



PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

THE MUNICIPALITY OF AGANANG

AS REPRESENTED BY THE MUNICIPAL MANAGER

Mr. NEHEMIAH RAMAKUNTWANE SELEPE,

AND

Ms. SHIRLEY MAKGABO KOMAPE,

THE EMPLOYEE OF THE MUNICIPALITY

**FOR THE
FINANCIAL YEAR: 01 JULY 2011 - 30 JUNE 2012**

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The Municipality of **AGANANG LOCAL MUNICIPALITY** herein represented by **SELEPE NEHEMIAH RAMAKUNTWANE** (full name) in his capacity as Municipal Manager (hereinafter referred to as the Employer or Supervisor) and **KOMAPE SHIRLEY MAKGABO** (full name) Employee of the Municipality of **AGANANG** (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

1.1 Aganang Local Municipality has entered into a contract of employment with **Komape Shirley Makgabo**, in terms of section 57(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The employer and the employee are hereinafter referred to as "the Parties".

1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.

1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the employee to a set of outcomes that will secure local government policy goals.

1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to –

- 2.1 Comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the System Act as well as the Contract of Employment entered into between the parties;
- 2.2 Specify objectives and targets established for the employee and to communicate to the employee the municipality's expectations of the employee's performance expectations and accountabilities;
- 2.3 Specify accountabilities as set out in the Performance Plan which forms as annexure to the agreement
- 2.4 Monitor and measure performance against set targeted outputs;
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing whether the employee has met the performance expectations applicable to her job;
- 2.6 Appropriately reward the employee in accordance with the employer's performance management policy in the event of outstanding performance; and,
- 2.7 Give effect to the municipality's commitment to a performance-orientated relationship with the employee in attaining equitable and improved service delivery.

3. COMMENCEMENTS AND DURATION

- 3.1 This Agreement will commence on the **01 July 2011** and will remain in force until **30 June 2012** whereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that

replaces this Agreement at least once a year by not later than the beginning of each successive financial year.

3.3 This Agreement will terminate on the termination of the employee's contract of employment for any reason.

3.4 The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.

3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

4. PERFORMANCE OBJECTIVES

4.1 The Performance Plan (Annexure A) sets out-

4.1.1 the performance objectives and targets that must be met by the employee; and

4.1.2 the time frames within which those performance objectives and targets must be met.

4.2 The performance objectives and targets reflected in Annexure A are set by the employer in consultation with the employee and based on the Integrated Development Plan and the Budget of the municipality, and shall include key objectives; key performance indicators; target dates and weightings.

4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.

4.4 The employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the employer's Integrated Development Plan.

5. PERFORMANCE MANAGEMENT SYSTEM

5.1 The **Senior Manager Technical Services** agrees to participate in the performance management system that Aganang Local Municipality adopts or introduces for the municipality, management and municipal staff of the municipality.

5.2 The **Senior Manager Technical Services** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the municipality, management and municipal staff to perform to the standards required.

5.3 The Municipality will consult the **Senior Manager Technical Services** about the specific performance standards that will be included in the performance management system as applicable to the Manager.

6. The **Senior Manager Technical Services** agrees to participate in the performance management and development system that the Municipality adopts.

6.1 The **Senior Manager Technical Services** undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.

6.2 The criteria upon which the performance of the **Senior Manager Technical Services** shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.

6.2.1 The **Senior Manager Technical Services** must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Managerial Competencies (CMCs) respectively.

6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

6.2.3 KPAs covering the main areas of work will account for 80% and CMCs will account for 20% of the final assessment.

6.3 The **Senior Manager Technical Services's** assessment will be based on his performance in terms of the outputs/ outcomes (performance indicators) identified as per attached Performance Plan (SDBIP) (Annexure A), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the municipality and Senior Manager Technical Services:

7. EVALUATING PERFORMANCE

7.1 The Performance Plan (Annexure A) to this Agreement sets out –

7.1.1 the standards and procedures for evaluating **Senior Manager Technical Services's** performance; and,

7.1.2 the intervals for the evaluation of the **Senior Manager Technical Services's** performance.

7.2 Despite the establishment of agreed intervals for evaluation, the Municipality may in addition review the **Senior Manager Technical service's** performance at any stage while the contract of employment remains in force.

7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.

7.4 The **Senior Manager Technical Services's** performance will be measured in terms of contributions to the goals and strategies set out in the Municipal IDP.

7.5 The annual performance appraisal will involve:

7.5.1 Assessment of the achievement of results as outlined in the performance plan:

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

7.5.2 Assessment of the CMCs

- (a) Each CMC should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CMC.
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CMC score

7.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

7.6 For purposes of evaluating the performance of the **Senior Manager Technical Services**, an evaluation panel constituted by the following persons will be established –

- 7.6.1 The Municipal Manager;
- 7.6.2 Chairperson of the Technical Portfolio Committee;
- 7.6.3 Ward Committee Member (on a rotational basis), where applicable;
- 7.6.4 Member of the Mayoral Committee; and
- 7.6.5 Municipal Manager from another Municipality.

8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of the employee in relation to her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter: July – September 2011

Second quarter: October – December 2011

Third quarter: January – March 2012

Fourth quarter: April – June 2012

8.2 The Municipality shall keep a record of the mid-year review and annual assessment meetings.

8.3 Performance feedback shall be based on the Municipality's assessment of the **Senior Manager Technical Services's** performance.

8.4 The Municipality will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The **Senior Manager Technical Services** will be fully consulted before any such change is made.

8.5 The Municipality may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case the **Senior Manager Technical Services** will be fully consulted before any such change is made.

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Municipality shall –

10.1.1 create an enabling environment to facilitate effective performance by the **Senior Manager Technical Services** ;

10.1.2 provide access to skills development and capacity building opportunities;

10.1.3 work collaboratively with the **Senior Manager Technical Services** to solve problems and generate solutions to common problems that may impact on the performance of the Senior Manager Technical Services;

10.1.4 on the request of the **Senior Manager Technical Services** delegate such powers reasonably required by the **Senior Manager Technical Services** to enable him to meet the performance objectives and targets established in terms of this Agreement; and

10.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/ her to meet the performance objectives and targets established in terms of this

Agreement.

11. CONSULTATION

11.1 The Municipality agrees to consult **Senior Manager Technical Services** timeously where the exercising of the powers will have amongst others –

11.1.1 a direct effect on the performance of any of the employee's functions;

11.1.2 commit **Senior Manager Technical Services** to implement or to give effect to a decision made by the Municipality; and

11.1.3 a substantial financial effect on the Municipality.

11.2 The Municipality agrees to inform the **Senior Manager Technical Services** of the outcome of any

decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

12. MANAGEMENT OF EVALUATION OUTCOMES

12.1 The evaluation of the **Senior Manager Technical Services's** performance will form the basis for

rewarding outstanding performance or correcting unacceptable performance.

12.2. A performance bonus of 5% to 14% of the inclusive annual remuneration package may be paid to the employee in recognition of outstanding performance.

12.3 The employee will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least twelve months (12) service at the current remuneration package on 30 June (end of financial year) subject to a fully effective assessment.

12.4 In the case of unacceptable performance, the Municipality shall –

12.4.1. provide systematic remedial or developmental support to assist the employee to improve her performance; and

12.4.2 after appropriate performance counseling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Municipality may consider steps to terminate the contract of employment of the employee on grounds of unfitness or incapacity to carry out his or her duties.

13. **Dispute resolution.** – (1) Any disputes about the nature of the employee’s performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/or salary increment in the agreement, must be mediated by –

(a) In the case of Managers directly accountable to the Municipal Manager, the Mayor within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

(2) Any disputes about the outcome of the employee’s performance evaluation, must be mediated by –

(a) In the case of managers directly accountable to the Municipal Manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27 (4) (e), within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

13. GENERAL

14.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Municipality.

14.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the employee in terms of her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed aton this the..... day of 20...

AS WITNESSES:

1. _____ Senior Manager Technical Services _____

2. _____

AS WITNESSES:

1. _____ Municipal Manager _____

2. _____

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

FINANCIAL YEAR: 2011 – 2012

KEY PERFORMANCE AREA 1: BASIC SERVICES AND INFRASTRUCTURE DELIVERY (60)

Item	KPA	DEPARTMENTAL KEY PERFORMANCE AREA (KPA)	APPROVED DEPARTMENTAL KEY PERFORMANCE INDICATOR (DKPI)	DEPARTMENT OWNER	BASELINE (ACHIEVED TO DATE)	ANNUAL TARGET	APPROVED TARGET QUARTER 1	APPROVED TARGET QUARTER 2	APPROVED TARGET QUARTER 3	APPROVED TARGET QUARTER 4	BUDGET
1	Electrification	Electrification of extensions	# households in new extensions connected with electricity	Technical Services Department	0	300	0	100	200	300	R2.6million
		Construction of Apollo lights	# Apollo lights constructed	Technical Services Department	4	4	0	0	2	4	R800 000
		Provision of free basic alternative energy devices	# h/h benefiting from FBAE	Technical Services Department	300	300	100%	100%	100%	100%	R500 000
		Registration and capturing and of free basic electricity beneficiaries	# of beneficiary captured and registered	Technical Services Department	265	12 000	6 000	12 000	0	0	R3.5million
			# households benefiting from free basic electricity	Technical Services Department	265	12 000	265	6 265	12 000	0	

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2	Buildings	Construction of Pre – Schools	# Pre – Schools constructed and completed	Technical Services Department	9	3	0	0	0	3	R2.2million
		Upgrading of Seema Hall	# halls upgraded and completed	Technical Services Department	0	1	1	0	0	0	R1.2million
		Upgrading of Municipal Offices with disability facilities	# disability facilities constructed and completed	Technical Services Department	0	2	0	0	0	2	R1.1million
		Refurbishment of Cornelia Offices	# facility refurbished and completed	Technical Services Department	0	1	0	1	0	0	R350 000
		Construction of Wholesale Warehouse	# wholesale warehouse constructed and completed	Technical Services Department	0	1	0.5	1	0	0	R3.7million
3	Housing Provision	Compilation of the beneficiary list of the RDP Houses	# households with access to housing from the beneficiary list	Technical Services Department	500	1 931	600	1 200	1 931	0	R0.0

Item	KPA	DEPARTMENTAL KEY PERFORMANCE AREA (KPA)	APPROVED DEPARTMENTAL KEY PERFORMANCE INDICATOR (DKPI)	DEPARTMENT OWNER	BASELINE (ACHIEVED TO DATE)	ANNUAL TARGET	APPROVED TARGET QUARTER 1	APPROVED TARGET QUARTER 2	APPROVED TARGET QUARTER 3	APPROVED TARGET QUARTER 4	BUDGET
4	Roads	Tarring of road from Mohlonong to Diana Clinic	# kilometers of road tarred	Technical Services Department	16km	6km	0	3km	6km	0	R20.3million
		Construction of low level bridges in the municipality	# low level bridges constructed according to specifications	Technical Services Department	2	2	0	0	1	2	R1.2million
		Construction of speed humps	# speed humps constructed	Technical Services Department	0	5	0	0	2.5	5	R110 000
		Roads maintenance (fog spray, grading etc)	# km of road rehabilitated	Technical Services Department	0	4	0	0	4	0	R350 000
		Development of 5yr infrastructure plan	# 5yr infrastructure plan developed	Technical Services Department	0	1	0	0	0	1	R500 00
		Development of feasibility studies for roads projects	# feasibility studies for road D3394 and D3428 conducted	Technical Services Department	0	2	0	1	2	0	R1million
		Grading of municipal roads	# km of municipal roads graded	Technical Services Department	50	350	50	150	250	350	R800 000

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	ent	approved	approved								
		Ensure overtime work is pre approved within the approved monthly limit	% overtime work pre approved within monthly limit	Technical Services Department	100%	100%	100%	100%	100%	100%	R0.00
11	Performance Management	Development of SDBIP and update on quarterly basis	# SDBIP developed	Technical Services Department	01	01	0	0	0	01	R0.00
		Signing of performance agreement with the Municipal Manager	# performance agreement signed	Technical Services Department	01	01	0	0	0	0	R0.00

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		monitoring at least twice a month									
24	Co – ordinate CDM, RAL, DRT, DPW roads projects	Participate in progress meetings and finalisation of scope of work	Attend all meetings as per arrangement	Technical Services Department	100%	100%	100%	100%	100%	100%	R0.00
25	Departmental risk assessments	Identification of risks	Mitigate all identified risks	Technical Services Department	100%	100%	100%	100%	100%	100%	R0.00
		Review of Departmental risks	Quarterly review of departmental risks	Technical Services Department	100%	100%	100%	100%	100%	100%	R0.00
26	Provincial program	Submission of EPWP report to DPW	Submit one report per month	Technical Services Department	12	12	3	6	9	12	R.00

