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HOD : COMMUNITY SERVICES

**PERFORMANCE AGREEMENT
AS PER THE APPROVED
2022/2023 SDBIP**



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Mr Segale Kotsedi in his capacity as the HOD Community Services (the "employee")
For the financial year: 01 July 2022 – 30 June 2023

AND

Mr Mokopane Vaaltyn Letsalo
in his capacity as the Municipal Manager of Moses Kotane Local Municipality (the employer)

As made and entered into between

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- 2.1 Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems 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 employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3 Specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.4 Monitor and measure performance against set targeted outputs and establish a transparent and accountable working relationship;
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing the sustainability of the employee for permanent employment and/or to assess whether the employee has met the performance expectations applicable to the job;

2. PURPOSE OF THIS AGREEMENT
 The purpose of this agreement is to –

- 1.1 The municipality has entered into a contract of employment with the Employee in terms of section 57(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 ("the systems Act" for a period of five years ending 31 June 2024
- 1.2 Section 57(1) (b) of the Municipal Systems Act 32 of 2000 read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual Performance Agreement in terms of section 57(2) (a) of the same act.
- 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.

1. INTRODUCTION

WHEREBY IT IS AGREED AS FOLLOWS:

Mr Segale Kotsedi in his capacity as the **HOD Community Services** of Moses Kotane Local Municipality (hereinafter referred to as the employee).

AND

Moses Kotane Local Municipality herein represented by, **Mr Mokopane Vaaltyn Letsalo** in his capacity as the **Municipal Manager** (hereinafter referred to as the employer and supervisor)

ENTERED INTO BY AND BETWEEN:

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5.1. The Employee agrees to participate in the performance management system that the Municipality adopts or introduces for the Employer, management and municipal staff of the Employer.

5. PERFORMANCE MANAGEMENT SYSTEM

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

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

4.2. The performance objectives and targets reflected in Annexure A are set by the Employer in consultation with the Employees and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan of the Client, and shall include key objectives; key performance indicators; target dates and weightings.

- 4.1. The performance plan (annexure A) set out-
 - 4.1.1 The performance objectives and targets that must be met by the Employees; and
 - 4.1.2 The time frames within which those performance objectives and targets must be met

4. PERFORMANCE OBJECTIVES

3.4 If at any time during the validity of this Agreement the work environment alters to (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.

3.3 Upon the termination of the Employee's contract of employment for any reason before the end of the financial year in question, the Employee shall be assessed on all the quarters completed whilst the agreement was in force, and shall be entitled to a pro-rata bonus accordingly. The pro-rata payment shall be effected only after the performance evaluation has been completed and contemplated in section 8 (4B) of the Municipal System Amendment 44 of 2003 and the Performance Management System Policy adopted by Council.

3.2 The payment of performance bonus is determined by the performance score obtained during the annual performance evaluation and subject to approval of the annual performance evaluation report by council.

3.1 The performance plan of the employee for the 2022/2023 financial year was reviewed in line with the approved Special adjusted Service Delivery and Budget implementation plan therefore, this agreement and the date of signature commenced with effect from 1 July 2022 and will remain in force until 30 June 2023.

3. COMMENCEMENT AND DURATION

2.7 Give effect to the client's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery through a performance management system.

2.6 Appropriately reward the Employee in accordance with the employer's performance management policy in the event of outstanding performance; and

5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.

5.3. The Employer must consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

5.4. The Employee agrees to participate in the Performance Management System that the Client adopts.

5.5 The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPA's) (including special projects relevant to the employee's responsibilities) within the Local Government Framework.

5.6. The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement. The Employee must be assessed against both components, with a weighting of 80:20 allocated to KPA and the Core Managerial Competencies [CMCs] respectively.

5.6.1 Each area of assessment will be weighted and will contribute a pro rata to the total score.
 5.6.2 KPA's covering the main areas of work will account 80% and CMC's will account for 20% of the final assessment.

The Employee's assessment will be based on his/her performance in terms of the outputs/outcomes (performance indicators) identified as per attached Performance Plan (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 Client and Employee:

Key Performance Areas	Weighting
Institutional Transformation and Organisational Development	10
Basic Service Delivery and Development	50
Financial Management	10
Local Economic Development	10
Good Governance and Public Participation	10
Spatial Rationale	10
Total	100%

The CMCs will make up the other 20% of the Employee's assessment score. CMCs that are deemed to be most critical for the Employee's specific job should be selected from the list below as agreed to between the Client and Employee:

- 6. EVALUATING PERFORMANCE**
- 6.1. The performance Plan (Annexure A) to this Agreement sets out-
- 6.1.1. The standards and procedures for evaluating the Employee's performance; and
- 6.1.2. The intervals for the evaluation of the Employee's performance.
- 6.2. Despite the establishment of agreed intervals for evaluation, the client may in addition review the Employee's performance at any stage while the contract of employment remains in force.
- 6.3. Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as actions agreed to and implementation must take place within set time frames.

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	√ (Indicate choice)	Weight
Core Managerial Competencies:		
Strategic Capability and Leadership		5
Programme and Project Management		5
Financial Management	Compulsory	5
Change Management		4
Knowledge Management		5
Service Delivery Innovation		5
Problem Solving and Analysis		4
People Management and Empowerment	Compulsory	5
Client Orientation and Customer Focus	Compulsory	5
Communication		4
Honesty and Integrity		5
Core Occupational Competencies:		
Competence in Self-Management		5
Interpretation of and implementation within the legislative and national policy frameworks		5
Knowledge of developmental local government		5
Knowledge of Performance Management and Reporting		5
Knowledge of global and South African specific political, social and economic contexts		2
Competence in policy conceptualisation, analysis and implementation		5
Knowledge of more than one functional municipal field / discipline		5
Skills in Mediation		5
Skills in Governance		5
Competence as required by other national line sector departments		5
Exceptional and dynamic creativity to improve the functioning of the municipality		5
Total percentage	-	100%

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieves all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results					

6.4.3. Overall ratings
 An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal. The Assessment of the performance of the Employee will be based on the following rating scale for KPAs and CMCs:

6.4.2.2 An indicative rating on the five-point scale should be provided for each CMC. The applicable assessment rating calculator must then be used to add the scores and calculate a final CMC score.

6.4.2.1 Assessment of Core Competency Requirements (CCRs);
 Each CMC should be assessed according to the extent to which the specified standards have been met.

6.4.1.3 The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

6.4.1.2 An indicative rating on the five-point scale should be provided for each KPA.

6.4.1.1 Assessment of the achievement of results as outlined in the performance plan;
 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.

6.4. The annual performance appraisal will involve:

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- 7.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.
- 7.3 Performance feedback shall be based on the client's assessment of the Employee's performance.
- 7.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee must be fully consulted before any such change is made.
- 7.5 The Employer may amend the provisions of Annexure B whenever the performance management system is adopted, implemented and/or amended as the case may be in that case the Employee will be fully consulted before any such changes is made.
- 7.6 Records/results of quarterly, mid-year and annual assessment/reviews and changes made to the performance agreement as a result of such evaluations will be documented as form part of the Annual Performance Report

First Quarter	Second week of October.
Second Quarter	Third week of January.
Third Quarter	Second week of April.
Fourth Quarter and Annual Review	End of August.

7.1 The performance of each Employee in relation to his/her performance agreement shall be reviewed on the following periods with the understanding that reviews in the first and 3rd quarter may be verbal if performance is satisfactory

7. SCHEDULE FOR PERFORMANCE REVIEWS

- 6.5.1 Municipal Manager
- 6.5.2 Chairperson of the audit committee;
- 6.5.3 Member of the Executive committee; and
- 6.5.4 Municipal Manager from another Municipality

6.5. For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

Level	Terminology	Description	Rating
			1 2 3 4 5
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	
		against more than half the key performance criteria and indicators as specified in the PA and Performance Plan	

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Level of Performance	Description	Allocated Total Score	Bonus % of the total package
5	Outstanding performance	Above 150%	10-14%

11.1.4 The above mentioned performance bonus will be awarded based on the following scheme;

11.3.1 a score of 130% to 149% will be awarded a performance bonus ranging between 5% to 9%; and
 11.3.2 a score of 150% and above will be awarded a performance bonus in range between 10% to 14%
 11.3 In determining the performance bonus, of the relevant percentage will be based on the overall rating calculated by using the applicable assessment ratings calculator provided that;

11.2 After the annual performance evaluation in terms of this performance agreement has been completed, the performance bonus ranging from 5% to 14% of all inclusive remuneration package may be paid to the Employee in recognition of outstanding performance.

11.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

11. MANAGEMENT OF EVALUATION OUTCOMES

10.2.2 The Client agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 above to enable the Employee to take any necessary action without delay.

10.1.3 A substantial financial effect on the Client.

10.1.2 Commit the Employee to implement or to give effect to a decision made by the Client; and

10.1.1 A direct effect on the performance of any of the Employee's functions;

10. CONSULTATION

10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others –

9.5 Make available to the Employee such resource 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.

9.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable him/her to meet the performance objectives and targets established in terms of this Agreement; and

9.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;

9.2 Provide access to skills development and capacity building opportunities;

9.1 Create an enabling environment to facilitate effective performance by the employee;

9. OBLIGATION OF THE CLIENT

The Client shall –

8. DEVELOPMENTAL REQUIREMENTS

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

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12.3 The outcome of any meetings and decisions of the employer, mediation or arbitration with regard to any dispute in terms of the performance agreement must form part of the report of the annual review to council.

12.2 In the event that the meeting and mediation process contemplated in clause 12.1 above fails, dispute resolution mechanism or processes provided for in clause 19.3 of the contract of employment shall apply.

12.1.1 The Employer may meet the Employer with a view to resolving the issue. The Employer will record the outcome of the meeting in writing.
 12.1.2 In the event of the employee remains dissatisfied with the outcome of the meeting, the dispute shall be mediated by the Mayor within 30 days of receipts of a formal dispute from the Employee.

12.1 if the Employee is dissatisfied with any decision or action of the Employer in terms of this Agreement, or where a dispute arises about the nature of this performance agreement, whether it relates to the key responsibilities, priorities, methods of assessment or as to the extent of which the Employee has achieved the performance objectives and targets established in terms of this Agreement;

12. DISPUTE RESOLUTION

11.7 Nothing contained in this agreement in any way limit the right of the Employer to terminate the Employee's contract of employment for any other breach by the Employee of his obligations to the Employer or any other valid reason in law.

11.6.3 After appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out this or her duties.

11.6.2 Provide systematic remedial or development support to assist the employee to improve his or her performance; and

11.6.1 give notice to the Employee to attend a meeting with the Employer and the Employee will have the opportunity to satisfy the Employer of the measures being taken to ensure that the Employee's performance becomes satisfactory by a particular date.

11.6 In the case of unacceptable performance, the Employer shall-

11.5 The employee will be eligible for progression to the next higher remuneration package, within relevant remuneration band, after completion of at least twelve months' service at the current remuneration package on 30 June (end of financial year) subject to a fully assessment (performance meets the standards: 100% - 129%)

1	Unacceptable performance	1-49%	0%
2	Performance not fully effective	50-99%	
3	Fully effective (meets the standard)	100-129%	
4	Performance significantly above expectations	130-149%	5-9%

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13. GENERAL

13.1 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 Client.

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

THIS SIGNED AT MOGASE ON THIS 27th DAY OF JULY 2022

Muthooro
Municipal Manager

[Signature]
(1) Witness

(2) Witness

HOD: Community Services

[Signature]
(1) Witness

[Signature]
(2) Witness

ANNEXURE A: SERVICE DELIVERY TARGETS AND KEY PERFORMANCE INDICATORS

Key Performance Indicator	Annual Targets 2022/2023	2021/2022 Baseline	2022/2023 Quarterly Targets	Annual Budget	Portfolio of Evidence	
KPA NO 1: Basic Service Delivery and Infrastructure Development						
Strategic objective: To develop and maintain infrastructure to provide basic services.						
KPI 30 Design for Mogwase Fresh Produce Market finalised	Design for Mogwase Fresh Produce Market finalised by June 2023	New	Q1		2,736,000	Designs Report
			Q2			
			Q3			
			Q4	Design for Mogwase Fresh Produce Market finalised		
KPI 31 Upgrading of Madikwe Sports Park completed	Upgrading of Madikwe Sports Park completed by June 2023	Madikwe Sports Park	Q1		3,237,112	Completion Certificate
			Q2			
			Q3			
			Q4	Upgrading of Mogwase Sports Park (Phase III) completed		
KPI 32 Upgrading of Mogwase Sports Park (Phase III) completed	Upgrading of Mogwase Sports Park (Phase III) completed by June 2023	Phase 2	Q1	-	9,073,337	Completion Certificate
			Q2	-		
			Q3	-		
			Q4	Upgrading of Mogwase Sports Park (Phase III) completed		
KPI 33 Design for Upgrading of Madikwe Landfill Site finalised	Designs for Upgrading of Madikwe Landfill Site finalised by June 2023	New	Q1	-	3,076,847	Designs Report
			Q2	-		
			Q3	-		
			Q4	Design for Upgrading of Madikwe Landfill Site finalised		

Key Performance Indicator	Annual Targets 2022/2023	2021/2022 Baseline	2022/2023 Quarterly Targets	Annual Budget	Portfolio of Evidence	
KPA NO 1 : Basic Service Delivery and Infrastructure Development						
Strategic objective: To develop and improve community infrastructure facilities, public safety, disaster emergencies and healthy environment.						
KPI 34 Number of Road Safety Campaigns conducted	12 Road Safety Campaigns conducted by June 2023	12 Road Safety Campaigns conducted	Q1	3 Road Safety Campaigns conducted	Operational	Road safety Campaigns Reports
			Q2	3 Road Safety Campaigns conducted		
			Q3	3 Road Safety Campaigns conducted		
			Q4	3 Road Safety Campaigns conducted		
KPI 35 % of households provided with access to solid waste removal	100% of households provided with access to solid waste removal by June 2023	75% of households refuse collected	Q1	100% of households provided with access to solid waste removal	Operational	Report on water consumed per household
			Q2	100% of households provided with access to solid waste removal		
			Q3	100% of households provided with access to solid waste removal		
			Q4	100% of households provided with access to solid waste removal		
KPI 36 Number of safe and clean campaigns conducted	12 safe and clean campaigns conducted by June 2023	12 safe and clean campaigns conducted	Q1	3 safe and clean campaigns	Operational	Cleaning Campaign Report
			Q2	3 safe and clean campaigns		
			Q3	3 safe and clean campaigns		
			Q4	3 safe and clean campaigns		
KPI 37 Number landfill site external audits conducted in Mogwase and Madikwe	2 landfill site external audits conducted in Mogwase and Madikwe by June 2023	8 Landfill site external environmental audits	Q1	-	Operational	Completed Designs
			Q2	-		
			Q3	-		

Key Performance Indicator	Annual Targets 2022/2023	2021/2022 Baseline	2022/2023 Quarterly Targets	Annual Budget	Portfolio of Evidence	
KPA NO 1: Basic Service Delivery and Infrastructure Development						
Strategic objective: To develop and improve community infrastructure facilities, public safety, disaster emergencies and healthy environment.						
KPI 38 Number of reports on maintenance of Madikwe Landfill site	4 reports on maintenance of Madikwe Landfill site by June 2023	4 reports	Q4	2 landfill site external audits conducted in Mogwase and Madikwe	Operational	4 quarterly reports on maintenance of Madikwe Landfill site
			Q1	1 report on maintenance of Madikwe Landfill site		
			Q2	1 report on maintenance of Mogwase Landfill site		
			Q3	1 report on maintenance of Madikwe Landfill site		
KPI 39 Number of reports on maintenance of Mogwase landfill sites	4 reports on maintenance of Mogwase Landfill site by June 2023	4 reports	Q4	1 report on maintenance of Madikwe Landfill site	Operational	4 quarterly reports on maintenance of Mogwase Landfill site
			Q1	1 report on maintenance of Madikwe Landfill site		
			Q2	1 report on maintenance of Madikwe Landfill site		
			Q3	1 report on maintenance of Madikwe Landfill site		

**Annexure B: PERSONAL DEVELOPMENT PLAN
DEVELOPMENTAL REQUIREMENTS**

The aim of the Personal Development Plan (PDP) is to ensure that Employees are skilled to meet objectives as set out in the Performance Management Agreement employees by legislation. Such career-path planning ensures competent employees for current and possible future positions. It is thee of identifies, prioritise and implement training needs.

Legislative needs taken into account comes from the Municipal Systems Act Guidelines: Generic Senior Management Competency Framework and occupational competency profiles, Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments legislated competency requirements needs to be taken into consideration during the PDP Process

2022/2023 Personal Development Plan HOD Community Services							
Skills/Performance Gap	Outcome Expected	Suggested Training/ Development Activities	Suggested Mode of delivery	Suggested Timeframes	Work opportunity created to practice skill/ Development Area	Support Person	
None	None	None	None	None	None	None	