressed through training in the application of these policies and prescripts.

The details of the self-assessment are described in Section 5 of the Guide.

### **LGMIM assessment tool**

The LGMIM assessment tool is Excel based. It works on the principle that the relevant municipal LGMIM co-ordinator, during a meeting with the relevant manager responsible for a particular management performance standard within the municipality, clicks on the criteria per standard specified under Levels 1 to 4 to verify whether or not it is being implemented within the municipality. Similarly it also requires the relevant manager responsible for a particular management performance standard to verify that he/she can prove compliance through making the required evidence available to the municipal LGMIM co-ordinator for uploading onto the DPME, LGMIM web-site (document repository). DPME in collaboration with the Provincial Departments of Co-operative Governance will

provide guidance to the municipal LGMIM co-ordinators on how to use the LGMIM assessment tool and upload documents onto the document repository (LGMIM web-site).

***Please note that separate guides on how to use the LGMIM assessment tool and LGMIM web-site (document repository) are available.***

**Key points to note are:**

- Each of the six Key Performance Areas of LGMIM has at least one management performance standard against which the municipality assesses its performance.
- Each level of the management performance standards (with the exception of Level 4) sets out criteria to be used by the municipality when conducting the self-assessments and shows a comprehensive list of evidence that the municipality must have in order to justify its rating.
- To score at Level 4 the municipality has to confirm that it is compliant with all the requirements of Level 3 and is actively implementing one of the management practices under Level 4, either already specified by LGMIM or added by the municipality for consideration by the team of external moderators.
- Each level of the standard sets out the criteria that will be used by the moderators when reviewing the municipality's self-assessments.
- The municipality does not submit hard copies of documents to DPME. All evidence is uploaded onto the DPME document repository (LGMIM web-site).

## An example of an LGMIM

<b>2.</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.3</b>	<b>Performance Standard name:</b> Moderated performance against Municipal Strategic Self-Assessment (MuSSA)
<p><b>Performance Standard definition:</b> 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><b>Importance of the Standard:</b> The MuSSA generates strategic flags that a municipality can use for identifying vulnerabilities and prioritising key remedial actions that should be undertaken to ensure effective water services delivery</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Municipal Strategic Self-Assessment reports (MuSSA) – for the past 3 years (DWS)</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa of 1996 and as amended</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Water Services Act (Act 103 of 1997)</li> <li>• Strategic Framework for Water Services (2003)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The WSA <b>did not</b> conduct the MuSSA during <b>2014/15</b> FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The WSA conducted the MuSSA during <b>2014/15</b> FY</li> </ul>	<ul style="list-style-type: none"> <li>• MuSSA Spider diagram for <b>2014/15</b> FY (Secondary data from DWS)</li> </ul>	<p><b>Moderators to verify that:</b></p> <ul style="list-style-type: none"> <li>• The WSA conducted the MuSSA during <b>2014/15</b> FY</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>• The WSA developed an action plan to address vulnerabilities identified through the <b>2014/15</b> MuSSA</li> </ul>	<ul style="list-style-type: none"> <li>• Action plan to address <b>2014/15</b> MuSSA vulnerabilities</li> </ul>	<p><b>Moderators to verify that:</b></p> <ul style="list-style-type: none"> <li>• The WSA developed an action plan to address vulnerabilities identified through the <b>2014/15</b> MuSSA</li> </ul>	<b>Level 3</b>
<p><b>Municipality is level 3 compliant and i.e.:</b></p> <ul style="list-style-type: none"> <li>• The WSA is demonstrating continuous improvement and/or is continuously performing well in the MuSSA</li> <li>• Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p><b>Municipality is level 3 compliant and:</b></p> <ul style="list-style-type: none"> <li>• MuSSA spider diagrams for past 3 years (Secondary data from DWS)</li> <li>• Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p><b>Municipality is level 3 compliant and:</b></p> <p><b>Moderators to verify that:</b></p> <ul style="list-style-type: none"> <li>• The WSA is demonstrating continuous improvement and/or is continuously performing well in the MuSSA</li> <li>• Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

### **LGMIM self-assessment process**

- For the 2015/16 self-assessments, the LGMIM coordinators will facilitate the completion of self-assessments through engagements with relevant managers per KPA / Management Performance Standard by capturing responses in respect of compliance to the criteria set, gathering and uploading of evidence provided to substantiate the responses.
- There must be a senior management discussion of the LGMIM scores before the Municipal Manager signs-off as confirmation and acceptance of the self-assessment results.
- This discussion may be facilitated by the Provincial Department of Co-operative Governance if requested by the Municipality. If requested these external facilitators steer the process and provide guidance on the technical aspects of LGMIM. They do not participate in the discussion of the scoring.
- The municipal LGMIM co-ordinator and other Performance Management System/Monitoring and Evaluation officials should attend the senior management discussions as observers and provide technical advice, if required.

### **Role of LGMIM co-ordinator**

- The municipal LGMIM co-ordinator plays an important role in the municipal self-assessment process by:
  - Assisting managers with the completion of the self-assessment.
  - Uploading supporting evidence onto the LGMIM website made available by the relevant manager responsible for a particular management performance standard
  - Verifying the existence of the evidence for the particular level at which the municipality has assessed itself.

### **Moderation of self-assessment**

- The self-assessments will be moderated by an external panel of moderators.
- DPME and the Provincial Departments of Co-operative Governance will select officials from transversal or policy custodian departments to form part of the moderation panel. These moderators must at least be at middle management level and have 3 to 5 years of relevant experience in the subject matter being moderated.
- Moderators will use the moderation criteria to moderate the scores and will rely on the evidence submitted by the municipalities as well as secondary information, where available, from transversal departments and oversight bodies during the moderation process.

## **4.4 Secondary Data**

Moderators will draw on secondary data, where available, to use when moderating the self-assessments of municipalities. The secondary data will be drawn from existing data systems of transversal departments (both provincial and national) and reports from oversight bodies.

## 5. Implementing LGMIM

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This section of the Guide discusses the LGMIM process in more detail.

### 5.1 LGMIM initiation and launch

LGMIM initiation and launch	DPME requests provinces to express interest in participating in the upcoming LGMIM assessment cycle. The self-assessment cycle is launched in the provinces that expressed interest in participating and engagement with municipalities initiated.
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#### Request for expression of interest by Provinces

DPME makes a formal request for expressions of interest from Provincial Departments of Co-operative Governance to participate in the LGMIM for the coming financial year. The platform will be the Outcome 9 Technical Implementation Forum.

#### Confirmation of enrolment of Provinces and Municipalities

Provincial Departments of Co-operative Governance which expressed interest is formally engaged by DPME to provide the following information:

- Name of the Provincial LGMIM co-ordinator that will be responsible for the overall co-ordination of LGMIM assessments within the province;
- Names of the provincial support team – that will provide hands on technical support to municipalities during the self-assessment process; and
- List of participating municipalities.

In compiling the said list the provincial support team is expected to meet with municipal senior management to introduce and provide a broad overview of the LGMIM, outlining its value and benefit as well as the commitment required from municipalities to successfully complete the assessment process. This could occur during Provincial Intergovernmental Forums like the MUNIMECs. Only once municipalities have formally committed to complete the LGMIM assessment process should they be added to the list of participating municipalities submitted to DPME.

#### Training of provincial LGMIM support teams

DPME will provide training to the provincial LGMIM support teams on the 28 management performance standards, the LGMIM assessment tool and the LGMIM website (document repository) used to upload evidence in support of the LGMIM self-assessment. This will enable the provincial support teams to provide technical support and assistance to participating municipalities during the self-assessment phase.

#### Engagement with municipalities to confirm the designated municipal co-ordinator and champion

- Provincial support team meets with the municipal senior management team of the selected municipalities that expressed interest and commitment to participate in the LGMIM assessment process. During these meetings the Provincial support team will request the municipality to confirm in writing:
  - Commitment of the municipality to participate in the LGMIM assessment;

- The name and contact details of the LGMIM champion of the municipality (this is the executive manager to whom the LGMIM co-ordinator reports to);
- The name and contact details of the LGMIM co-ordinator (this is the official tasked with facilitating the completion of the self-assessment – it is recommended that this official is either the PMS or M&E coordinator in the municipality); and
- The names of the relevant managers that will liaise with the LGMIM co-ordinator in respect of completing each of the management performance standards.

### **Training of municipal LGMIM co-ordinators and provincial support team**

DPME provide user training for the designated LGMIM Coordinators in participating municipalities and Provincial Support Team members. The focus of the training will be on:

- The practical aspects of conducting the self-assessment utilising the LGMIM assessment tool;
- Validating the self-assessment scores by cross-checking the availability of evidence underpinning the self-assessment;
- The uploading of evidence onto the LGMIM web-site; and
- Facilitating the confirmation of self-assessment results by senior management.

The municipality will be required to provide the provincial support team with a schedule of:

- The dates on which the LGMIM co-ordinator will meet with relevant managers to complete the self-assessment;
- The date on which management will sit to discuss and confirm self-assessment results; and
- The date on which the municipality anticipates its submission of the self-assessment to the province.

The schedule will serve to assist the provincial support team in monitoring progress and to be able to coordinate their availability should municipalities request their support.

## **5.2 Self-assessment and verification of evidence**

Self-assessment and verification of evidence	Municipalities conduct self-assessments through a structured process co-ordinated by the Municipal LGMIM Co-ordinator.
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### **Completion of the LGMIM technical assessment component**

The LGMIM Coordinator, supported by the LGMIM Champion is responsible for co-ordinating the LGMIM self- assessment process in the municipality. The LGMIM co-ordinator arranges meetings with the relevant managers responsible for the management performance standards to facilitate the completion of the technical assessment. The respective managers should then prepare for the meeting(s) by engaging with the standards falling within their responsibility and gather the portfolio of evidence to support the technical assessment score prior to the meeting with the LGMIM co-ordinator.

During the meetings, the LGMIM co-ordinator is responsible for facilitating the completion of the technical assessment by selecting the appropriate response to the standard criteria and by completing the comments column to provide motivation for the response selected. The LGMIM co-ordinator should also confirm the availability and relevancy of the portfolio of evidence by completing the

evidence checklist and completing the comments column to inform the senior management discussions.

The LGMIM co-ordinator will need to upload the portfolios of evidence to the relevant folders on the LGMIM website. Should evidence be outstanding, the LGMIM co-ordinator should bring this to the attention of the relevant manager and request any such evidence be provided for uploading prior to the senior management meeting. Comments on the evidence checklist should be updated accordingly. Once that is done, the consolidated scorecard gets presented to senior management meeting for discussion.

### 5.3 Confirmation and Acceptance by senior management and the Municipal Manager (MM)

Confirmation and acceptance by senior management and the MM	Senior management and the Municipal Manager reviews and confirms the final municipal self- assessment scores through a structured discussion of the self-assessment results.
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Senior Management with the Municipal Manager reviews and evaluate the assessment and may ratify assessment or request changes. External facilitators (Provincial Department of Co-operative Governance may guide the discussion, if requested).

In the meeting the LGMIM co-ordinator will need to record any resolutions in respect of additional information requirements and/or changes required to the self-assessment scores and attend to these prior to submitting the final self-assessment to the MM for confirmation and acceptance.

Upon submission of the final version of the self-assessment the LGMIM co-ordinator will need to submit proof that all resolutions were sufficiently addressed.

Once the MM is satisfied, he/she **ticks the approval statement** on the LGMIM self-assessment sheet and submits the scorecard to the relevant official in the provincial support team.

The provincial support teams are then expected to conduct a final quality check on the completed municipal self-assessments prior to submitting these to DPME.

### 5.4 Moderation

Moderation	External Team led by DPME moderates the self-assessment.
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#### Collation of secondary data

DPME with the assistance of the participating Provincial Departments of Co-operative Governance collects & consolidates secondary data from sectoral departments & oversight bodies where available and upload it to the LGMIM web-site prior to moderation.

#### Identification of moderators

DPME will require the assistance of relevant departments and stakeholders to identify moderators with the relevant skills and experience to conduct moderation of the self-assessments.



Invitations to participate in the moderation will be forwarded to selected moderators detailing:

- Moderation training dates;
- Pre-moderation schedule; and
- Moderation event dates.

### **Moderation of Self-assessments**

Moderators review the self-assessment scores against the criteria set out for each management performance standard in LGMIM, using the evidence submitted by the municipality and the secondary data drawn from other sources *(Please refer to Moderation guide for detailed description of the moderation process)*.

The moderators will confirm the scores or modify the scores. Where they modify scores, moderators provide reasons for the modification.

Moderators may not call for additional evidence from the municipality.

## **5.5 Feedback**

Feedback	Provincial Departments of Co-operative Governance discusses the moderated results with municipalities
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### **DPME provides moderated scorecards to Provincial Departments of Co-operative Governance**

The LGMIM assessment tool prepares a scorecard for each municipality. The Provincial Departments of Co-operative Governance are provided with a copy of each municipal scorecard falling within its province containing the moderated scores and comments.

### **The Provincial Department of Co-operative Governance meets with municipalities to discuss the LGMIM results**

Provincial Departments of Co-operative Governance meets with municipalities to discuss their LGMIM results. There may be provincial variations to the feedback process.

### **Step 3: DPME submits the results to the Outcome 9 Technical Implementation Forum**

DPME is required to report to the Outcome 9 Technical Implementation Forum on the LGMIM results.

## **5.6 Improve and Monitor**

Improve and Monitor	Municipalities develop improvement plans
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## **Compilation of Improvement Plans**

Municipalities are expected to improve their management practices and address problems identified during the LGMIM process by compiling improvement plans/strategies. For the purpose of LGMIM, an improvement plan refers to an action plan/strategy developed to help a municipality to progress from one level to the next in relation to affected standards, using their most recent LGMIM results as the baseline *(Please refer to Improvement plan guide for more detail on the development of improvement plans/strategies)*.

There should be progressive improvement in subsequent LGMIM results.

Improvement plans may be incorporated in existing planning documents. In some cases, there are already improvement plans in place and the municipality simply needs to update these plans.

## **Monitor Improvements**

It is recommended that the Office of the MM monitors implementation of improvements and report to the relevant Provincial Department of Co-operative Governance.

Provincial Departments of Co-operative Governance will report progress with the implementation of the planned improvements to the Outcome 9 Technical Implementation Forum.

## 6. LGMIM Standards 2015/16

This section shows the Standards, Evidence and Moderation Criteria that will be used for the 2015/16 round of LGMIM assessments.

LGMIM Key Performance Areas, and Standards					
1. Integrated Development Planning and Implementation	2. Service Delivery	3. Human Resource Management	4. Financial Management	5. Community Engagement/ Participation	6. Governance
1.1 Service Delivery Planning and Implementation Mechanisms	2.1 Access to Free Basic Services	3.1 Application of Prescribed Recruitment Practices	4.1 Effective Budget Planning and Management	5.1 Functional Ward Committees	6.1 Functionality of Executive Structures
	2.2 Extension of Water and Sanitation Services	3.2 Implementation of Prescribed Performance Management Practices for the MM and managers reporting directly to the MM	4.2 Management of Unauthorised, irregular or Fruitless and Wasteful Expenditure	5.2 Service Standards	6.2 Assessment of Responses to Audit Findings
	2.3 Performance against Municipal Strategic Self-Assessment (MuSSA)	3.3 Approved Administrative and Operational, and financial Delegations i.t.o. MSA and MFMA	4.3 Revenue Management		6.3 Assessment of Internal Audit
	2.4 Waste Disposal		4.4.1 SCM: Demand Management		6.4 Assessment of Accountability Mechanism (Audit Committee)
	2.5 Refuse Collection		4.4.2 SCM Acquisition Management		6.5 Assessment of policies and systems to ensure professional ethics
	2.6 Extension of Electricity		4.4.3 SCM: Logistics Management		6.6 Prevention of Fraud and Corruption
	2.7 Generation, transmission or distribution, operation, maintenance and refurbishment of electricity infrastructure		4.4.4 SCM Disposal Management		6.7 Functional Risk Management unit/ committee
	2.8 Mapped and Maintained Municipal Land Transport Network				

<b>1</b>	<b>Key Performance Area:</b> Integrated planning and implementation
<b>1.1</b>	<b>Performance Standard name:</b> Service delivery planning and implementation mechanisms
<p><b>Performance Standard definition:</b>  Integrated development planning is a participatory process to enable a municipality to effect its developmental duties in accordance with the Constitution and legislative and regulatory requirements. <b><i>A municipality should have an adopted Integrated Development Plan (IDP) and an approved Service Delivery and Budget Implementation Plan (SDBIP) and implement these to facilitate service delivery.</i></b></p> <p><b>Importance of the Standard:</b>  The IDP should be the single, inclusive and strategic plan of a municipality which once adopted should:</p> <ul style="list-style-type: none"> <li>• Link, integrate and coordinate plans and take into account proposals for the development of the municipality</li> <li>• Align the resources and capacity of the municipality to facilitate the plan's implementation</li> <li>• Form the policy framework and general basis on which the annual budget must be allocated</li> <li>• Respond to the needs of clients (internal and external) through the promotion of continuous improvement in the quantity, quality and equity of service provision.</li> </ul> <p>The SDBIP links the IDP and budget to give effect to the municipality's plans</p> <p><b>Possible secondary data sources:</b>  Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa( Act 108 of 1996 and as amended)</li> <li>• Municipal Finance Management Act (Act 56 of 2003) (MFMA)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>• MFMA: Circular 13: Service Delivery and Budget Implementation Plan, January 2005</li> <li>• Revised IDP Framework 2012 for municipalities outside metro's and secondary cities (DCoG)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The municipality did not adopt its time schedule to guide the planning, drafting, adoption and review of the IDP, the annual budget and budget related policies at least ten months prior to the start of the budget year</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>		<b>Level 1</b>
<ul style="list-style-type: none"> <li>The process and time schedule to guide the planning, drafting, adoption and review of the IDP, the annual budget and budget related policies were adopted at least ten months (Aug 2013) prior to the start of the 2014/15 budget year</li> <li>The municipality had consulted stakeholders in the development of the 2014/15 IDP - i.e. communities, sector departments, local business, etc.</li> <li>The municipality had an IDP that has been adopted 30 days prior to the start of the 2014/15 financial year</li> <li>The municipality had an SDBIP approved by the Mayor within 28 days after approval of the 2014/15 budget</li> <li>The municipality notified the community of the availability of the 2014/15 IDP and how it can be accessed</li> </ul>	<ul style="list-style-type: none"> <li>2013 Council resolution adopting the time schedule for 2014/15 process</li> <li>Attendance registers of IDP representative forum meetings that took place in 2013/14 FY</li> <li>Council resolution(s) adopting the budget and related matters including amendments to the IDP for the 2014/15 financial year</li> <li>Confirmation of approval of the 2014/15 SDBIP by the Mayor</li> <li>Notice of public availability of the 2014/15 IDP</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The process and time schedule to guide the planning, drafting, adoption and review of the IDP, the annual budget and budget related policies were adopted at least ten months (Aug 2013) prior to the start of the 2014/15 budget year</li> <li>The municipality had consulted stakeholders in the development of the 2014/15 IDP - i.e. communities, sector departments, local business, etc.</li> <li>The municipality had an IDP that has been adopted 30 days prior to the start of the 2014/15 financial year</li> <li>The municipality had an SDBIP approved by the Mayor within 28 days after approval of the 2014/15 budget</li> <li>The municipality notified the community of the availability of the 2014/15 IDP and how it can be accessed</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>Adopted 2014/15 IDP complied with core content requirements as prescribed in S26 of the MSA.</li> <li>2014/15 SDBIP contained the five</li> </ul>	<ul style="list-style-type: none"> <li>IDP adopted for the 2014/15 FY</li> <li>Approved SDBIP for 2014/15</li> <li>2014/15 Quarterly Performance reports</li> <li>Council resolutions proving performance</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Adopted 2014/15 IDP complied with core content requirements as prescribed in S26</li> </ul>	<b>Level 3</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<p>necessary components as prescribed in MFMA Circular 13</p> <ul style="list-style-type: none"> <li>The municipality monitored implementation of the 2014/15 SDBIP through its PMS system on a quarterly basis</li> <li>Performance reports for 2014/15 were submitted to Municipal Council at least twice in the 2014/15 FY</li> </ul>	<p>reports for 2014/15 were considered at least twice in the 2014/15 FY</p>	<p>of the MSA.</p> <ul style="list-style-type: none"> <li>2014/15 SDBIP contained the five necessary components as prescribed in MFMA Circular 13</li> <li>The municipality monitored implementation of the 2014/15 SDBIP through its PMS system on a quarterly basis</li> <li>Performance reports for 2014/15 were submitted to Municipal Council at least twice in the 2014/15 FY</li> </ul>	
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality made performance against the 2014/15 SDBIP public on a quarterly basis, and communicated such progress through ward committee structures to affected communities.</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>Evidence that the municipality made performance against the 2014/15 SDBIP public on a quarterly basis, and communicated such progress through ward committee structures to affected communities.</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and i.e.: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality made performance against the 2014/15 SDBIP public on a quarterly basis, and communicated such progress through ward committee structures to affected communities.</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	Level 4

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.1</b>	<b>Performance Standard name:</b> Access to Free Basic Services (FBS)
<p><b>Performance Standard definition:</b>  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><b>Water:</b>  the provision of:</p> <ul style="list-style-type: none"> <li>• Minimum of 6 000 litres of potable water per household per month (25 litres per person per day)</li> </ul> <p><b>Sanitation:</b>  the provision of:</p> <ul style="list-style-type: none"> <li>• A sanitation facility as defined in the SFWS (2003);</li> <li>• Operation and maintenance support necessary for the safe disposal/removal of human waste and black and/or grey water from the premises;</li> <li>• Communication of good sanitation, hygiene and related practices; and</li> <li>• 10 kl additional free basic water per month in cases where water-borne sanitation is provided as the basic level of service</li> </ul> <p><b>Energy:</b>  the provision of:</p> <ul style="list-style-type: none"> <li>• Minimum 50kWh hours per household per month connected to the grid-based system</li> <li>• Where there is no grid, alternative energy sources are provided</li> </ul> <p><b>Refuse removal:</b>  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"> <li>• On-site appropriate and regular disposal in areas designated by the municipality supervised by a waste management officer (applicable to remote rural areas with low density settlements and farms – i.e. areas with less than 10 dwelling units per ha)</li> <li>• Community transfer to central collection point at least once weekly (medium density settlements (10 – 40 dwelling units per ha)</li> <li>• Organised transfer to central collection points and/or curb-side collection at least once weekly (high density settlements (&gt;40 dwelling units per ha)</li> </ul>	

- Mixture of 2 and 3 above for medium to high density settlements

**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 to alleviate the plight of the poorest

**Possible secondary data sources:**

Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:

- N/A

**Relevant legislation, policies, guidelines / circulars:**

- Constitution of the Republic of South Africa (Act 108 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
- 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
- National Framework for Municipal Indigent Policies, DCOG,
- Free Basic Alternative Energy policy, 2007 General Notice 391 of 2007
- South African Electricity Supply Industry: Electricity Pricing Policy (EPP), Government Notice 1389 of 2008



Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>In the 2014/15 FY the municipality did not have a policy related to the provision of FBS</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>In the 2014/15 FY the municipality had a policy in place relating to the provision of FBS in terms of services falling within the municipality's powers and functions</li> <li>The tariff policy that subsidised the provision of FBS was reviewed for the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Policy relating to the provision of FBS</li> <li>2014/15 Tariff policy</li> </ul>	Moderators to verify that: <ul style="list-style-type: none"> <li>In the 2014/15 FY the municipality had a policy in place relating to the provision of FBS in terms of services falling within the municipality's powers and functions</li> <li>The tariff policy that subsidised the provision of FBS was reviewed for the 2014/15 FY</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The municipality had budgeted for the provision of FBS for the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Sheet A10 of schedule A of the annual budget tables</li> </ul>	Moderators to verify that: <ul style="list-style-type: none"> <li>The municipality had budgeted for the provision of FBS for the 2014/15 FY</li> </ul>	<b>Level 3</b>
Municipality is level 3 compliant and i.e.: <ul style="list-style-type: none"> <li>The municipality provides i.e. advisory services / consumer education to promote the effective use of FBS allocations</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	Municipality is level 3 compliant and: <ul style="list-style-type: none"> <li>Evidence to demonstrate that consumer education and/or other measures are leading to more effective use of FBS allocations</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	Municipality is level 3 compliant and: Moderators to verify that: <ul style="list-style-type: none"> <li>The municipality is employing measures leading to more effective use of FBS allocations</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.2</b>	<b>Performance Standard name:</b> Extension of water and sanitation services
<p><b>Performance Standard definition:</b>  Extending access to water and sanitation services/ facilities to all users in the municipality's area of jurisdiction</p> <p><b>Importance of the Standard:</b>  The primary constitutional obligation resting on Water Services Authorities (WSAs) is the provision of at least a basic level of service to all users within its 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><b>Possible secondary data sources:</b>  Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Water Services Development Planning Maturity Assessment reports – most recent (DWS)</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Finance Management Act (Act 56 of 2003) (MFMA)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>• MFMA: Circular 13: Service Delivery and Budget Implementation Plan, January 2005</li> <li>• Water Services Act (Act 103 of 1997)</li> <li>• Strategic Framework for Water Services (2003)</li> <li>• Water Services Development Plan (WSDP) guideline (2012) (DWS)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The WSA did not have a at least a draft Water Services Development Plan applicable to the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>In 2014 the WSA scored a level 2 or below on the DWS Planning Maturity assessment</li> </ul>	<ul style="list-style-type: none"> <li>2014 DWS Planning Maturity assessment: self-assessment (Secondary data from DWS)</li> </ul>	Moderators to verify that: <ul style="list-style-type: none"> <li>The WSA scored a level 2 or below on the 2014 DWS Planning Maturity assessment</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The WSA had an approved WSDP applicable to the 2014/15 FY</li> <li>The water and sanitation projects were captured in the 2014/15 SDBIP of the municipality</li> <li>The WSA monitored implementation of water and sanitation projects captured in the 2014/15 SDBIP</li> <li>In 2014 the WSA scored at least level 3 on the DWS Planning Maturity Assessment</li> </ul>	<ul style="list-style-type: none"> <li>WSDP applicable to the 2014/15 FY</li> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>2014/15 Quarterly Performance reports (already requested under Std 1.1)</li> <li>2014 DWS Planning Maturity assessment: self-assessment (Secondary data from DWS)(already requested in L2 above)</li> </ul>	Moderators to verify that: <ul style="list-style-type: none"> <li>The WSA had an approved WSDP applicable to the 2014/15 FY</li> <li>The water and sanitation projects were captured in the 2014/15 SDBIP of the municipality</li> <li>The 2014/15 performance reports provided a reflection of progress against targets as set in the 2014/15 SDBIP</li> <li>The WSA scored at least a level 3 on the 2014 DWS Planning Maturity Assessment</li> </ul>	<b>Level 3</b>
Municipality is level 3 compliant and i.e.: <ul style="list-style-type: none"> <li>In 2014 the municipality scored a level 4 on the DWS Planning Maturity Assessment</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	Municipality is level 3 compliant and: <ul style="list-style-type: none"> <li>2014 DWS Planning Maturity assessment: self-assessment (Secondary data from DWS)</li> </ul>	Municipality is level 3 compliant and: Moderators to verify that: <ul style="list-style-type: none"> <li>The WSA scored a level 4 on the 2014 DWS Planning Maturity Assessment</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.3</b>	<b>Performance Standard name:</b> Moderated performance against Municipal Strategic Self-Assessment (MuSSA)
<p><b>Performance Standard definition:</b> 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><b>Importance of the Standard:</b> The MuSSA generates strategic flags that a municipality can use for identifying vulnerabilities and prioritising key remedial actions that should be undertaken to ensure effective water services delivery</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Municipal Strategic Self-Assessment reports (MuSSA)</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Water Services Act (Act 103 of 1997)</li> <li>• Strategic Framework for Water Services (2003)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The WSA did not conduct the MuSSA during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The WSA conducted the MuSSA during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• MuSSA Spider diagram for 2014/15 FY (Secondary data from DWS)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The WSA conducted the MuSSA during 2014/15 FY</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>• The WSA developed an action plan to address</li> </ul>	<ul style="list-style-type: none"> <li>• Action plan to address</li> </ul>	<p>Moderators to verify that:</p>	<b>Level 3</b>

Standard criteria	Evidence documents	Moderation criteria	Level
vulnerabilities identified through the 2014/15 MuSSA	2014/15 MuSSA vulnerabilities	<ul style="list-style-type: none"> <li>The WSA developed an action plan to address vulnerabilities identified through the 2014/15 MuSSA</li> </ul>	
Municipality is level 3 compliant and i.e.: <ul style="list-style-type: none"> <li>The WSA is demonstrating continuous improvement and/or is continuously performing well in the MuSSA</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	Municipality is level 3 compliant and: <ul style="list-style-type: none"> <li>MuSSA spider diagrams for past 3 years (Secondary data from DWS)</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	Municipality is level 3 compliant and: Moderators to verify that: <ul style="list-style-type: none"> <li>The WSA is demonstrating continuous improvement and/or is continuously performing well in the MuSSA</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.4</b>	<b>Performance Standard name:</b> Waste disposal
<p><b>Performance Standard definition:</b></p> <p>Waste 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><b>Importance of the Standard:</b></p> <p>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 environment and the impact of improper waste disposal practices are often borne disproportionately by the poor.</p> <p><b>Possible secondary data sources:</b></p> <p>Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General's report</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• National Environmental Management: Waste Act (Act 59 of 2008) - NEMWA 59 of 2008</li> <li>• National Environmental Management Act (Act 107 of 1998 and as amended) and Regulations – NEMA 107 of 1998</li> <li>• National Health Act (Act 61 of 2003)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• National Water Act (Act 36 of 1998)</li> <li>• R. 625 National Environmental Management: Waste Act (59/2008): National Waste Information Regulations</li> <li>• Hazardous Substances Act (Act 5 of 1973)</li> <li>• Government Gazette No 36784 dated 23 August 2013. <ul style="list-style-type: none"> <li>- R634 Waste Classification &amp; Management Regulations</li> <li>- R635 National Norms &amp; Standards for the Assessment of Waste for Landfill Disposal</li> <li>- R636 National Norms &amp; Standards for Disposal of Waste to Landfill</li> </ul> </li> <li>• Government Gazette No 37088 dated 29 November 2013 <ul style="list-style-type: none"> <li>- Government Notice 926: National Norms and standards for the storage of waste</li> </ul> </li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The municipality did not have at least a draft Integrated Waste Management Plan applicable to the 2014/15 FY that addressed the management of waste handling facilities</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>The municipality had at least a draft Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the management of waste handling facilities</li> <li>During 2014/15 FY all waste handling facilities under the management of the municipality were licensed</li> </ul>	<ul style="list-style-type: none"> <li>Draft IWMP applicable to the 2014/15 FY</li> <li>Waste Management License(s)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had at least a draft Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the management of waste handling facilities</li> <li>Licenses exist for all waste handling facilities</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The municipality had an approved Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the management of waste handling facilities</li> <li>Projects related to the management of waste handling facilities were captured in the 2014/15 SDBIP</li> <li>The municipality had a designated Waste Management Officer (WMO) from its administration for the 2014/15 FY</li> <li>The municipality monitored operations at waste handling facilities during 2014/15 FY</li> <li>The municipality reported into the South African Waste Information System (SAWIS)</li> </ul>	<ul style="list-style-type: none"> <li>Approved IWMP applicable to the 2014/15 FY</li> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>Designation letter of the WMO</li> <li>2014/15 Waste handling facilities monitoring report(s)</li> <li>Municipal SAWIS report(s)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had an approved Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the management of waste handling facilities</li> <li>Projects related to the management of waste handling facilities were captured in the 2014/15 SDBIP</li> <li>The municipality had a designated Waste Management Officer (WMO) from its administration for the 2014/15 FY</li> <li>The municipality monitored operations at waste handling facilities during 2014/15 FY</li> <li>The municipality reported into the South African Waste Information System (SAWIS)</li> </ul>	<b>Level 3</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>• Forward planning is taking place in the sense that the municipality has knowledge of when land fill sites will reach end-of-life and has plans in place to identify alternative and/or extending the life-span of existing sites</li> <li>• Landfill sites are designed and operated to enable harnessing of alternative energy</li> <li>• Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>• Proof of forward planning</li> <li>• Proof that landfill sites are harnessed to generate alternative energy</li> <li>• Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• Forward planning is taking place in that the municipality has plans to identify alternative sites and/or extending the life-span of existing land fill(s)- where they exist sites</li> <li>• Landfill sites are designed and operated to enable harnessing of alternative energy</li> <li>• Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<p><b>Level 4</b></p>



<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.5</b>	<b>Performance Standard name:</b> Refuse collection
<p><b>Performance Standard definition:</b> A waste service is provided to all waste generators within the area of jurisdiction, by extending appropriate waste services to all un-served areas and a continuously improving level of service provided</p> <p><b>Importance of the Standard:</b> 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, as well as the degradation of the environment and of public health.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>• National Environmental Management: Waste Act (Act 59 of 2008)</li> <li>• National Environmental Management Act (Act 107 of 1998 and as amended) and Regulations</li> <li>• National Health Act (Act 61 of 2003) Municipal Structures Act (Act 117 of 1998)</li> <li>• National Policy for the provision of Basic Refuse Removal Services to Indigent households 2011</li> <li>• Government Notice No. 21 of 2011 (Government Gazette no 33935 ) NEMWA 59 of 2008:National domestic waste collection standards</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The Municipality had not established its status quo regarding the number of clients that did not receive a refuse collection service in the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>The Municipality had established its status quo regarding the number of clients that did not receive a refuse collection service for the 2014/15 FY</li> <li>The municipality had at least a draft Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the extension of refuse collection services to under or un-served clients</li> </ul>	<ul style="list-style-type: none"> <li>IDP for the 2014/15 FY (already requested under Std 1.1)</li> <li>Draft IWMP applicable to the 2014/15 FY (already requested under Std 2.4)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The 2014/15 IDP in its situational analysis provided an overview of the municipality's under or un-served clients with respect to access to refuse removal.</li> <li>The municipality had at least a draft Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the extension of refuse collection services to under or un-served clients</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The municipality had an approved Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the extension of refuse collection services to under or un-served clients</li> <li>Projects related to the extension of refuse removal services were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of refuse collection services during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Approved IWMP applicable to the 2014/15 FY (already requested under Std 2.4)</li> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>2014/15 monitoring report(s) on refuse collection services</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had an approved Integrated Waste Management Plan, applicable to the 2014/15 FY, in place that addressed the extension of refuse collection services to under or un-served clients</li> <li>Projects related to the extension of refuse removal services were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of refuse collection services during 2014/15 FY</li> </ul>	<b>Level 3</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>• The municipality diverts recyclable waste away from the landfill (s)</li> <li>• Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>• Evidence showing that the municipality is diverting waste away from landfill sites (s)</li> <li>• Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The municipality diverts recyclable waste away from the landfill (s)</li> <li>• Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<p><b>Level 4</b></p>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.6</b>	<b>Performance Standard name:</b> Extension of electricity
<p><b>Performance Standard definition:</b> Extending access to electricity to all users in the municipality's area of jurisdiction</p> <p><b>Importance of the Standard:</b> The primary constitutional obligation resting on a municipality is the provision of at least a basic level of service (including electricity/ alternative energy) to all users within its area of jurisdiction.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>Electricity Regulation Act (Act 4 of 2006 and as amended) and Regulations</li> <li>Suite of supply policy guidelines for the Integrated National Electrification Programme (INEP), 2012/13 – Department of Energy</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The Municipality had not established its status quo regarding the number of clients that did not have access to electricity in the 2014/15 FY.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>The Municipality had established its status quo regarding the number of clients that did not have access to electricity during the 2014/15 FY</li> <li>The municipality had at least a draft Electricity /energy Master Plan applicable to the 2014/15 FY in place covering the entire jurisdiction of the</li> </ul>	<ul style="list-style-type: none"> <li>IDP for the 2014/15 FY (already requested under Std 1.1)</li> <li>Draft Electricity /energy Master Plan applicable to</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The 2014/15 IDP in its situational analysis and section on access to electricity provided an overview of the municipality's electricity demand</li> <li>There was at least a draft Electricity /energy</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
municipality (i.e. including Eskom supply areas)	the 2014/15 FY	Master Plan applicable to the 2014/15 FY in place covering the entire jurisdiction of the municipality (i.e. including Eskom supply areas)	
<ul style="list-style-type: none"> <li>The municipality had an approved Electricity /energy Master Plan applicable to the 2014/15 FY covering the entire jurisdiction of the municipality (i.e. including Eskom supply areas)</li> <li>Electricity / energy extension projects were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of the extension of electricity / energy projects during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Approved Electricity /energy Master Plan applicable to the 2014/15 FY</li> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>2014/15 Quarterly Performance Reports (already requested under std. 1.1)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>An approved Electricity Master Plan/ energy plan applicable to the 2014/15 FY was in place covering the entire jurisdiction of the municipality (i.e. including Eskom supply areas)</li> <li>Electricity / energy extension projects were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of the extension of electricity / energy projects during 2014/15 FY</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality is demonstrating innovation through i.e. reducing energy consumption/demand</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof of innovation claimed</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality is demonstrating innovation through i.e. reducing energy consumption/demand</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.7</b>	<b>Performance Standard name:</b> Generation, transmission or distribution, operation, maintenance and refurbishment of the electricity infrastructure
<p><b>Performance Standard definition:</b> To ensure efficient, effective and sustainable operation of the electricity supply infrastructure</p> <p><b>Importance of the Standard:</b> The primary constitutional obligation resting on a municipality is the provision of at least a basic level of service (including electricity) to all users in its area of jurisdiction.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>• Electricity Regulation Act (Act 4 of 2006 and as amended) and Regulations</li> <li>• Government Gazette No. 31741 Electricity Pricing Policy (EPP), 2008</li> <li>• Electricity Act of 1987 (Act 41 of 1987 and as amended)</li> <li>• National Energy Regulator Act, 2004 (Act 40 of 2004 and as amended)</li> <li>• Suite of supply policy guidelines for the Integrated National Electrification Programme (INEP), 2012/13 – Department of Energy</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality operated electricity generation, transmission and/ or distribution facilities without a licence issued by NERSA</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality operated electricity generation, transmission and/ or</li> </ul>	<ul style="list-style-type: none"> <li>• Licence(s) issued by NERSA applicable to</li> </ul>	Moderators to verify that:	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
distribution facilities under a licence issued by NERSA	2014/15 FY	<ul style="list-style-type: none"> <li>During 2014/15 FY the municipality operated electricity generation, transmission and/ or distribution facilities under a licence issued by NERSA</li> </ul>	
<ul style="list-style-type: none"> <li>Projects related to network maintenance, and refurbishment were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of network maintenance, and refurbishment projects during 2014/15 FY</li> <li>The municipality spent at least 6% of its electricity business revenue on the repairs and maintenance of the electricity network during the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>2014/15 Quarterly Performance reports (already requested under Std 1.1)</li> <li>2014/15 Table SC2 of Schedule C</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Projects related to network maintenance, and refurbishment were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of network maintenance, and refurbishment projects during 2014/15 FY</li> <li>Table SC 2 of the C Schedule reflects that the municipality spent at least 6% of its electricity business revenue on the repairs and maintenance of the electricity network during the 2014/15 FY</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality undertakes Cost of Supply (COS) studies at least every five years</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Most recent Cost of Supply Study (COS)</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>That the municipality has undertaken a Cost of Supply Study (COS) within the past 5 years</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>2</b>	<b>Key Performance Area:</b> Service Delivery
<b>2.8</b>	<b>Performance Standard name:</b> Mapped and maintained municipal road network
<p><b>Performance Standard definition:</b> The road infrastructure facilitating the movement of persons and goods</p> <p><b>Importance of the Standard:</b> 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><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• National Land Transport Act (Act 5 of 2009)</li> <li>• Road Infrastructure Asset Management Policy</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality did not have an Integrated Transport Plan (ITP) in place applicable to 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The municipality had at least a draft Integrated Transport Plan (ITP) applicable to 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• Draft Integrated Transport Plan (ITP) applicable to the 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The municipality had at least a draft Integrated Transport Plan (ITP) applicable to 2014/15 FY</li> </ul>	<b>Level 2</b>



Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The municipality had an approved Integrated Transport Plan applicable to 2014/15 FY</li> <li>Road extension and maintenance projects were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of road extension and maintenance projects during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Approved Integrated Transport Plan (ITP) applicable to the 2014/15 FY</li> <li>2014/15 SDBIP (already requested under Std 1.1)</li> <li>2014/15 Quarterly Performance reports (already requested under std 1.1)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had an approved Integrated Transport Plan applicable to 2014/15 FY</li> <li>Road extension and maintenance projects were captured in the 2014/15 SDBIP</li> <li>The municipality monitored the implementation of road extension and maintenance projects during 2014/15 FY</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality is integrating its means of transportation.</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Evidence showing that the municipality is integrating its means of transportation</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality is integrating its means of transportation.</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>3</b>	<b>Key Performance Area:</b> Human Resource Management
<b>3.1</b>	<b>Performance Standard name:</b> Application of prescribed recruitment practices
<p><b>Performance Standard definition:</b> Vacancies at senior management level (MM, managers reporting directly to the MM) and in respect of positions earmarked for exercising financial management responsibilities are filled through recruitment of qualified and competent staff</p> <p><b>Importance of the Standard:</b> Municipal capacity to deliver on its goals and objectives is often severely constrained by high vacancy rates and lack of suitably qualified individuals with the relevant skills and expertise to perform the duties associated with the post in question, particularly in key management, financial and technical positions.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• ,</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Municipal Finance Management Act (Act 56 of 2003)</li> <li>• National Treasury: Local Government: MFMA: Municipal regulations on minimum competency levels, 2007 (No R 493);</li> <li>• Department of Cooperative Governance: Local Government: MSA: Municipal regulations on appointments and conditions of employment of Senior Managers, 2014 (GN No.21)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• During the 2014/15 FY Regulation 493 (2007) of the MFMA was not implemented as prescribed in terms of the recruitment and up skilling of staff</li> <li>• During the 2014/15 FY the Regulation on</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	Level 1

Standard criteria	Evidence documents	Moderation criteria	Level
Appointments and conditions of employment of Senior Managers, 2014 (GN No.21) of the MSA was not implemented as prescribed in terms of the recruitment of competent staff			
<ul style="list-style-type: none"> <li>During the 2014/15 FY Regulation 493 (2007) of the MFMA was implemented as prescribed in terms of either compliance to minimum competency requirements or that affected officials were in the process of attaining the required minimum competencies i.r.o.: General and minimum competency levels for: 1) accounting officer; 2) chief financial officer; 3) senior managers; 4) other financial officials of municipalities 5) heads of SCM units; and 6) minimum competency levels for SCM managers</li> <li>During the 2014/15 FY the municipality reported to the MEC on the appointment of Senior Managers as per the requirements set out in the Regulation on Appointments and conditions of employment of Senior Managers, 2014 (GN No.21) of the MSA</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Bi-annual reports in terms of R493 submitted to the National and relevant provincial Treasury / 2014/15 Annual Performance report</li> <li>2014/15 Report(s) to the MEC for local government on appointment of Senior Manager(s)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>During the 2014/15 FY Regulation 493 (2007) of the MFMA was implemented as prescribed in terms of either compliance to minimum competency requirements or that affected officials were in the process of attaining the required minimum competencies i.r.o.: General and minimum competency levels for: 1) accounting officer; 2) chief financial officer; 3) senior managers; 4) other financial officials of municipalities 5) heads of SCM units; and 6) minimum competency levels for SCM managers</li> <li>During the 2014/15 FY the municipality reported to the MEC on the appointment of Senior Managers as per the requirements set out in the Regulation on Appointments and conditions of employment of Senior Managers, 2014 (GN No.21) of the MSA</li> </ul>	Level 2
<ul style="list-style-type: none"> <li>Vacancies at senior management level (MM and S56 managers) are between 11% and 30% as tested at 30 June 2015</li> <li>Appointment(s) of MM and manager(s) reporting directly to the MM that had been made during the 2014/15 FY complied to: 1) All the competencies set out in Annexure A (GN No.21) of the MSA and; 2) the minimum requirements for higher education, work experience and knowledge as set</li> </ul>	<ul style="list-style-type: none"> <li>Senior Management organogram indicating positions vacant as at 30 June 2015 / 2014/15 Annual Performance Report / 2015/16 IDP</li> <li>2014/15 Report(s) to the MEC for local government on appointment of Senior Manager(s) (already</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Vacancies at senior management level (MM and S56 managers) are between 11% and 30% as tested at 30 June 2015</li> <li>Appointment(s) of MM and manager(s) reporting directly to the MM that had been made during the 2014/15 FY complied to: 1) All the competencies set out in Annexure A (GN No.21) of the MSA and; 2) the minimum requirements for higher education,</li> </ul>	Level 3

Standard criteria	Evidence documents	Moderation criteria	Level
out in Annexure B (GN No.21) of the MSA	requested above)	work experience and knowledge as set out in Annexure B (GN No.21) of the MSA	
Municipality is level 3 compliant and i.e.: <ul style="list-style-type: none"> <li>There were minimal vacancies (less than 10%) at senior management level (MM and S56 managers)as tested at 30 June 2015</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	Municipality is level 3 compliant and: <ul style="list-style-type: none"> <li>Senior Management organogram indicating positions vacant as at 30 June 2015 / 2014/15 Annual Performance Report / 2015/16 IDP (already requested above)</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	Municipality is level 3 compliant and: Moderators to verify that: <ul style="list-style-type: none"> <li>There were minimal vacancies (less than 10%) at senior management level (MM and S56 managers)as tested at 30 June 2015</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>3</b>	<b>Key Performance Area:</b> Human Resource Management
<b>3.2</b>	<b>Performance Standard name:</b> Implementation of prescribed Performance Management practices for the MM and managers reporting directly to the MM
<p><b>Performance Standard definition:</b> Effective performance management practices implemented in the municipality</p> <p><b>Importance of the Standard:</b> 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. 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 <b>employment contracts</b> and <b>performance agreements</b> of these managers in anticipation that these instruments will in combination ensure a basis for performance management and continuous improvement in local government.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, 2006 (No R 805)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> <li>• Local Government: disciplinary regulations for senior managers, 2010 (GN 344 of 2011)</li> <li>• Department of Cooperative Governance: Local Government: MSA: Municipal regulations on appointments and conditions of employment of Senior Managers, 2014 (GN No.21)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• For 2014/15 FY MM and senior managers reporting to MM did not have signed employment contracts</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>

Standard criteria	Evidence documents	Moderation criteria	Level
in place			
<ul style="list-style-type: none"> <li>During 2014/15 FY MM and senior managers reporting to MM all had signed employment contracts in place before commencement of service</li> <li>During the 2014/15 FY only some officials at senior management level (MM and senior managers reporting to MM) had signed performance agreements in place in terms of Regulation 805 (2006) of the MSA</li> </ul>	<ul style="list-style-type: none"> <li>Report on employment contracts of MM and senior managers reporting to MM / Signed Employment contracts for MM and senior managers applicable to 2014/15 FY</li> <li>2014/15 Report on signing of performance agreements of MM and senior managers reporting to MM / Signed Performance Agreements for MM and senior managers applicable to 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>During 2014/15 FY MM and senior managers reporting to MM all had signed employment contracts in place before commencement of service</li> <li>During the 2014/15 FY only some officials at senior management level (MM and senior managers reporting to MM) had signed performance agreements in place in terms of Regulation 805 (2006) of the MSA</li> </ul>	Level 2
<ul style="list-style-type: none"> <li>During the 2014/15 FY MM and senior managers reporting to MM all had signed performance agreements</li> <li>Annual performance assessments were conducted for MM and senior managers reporting to the MM for the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Report on signing of performance agreements of MM and senior managers reporting to MM / Signed Performance Agreements for MM and senior managers applicable to 2014/15 FY (Already requested above)</li> <li>2014/15 Report on completion of annual performance assessments</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>During the 2014/15 FY MM and senior managers reporting to MM all had signed performance agreements</li> <li>Annual performance assessments were conducted for MM and senior managers reporting to the MM for the 2014/15 FY</li> </ul>	Level 3

Standard criteria	Evidence documents	Moderation criteria	Level
	of MM and senior managers reporting to MM / Annual Performance assessments for MM and senior managers applicable to 2014/15 FY		
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality cascades individual performance management down to lower levels of staff</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof that the individual performance management is cascaded down to lower levels of staff</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality cascades individual performance management down to lower levels of staff</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>3</b>	<b>Key Performance Area:</b> Human Resource Management
<b>3.3</b>	<b>Performance Standard name:</b> The municipality has an appropriate system of administrative and operational, and financial delegations in place in terms of the Municipal Systems Act (Act 32 of 2000 as amended) and Municipal Finance Management Act, (Act 56 of 2003)
<p><b>Performance Standard definition:</b> A municipality must have an appropriate system of administrative and operational, and financial delegations in place as prescribed by the MSA and MFMA that will both maximise administrative and operational efficiency and provide adequate checks and balances within the municipal administration.</p> <p><b>Importance of the Standard:</b> Effective delegations result in improved service delivery through more efficient decision making closer to the point where services are rendered. An appropriate system of delegations will ensure that the workload of an Accounting Officer (MM), managers reporting to the MM, and CFO and or BTO manager are better managed therefore enabling them to devote more attention to strategic issues.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Systems Act (Act 32 of 2000 and as amended) Sections 59 to 65</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality did not have a system(s) of administrative and operational, and financial delegations applicable to the 2014/15 FY as prescribed by the MSA and MFMA respectively</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	Level 1
<ul style="list-style-type: none"> <li>• The municipality had a system(s) of administrative and operational, and financial delegations</li> </ul>	<ul style="list-style-type: none"> <li>• Delegations document(s)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The municipality had a system(s) of administrative</li> </ul>	Level 2



Standard criteria	Evidence documents	Moderation criteria	Level
applicable to the 2014/15 FY as prescribed by the MSA and the MFMA respectively, but said delegations had not been reviewed and updated after the last local government elections (2011)	applicable to 2014/15 FY	and operational, and financial delegations applicable to the 2014/15 FY as prescribed by the MSA and the MFMA respectively, but said delegations had not been reviewed and updated after the last local government elections (2011)	
<ul style="list-style-type: none"> <li>The municipality had a system(s) of administrative and operational, and financial delegations applicable to the 2014/15 FY as prescribed by the MSA and the MFMA respectively, which had been updated since the last local government elections (2011)</li> </ul>	<ul style="list-style-type: none"> <li>Council resolution approving the delegation(s)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had a system(s) of administrative and operational, and financial delegations applicable to the 2014/15 FY as prescribed by the MSA and the MFMA respectively, which had been updated since the last local government elections (2011)</li> </ul>	Level 3
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality monitors implementation and the effectiveness of the system(s) of delegations</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof that the municipality is monitoring the implementation and effectiveness of the system(s) of delegations</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality monitors implementation and the effectiveness of the system(s) of delegations</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	Level 4

<b>4</b>	<b>Key Performance Area:</b> Financial Management
<b>4.1</b>	<b>Performance Standard name:</b> Effective budget planning and management
<p><b>Performance Standard definition:</b>  The municipality plans and manages its budget effectively, ensuring that the municipality only budgets to spend what it will realistically have available. Funding sources for capital could include grant funding, borrowing, public contributions and other internal funding sources. Operational income includes grants, service charges and rates and taxes. Budget planning and management should facilitate economic use of resources over the short and medium term.</p> <p><b>Importance of the Standard:</b>  If a municipality does not have a budget that is planned and managed effectively, a municipality runs the risk of its revenue projections being unrealistic, operating expenses being too high, or the capital budget being too ambitious. Such budget imbalances impact negatively on the effectiveness with which the municipality is able to deliver services.</p> <p><b>Possible secondary data sources:</b>  Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General's report</li> <li>• NT Local Government database</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended, Municipal Structures Act (Act 117 of 1998) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Property Rates Act (Act 6 of 2004)</li> <li>• Municipal Fiscal Powers and Functions Act (Act 12 of 2007); and Regulations to these Acts</li> <li>• Municipal Budget and Reporting Regulations (MBRR), GG 32141 of 2009</li> <li>• MFMA Circular 71 Uniform Financial Ratio's and Norms (January 2014)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The 2014/15 budget was not adopted timeously</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The 2014/15 budget was adopted timeously</li> <li>Historical trends in expenditure informed the 2014/15 budget</li> </ul>	<ul style="list-style-type: none"> <li>Council resolution adopting the 2014/15 budget</li> <li>Schedule A of the annual budget for the 2014/15 financial year</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The 2014/15 budget was adopted timeously</li> <li>Historical trends in expenditure informed the 2014/15 budget</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>Budget monitoring during 2014/15 FY took place in accordance with the prescripts set out in the MBRR of the MFMA</li> <li>During 2014/15 FY Budget monitoring reports were tabled in council at least on a quarterly basis</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 FY Schedule C reports</li> <li>Extract of 2014/15 FY minutes of council meetings proving budget monitoring reports were tabled on a quarterly basis</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Budget monitoring during 2014/15 FY took place in accordance with the prescripts set out in the MBRR of the MFMA</li> <li>During 2014/15 FY Budget monitoring reports were tabled in council at least on a quarterly basis</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality has a cost saving / efficiencies programme in place</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof of implementation of a cost saving / efficiencies programme</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality has a cost saving / efficiencies programme in place</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>4</b>	<b>Key Performance Area:</b> Financial Management
<b>4.2</b>	<b>Performance Standard name:</b> Management of unauthorised, irregular and/or fruitless and wasteful expenditure
<p><b>Standard definition:</b> Ensure efficient and effective processes are in place to prevent, detect and report unauthorised, irregular and/or fruitless and wasteful expenditure</p> <p><b>Importance of the standard:</b> To encourage municipalities to have documented policies and procedures in place to prevent, detect and report the occurrence of unauthorised, irregular and/or fruitless and wasteful expenditure and to takes disciplinary action in this regard.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General's report</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Finance Management Act (Act 56 of 2003), and its Regulations</li> <li>• Municipal budget and reporting Regulations: Government Notice R393 of 2009</li> <li>• NT MFMA Circular 68 Unauthorised, irregular, fruitless and wasteful expenditure (May 2013)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality did not have a policy in place during 2014/15 FY that addressed the prevention, detection and reporting of unauthorised, irregular and/or fruitless and wasteful expenditure</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality had a policy in place that addressed the prevention, detection and reporting of unauthorised, irregular and/or fruitless and wasteful expenditure</li> <li>• During 2014/15 FY the Mayor /executive committee, MEC and AG were informed in writing</li> </ul>	<ul style="list-style-type: none"> <li>• Policy document relevant to 2014/15 FY</li> <li>• Proof that Mayor / executive committee, MEC and AG were informed in writing of</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality had a policy in place that addressed the prevention, detection and reporting of unauthorised, irregular and/or fruitless and wasteful expenditure</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
of such expenditure	unauthorised, irregular and/or fruitless and wasteful expenditure during 2014/15 FY	<ul style="list-style-type: none"> <li>During 2014/15 FY the Mayor /executive committee, MEC and AG were informed in writing of such expenditure</li> </ul>	
<ul style="list-style-type: none"> <li>During 2014/15 FY Council took decisions to recover, authorise or write-off unauthorised, irregular and/or fruitless and wasteful expenditure</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Council resolution(s) on action to be taken i.r.o. such expenditure</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>During 2014/15 FY Council took decisions to recover, authorise or write-off unauthorised, irregular and/or fruitless and wasteful expenditure</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>There has been a year-on-year reduction in irregular and/or fruitless and wasteful expenditure over 3 years up to the end of the 2014/15 FY</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Annual reports for the 2013/14 and 2014/15 FYs that prove a reduction in irregular and/or fruitless and wasteful expenditure over 3 years up to the end of the 2014/15 FY</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>There has been a year-on-year reduction in irregular and/or fruitless and wasteful expenditure over 3 years up to the end of the 2014/15 FY</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>4</b>	<b>Key performance area:</b> Financial Management
<b>4.3</b>	<b>Performance standard name:</b> Revenue Management
<p><b>Performance standard definition:</b>  <i>Revenue management</i> is a fundamental and routine financial management function of the municipality's revenue generating operation that encompasses, maintaining of revenue generating assets, accurate billing, collection activities in respect of trading services and property rates levied and maximising other revenue sources.</p> <p><b>Importance of the standard:</b>  Municipalities are expected to rely primarily on own revenue to finance their operations. The revenue management capacity of a municipality affects its ability to fulfil its mandate.</p> <p><b>Possible secondary data sources:</b>  Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• National Treasury Database</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended, Municipal Structures Act (Act 117 of 1998) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Property Rates Act (Act 6 of 2004)</li> <li>• National Treasury MFMA Circular 64: Revenue Management (November 2012)</li> <li>• Municipal Budget and Reporting Regulations (MBRR), GG 32141 of 2009</li> <li>• MFMA Circular 71 Uniform Financial Ratio's and Norms (January 2014)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>During the 2014/15 FY the municipality did not have revenue management policy(s), in place</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>The council adopted revenue management Policy(s) applicable to the 2014/15 FY which addressed: 1) Rates and taxes; 2) Credit control; 3) Debt collection; 4) Tariffs</li> </ul>	<ul style="list-style-type: none"> <li>Policy document(s) applicable to 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The council adopted revenue management Policy(s) applicable to the 2014/15 FY which addressed: 1) Rates and taxes; 2) Credit control; 3) Debt collection; 4) Tariffs</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>During 2014/15 FY the municipality maintained a collection rate of at least 95% in line with the national norm as per MFMA Circular 71</li> <li>During the 2014/15 FY revenue management and debt collections were reported to Council on a quarterly basis.</li> </ul>	<ul style="list-style-type: none"> <li>Table C1 of the 4th quarter report of 2014/15 FY from Schedule C.</li> <li>Extract of 2014/15 minutes of council meetings proving budget monitoring reports were tabled on a quarterly basis (already requested in std 4.1)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>During 2014/15 FY the municipality maintained a collection rate of at least 95% in line with the national norm as per MFMA Circular 71</li> <li>During the 2014/15 FY revenue management and debt collections were reported to Council on a quarterly basis.</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>There is a reduction in total debt over 3 years up to the end of the 2014/15 FY</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Annual reports for the 2013/14 and 2014/15 FYs that prove a reduction in total debt over 3 years up to the end of the 2014/15 FY (already requested under std 4.2)</li> <li>Other - please specify (should insufficient evidence be available,</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>There is a reduction in total debt over 3 years up to the end of the 2014/15 FY</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

Standard criteria	Evidence documents	Moderation criteria	Level
	please select No)		



<b>4</b>	<b>Key performance area:</b> Financial Management – Supply Chain Management
<b>4.4.1</b>	<b>Performance standard name:</b> Demand Management
<p><b>Performance standard definition:</b></p> <p>Supply Chain Management (SCM) could be described as a process that ensures that goods, works or services are delivered at the right place, quantity, quality, cost and time. Demand Management constitutes the planning phase of the SCM function. The objective is to ensure that the resources required to fulfil the needs identified in the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP) of the municipality are available.</p> <p><b>Importance of the standard:</b></p> <p>Demand management within SCM forms an integral part of a series of activities that will contribute to achieving the measured goals of the municipality by ensuring that goods, works or services are delivered as originally envisaged; with a reliable standard of quality and to the satisfaction of end-users.</p> <p><b>Possible secondary data sources:</b></p> <p>Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• ,</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Supply Chain Management Regulations as published under GN 868 in GG 27636 dated 30 May 2005</li> <li>• MFMA Circular 62 Supply Chain Management: Enhancing compliance and accountability (July 2013)</li> <li>• Preferential Procurement Policy Framework Act (Act 5 of 2000)</li> <li>• Broad-Based Black Economic Empowerment Act (Act 53 of 2003) as amended</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY did not address demand management</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY addressed demand management</li> <li>The municipality had a schedule of procurement plans for 2014/15 (This refers to all municipal procurement above a transaction value of R200 000 (VAT included) and procurement of multi-year contracts)</li> </ul>	<ul style="list-style-type: none"> <li>Approved SCM policy applicable to 2014/15 FY</li> <li>Schedule of procurement plans for 2014/15 FY (Annexure B of National Treasury MFMA Circular 62 SCM: Enhancing compliance and accountability)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY addressed demand management</li> <li>The municipality had a schedule of procurement plans for 2014/15 (This refers to all municipal procurement above a transaction value of R200 000 (VAT included) and procurement of multi-year contracts)</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The SCM unit monitored compliance to the procurement plans during the 2014/15 FY (listed in the schedule) and submitted reports to this effect to the MM</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 SCM Monitoring reports</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The SCM unit monitored compliance to the procurement plans during the 2014/15 FY (listed in the schedule) and submitted reports to this effect to the MM</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality manages its procurement demands through a comprehensive plan that <i>covers</i> all the municipal procurement needs above and below R200 000</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Demand management plan (or relevant document proving criteria is met)</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality manages its procurement demands through a comprehensive plan that <i>covers</i> all the municipal procurement needs above and below R200 000</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>4</b>	<b>Key performance area:</b> Financial Management – Supply Chain Management
<b>4.4.2</b>	<b>Performance standard name:</b> Acquisition Management
<p><b>Performance standard definition:</b> Supply Chain Management (SCM) could be described as a business process that ensures that goods, works or services are delivered at the right place, quantity, quality, cost and time. <b>Acquisition Management</b> is the procurement phase of the SCM function. The objective is to ensure that municipalities have processes in place for the management of the entire acquisition process.</p> <p><b>Importance of the standard:</b> To encourage municipalities to procure goods, works and services in a manner that promotes the constitutional principles of fairness, equity, transparency, competitiveness and cost-effectiveness.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Supply Chain Management Regulations as published under GN 868 in GG 27636 dated 30 May 2005</li> <li>• MFMA Circular 62 Supply Chain Management: Enhancing compliance and accountability (July 2013)</li> <li>• SCM: A guide for Accounting Officers of Municipalities and Municipal Entities, National Treasury, 2005</li> <li>• Preferential Procurement Policy Framework Act (Act 5 of 2000)</li> <li>• Broad-Based Black Economic Empowerment Act (Act 53 of 2003) as amended</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>

Standard criteria	Evidence documents	Moderation criteria	Level
to the 2014/15 FY did not address acquisition management			
<ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY addressed acquisition management</li> <li>The municipality had a bid register for 2014/15 FY in respect of advertised competitive bids (This refers to all municipal procurement above a transaction value of R200 000 (VAT included) and procurement of multi-year contracts)</li> <li>The municipality advertised a request for prospective providers to register with the municipality for the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Approved SCM policy applicable to 2014/15 FY (already requested under std 4.4.1)</li> <li>2014/15 Bid register</li> <li>Advertisement to register providers for the 2014/15 financial year</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY addressed acquisition management</li> <li>The municipality had a bid register for 2014/15 FY in respect of advertised competitive bids (This refers to all municipal procurement above a transaction value of R200 000 (VAT included) and procurement of multi-year contracts)</li> <li>The municipality advertised a request for prospective providers to register with the municipality for the 2014/15 FY</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The municipality's list of accredited prospective providers for 2014/15 FY met NT requirements as set out in MFMA Regulation 14</li> <li>Service Providers' performance on services rendered during the 2014/15 FY were reported upon</li> </ul>	<ul style="list-style-type: none"> <li>Sample of 2014/15 list of accredited prospective providers</li> <li>2014/15 Annual Performance report</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality's list of accredited prospective providers for 2014/15 FY met NT requirements as set out in MFMA Regulation 14</li> <li>Service Providers' performance on services rendered during the 2014/15 FY were reported upon</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The prior performance of providers are taken into account when adjudicating bids</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided,</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof that bid adjudication is informed by prior performance of service providers</li> <li>Other - please specify</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The prior performance of providers are taken into account when adjudicating bids</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by</li> </ul>	<b>Level 4</b>

Standard criteria	Evidence documents	Moderation criteria	Level
alternatively select No)	(should insufficient evidence be available, please select No)	municipality, please select No)	

<b>4</b>	<b>Key performance area:</b> Financial Management – Supply Chain Management
<b>4.4.3</b>	<b>Performance standard name:</b> Logistics management
<p><b>Performance standard definition:</b> Supply Chain Management (SCM) could be described as a business process that ensures that goods, works or services are delivered at the right place quantity, quality, cost and time. <b>Logistics management</b> is the management of inventory and comprises of the issuing of orders, storage of goods, and distribution of inventory, contract management and management of assets.</p> <p><b>Importance of the standard:</b> To encourage municipalities to adopt policies and procedures that promote the principles of efficiency, effectiveness and economy in managing assets, goods held as inventory and /or services rendered.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• ,</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Supply Chain Management Regulations as published under GN 868 in GG 27636 dated 30 May 2005</li> <li>• MFMA Circular 62 Supply Chain Management: Enhancing compliance and accountability (July 2013)</li> <li>• SCM: A guide for Accounting Officers of Municipalities and Municipal Entities, National Treasury, 2005</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable to the 2014/15 FY did not address logistics management</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable</li> </ul>	<ul style="list-style-type: none"> <li>• Approved SCM policy</li> </ul>	Moderators to verify that:	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
to the 2014/15 FY addressed logistics management	applicable to 2014/15 FY (already requested under std 4.4.1)	<ul style="list-style-type: none"> <li>The municipality's approved SCM policy applicable to the 2014/15 FY addressed logistics management</li> </ul>	
<ul style="list-style-type: none"> <li>Municipality monitored the receiving and issuing of goods on an ongoing basis during the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Report(s) /Records on receiving and issuing of goods</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Municipality monitored the receiving and issuing of goods on an ongoing basis during the 2014/15 FY</li> </ul>	Level 3
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The existence of innovative inventory management processes to minimise stock holding costs while ensuring uninterrupted service</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof of innovative inventory management</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The existence of innovative inventory management processes to minimise stock holding costs while ensuring uninterrupted service</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	Level 4

<b>4</b>	<b>Key performance area:</b> Financial Management – Supply Chain Management
<b>4.4.4</b>	<b>Performance standard name:</b> Disposal Management
<p><b>Performance standard definition:</b> Supply Chain Management (SCM) could be described as a business process that ensures that goods, works or services are delivered at the right place, quantity, quality, cost and time. <b>Disposal management</b> entails the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to section 14 of the MFMA.</p> <p><b>Importance of the standard:</b> To encourage municipalities to adopt disposal techniques which are consistent with MFMA principles of efficiency, effectiveness and economy.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended,</li> <li>• Municipal Finance Management Act (Act 56 of 2003),</li> <li>• Municipal Supply Chain Management Regulations as published under GN 868 in GG 27636 dated 30 May 2005</li> <li>• MFMA Circular 62 Supply Chain Management: Enhancing compliance and accountability (July 2013)</li> <li>• SCM: A guide for Accounting Officers of Municipalities and Municipal Entities, National Treasury, 2005</li> <li>• Municipal Asset transfer regulations</li> <li>• National Treasury MFMA: R 878 Local Government: Municipal Asset Transfer Regulations (2008)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable to the 2014/15 FY did not address disposal management</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	Level 1
<ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable to the 2014/15 FY addressed disposal management</li> </ul>	<ul style="list-style-type: none"> <li>• Approved SCM policy applicable to 2014/15 FY (already requested under</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The municipality’s approved SCM policy applicable</li> </ul>	Level 2



Standard criteria	Evidence documents	Moderation criteria	Level
	std 4.4.1)	to the 2014/15 FY addressed disposal management	
<ul style="list-style-type: none"> <li>The municipality included a record of unserviceable, redundant or obsolete assets as part of its asset register applicable to the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Extract of the 2014/15 asset register where unserviceable, redundant or obsolete assets are recorded</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality included a record of unserviceable, redundant or obsolete assets as part of its asset register applicable to the 2014/15 FY</li> </ul>	Level 3
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality periodically reviews its SCM policy w.r.t. disposal management</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof of SCM policy review w.r.t. disposal management</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality periodically reviews its SCM policy w.r.t. disposal management</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	Level 4

<b>5</b>	<b>Key Performance Area:</b> Community Engagement/Participation
<b>5.1</b>	<b>Performance Standard name:</b> Functional ward committees
<p><b>Performance Standard definition:</b>  A central tenet of the Back to Basics campaign is to improve responsiveness of the municipal council to the basic concerns of the citizens such as fixing potholes, non-functioning traffic lights, service interruptions, billing queries etc. Functional ward committees are essential in ensuring community engagements and participation in the development of ward level service improvement plans that respond to the priority needs of the citizens.</p> <p><b>Importance of the Standard:</b>  The Constitution provides that the first object of local government is to provide democratic and accountable government for local communities. Therefore, local government needs to have structures and systems in place to enhance participatory democracy.</p> <p><b>Possible secondary data sources:</b>  Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Municipal Structures Act (Act 117 of 1998 and as amended)</li> <li>• Guidelines for the establishment and operation of municipal ward committees GN 965 of 2005</li> <li>• National framework: Criteria for determining out-of-pocket expenses for ward committee members (Government Notice 973 of 2009) as per the Municipal Structures Act 117 of 1998</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• Not all ward committees were established by 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• All ward committees were established by 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• 2014/15 Report(s) on the establishment of ward</li> </ul>	Moderators to verify that:	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
	committees	<ul style="list-style-type: none"> <li>All ward committees <i>were</i> established by 2014/15 FY</li> </ul>	
<ul style="list-style-type: none"> <li>The municipality provided for out-of-pocket expenses for ward committee members in support of performing their duties during 2014/15 FY</li> <li>Ward level service improvement plans had been developed by 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Ward committee member payment reports</li> <li>Report on the development of Ward level service improvement plans for 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality provided for out-of-pocket expenses for ward committee members in support of performing their duties during 2014/15 FY</li> <li>Ward level service improvement plans had been developed by 2014/15 FY</li> <li></li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>Registers of complaints, queries and requests from the community are kept and attended to by the ward committees.</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Most recent consolidated register of community complaints, queries and requests per ward indicating how these were attended to.</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Complaints, queries and requests from the community are registered and attended to by the ward committees.</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>5</b>	<b>Key Performance Area:</b> Community Engagement/Participation
<b>5.2</b>	<b>Performance Standard name:</b> Service Standards
<p><b>Performance Standard definition:</b> The main purpose of a service delivery charter/ service standards is to express a commitment to service delivery by way of engaging customers on the standards of service to expect and what to do if the promised level of service is not delivered.</p> <p><b>Importance of the Standard:</b> A service delivery charter / service standards expresses a commitment to service delivery in which published standards of service delivery are maintained; the fair treatment of all end-users as customers is encouraged; customers' rights are protected; and relationships with customers are enhanced.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000 and as amended)</li> <li>• Municipal Structures Act (Act 117 of 1998 and as amended)</li> <li>• Batho Pele Handbook - A Service Delivery Improvement Guide (2007)</li> <li>• White Paper on Transforming Public Service Delivery (1997)</li> <li>• The Promotion of Access to Information Act (Act 2 of 2000)</li> <li>• Water services Act (Act 103 of 1997)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• The municipality did not have service standards in place during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• There was at least draft service standards in place during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• Draft service standards applicable to the 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• There was at least draft service standards in place</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
		during 2014/15 FY	
<ul style="list-style-type: none"> <li>There was approved service standards applicable to the 2014/15 FY</li> <li>There was a complaints management system in place to address customer complaints, queries, concerns and suggestions during the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Approved service standards applicable to the 2014/15 FY</li> <li>2014/15 municipal complaints register</li> </ul>	Moderators to verify that: <ul style="list-style-type: none"> <li>There was approved service standards applicable to the 2014/15 FY</li> <li>There was a complaints management system in place address customer complaints queries, concerns and suggestions during the 2014/15 FY</li> </ul>	<b>Level 3</b>
Municipality is level 3 compliant and i.e.: <ul style="list-style-type: none"> <li>The municipality conducted customer satisfaction survey(s) during the last three years</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	Municipality is level 3 compliant and: <ul style="list-style-type: none"> <li>Most recent customer satisfaction survey summary report</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	Municipality is level 3 compliant and: Moderators to verify that: <ul style="list-style-type: none"> <li>The municipality conducted customer satisfaction survey(s) during the last three years</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>6</b>	<b>Key Performance Area: Governance</b>
<b>6.1</b>	<b>Performance Standard name:</b> Functionality of executive structures
<p><b>Standard definition:</b> The municipality has functioning and effective executive structures</p> <p><b>Importance of Standard:</b> The municipality has formalised executive structures in place that make strategic decisions, and monitor the achievement of strategic objectives and decisions</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Structures Act (Act 117 of 1998 and as amended) and its regulations</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended</li> <li>• Municipal Finance Management Act (Act 56 of 2003)</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The Municipality's executive structures did not meet at least quarterly during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The functions of executive structures are formally documented</li> </ul>	<ul style="list-style-type: none"> <li>• Document detailing the functions of Executive structures (i.e. Terms of reference/ Municipal Rules and orders / Delegations / Council resolution)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The functions of executive structures are formally documented</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>Executive structures meetings took place at least quarterly during 2014/15 FY</li> <li>Executive decisions were clearly documented (i.e. adoption/ approval of policies, by-laws, delegations) during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Attendance registers proving executive structures met at least quarterly during 2014/15 FY</li> <li>Extract of resolutions register for 2014/15</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Executive structures meetings took place at least quarterly during 2014/15 FY</li> <li>Executive decisions were clearly documented (i.e. adoption/ approval of policies, by-laws, delegations) during 2014/15 FY</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>To claim level 4 please specify innovative practice (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Please specify evidence to prove innovative practice claimed (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>6</b>	<b>Key Performance Area:</b> Governance
<b>6.2</b>	<b>Performance Standard name:</b> Assessment of responses to audit findings
<p><b>Performance Standard definition:</b> Audit findings are addressed to promote good administrative practices and governance</p> <p><b>Importance of the Standard:</b> Audit findings are based on an independent and extensive verification process of the annual financial statements, the performance information and compliance to legislative requirements. 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.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Constitution of the Republic of South Africa (Act 108 of 1996 and as amended)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended</li> <li>• Municipal Structures Act (Act 117 of 1998) and as amended</li> <li>• Municipal Finance Management Act (Act 56 of 2003)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The municipality did not prepare an Audit Action plan that responded to matters (financial statements, performance information and/or compliance) raised in the 2013/14 management letter issued by the Office of the AG</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>



Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>The municipality prepared an Audit Action plan that responded to matters (financial statements, performance information and/or compliance) raised in the 2013/14 management letter issued by the Office of the AG</li> </ul>	<ul style="list-style-type: none"> <li>Audit Action plan prepared in response to the 2013/14 AG Management letter</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality prepared an Audit Action plan that responded to matters (financial statements, performance information and/or compliance) raised in the 2013/14 management letter issued by the Office of the AG</li> </ul>	<b>Level 2</b>
<ul style="list-style-type: none"> <li>The Audit action plan prepared in response to the 2013/14 AG Management letter did set out responsibilities for relevant managers and timeframes for completion of actions</li> <li>Progress against the implementation of the Audit action plan prepared in response to the 2013/14 AG Management letter was monitored by Internal Audit</li> </ul>	<ul style="list-style-type: none"> <li>(Refer to Audit action plan already requested above)</li> <li>Internal Audit monitoring report(s) on the implementation of the Audit action plan prepared in response to the 2013/14 AG Management letter</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The Audit action plan prepared in response to the 2013/14 AG Management letter did set out responsibilities for relevant managers and timeframes for completion of actions</li> <li>Progress against the implementation of the Audit action plan prepared in response to the 2013/14 AG Management letter was monitored by Internal Audit</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality is continuously (for at least three years) maintaining an unqualified audit opinion</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Audit reports for three consecutive years up to the most recent</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality is continuously (for at least three years) maintaining an unqualified audit opinion</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>6</b>	<b>Key Performance Area: Internal Audit</b>
<b>6.3</b>	<b>Performance Standard name:</b> Assessment of Internal Audit
<p><b>Performance Standard definition:</b> The municipality has an internal audit unit/capacity that meets the requirements of the Local Government Municipal Finance Management Act, (Act No 56 of 2003) and its regulations.</p> <p><b>Importance of the Standard:</b> 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. Internal Audit activity within municipalities assists the Accounting Officer (MM) and Audit Committee to discharge their responsibilities.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Finance Management Act, ( Act No 56 of 2003),</li> <li>• MFMA Circular No. 65: Internal Audit and audit Committee (2012)</li> <li>• Internal Audit Framework of the National Treasury (2009),</li> <li>• The Institute of Internal Auditors South Africa's (IIASA) International Standards for the Professional Practise of Internal Auditing (ISPPIA),</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The municipality did not have an internal audit unit or shared capacity during the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	Level 1
<ul style="list-style-type: none"> <li>• The municipality had an internal audit unit/capacity or shared unit during the 2014/15 FY (or the unit is co-sourced or outsourced)</li> </ul>	<ul style="list-style-type: none"> <li>• Structure and staff profile of internal audit unit (number, rank and qualifications) / Service</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The municipality had an internal audit unit/ capacity or shared unit during the 2014/15 FY (or</li> </ul>	Level 2

Standard criteria	Evidence documents	Moderation criteria	Level
	Level Agreement where the internal audit service is outsourced	the unit is co-sourced or outsourced)	
<ul style="list-style-type: none"> <li>The municipality had a risk based 3 year Internal audit plan covering the 2014/15, 2015/16 and 2016/17 FYs approved by the Audit Committee</li> <li>The internal audit unit/ capacity or shared unit had an approved internal audit charter applicable to the 2014/15 FY</li> <li>The Internal Audit unit submitted quarterly reports to the Audit Committee on the implementation of the 2014/15 Internal Audit plan in terms of Section 165 2(b) of MFMA</li> <li>The Internal Audit Unit had conducted an internal assessment in terms of ISPPIA 1311 (International standards for the Professional Practise of Internal Auditing) which appraised, amongst others, compliance with the IAA Charter, the IAA methodology and compliance with the IIA standards 1311 and note an opinion i.t.o.: 1) Generally conformed to the IIA standards; or 2) Partially conformed to the IIA standards; or 3) Did not conform to the IIA standards</li> </ul>	<ul style="list-style-type: none"> <li>Approved 3 year rolling plan covering the 2014/15, 2015/16 and 2016/17 FY</li> <li>Approved Internal Audit Charter applicable to the 2014/15 FY</li> <li>2014/15 Quarterly Internal Audit progress reports</li> <li>Most recent Internal assessment report</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had a risk based 3 year Internal audit plan covering the 2014/15, 2015/16 and 2016/17 FYs approved by the Audit Committee</li> <li>The internal audit unit/ capacity or shared unit had an approved internal audit charter applicable to the 2014/15 FY</li> <li>The Internal Audit unit submitted quarterly reports to the Audit Committee on the implementation of the 2014/15 Internal Audit plan in terms of Section 165 2(b) of MFMA</li> <li>An internal quality assurance review had been conducted which appraised, amongst others, compliance with the IAA Charter, the IAA methodology and compliance with the IIA standards 1311 and note an opinion i.t.o.: 1) Generally conformed to the IIA standards; or 2) Partially conformed to the IIA standards; or 3) Did not conform to the IIA standards</li> </ul>	Level 3

Standard criteria	Evidence documents	Moderation criteria	Level
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>Internal audit unit/capacity or shared unit had been subjected to an external review during the past 5 years in terms of ISPPIA 1312 AND obtained an opinion that indicated general conformance to ISPPIA 1312</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Latest External Quality Assurance Review Report (External 5 year Review) by the IIASA or other Accredited Assessor which met the requirements of Standard 1312 AND obtained opinion that indicated general conformance to ISPPIA 1312</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Internal audit unit/capacity or shared unit had been subjected to an external review during the past 5 years in terms of ISPPIA 1312 AND obtained an opinion that indicated general conformance to ISPPIA 1312</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	Level 4

<b>6</b>	<b>Key Performance Area: Accountability</b>
<b>6.4</b>	<b>Performance Standard name:</b> Assessment of accountability mechanisms (Audit Committee)
<p><b>Standard definition:</b> The municipality has a properly constituted Audit Committee - or shared Audit Committee – which is an independent advisory body that carries out the functions listed in terms of Section 166 (2) and (3) of the Local Government Municipal Finance Management Act and its regulations.</p> <p><b>Importance of Standard:</b> 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><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Finance Management Act (Act 56 Of 2003)</li> <li>• MFMA Circular 65: Internal Audit and Audit Committee (2012)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended</li> <li>• Internal Audit Framework of the National Treasury (2009)</li> <li>• Local Government: Municipal Planning and Performance Management Regulations 2001</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The municipality did not have an audit committee or shared capacity in place during the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality had an audit committee or shared service in place that comprised of at least 3 persons (including chairperson) of whom the majority were not in the</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment letters for Audit Committee members and/or letters of renewal or extension of contracts applicable to the</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• During 2014/15 FY the municipality had an audit committee or shared service in place that comprised of at least 3 persons (including</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
employ of the municipality	2014/15 FY	chairperson) of whom the majority were not in the employ of the municipality	
<ul style="list-style-type: none"> <li>Audit Committee had an approved Audit Committee Charter applicable to the 2014/15 FY</li> <li>During 2014/15 FY the Audit committee met at least quarterly</li> <li>During 2014/15 FY the Chairperson of Audit Committee submitted reports to council at least on a quarterly basis on the operations of the municipality as per the scope of its charter</li> </ul>	<ul style="list-style-type: none"> <li>2014/15 Approved Audit Committee Charter</li> <li>2014/15 FY Audit Committee meetings' attendance registers</li> <li>2014/15 Quarterly Report(s) by Chairperson of Audit Committee to council</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Audit Committee had an approved Audit Committee Charter applicable to the 2014/15 FY</li> <li>During 2014/15 FY the Audit committee met at least quarterly</li> <li>During 2014/15 FY the Chairperson of Audit Committee submitted reports to council at least on a quarterly basis on the operations of the municipality as per the scope of its charter</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The Audit committee is regularly assessed by stakeholders such as Council, Office of the Auditor General, management, internal audit function etc. in respect of their performance</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Most recent assessment report</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The Audit committee is regularly assessed by stakeholders such as Council, Office of the Auditor General, management, internal audit function etc. in respect of their performance</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

<b>6</b>	<b>Key Performance Area: Ethics</b>
<b>6.5</b>	<b>Performance Standard name:</b> Assessment of policies and systems to ensure professional ethics
<p><b>Standard definition:</b> The municipality has systems and policies in place to promote ethics and discourage unethical behaviour and corruption.</p> <p><b>Importance of Standard:</b> 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), including traditional leaders identified by the MEC in terms of S81(2)(a) of the Municipal Structures Act, require municipal officials, councillors and such traditional leaders to respectively 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.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul> <p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Systems Act (Act 32 of 2000 and as amended) and Regulations to these Acts</li> <li>• Municipal Structures Act (Act 117 of 1998 and as amended) and its regulations</li> <li>• Municipal Finance Management Act (Act 56 of 2003) (Chapter 15)</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The Municipality do not communicate the Code of Conduct to new employees</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The Municipality communicates the Code of Conduct to new employees</li> <li>• More than 50% but less than 100% of Section 56 managers and the MM completed/updated/confirmed their declaration of interest during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• Proof that the Code of conduct is communicated to new employees (i.e. as part of welcome pack, as item on induction programme, etc.)</li> <li>• Report on completion of</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The Municipality communicates the Code of Conduct to new employees</li> <li>• More than 50% but less than 100% of Section 56 managers and the MM completed/updated/confirmed their declaration of</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
	Declarations of interest for the 2014/15 FY	interest during 2014/15 FY	
<ul style="list-style-type: none"> <li>All Section 56 managers and the MM completed/updated/confirmed financial disclosures during 2014/15 FY</li> <li>Council monitored the completion of declarations of interest during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>Report on completion of Declarations of interest for the 2014/15 FY (already requested above)</li> <li>Proof that Council monitored the completion of declarations of interest during 2014/15 FY</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>All Section 56 managers and the MM completed/updated/confirmed financial disclosures during 2014/15 FY</li> <li>Council monitored the completion of declarations of interest during 2014/15 FY</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality requires section 56 managers and the MM to formally confirm or update the correctness of their financial interests on at least a quarterly basis</li> <li>The municipality provides training on understanding and applying the Code of Conduct to employees</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Evidence proving that section 56 managers and the MM formally confirmed or updated their financial interests at least quarterly</li> <li>Attendance registers of training conducted</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality requires section 56 managers and the MM to formally confirm or update the correctness of their financial interests on at least a quarterly basis</li> <li>That the municipality provides training on understanding and applying the Code of Conduct</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>



<b>6</b>	<b>Key Performance Area: Ethics</b>
<b>6.6</b>	<b>Performance Standard name:</b> Prevention of Fraud and Corruption
<p><b>Standard definition:</b> The municipality has measures and the requisite capacity in place to prevent and combat fraud and corruption.</p> <p><b>Importance of Standard:</b> Combating corruption will improve service delivery, as well as the efficient and responsible use of public resources.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• Latest Auditor General’s report</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Prevention and Combating of Corrupt Activities Act 12 of 2004,</li> <li>• The Protected Disclosure Act 26 of 2000,</li> <li>• Section 195 of the Constitution of the Republic of South Africa of 1996 and as amended,</li> <li>• Local Government Anti-Corruption Strategy (DPLG)</li> <li>• Municipal Finance Management Act (Act 56 Of 2003)</li> <li>• Municipal Systems Act (Act 32 of 2000) and as amended</li> <li>• Public service anti-corruption strategy</li> </ul>	

<b>Standard criteria</b>	<b>Evidence documents</b>	<b>Moderation criteria</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>• The municipality did not have a fraud prevention and/or an anti-corruption plan, in place during 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• The municipality had at least a draft fraud prevention and anti-corruption plan applicable to the 2014/15 FY that included : 1) Fraud and corruption risk assessment; 2) Awareness campaigns on the prevention of fraud and corruption 3) To whom and how fraud and</li> </ul>	<ul style="list-style-type: none"> <li>• Draft fraud prevention and anti- corruption plan</li> <li>• Draft whistleblowing policy (separately or part of the fraud prevention</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• The existence of a draft fraud prevention plan, and anti-corruption plan applicable to the 2014/15 FY that included: 1) Fraud and corruption risk assessment; 2) Awareness campaigns on the</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
<p>corruption should be reported; 4) Reporting on investigations</p> <ul style="list-style-type: none"> <li>The municipality had at least a draft whistleblowing policy applicable to the 2014/15 FY (separately or part of the fraud prevention and anti-corruption plan)</li> </ul>	<p>and anti-corruption plan)</p>	<p>prevention of fraud and corruption 3) To whom and how fraud and corruption should be reported; 4) Reporting on investigations</p> <ul style="list-style-type: none"> <li>The existence of a draft whistleblowing policy applicable to the 2014/15 FY (separately or part of the fraud prevention and anti-corruption plan)</li> </ul>	
<ul style="list-style-type: none"> <li>The municipality had an approved fraud prevention and anti-corruption plan applicable to the 2014/15 FY that included: 1) Fraud and corruption risk assessment; 2) Awareness campaigns on the prevention of fraud and corruption 3) To whom and how fraud and corruption should be reported; 4) Reporting on investigations</li> <li>The municipality had an approved whistleblowing policy applicable to the 2014/15 FY (separately or part of the fraud prevention and anti-corruption plan)</li> <li>The municipality applied disciplinary procedures and/or instituted criminal procedures and/or civil procedures where fraud and corruption occurred during 2014/15 FY (in instances where no cases occurred the municipality can claim a yes and indicate accordingly)</li> </ul>	<ul style="list-style-type: none"> <li>Approved fraud prevention and anti-corruption plan</li> <li>Approved whistleblowing policy (separately or part of the fraud prevention and anti-corruption plan)</li> <li>2014/15 Monitoring reports in respect of investigations carried out</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The existence of approved fraud prevention plan, and anti-corruption plan applicable to the 2014/15 FY that included: 1) Fraud and corruption risk assessment; 2) Awareness campaigns on the prevention of fraud and corruption 3) To whom and how fraud and corruption should be reported; 4) Reporting on investigations</li> <li>The existence of an approved whistleblowing policy applicable to the 2014/15 FY (separately or part of the fraud prevention and anti-corruption plan)</li> <li>The municipality applied disciplinary procedures and/or instituted criminal procedures and/or civil procedures where fraud and corruption occurred during 2014/15 FY (in instances where no cases occurred the municipality can claim a yes and indicate accordingly)</li> </ul>	Level 3

Standard criteria	Evidence documents	Moderation criteria	Level
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>The municipality is effectively curbing the occurrence of fraud and corruption</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Proof of reduced occurrences of fraud and corruption</li> <li>Other - please specify (should insufficient evidence be available, please select No)</li> </ul>	<p>Municipality is level 3 compliant and: Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality is effectively curbing the occurrence of fraud and corruption</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<p><b>Level 4</b></p>

<b>6</b>	<b>Key Performance Area:</b> Risk Management
<b>6.7</b>	<b>Performance Standard name:</b> Functional Risk management unit/committee
<p><b>Performance Standard definition:</b> The municipality has established functional risk management structures and has requisite capacity in place to monitor and manage risk.</p> <p><b>Importance of the Standard:</b> 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. Proper assessment of risk can help the municipality mitigate and sometimes even overcome risks that may constrain the achievement of its goals and objectives.</p> <p><b>Possible secondary data sources:</b> Secondary data sources refers to documentation produced by entities external to the municipality – i.e. by provincial-, sector- departments, etc. which may assist moderators to validate assessment scores against the criteria set out in the standard:</p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	
<p><b>Relevant legislation, policies, guidelines / circulars:</b></p> <ul style="list-style-type: none"> <li>• Municipal Finance Management Act (Act No 56 of 2003),</li> <li>• Public Sector Risk Management Framework (2010), National Treasury</li> <li>• Chapter 4 of the King III report (2009)</li> </ul>	

Standard criteria	Evidence documents	Moderation criteria	Level
<ul style="list-style-type: none"> <li>• During the 2014/15 FY the municipality did not have dedicated capacity to perform the risk management function</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Level 1</b>
<ul style="list-style-type: none"> <li>• During the 2014/15 FY the Municipality had dedicated capacity to perform the risk management function</li> <li>• The municipality had at least a draft risk management policy and strategy applicable to the 2014/15 FY</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence of dedicated capacity to perform the risk management function</li> <li>• Draft risk management policy and strategy</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>• During the 2014/15 FY the Municipality had dedicated capacity to perform the risk management function</li> <li>• The municipality had at least a draft risk management policy and strategy applicable to the</li> </ul>	<b>Level 2</b>

Standard criteria	Evidence documents	Moderation criteria	Level
		2014/15 FY	
<ul style="list-style-type: none"> <li>The municipality <i>had</i> an approved risk management policy and strategy applicable to the 2014/15 FY</li> <li>The municipality had completed a risk assessment that informed the review of its risk register for the 2014/15 FY</li> <li>The implementation of risk management activities was monitored during 2014/15 FY</li> <li>During 2014/15 the risk management reports were tabled to the risk management structure</li> <li>During 2014/15 the risk management reports were tabled to the audit committee</li> </ul>	<ul style="list-style-type: none"> <li>Approved risk management policy and strategy applicable to the 2014/15 FY</li> <li>2014/15 Risk assessment report/Risk register</li> <li>2014/15 Quarterly Risk management reports</li> <li>2014/15 Minutes of quarterly risk management structure meetings (extract of minutes proving report was tabled)</li> <li>2014/15 Minutes of audit committee meetings (extract of minutes proving report was tabled)</li> </ul>	<p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>The municipality had an approved risk management policy and strategy applicable to the 2014/15 FY</li> <li>The municipality had completed a risk assessment/reviewed its risk register for the 2014/15 FY</li> <li>The implementation of risk management activities was monitored during 2014/15 FY</li> <li>During 2014/15 the risk management reports were tabled to the risk management structure</li> <li>During 2014/15 the risk management reports were tabled to the audit committee</li> </ul>	<b>Level 3</b>
<p>Municipality is level 3 compliant and i.e.:</p> <ul style="list-style-type: none"> <li>Management acts on risk management reports</li> <li>Other - please specify (Sufficient detail must be provided in the comment box explaining the practice with reference to evidence provided, alternatively select No)</li> </ul>	<p>Municipality is level 3 compliant and:</p> <ul style="list-style-type: none"> <li>Minutes of management meetings (extract of minutes proving risk management reports are considered and acted upon)</li> <li>Other - please specify (should insufficient</li> </ul>	<p>Municipality is level 3 compliant and:</p> <p>Moderators to verify that:</p> <ul style="list-style-type: none"> <li>Management acts on risk management reports</li> <li>Verify adequacy of evidence to substantiate claims by municipality in technical assessment (should insufficient details /evidence be provided by municipality, please select No)</li> </ul>	<b>Level 4</b>

Standard criteria	Evidence documents	Moderation criteria	Level
	evidence be available, please select No)		