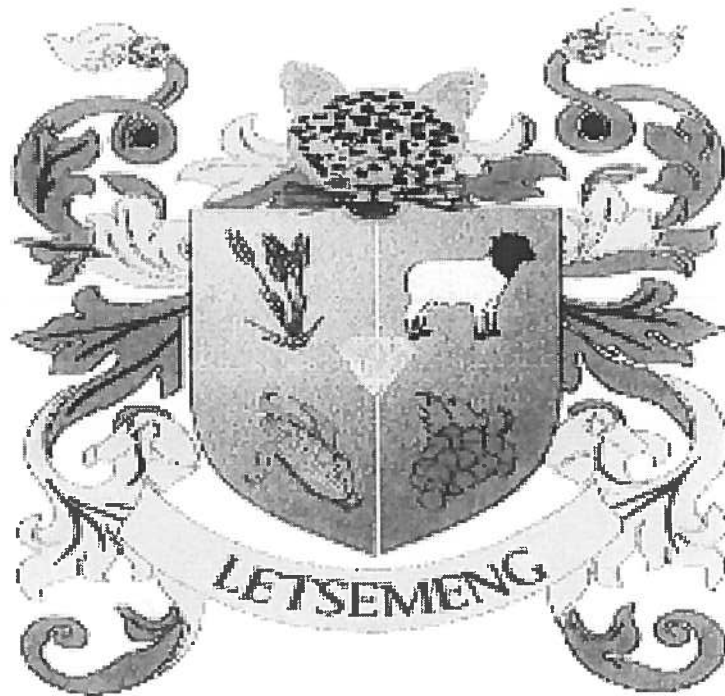




# Performance Agreement

2012/2013



**MS NOKUTHULA JUDITH MBONANI**

**MANAGER: CORPORATE SERVICES**

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## PERFORMANCE AGREEMENT ENTERED

The Letsemeng Municipality herein represented by **Itumeleng Edward Poöe 710417 5457 087** in his capacity as the Municipal Manager (herein referred to as the employer)

And

**Ms Nokuthula Judith Mbonani, 740207 0304 085** Employee of the Municipality (herein after referred to as the Employee).

### WHEREBY IT IS AGREED AS FOLLOWS:

#### 1. INTRODUCTION

- 1.1 The Employer 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"). The Employer and the Employee are here in after 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 agree 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 Section 57 (4A), 57(5) of the Systems Act.
- 1.5 In this Agreement the following terms will have the meaning prescribed thereto:
  - 1.5.1 "this Agreement" – means the performance agreement between the employer and the employee and the Annexures thereto:
  - 1.5.2 "the Employee: means the Director at the Municipality
  - 1.5.3 "the Employer" means Letsemeng Municipality represented by the Municipal Manager; and
  - 1.5.4 "the Parties" means the Employer and Employee.

#### 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 Act as well as the Employment contract entered into between the parties;
- 2.2 Specify objectives and targets defined and agreed with the employee and to communicate

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to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Municipality.

- 2.3 Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement.
- 2.4 Monitor and measure performance against set targeted outputs.
- 2.5 Use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his/her job.
- 2.6 Establish a transparent and accountable working relationship.
- 2.7 Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved municipal service delivery.

### 3. COMMENCEMENT AND DURATION

- 3.1 This agreement will commence on the **02 July 2012** and will remain in force until **30 June 2013** thereafter a new Performance Agreement and Performance 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, Personal Development Plan and Performance Plan that replaces this Agreement at least once a year by not later 31<sup>st</sup> of July of the beginning of each succeeding financial year.
- 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason; and
- 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.

### 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; and
  - 4.1.3 The core competency requirements (Annexure B- definitions) as the management skills regarded as critical to the position held by the employee.



- 4.2 The performance objectives and targets reflected in Annexure A (Performance Plan) are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer and shall include:
- 4.2.1 Key objectives that describe the main tasks that needs to be done;
  - 4.2.2 Key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved;
  - 4.2.3 Target dates that describe the timeframe in which the work must be achieved; and
  - 4.2.4 The weightings showing the relative importance of the key objectives to each other.
- 4.3 The Personal Development Plan (Annexure C) sets out the **Employee's** personal development requirements in line with the objectives and targets of the Employer; and
- 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 **Employee** agrees to participate in the performance management system that the **Employer** adopted for the **Employees** of the municipality. (Management and municipal staff of the **Employer**).
- 5.2 The **Employee** accepts that the purpose of the performance management system is to provide a comprehensive system with specific performance standards to assist the **Employees**, management and municipal staff to perform to the standards required.
- 5.3 The **Employer** will consult the **Employee** about the specific performance standards and targets that will be included in the performance management system as applicable to the **Employee**.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPA's (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 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.
- 5.6 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 **Employer** and **Employee**.



KPA No.	Key Performance Area (KPA)	Weight (%)	Rating	Score
1.	Municipal Institutional Development and Transformation	40%		
2.	Municipal Finance Viability and Management	30%		
3.	Good Governance and Public Participation	30%		
	<b>Total (NOTE: Weighting of KRAs must total 100%)</b>	<b>100%</b>		
	<b>Score according to calculator:</b>	<b>80%</b>		

- 5.7 In the case of managers directly accountable to the Municipal Manager, key performance areas related to the functional area of the relevant manager must be subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCR's will make up the other 20% of the **Employee's** assessment score. CCR's 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 **Employer and Employee**.

NO	CORE MANAGERIAL COMPETENCIES	WEIGHT	Rating	Score
1.	People Management and Empowerment	20%		
2	Financial Management	10%		
3	Client Orientation and Customer Focused	20%		
4	Strategic Capability and Leadership	10%		
5	Problem Solving and Analysis	10%		
6	Interpretation of and Implementation within the legislative and national policy framework	10%		
7	Competence in policy conceptualisation, analysis and implementation	10%		
8	Honesty and integrity	10%		
	<b>CORE OCCUPATIONAL COMPETENCIES (COC)</b>			
	Total weight, core competency requirements			<b>20%</b>
	<b>Total percentage</b>	<b>100%</b>		

## 6. EVALUATING PERFORMANCE (Assessment)

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 Employer may in addition review the **Employee's** performance at any stage during the validity of the Agreement of Employment.

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- 6.3 Personal growth and development needs identified during any performance review discussion, as well as the actions and the time frames agreed to, must be documented in a Personal Development Plan and implementation must take place within set time frames.
- 6.4 The Employee's performance will be measured in terms of contributions to the goals and strategies contemplated in the Employer's Integrated Development Plan.
- 6.5 The Employee will submit quarterly performance reports (SDBIP) and a comprehensive annual performance report (s71/SDBIP Annual Performance Report) as least once week prior to the performance assessment meetings to the Evaluation Panel Chairperson for distribution to the panel members for preparation purposes, provided that notice is given of such performance assessment meeting at least 30days in advance;
- 6.6 Assessment of the achievement of results as outlined in the performance plan:
- 6.6.1 Each KPI or group of KPI's shall be assessed according to the extent to which the specified standards or performance targets have been met and with due regard to ad-hoc tasks that had to be performed under the KPI;
- 6.6.2 A rating on the five point scale shall be provided for each KPI or group of KPI's which will then be multiplied by the weighting to calculate the final score;
- 6.6.3 In the instance where the employee could not perform due to reasons outside the control of the employer and employee, the KPI will not be considered during the evaluation. The employee should provide sufficient evidence in such instances; and
- 6.6.4 An overall score will be calculated based on the total of the individual scores calculated above.
- 6.7 **Assessment of the Core Competency Requirements:**
- 6.7.1 Each CCR shall be assessed according to the extent to which the specified standards for the required proficiency level have been met;
- 6.7.2 A rating on the five-point shall be provided for each CCR which will then be multiplied by the weighting to calculate the final score; and
- 6.7.3 An overall score will be calculated based on the total of the individual scores calculated above
- 6.8 **An Overall rating**
- 6.8.1 An overall rating is calculated by adding the overall scores as calculated in 6.6.4 and 6.7.3 above,
- 6.8.2 Such overall rating represents the outcome of the performance appraisal.
- 6.9 The assessment of the performance of the Employee will be based on the following rating scale for KPI's and CCR's:



Level	Terminology	Description	Rating				
			1	2	3	4	5
5	<b>Outstanding Performance</b>	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	<b>Performance significantly above expectations</b>	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 achieved all others throughout the year.					
3	<b>Fully affective</b>	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	<b>Not fully effective</b>	Performance is below the standard required for the job in key area. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan					
1	<b>Unacceptable performance</b>	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against 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.					

6.10. For purpose of evaluating the performance of the Employee for the mid-year and year-end reviews, an evaluation panel constituted of the following persons will be established-

- 6.10.1 Municipal Manager;
- 6.10.2 Municipal Manager from another municipality;
- 6.10.3 Chairperson of the Performance Audit Committee or in his/her absence thereof, the Chairperson of the Audit Committee; and
- 6.10.4 The Portfolio Councillor as member of Mayoral Committee
- 6.10.5 A Representative nominated by the Director

6.11 The Municipal Manager will evaluate the performance of the Employee as at the end of the 1<sup>st</sup> and 3<sup>rd</sup> quarters; and

6.12 The Municipal Manager will give performance feedback to the Employee within 5 working days after each quarterly and annual assessment.

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Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Quarterly Targets				
			Annual Target	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		employment equity targets (order of preference)		descriptions signed by employees		process, monitor performance and address poor performance	
		<ul style="list-style-type: none"> <li>Attract retain skilled, professionals and motivated employee and provide a positive working environment</li> </ul>	Retention policy Implemented and employees trained	Implementation of Retention policy, 30% staff trained, identify skilled employees to be trained	Implementation of Retention policy, 60% staff trained, identify skilled employees to be trained	Identify mentor and empower employees assigned for more responsibilities	Monitoring and evaluation and submission of progress report
		<ul style="list-style-type: none"> <li>Provide comprehensive education, training and human resource development</li> </ul>	Employees nominated for training in line with WSP	WSP Approved by Council and Implemented	Employees nominated and attend training	Employees trained and monitor performance	Employees trained and monitor performance
		5. Proper management of records	Record Management Policy developed and Implemented	Survey current and initiate data base of records	Consolidate inputs develop a policy	Policy Approved by Council and Implemented	Implementati on process
		Record systems	All Employees	Identify training	Training for Management	Training for	Training for

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Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Good Governance and Public Participation		trained on a new policy and monitoring of implementation process	needs and develop a training program	and Councilors	Supervisors and foreman's	general workers
		Update and Approval of by-laws	Identify set of by-laws to be implemented and take it to Council to approve the process	Follow the process until the end and Implementation of by-laws	Identify another set of by-laws to be taken to Council for approval of process	Follow the process until the end and Implementation of by-laws
		Timely compilation of agendas 3 days prior the meetings	Timely compilation of agendas 3 days prior the meetings	Timely compilation of agendas 3 days prior the meetings	Timely compilation of agendas 3 days prior the meetings	Timely compilation of agendas 3 days prior the meetings
		6. Provide sound legal advise				
		7. Arrangement of Council/Committee meetings as per meeting schedule of Council, and compiling the agendas and minutes to Council meetings				
		• Timely	Timely compilation	Timely compilation of	Timely	



Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Quarterly Targets				
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	
		compilation of departmental instructions following the meetings	of departmental instructions following the meetings	departmental instructions following the meetings	compilation of departmental instructions following the meetings	Implementation on by conducting training to internal and external stakeholders	
		<ul style="list-style-type: none"> <li>An effective communication strategy to promote transparency, public accountability, access to complaints are dealt with in terms of the relevant legislation, developed and implemented</li> </ul>	Effective Communication strategy developed and implemented	Conduct research and identify gaps and acquire inputs from community and GCIS	Consolidate inputs and develop policy	Approval of Policy by Council and Implementation	
Basic Service Delivery	5	<ul style="list-style-type: none"> <li>To provide basic service needs to Ratanang residents in</li> </ul>	<ul style="list-style-type: none"> <li>Basic service needs provided to Ratanang residents</li> </ul>	Process of by-laws unfold and approved by Council for Public	<ul style="list-style-type: none"> <li>Formalise 200 erven in Ratanang;</li> <li>Draw up a waiting list;</li> </ul>	Submission sent to Human	Outcome from Human Settlement



Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Quarterly Targets			
			1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Jacobsdal	participation implementation	Settlement department requesting allocation of housing subsidy	Settlement department requesting allocation of housing subsidy	Settlement department requesting allocation of housing subsidy
		<ul style="list-style-type: none"> <li>Basic Service needs provided to Phambili residents</li> </ul>	<ul style="list-style-type: none"> <li>To investigate the owner of the land with department of Land Affairs and Human Settlement</li> <li>To appoint land survey</li> </ul>	<ul style="list-style-type: none"> <li>Formalise and provide basic infrastructure</li> <li>Compile a waiting list</li> </ul>	<ul style="list-style-type: none"> <li>Submission forwarded to Human Settlement to request funds for housing subsidy</li> </ul>	<ul style="list-style-type: none"> <li>Out come from Human Settlement and Plan for next financial year.</li> </ul>
Municipal Financial Viability and Management	5	<ul style="list-style-type: none"> <li>Revenue collection improved</li> </ul>	<ul style="list-style-type: none"> <li>Provide Training and monitor progress</li> </ul>	<ul style="list-style-type: none"> <li>By-laws adopted and public participation</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring and evaluation</li> </ul>
		<ul style="list-style-type: none"> <li>Effective management of budget</li> </ul>	<ul style="list-style-type: none"> <li>Overtime Policy, S&amp;T Policy, Allowances policies to be</li> </ul>	<ul style="list-style-type: none"> <li>Training conducted to Employees Councilors on Overtime, S&amp;T, Allowance policies</li> </ul>	<ul style="list-style-type: none"> <li>Registers in place and Regular inspections</li> </ul>	<ul style="list-style-type: none"> <li>Registers in place and Regular inspections</li> </ul>

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Key Performance Area (KPA)	Weighting	Key Performance Indicator (KPI)	Annual Target	Quarterly Targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
			<ul style="list-style-type: none"> <li>relevant policies under spending/Overs on budget and no fruitless and wasteful expenditure.</li> </ul>	approved by Council		conducted	

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