Molemole Municipality

PERFORMACE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

THE MOLEMOLE MUNICIPALITY

AS REPRESENTED BY
MUNICIPAL MANAGER

MR. ML MOSENA
(EMPLOYER)

AND

MS. K ZULU
CHIEF FINANCIAL OFFICER
(EMPLOYEE)

FOR THE

FINANCIAL YEAR: 01 JULY 2019 – 30 JUNE 2020

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A. Performance Agreement

The Molemole Municipality herein represent by **Mr. Maphala Lazarus Mosena** in her capacity as Municipal Manager (hereinafter referred to as the Employer or Senior Manager)
and

Ms. K Zulu, Chief Financial Officer of the Municipality (hereinafter 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 Acts 32 of 2000 ("the System 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 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),4(A),(4B) and (5)of the Systems Acts 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;

2.5 Use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and /or to assess whether the Employee has met the performance expectations applicable to his/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 Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3. *Commencement and Duration*

3.1 This Agreement will commence on the **1 July 2019** and will remain in force until **30 June 2020** where after 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 should no new Agreement be concluded for whatever reason, notwithstanding 3.1, the provisions of the Agreement shall continue in force until termination of the Employment Contract.

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 / SDBIP (Annexure A) sets out-

       4.1.1   The performance objectives and targets that must be met 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 Employer, and shall include key objectives; key performance indicators; target dates and weighting

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 Employee agrees to participate in the Performance Management System that the Employer adopts or introduces for the Employer, management, and municipal staff of the Employer.

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 will consult the Employee about the specific performance standard that will be included in the Performance Management System as applicable to the Employee.

6. The Employee agrees to participate in the Performance Management and Development System that the Employer adopts

6.1 The Employee undertakes to actively focus towards the promotion and implementation of KPA's (including special projects relevant to the employee's responsibilities) within the local government framework.

6.2 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.

6.2.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Competency framework (CF) respectively.

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

6.2.3 KPA's covering the main areas of work will account for 80% and CF will account 20% of the final assessment.

6.3 The Employee's assessment will be based on his 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.

KEY PERFORMANCE AREAS (KPA'S)	WEIGHTING
Basic Service Delivery	10%
Municipal Transformation and Institutional Development	10%
Local Economic Development and Cross-Cutting Initiatives	10%
Municipal Financial Viability and Management	50%
Good Governance and Public Participation	10%
Spatial Rationale	10%
Total	100%

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6.4 The Competency Framework (CF) will make the other 20% of the Employee's assessment score. The CF as contained in the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers must be used for this purpose. The said Regulations state that there is no hierarchical connotation to the structure and all competencies are essential to the role of a Senior Manager to influence high performance. All competencies must therefore be considered as measurable and critical in assessing the level of a Senior Manager's performance.

6.5   **Competency framework structure**

The competencies that appear in the competency framework are detailed below.

LEADING COMPETENCIES	
Strategic Direction and Leadership	• Impact and Influence • Institutional Performance Management • Strategic Planning and Management • Organizational Awareness
People Management	• Human Capital Planning and Development • Diversity Management • Employee Relations Management • Negotiation and Dispute Management
Program and Project Management	• Program and Project Planning and Implementation • Service Delivery Management • Program and Project Monitoring and Evaluation
Financial Management	• Budget Planning and Execution • Financial Strategy and Delivery • Financial Reporting and Monitoring
Change Leadership	• Change Vision and Strategy • Process Design and Improvement • Change Impact Monitoring and Evaluation
Governance Leadership	• Policy Formulation • Risk and Compliance Management • Cooperative Governance
CORE COMPETENCIES	
Moral competencies	
Planning and organizing	
Analysis and innovation	
Knowledge and Information Management	
Communication	
Results and Quality Focus	

6.6 Competency Descriptions

Cluster	Leading Competencies
Competency Name	Strategic Direction and Leadership
Competency Definition	Provide and direct a vision for the institution, and inspire and deploy others to deliver on the strategic institutional mandate

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Understand institutional and departmental strategic objectives, but lacks the ability to inspire others to achieve set mandate	• Give direction to a team in realising the institution's strategic mandate and set objectives	• Evaluate all activities to determine value and alignment to strategic intent	• Structure and position the institution to local government priorities
• Describe how specific tasks link to institutional strategies but has limited influence in directing strategy	• Has a positive impact and influence on the morale, engagement and participation of team members	• Display in-depth knowledge and understanding of strategic planning	• Actively use in-depth knowledge and understanding to develop and implement a comprehensive institutional framework
• Has a basic understanding of institutional performance management, But lacks the ability to integrate systems into a collective whole	• Develop actions plans to execute and guide strategy implementation	• Align strategy and goals across all functional areas	• Hold self-accountable for strategy execution and results
• Demonstrate a basic understanding of key decision-makers	• Assist in defining performance measures to monitor the progress and effectiveness of the institution	• Actively define performance measures to monitor the progress and effectiveness of the institution	• Provide impact and influence through Building and maintaining strategic relationships
	• Displays an awareness of institutional structures and political factors	• Consistently challenge strategic plans to ensure relevance	• Create an environment that facilitates byalty and innovation Display a superior level of self-discipline and integrity in actions
	• Effectively communicate barriers to execution to relevant parties	• Understand institutional structures and political factors, and the consequences of actions	• Integrate various Systems into a collective whole to optimize institutional performance management
	• Provide guidance to all stakeholders in the achievement of the strategic mandate	• Empower others to follow strategic direction and deal with complex situations	• Uses understanding of competing interests to maneuver Successfully to a win/win outcome
	• Understand the aim and objectives of the	• Guide the institution through complex and ambiguous concern	
		• Use understanding of power relationships and dynamic tensions among key players to frame communications and develop strategies, positions and alliances	

Cluster	Leading Competencies
Competency Name	People Management
Competency Definition	Effectively manage, inspire and encourage people, respect diversity, optimise talent and build and nurture relationships in order to achieve institutional objectives

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Participate in team goal-Setting and problem solving • Interact and collaborate with people of diverse backgrounds • Aware of guidelines for employee development, but requires support in implementing development initiatives	• Seek opportunities to increase team contribution and responsibility • Respect and support the diverse nature of others and be aware of the benefits of a diverse approach • Effectively delegate tasks and empower others to increase contribution and execute functions optimally • Apply relevant employee legislation fairly and consistently • Facilitate team goal-setting and problem-solving • Effectively identify capacity requirements to fulfill the strategic mandate	• Identify ineffective team and work processes and recommend remedial interventions • Recognise and reward effective and desired behaviour • Provide mentoring and guidance to others in order to increase personal effectiveness • Identify development and learning needs within the team • Build a work environment conducive to sharing, innovation, ethical behaviour and professionalism • Inspire a culture of performance excellence by giving positive and constructive feedback to the team • Achieve agreement or consensus in adversarial environments • Lead and unite diverse teams across divisions to achieve institutional objectives	• Develop and incorporate best practice people management processes, approaches and tools across the institution • Foster a culture of discipline, responsibility and accountability • Understand the impact of diversity in performance and actively incorporate a diversity strategy in the institution • Develop comprehensive integrated strategies and approaches to human capital development and management • Actively identify trends and predict capacity requirements to facilitate unified transition and

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Cluster	LeadingCompetencies
Competency Name	Program and Project Management
Competency Definition	Able to understand program and project management methodology; plan, manage, monitor and evaluate specific activities in order to deliver on set objectives

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Initiate projects after approval from higher authorities • Understand procedures of Program and project management methodology, implications and stakeholder involvement • Understand the rational of projects in relation to the institution's strategic objectives • Document and communicate factors and risk associated with own work • Use results and approaches of successful project implementation as guide	• Establish broad stakeholder involvement and communicate the project status and key milestones • Define the roles and responsibilities of the project team and create clarity around expectations • Find a balance between project deadline and the quality of deliverables • Identify appropriate project resources to facilitate the effective completion of the deliverables • Comply with statutory requirements and apply policies in a consistent manner • Monitor progress and use of resources and make needed adjustments to timelines, steps, and resource allocation	• Manage multiple programs and balance priorities and conflicts according to institutional goals • Apply effective risk management strategies through impact assessment and resource requirements • Modify project scope and budget when required without compromising the quality and objectives of the project • Involve top-level authorities and relevant stakeholders in seeking project buy-in • Identify and apply contemporary project management methodology • Influence and motivate project team to deliver exceptional results • Monitor policy implementation and apply procedures to manage risks	• Understand and conceptualize the long-term implications of desired project outcomes • Direct a comprehensive strategic macro and micro analysis and scope projects accordingly to realise institutional objectives • Consider and initiate projects that focus on achievement of the long-term objectives • Influence people in positions of authority to implement outcomes of projects • Lead and direct translation of Policy into workable actions plans • Ensures that Programs are • Monitored to track progress and optimal resource utilisation, and that adjustments are made as needed

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Cluster	Leading Competencies
Competency Name	Financial Management
Competency Definition	Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Understand basic financial concepts and methods as they relate to institutional processes and activities • Display awareness into the various sources of financial data, reporting mechanisms, financial governance, processes and systems • Understand the importance of financial accountability • Understand the importance of asset control	• Exhibit knowledge of general financial concepts, planning, budgeting, and forecasting and how they interrelate • Assess, identify and manage financial risks • Assume a cost-saving approach to financial management • Prepare financial reports based on specified formats • Consider and understand the financial implications of decisions and suggestions • Ensure that delegation and instructions as required by National Treasury guidelines are reviewed and updated • Identify and implement proper monitoring and evaluation practices to ensure appropriate spending against budget	• Take active ownership of planning, budgeting, and forecast processes and provides credible answers to queries within own responsibility • Prepare budgets that are aligned to the strategic objectives of the institution • Address complex budgeting and financial management concerns • Put systems and processes in place to enhance the quality and integrity of financial management practices • Advise on policies and procedures regarding asset control • Promote National Treasury's regulatory framework for Financial Management	• Develop planning tools to assist in evaluating and monitoring future expenditure trends • Set budget frameworks for the institution • Set strategic direction for the institution on expenditure and other financial processes • Build and nurture partnerships to improve financial management and achieve financial savings • Actively identify and implement new methods to improve asset control • Display professionalism in dealing with financial data and processes

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Cluster	Leading Competencies
Competency Name	Change Leadership
Competency Definition	Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and deliver professional and quality services to the community

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Display an awareness of interventions, and the benefits of transformation initiatives • Able to identify basic needs for change • Identify gaps between the current and desired state • Identify potential risks and challenges to transformation, including resistance to change factors • Participate in change programmes and piloting change interventions • Understands the impact of change interventions on the institution within the broader scope of Local Government	• Perform an analysis of the change impact on social, political and economic environment • Maintain calm and focus during change • Able to assist team members during change and keep them focused on the deliverables • Volunteer to lead change efforts outside of own work team • Able to gain buy-in and approval for change from relevant stakeholders • Identify change readiness levels and assist in resolving resistance to change factors • Design change interventions that are aligned with the institutions strategic objectives and goals	• Actively monitor change impact and results and convey progress to relevant stakeholders • Secure buy-in and sponsorship for change initiatives • Continuously evaluate change strategy and design and introduce new approaches to enhance the institutions effectiveness • Build and nurture relationships with various stakeholders to establish strategic alliance in facilitating change • Take the lead in impactful change programmes • Benchmark change interventions against best change practices • Understand the impact and psychology of change and put remedial interventions in place to facilitate effective transformation • Take calculated risk and seek new ideas from best practice	• Sponsor change agents and create a network of change leaders who support the interventions • Actively adapt current structures and processes to incorporate the change interventions • Mentor and guide team members on the effects of change, resistance factors and how to integrate change • Motivate and inspire others around change initiatives

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Cluster	Leading Competencies
Competency Name	Governance Leadership
Competency Definition	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualisation of relevant policies and enhance cooperative governance relationships

ACHIEVEMENT LEVELS			
BASIC	COMPETENT	ADVANCED	SUPERIOR
• Display a basic awareness of risk, compliance and governance factors but require guidance and development in implementing such requirements • Understand the structure of cooperative government but requires guidance on fostering workable relationships between stakeholders • Provide input into policy formulation	• Display a thorough understanding of governance and risk and compliance factors and implement plans to address these • Demonstrate understanding of the techniques and processes for optimising risk taking decisions within the institution • Actively drive policy formulation within the institution to ensure the achievement of objectives	• Able to link risk initiatives into key institutional objectives and drivers • Identify, analyse and measure risk, create valid risk forecasts, and map risk profiles • Apply risk control methodology and approaches to prevent and reduce risk that impede on the achievement of institutional objectives • Demonstrate a thorough understanding of risk retention plans • Identify and implement comprehensive risk management systems and processes • Implement and monitor the formulation of policies, identify and analyse constraints and challenges with implementation and provide recommendations for improvement	• Demonstrate a high level of commitment in complying with governance requirements • Implement governance and compliance strategy to ensure achievement of institutional objectives within the legislative framework • Able to advise Local Government on risk management strategies, best practice interventions and compliance management • Able to forge positive relationships on cooperative governance level to enhance the effectiveness of local government • Able to shape, direct and drive the formulation of policies on a macro level

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Cluster	Core Competencies		
Competency Name	Moral Competence		
Competency Definition	Able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence		
ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Realise the impact of acting with integrity, but requires guidance and development in implementing principles • Follow the basic rules and regulations of the institution • Able to identify basic moral situations, but requires guidance and development in understanding and reasoning with moral intent local	• Conduct self in alignment with the values of Local Government and the institution • Able to openly admit own mistakes and weaknesses and seek assistance from others when unable to deliver • Actively report fraudulent activity and corruption within local government • Understand and honour the confidential nature of matters without seeking personal gain • Able to deal with situations of conflict of interest promptly and in the best interest of local government	• Identify, develop, and apply measures of self-correction • Able to gain trust and respect through aligning actions with commitments • Make proposals and recommendations that are transparent and gain the approval of relevant stakeholders • Present values, beliefs and ideas that are congruent with the institution's rules and regulations • Takes an active stance against corruption and dishonesty when noted • Actively promote the value of the institution to internal and external stakeholders • Able to work in unity with a team and not seek personal gain • Apply universal moral principles consistently to achieve moral decisions	• Create an environment conducive of moral practices • Actively develop and implement measures to combat fraud and corruption • Set integrity standards and shared accountability measures across the institution to support the objectives of local government • Take responsibility for own actions and decisions, even if the consequences are unfavourable

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Cluster	Core Competencies		
Competency Name	Planning and Organizing		
Competency Definition	Able to plan, prioritise and organise information and resources effectively to ensure the quality of service delivery and build efficient contingency plans to manage risk		
ACHIEVEMENT LEVELS			
BASIC	COMPETENT	ADVANCED	SUPERIOR
• Able to follow basic plans and organise tasks around set objectives • Understand the process of planning and organising but requires guidance and development in providing detailed and comprehensive plans • Able to follow existing plans and ensure that objectives are met • Focus on short-term objectives in developing plans and actions • Arrange information and resources required for a task, but require further structure and organisation	• Actively and appropriately organise information and resources required for a task • Recognise the urgency and importance of tasks • Balance short and long-term plans and goals and incorporate into the team's performance objectives • Schedule tasks to ensure they are performed within budget and with efficient use of time and resources • Measures progress and monitor performance results	• Able to define institutional objectives, develop comprehensive plans, integrate and coordinate activities, and assign appropriate resources for successful implementation • Identify in advance required stages and actions to complete tasks and projects • Schedule realistic timelines, objectives and milestones for tasks and projects • Produce clear, detailed and comprehensive plans to achieve institutional objectives • Identify possible risk factors and design and implement appropriate contingency plans • Adapt plans in light of changing circumstances • Prioritise tasks and projects according to their relevant urgency and importance	• Focus on broad strategies and initiatives when developing plans and actions • Able to project and forecast short, medium and long term requirements of the institution and local government • Translate policy into relevant projects to facilitate the achievement of institutional objectives

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Cluster	Core Competencies
Competency Name	Analysis and Innovation
Competency Definition	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Understand the basic operation of analysis, but lack detail and thoroughness • Able to balance independent analysis with requesting assistance from others • Recommend new ways to perform tasks within own function • Propose simple remedial interventions that marginally challenges the status quo • Listen to the ideas and perspectives of others and explore opportunities to enhance such innovative thinking	• Demonstrate logical problem solving techniques and approaches and provide rationale for recommendations • Demonstrate objectivity, insight, and thoroughness when analysing problems • Able to break down complex problems into manageable parts and identify solutions • Consult internal and external stakeholders on opportunities to improve processes and service delivery • Clearly communicate the benefits of new opportunities and innovative solutions to stakeholders • Continuously identify opportunities to enhance internal processes • Identify and analyse opportunities conducive to innovative approaches and propose remedial intervention	• Coaches team members on analytical and innovative approaches and techniques • Engage with appropriate individuals in analysing and resolving complex problems • Identify solutions on various areas in the institution • Formulate and implement new ideas throughout the institution • Able to gain approval and buy-in for proposed interventions from relevant stakeholders • Identify trends and best practices in process and service delivery and propose institutional application • Continuously engage in research to identify client needs	• Demonstrate complex analytical and problem solving approaches and techniques • Create an environment conducive to analytical and fact-based problem-solving • Analyse, recommend solutions and monitor trends in key challenges to prevent and manage occurrence • Create an environment that fosters innovative thinking and follows a learning organisation approach • Be a thought leader on innovative customer service delivery, and process optimisation • Play an active role in sharing best practice solutions and engage in national and international local government seminars and conferences

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Cluster	CoreCompetencies		
Competency Name	Knowledge and Information Management		
Competency Definition	Able to promote the generation and sharing of knowledge and information through various processes and media, in order to enhance the collective knowledge base of local government		
ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Collect, categorise and track relevant information required for specific tasks and projects • Analyse and interpret information to draw conclusions • Seek new sources of information to increase the knowledge base • Regularly share information and knowledge with internal stakeholders and team members	• Use appropriate information systems and technology to manage institutional knowledge and information sharing • Evaluate data from various sources and use information effectively to influence decisions and provide solutions • Actively create mechanisms and structures for sharing of information • Use external and internal resources to research and provide relevant and cutting-edge knowledge to enhance institutional effectiveness and efficiency	• Effectively predict future information and knowledge management requirements and systems • Develop standards and processes to meet future knowledge management needs • Share and promote best-practice knowledge management across various institutions • Establish accurate measures and monitoring systems for knowledge and information management • Create a culture conducive of learning and knowledge sharing • Hold regular knowledge and information sharing sessions to elicit new ideas and share best practice approaches	• Create and support a vision and culture where team members are empowered to seek, gain and share knowledge and information • Establish partnerships across local government to facilitate knowledge management • Demonstrate a mature approach to knowledge and information sharing with an abundance and assistance approach • Recognise and exploit knowledge points in interactions with internal and external stakeholders

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Cluster	'CoreCompetencies
Competency Name	Communication
Competency Definition	Able to share information, knowledge and ideas in a clear, focused and concise manner appropriate for the audience in order to effectively convey, persuade and influence stakeholders to achieve the desired outcome

ACHIEVEMENT LEVELS

BASIC	COMPETENT	ADVANCED	SUPERIOR
• Demonstrate an understanding for communication levers and tools appropriate for the audience, but requires guidance in utilising such tools • Express ideas in a clear and focused manner, but does not always take the needs of the audience into consideration • Disseminate and convey information and knowledge adequately	• Express ideas to individuals and groups in formal and informal settings in an manner that is interesting and motivating • Able to understand, tolerate and appreciate diverse perspectives, attitudes and beliefs • Adapt communication content and style to suit the audience and facilitate optimal information transfer • Deliver content in a manner that gains support, commitment and agreement from relevant stakeholders • Compile clear, focused, concise and well-structured written documents	• Effectively communicate high-risk and sensitive matters to relevant stakeholders • Develop a well-defined communication strategy • Balance political perspectives with institutional needs when communicating viewpoints on complex issues • Able to effectively direct negotiations around complex matters and arrive at a win-win situation that promotes Bathe Pele principles • Market and promote the institution to external stakeholders and seek to enhance a positive image of the institution • Able to communicate with the media with high levels of moral competence and discipline	• Regarded as a specialist in negotiations and representing the institution • Able to inspire and motivate others through positive communication that is impactful and relevant • Creates an environment conducive to transparent and productive communication and critical and appreciative conversations • Able to coordinate negotiations at different levels within local government and externally

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Cluster	Core Competencies
Competency Name	Results and Quality Focus
Competency Definition	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage others to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives

ACHIEVEMENT LEVELS			
BASIC	**COMPETENT**	**ADVANCED**	**SUPERIOR**
• Understand quality of work but requires guidance in attending to important matters • Show a basic commitment to achieving the correct results • Produce the minimum level of results required in the role • Produce outcomes that is of a good standard • Focus on the quantity of output but requires development in incorporating the quality of work • Produce quality work in general circumstances, but fails to meet expectation when under pressure	• Focus on high-priority actions and does not become distracted by lower-priority activities • Display firm commitment and pride in achieving the correct results • Set quality standards and design processes and tasks around achieving set standards • Produce output of high quality • Able to balance the quantity and quality of results in order to achieve objectives • Monitors progress, quality of work, and use of resources; provide status updates, and make adjustments as needed	• Consistently verify own standards and outcomes to ensure quality output • Focus on the end result and avoids being distracted • Demonstrate a determined and committed approach to achieving results and quality standards • Follow task and projects through to completion • Set challenging goals and objectives to self and team and display commitment to achieving expectations • Maintain a focus on quality outputs when placed under pressure • Establishing institutional systems for managing and assigning work, defining responsibilities, tracking and monitoring and measuring success	• Coach and guide others to exceed quality standards and results • Develop challenging, client-focused goals and sets high standards for personal performance • Commit to exceed the results and quality standards, monitor own performance and implement remedial interventions when required • Work with team to set ambitious and challenging team goals, communicating long- and short-term expectations • Take appropriate risks to accomplish goals • Overcome setbacks and adjust action plans to realise goals • Focus people on critical activities that yield a high impact

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7. *Evaluating Performance*

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

    7.1.1 The standards and procedures for evaluating Employee's performance; and

    7.1.2 The intervals for the evaluation of the Employee's performance.

7.2 Despite the establishment of intervals for evaluation, the Employer may in addition review the Employee'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 Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's 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 must then be used to add the scores and calculate a final KPA score.

    7.5.2 Assessment of competency levels
        (a) Each leading and core competency contained in the Competency Framework must 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 competency.

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(c) The applicable assessment rating calculator must then be used to add the scores and calculate a final CF score.

7.5.3 Overall Rating

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

7.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA's:

LEVEL	TERMINOLOGY	DESCRIPTION	RATING
5	Outstanding Performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicate that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Agreement 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 achieved 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 Performance Agreement 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 indicate that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the Performance Agreement and Performance Plan.	
1	Unacceptable Performance	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 Performance Agreement and Performance Plan .The employee has	

LEVEL	TERMINOLOGY	DESCRIPTION	RATING
		failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	

The achievement levels indicated in the table below serve as a benchmark for assessing leading and core competencies:

ACHIEVEMENT LEVELS	DESCRIPTION
Poor (rating = 1)	Does not apply the basic concepts and methods to prove a basic understanding of local government operations and requires extensive supervision and development interventions
Basic (rating = 2)	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention
Competent (rating = 3)	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses
Advanced (rating = 4)	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in-depth analyses
Superior (rating = 5)	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods

7.7   For purpose of evaluating the performance of the Municipal Manager (Section 54 employee), an evaluation panel constituted by the following persons will be established-

7.7.1   Mayor;

7.7.2   Chairperson of the Audit Committee;

7.7.3   Member of the Executive Committee; and

7.7.4   Mayor from another Municipality.

7.8   For purpose of evaluating the performance of the Executive Managers (Heads of Department – Section 56 employees), an evaluation panel constituted by the following persons will be established-

7.8.1   Municipal Manager;

7.8.2   Member of the Audit Committee;

7.8.3   Member of the Executive Committee; and

7.8.4   Municipal Manager from another Municipality.

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8. Schedule for Performance Reviews

8.1 The performance of each Employee in relation to his/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 (year)

Second quarter : October – December (year)

Third quarter : January – March (year)

Fourth quarter : April – June (year)

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

8.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

8.4 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 will be fully consulted before any such change is made.

8.5 The Employer 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 Employee will be fully consulted before any such change is made.

9. Developmental Requirements

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

9.1 Noting the need to address development gaps in the municipalities, non-compliance with the Circular 60 on Minimum Requirements stipulates the following:

9.1.1 Failure to implement the requirements of the regulations will result in non-compliance with legislation.

9.1.2 If officials have not met the requirements of the regulations including the support provided in this Circular by the due date, Regulation 15 and 18 will immediately apply.

9.1.3 Therefore, the continued employability of affected officials will be impacted upon. MFMA Circular No. 60 Minimum Competency Levels Regulations, Gazette 29967 April 2012.

9.1.4 Whilst the provisions of these regulations will apply consistently across all municipalities and municipal entities from the effective date of enforcement, National treasury will consider, "Special Merit Cases", delayed enforcement of certain provisions for a period of up to eighteen months from 1 January 2013.

10. Obligations of the Employer

10.1 The Employer shall:

    10.1.1   Create an enabling environment to facilitate effective performance by the Employee;

    10.1.2   Provide access to skills development and capacity building opportunities;

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

    10.1.4   On the request of the Employee delegates such powers reasonably required by the Employee to enable him/ her to meet the performance objectives and targets established in term 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 Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others-

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

    1.1.2   Commit the Employee to implement or to give effect to a decision made by the Employer; and

    11.1.4   A substantial financial effect on the Employer.

11.2 The employer agrees to inform the Employee 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 Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

12.2 A performance bonus of 5% to 14% of 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 (12) months service on the current remuneration package by 30 June (end of financial year) subject to a fully effective assessment.

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

12.4.1 Provide systematic remedial of development support to assist the Employee to improve his or her performance; and

12.4.2 After appropriate performance and 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 his or her duties.

13. Dispute Resolution

13.1 Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –

13.1.1 The MEC for Local Government and the Province within thirty (30) days of receipt of a formal dispute from the Employee; or

13.1.2 Any other person appointed by the MEC.

13.1.3 In the event that the mediation process contemplated above fails, clause 15 of the Contract of Employment shall apply.

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14. 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 Employer.

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

14.3 The performance assessment results of the Municipal Manager must be submitted to the MEC responsible for Cooperative Governance, Human Settlements and Traditional Affairs in Limpopo Province as well as the National Minister responsible for Cooperative governance and Traditional Affairs within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at *Mogalai* on this the 25th day of *June* 2019

AS WITNESSES:

1. _____

2. _____

                     EMPLOYEE

AS WITNESSES:

1. _____

2. _____

                     EMPLOYER

B. Evaluation on the Individual Performance Plan (SDBIP) – Annexure A

Key Performance Area (KPA) 4:	Municipal Financial Viability and Management
Outcome 9:	Responsive, Accountable, Effective and Efficient Local Government System
Outputs:	• Deepen democracy through a refined ward committee model Administrative and financial capability
Key Strategic Organizational Objectives	To ensure that institutional arrangements are transparent efficient and effective To ensure that good governance and public participation is sustained and enhances transparency and accountability.

IDP Ref no.	Priority area (IDP)	Key performance indicator	Project Name	Baseline	2019/20 annual target	Quarter 1 target	Quarter 2 target	Quarter 3 target	Quarter 4 Target	Location of project	2019/20 Annual Budget R	Means of verification	Achieved / Not achieved	Reasons for variance
BNT -004-201 9/20 IDP	Budgeting and Reporting	Number of Annual Financial Statements (AFS) compiled	Compilation of 2018/19 AFS	2017/18 AFS compiled	2018/19 AFS compiled	2018/19 AFS compiled				MLM	9 00 000	Signed Annual Financial Statements .		
BNT -003-201 9/20 IDP	Revenue Management	Number of municipal properties audited	Municipal Property Audit identifying potential investment properties	New indicator	1 Municipal Property Audit Report				1 Municipal Property Audit Report	MLM	700 000.	Specificati on Advert Appointme nt letter Property audit report		

Key Performance Area (KPA) 4: Municipal Financial Viability and Management

Outcome 9: Responsive, Accountable, Effective and Efficient Local Government System

Outputs:
- Deepen democracy through a refined ward committee model
  Administrative and financial capability

Key Strategic Organizational Objectives
To ensure that institutional arrangements are transparent efficient and effective
To ensure that good governance and public participation is sustained and enhances transparency and accountability.

IDP Ref no.	Priority area (IDP)	Key performance indicator	Project Name	Baseline	2019/20 annual target	Quarter 1 target	Quarter 2 target	Quarter 3 target	Quarter 4 Target	Location of project	2019/20 Annual Budget R	Means of verification	Achieved / Not achieved	Reasons for variance
BNT-005-2019/20	Revenue Management	Number of valuation rolls developed and maintained	Development of Supplementary valuation roll	MPRA compliant General Valuation roll and annual valuation rolls	1 Supplementary valuation roll developed				1 Supplementary valuation roll developed	MLM	300 000	MPRA Compliant Supplementary valuation rolls.		
IDP												Public Notice		
BNT-002-2019/20	Supply Chain Management	Number of Municipal Assets revaluated reports	Municipal Assets revaluation	2018/19 Municipal Assets revaluation reports completed	5 Municipal Assets revaluation reports completed				5 Municipal Assets revaluation reports completed		1 000 000	Municipal Assets revaluation reports regulated by GRAP 17		
IDP														

Key Performance Area (KPA) 4: Municipal Financial Viability and Management

Outcome 9: Responsive, Accountable, Effective and Efficient Local Government System

Outputs:
- Deepen democracy through a refined ward committee model
- Administrative and financial capability

Key Strategic Organizational Objectives
To ensure that institutional arrangements are transparent efficient and effective
To ensure that good governance and public participation is sustained and enhances transparency and accountability.

IDP Ref no.	Priority area (IDP)	Key performance indicator	Project Name	Baseline	2019/20 annual target	Quarter 1 target	Quarter 2 target	Quarter 3 target	Quarter 4 Target	Location of project	2019/20 Annual Budget R	Means of verification	Achieved / Not achieved	Reasons for variance
BNT-001-2019/20		Number of Inventory Management systems procured	Inventory Module (mSCOA module)	New Indicator	1 Inventory Management system procured		1 Inventory Management system procured				350 000	Preparation of Specification, advert and appointment of service provider for supply and installation of 1x Inventory system		
IDP / BNT OP-24-2019/20	Internal Audit action	Percentage of internal audit queries addressed	Audit action plan	New indicator	100% of Internal audit queries addressed	25% of Internal audit queries addressed	50% of Internal audit queries addressed	75% of Internal queries addressed	100% of Internal audit queries addressed	MLM	Opex	Updated Audit action plan		
BNT OP-25-2019/20	Risk Management	Percentage of risks resolved within timeframe as specified in the risk register	Risk register	100% of risks resolved within the timeframe as specified in the register	100% of risks resolved within the timeframe as specified in the register	100% of risks resolved within the timeframe as specified in the register	100% of risks resolved within the timeframe as specified in the register	100% of risks resolved within the timeframe as specified in the register	100% of risks resolved within the timeframe as specified in the register	MLM	Opex	Strategic risk register		

Key Performance Area (KPA) 4:		Municipal Financial Viability and Management												
Outcome 9:		Responsive, Accountable, Effective and Efficient Local Government System												
Outputs:		• Deepen democracy through a refined ward committee model / Administrative and financial capability												
Key Strategic Organizational Objectives		To ensure that institutional arrangements are transparent efficient and effective / To ensure that good governance and public participation is sustained and enhances transparency and accountability.												
IDP Ref no.	Priority area (IDP)	Key performance indicator	Project Name	Baseline	2019/20 annual target	Quarter 1 target	Quarter 2 target	Quarter 3 target	Quarter 4 Target	Location of project	2019/20 Annual Budget R	Means of verification	Achieved / Not achieved	Reasons for variance
BNT OP-26-2019/20	Council resolutions	Percentage of Council resolutions implemented	Implementation on of Council resolutions	New indicator	100% of Council resolutions implemented	100% of Council resolutions implemented	100% of Council resolutions implemented	100% of Council resolutions implemented	100% of Council resolutions implemented	MLM	Opex	Updated Council resolution register		
BNT OP-27-2019/20	Audit Committee	Percentage of Audit Committee resolutions implemented	Implementation on Audit Committee resolutions	New indicator	100% of Audit Committee resolutions implemented	100% of Audit Committee resolutions implemented	100% of Audit Committee resolutions implemented	100% of Audit Committee resolutions implemented	100% of Audit Committee resolutions implemented	MLM	Opex	Updated Audit Committee resolution register		

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C. Evaluation on the Competencies set out in the Competency Framework

The Regulations state that there is no hierarchical connotation to the structure and all competencies are essential to the role of a Senior Manager to influence high performance. All competencies must therefore be considered as measurable and critical in assessing the level of a Senior Manager's performance.

CORE MANAGEMENT CRITERIA (CMC)	WEIGHT %	MILESTONES/COMMENTS	OWN RATING (BY MANAGER) (1-5)	RATING BY PANEL MEMBER (1-5)
Leading Competencies				
1. Strategic Direction and Leadership				
2. People Management				
3. Programme and Project Management				
4. Financial Management				
5. Change Leadership				
6. Governance Leadership				
Core Competencies				
1. Moral Competencies				
2. Planning and Organizing				
3. Analysis and Innovation				
4. Knowledge and Information Management				
5. Communication				
6. Results and Quality Focus				
TOTAL	100%			

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D. Personal Development Plan (Annexure b)

SKILL / PERFORMANCE GAP	OUTCOME EXPECTED	SUGGESTED TRAIING / DEVELOPMENT ACTIVITY	SUGGESTED MODE OF DELIVERY	SUGGESTED TIMEFRAME	WORK OPPORTUNITY CREATED TO PRACTICE SKILL	SUPPORT PERSON
Municipal finance Management Programme	Full understanding of municipal finance	Training on MFMP	Attending training from Accredited Training Provider	June 2020	CFO	Municipal Manager
Financial Statement Preparation	Understanding of Local Government AFS Preparation	Training on AFS Preparation	Skills Transfer from the Service Provider	June 2020	CFO	Municipal Manager
Advanced Ms Excel	Ability to use Excel at a higher level	Advanced Excel Programme	Training Workshop	May 2020	Management	HR Manager

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E. Performance Assessment Rating

The assessment rating calculator will be used to add the scores and calculate a final KPA score (80%) and a final score for the competencies as contained in the Competency Framework (20%).

MIDYEAR / ANNUAL APPRAISAL USING THE RATING CALCULATOR

KPA	Weight	Rating	Score
1	100%	0	0
2			0
3			0
4			0
5			0
	100%		0

CF	Weight	Rating	Score
1	50%	0	0
2	25%	0	0
3	25%	0	0
4			0
5			0
	100%		0

KPA weight	80%	CF weight	20%
KPA SCORE	**0%**	**CF SCORE**	**0%**
FINAL SCORE	**0%**		

SIGNATURES OF MEMBERS OF THE EVALUATION PANEL

Chairperson : _____

Member : _____

Member : _____

Member : _____

Member : _____

Signed in _____ on ____ of _____ 20 ____