

**13.****ESTABLISHMENT OF MUNICIPAL MODERATION COMMITTEE****L Bucchianeri  
10 October 2024****Divisional Manager:Human Resources Management  
(028) 313 8120****1. Executive Summary**

The purpose of this report is to request approval of Council the Establishment of Municipal Moderation Committee.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Corporate Services  
Division: Human Resources Management

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services  
Creation and maintenance of a safe and healthy environment

**4. Delegated Authority**

None

**5. Legal Requirements**

The Municipal Staff Regulations NO.890  
Guidelines for the Implementation of the Municipal Staff Regulations NO.891

**6. Background/Discussion/Evaluation/Conclusion****Background**

The Minister of Cooperative Government and Traditional Affairs promulgated the Municipal Staff Regulation and the guidelines for implementation of the Municipal Staff Regulation in Government Gazette No 45181, which came into effect on 1 July 2022.

In terms of section 39 (7) and (8) of the regulations the following:

“(7) The municipal moderation committee shall be constituted as follows:

- (a) The municipal manager, who must act as the chairperson of the committee;
- (b) all heads of departments;
- (c) head of municipal planning and organisational performance;
- (d) head of the municipal internal audit;

- (e) a senior human resource functionary to guide, advise and provide support, including arrangements for secretariat services; and
- (f) a performance specialist, where applicable.

(8) The purpose of the municipal moderation committee is to—

- (a) provide oversight over the staff performance management and development system to ensure the performance management process is valid, fair and objective;
- (b) moderate the overall performance assessment score for staff determined after the departmental moderation processes;
- (c) ensure that the final individual performance ratings are fair across each grade and department or directorate;
- (d) ensure that the final individual assessment outcome corresponds with the performance of the municipality and the relevant department aligned to the staff member's job description or directorate before any recognition of performance is considered;
- (e) determine the percentages for the merit based rewards subject to affordability and the annual approved municipal budget in terms of section 16 of the Municipal Finance Management Act;
- (f) recommend appropriate recognitions for different levels of performance;
- (g) recommend appropriate remedial actions for performance believed to be substandard;
- (h) advise the municipality on recognition of performance, including financial and nonfinancial rewards, where applicable;
- (i) identify potential challenges in the performance management system and recommend appropriate solutions to the municipal manager;
- (j) identify developmental needs for supervisors to improve the integrity of the performance management and development system; and
- (k) consider any other matter that may be considered relevant."

The Municipal Staffing Regulations Guidelines further provide the following guidelines with regards to the constitution of the municipal moderation committee.

- (1) The Municipal Performance Moderation Committee—
  - (a) must be duly constituted by the municipal council;
  - (b) may, to the extent possible, be constituted as follows—
    - (i) municipal manager or his or her delegate who will act as the chairperson;
    - (ii) all heads of departments of a municipality;
    - (iii) manager responsible for PMDS;
    - (iv) manager responsible for organisational development;
    - (v) manager responsible for organisational performance;
    - (vi) a representative from finance, where applicable;
    - (vii) a representative from governance, where applicable; and
    - (viii) a representative from audit, where applicable.

- (2) Departmental representatives—
  - (a) will be invited to attend the performance moderation committee to present on the results of their respective departments;
  - (b) must be on senior management level; and
  - (c) may request a specialist on the departmental performance management to provide technical advice where needed.
  
- (3) Members should collectively possess the necessary expertise and must demonstrate knowledge and competencies—
  - (a) local government;
  - (b) municipal human resource environment;
  - (c) corporate governance practices;
  - (d) corporate strategy;
  - (e) performance management and development system;
  - (f) human capital management;
  - (g) organisational development;
  - (h) financial management;
  - (i) business management;
  - (j) operations management; and
  - (k) leadership.
  
- (4) The main objectives of the committee are to—
  - (a) ensure fair and consistent application of the PMDS;
  - (b) ensure that the integrity of the PMDS is protected;
  - (c) ensure that performance is evaluated consistently;
  - (d) ensure that individual ratings reflect the overall performance of the department;
  - (e) advise on financial affordability for the municipality; and
  - (f) recommend performance rewards to the municipal manager for approval.
  
- (5) The committee may—
  - (a) develop and approve the terms of reference;
  - (b) review the performance management and development system across the municipality and make recommendations regarding implementation;
  - (c) monitor the performance evaluation process by obtaining an overall sense of whether norms and standards are being applied realistically and consistently both horizontally and vertically across the municipality;
  - (d) determine the overall performance of departments and align that with summary results based on individual performance;
  - (e) moderate scores of a department(s) or a unit;
  - (f) recommend reward levels for performance;
  - (g) make recommendations regarding actions to be considered where supervisors do not implement the system properly;
  - (h) provide oversight in terms of the application of the PMDS;
  - (i) prepare a comprehensive report, based on its observations, reflecting performance of staff members or teams and the applicable reward levels;

- (j) and ensure that the minutes and supporting information on matters dealt with by the panel, shall be available for examination upon authorisation by the municipal manager.”

**7. Financial Implications**

None

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

None

**10. Annexures**

None

**RECOMMENDATION TO THE COUNCIL:**

that Council approve the Establishment of the Municipal Performance Moderation Committee constituted as follows:

- (a) The Municipal Manager or his or her delegate who will act as the chairperson;
- (b) All Directors of the Municipality;
- (c) Chief Audit Executive;
- (d) Divisional Manager: Strategic Support Services and Divisional Manager: Human Resources.

**RESPONSIBLE OFFICIAL :**

**L BUCCIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**NOVEMBER 2024**