



Performance Agreement
2013/14

**MGM JELE
PMU MANAGER**

JW *Law* *[Signature]*
MJB MR

PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

THE SOL PLAATJE MUNICIPALITY

AS REPRESENTED BY THE MUNICIPAL MANAGER

MR G H AKHARWARAY

(herein and after referred as Employer)

AND

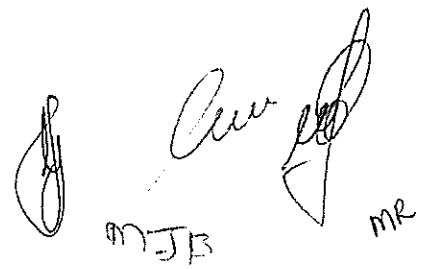
MANAGER: PMU

Ms. MGM JELE

(herein and after referred as Employee)

FOR THE

FINANCIAL YEAR: 1 JULY 2013 - 30 JUNE 2014



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1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee;
- 1.2 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;
- 1.3 In this Agreement the followings terms will have the meaning ascribed thereto:
 - 1.3.1 "this Agreement" – means the performance agreement between the Employer and the Employee and the Annexures thereto;
 - 1.3.2 "the Executive Authority" – means the Mayoral Committee of the Municipality constituted in terms of Section 55 of the Local Government: Municipal Structures Act;
 - 1.3.3 "the Employee: means the Manager responsible for Project Management Unit as set out in the MIG PMU Guidelines of 2007;
 - 1.3.4 "the Employer" means Sol Plaatje Municipality represented by the Municipal Manager; and
 - 1.3.5 "the Parties" means the Employer and Employee.

2. PURPOSE OF THIS AGREEMENT

- 2.1 Comply with the provisions of Section 5 of the Municipal Systems Act;
- 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 outcomes;
- 2.5 Establish a transparent and accountable working relationship; and
- 2.6 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

me
JW
Lew
MJB

3. COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the 01 July 2013 and will remain in force until 30 June 2014 where after a new Performance Agreement shall be concluded between the parties for the next financial year or any portion thereof;
- 3.2 The Parties will conclude a new Performance Agreement that replaces this Agreement at least once a year by not later than 31st of July of the succeeding financial year;
- 3.3 This Agreement will terminate when the employee is no longer employed by the Employer; and
- 3.4 The content of this Agreement may be revised, by written agreement between the Employer and Employee, 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;
 - 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 C – 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 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 that 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

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4.2.4 Weightings showing the relative importance of the key objectives to each other.

4.3 The Personal Development Plan (Annexure B) 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 municipality adopted for the employees of the municipality;

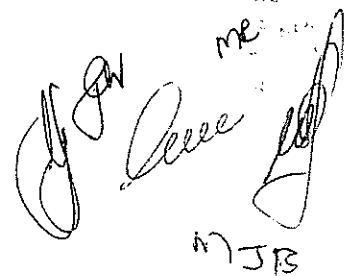
5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the employees and relevant stakeholders to perform to the standards required;

5.3 The Employer will consult the Employee about the specific performance standards and targets that will be included in the performance management system applicable to the employee;

5.4 The Employee undertakes to actively focus on the promotion and implementation of the Key Performance Areas (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, 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;

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5.7

KPA No	Key Performance Area
1	Service Delivery and Infrastructure Development
2	Municipal Transformation and Institutional Development
3	Local Economic Development
4	Municipal Financial Viability and Management
5	Good Governance, Public Participation Accountability and Transparency
TOTAL 80%	

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 are reflected in the list below as agreed to between the Employer and Employee:

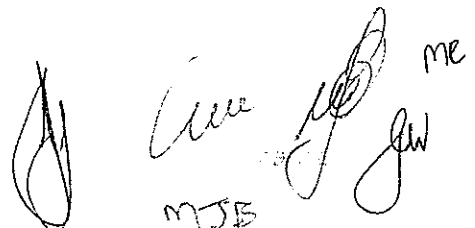
CCR No	Core Competency Requirement
1	Strategic Capability and Leadership
2	Financial Management (compulsory)
3	Change Management
4	Knowledge Management
5	Problem Solving and Analysis
6	Programme and Project Management
7	Service Delivery Innovation
8	People Management and Empowerment (compulsory)
9	Client Orientation and Customer Focus (compulsory)
10	Communication
11	Honesty and Integrity
TOTAL 20%	

6. 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 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 the actions agreed to and implementation must take place within set time frames;

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- 6.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan (IDP);
- 6.5 Assessment of the achievement of results as outlined in the performance plan:
- 6.5.1 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;
 - 6.5.2 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; and
 - 6.5.3 An overall score will be calculated based on the total of the individual scores calculated above.
- 6.6 Assessment of the CCRs:
- 6.6.1 Each CCR shall be assessed according to the extent to which the specified standards for the required proficiency level have been met;
 - 6.6.2 A rating on the five-point scale shall be provided for each CCR which will then be multiplied by the weighting to calculate the final score;
 - 6.6.3 Each CCR's will be assessed in terms of the definitions provided (Annexure C) on a 360 degree basis during the mid-year and year-end reviews and will inform the final score awarded by the evaluation committee; and
 - 6.6.4 An overall score will be calculated based on the total of the individual scores calculated above.
- 6.7 Overall rating
- 6.7.1 An overall rating is calculated by adding the overall scores as calculated in 6.6.3 and 6.7.4 above; and
 - 6.7.2 Such overall rating represents the outcome of the performance appraisal.

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- 6.8 The assessment of the performance of the Employee will be based on the following rating scale for KPI's and CCRs:




Level	Terminology	Description
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 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 PA and Performance Plan.
2	Not fully effective	Performance is below the standard expected for the job in key areas. The appraisal 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	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that they 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.

- 6.9 For purposes 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 –

6.9.1 Municipal Manager;

6.9.2 Chairperson of the Performance Audit Committee or in his/her absence thereof, the Chairperson of the Audit Committee; and

- 6.10 The Municipal Manager will evaluate the performance of the Employee as at the end of the 1st and 3rd quarters at his own discretion; and

me

 MJB



6.11 The Municipal Manager will give performance feedback to the Employee after each bi-annual and/or quarterly and annual assessment meetings.

7. SCHEDULE FOR PERFORMANCE REVIEWS

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

Quarter	Review Period	Review to be completed by
1	July - September 2013	October 2013 (1 st Quarter at MM's discretion)
2	October – December 2013	February 2014 (Compulsory – Mid - year)
3	January – March 2014	April 2014 (1 st Quarter at MM's discretion)
4	April-June 2014	April 2015 (Compulsory – Year-end)

7.2 The Employer shall keep a record of the mid-year and year-end assessment meetings;

7.3 Performance feedback shall be based on the Employer'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 will be fully consulted before any such change is made; and

7.5 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.

8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B. Such Plan may be implemented and/or amended as the case may be after each assessment. In that case, the Employee will be fully consulted before any such change or plan is made.

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9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall-

- 9.1.1 Create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 Provide access to skills development and capacity building opportunities;
- 9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 9.1.4 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
- 9.1.5 Make available to the Employee such resources as the Employee may reasonably require from time to time assisting him/her to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

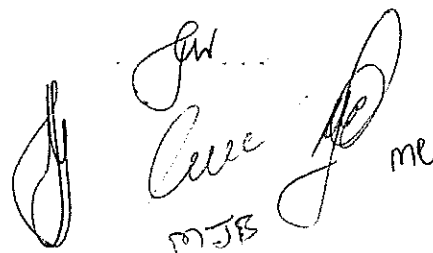
10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others-

- 10.1.1 A direct effect on the performance of any of the Employee's functions;
- 10.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer; and
- 10.1.3 A substantial financial effect on the Employer.

10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in clause 12.1 as soon as is practicable to enable the Employee to take any necessary action with delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

11.1 Where the employer is, at any time during the employees employment, not satisfied with the manager's performance with respect to any matter dealt with in this Agreement, the employer will give notice the employee to attend a meeting;



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- 11.2 The Employee will have the opportunity at the meeting to satisfy the employer of the measures being taken to ensure that his performance becomes satisfactory and any programme, including any dates, for implementing these measures;
- 11.3 Where there is a dispute or difference as to the performance of the employee under this Agreement, the parties will confer with a view to resolving the dispute or difference; and
- 11.4 In the case of unacceptable performance, the employer shall –
- 11.4.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
- 11.4.2 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 his or her duties.

12. DISPUTE RESOLUTION

- 12.1 In the event that the employee is dissatisfied with any decision or action of the Council in terms of this Agreement, or where a dispute or difference arises as to the extent to which the employee has achieved the performance objectives and targets established in terms of this Agreement, the employee may within 3 working days meet with the employer with a view to resolving the issue. The employer will record the outcome of the meeting in writing;
- 12.2 If the parties could not resolve the issues within 10 working days, an independent arbiter, acceptable to both parties, should be appointed to resolve the matter within thirty days; and
- 12.3 In the event that the mediation process contemplated above fails, the relevant clause of the Contract of Employment shall apply.

JW *me*
Lee
MJB

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 Employer; and

13.2 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.

Thus done and signed at KIMBERLEY on this the 29 day of JULY of 2013.

AS WITNESSES:

1. [Signature]
2. [Signature]

[Signature]
PMU MANAGER

Thus done and signed at Kimberley on this the 31st day of July 2013.

AS WITNESSES:

1. [Signature]
2. [Signature]

[Signature]
MUNICIPAL MANAGER

[Signature]

2013/14

Performance Plan

Manager: PMU

MGM Jele

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MGM Jele

Manager: PMU

MGM Jele

The Performance Plan sets out:

- a) Key Performance Areas that the employee should focus on, performance objectives, key performance indicators and targets that must be met within a specific timeframe;
- b) Core competencies required from employees prescribed in the Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, R805 of 2006.






The employee's assessment will be based on his/her performance in terms of the outputs/outcomes (performance indicators) identified as per the performance plan which are linked to the National KPA's, which constitute 80% of the overall assessment result as per the weightings agreed to between the employer and employee.

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

Key Performance Areas (KPA's)		Weighting	Core Competency Requirements (CCR's)		Weighting
Municipal Transformation & Institutional Development		20	Strategic Leadership and Management		2
Basic Service Delivery		0	Programme and Project Management		5
Local Economic Development		0	Financial Management		2
Municipal Financial Viability & Management		43	Change Management		0
Good Governance & Public Participation		17	Knowledge Management		2
			Problem Solving and Analytical Thinking		2
			People and Diversity Management		1
			Client Orientation and Customer Focus		1
			Service Delivery Innovation		1
			Communication		2
			Accountability and Ethical Conduct		2
Total		80%	Total		20%

Lucy MSB
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MR

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

Category	Colour	Explanation
KPI's Not Met/ Unacceptable performance		Performance does not meet the standard expected for the job. The review/assessment indicates that they 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.
KPI's Almost Met / 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 against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
KPI's Met / 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.
KPI's Well Met / 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.
KPI's Extremely Well Met / 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.

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KEY PERFORMANCE INDICATORS

Strategic Objectives	National KPA	Key Performance Indicator (KPI)	Unit of Measurement	Baseline	Targets				Weight
					Q1	Q2	Q3	Q4	
Good Governance and Public Participation									
To ensure an improved audit opinion in line with the LGTAS	Good Governance and Public Participation	Implementing assignments from municipal manager Apply proper procurement practices with the adherence to the approved SCM policy to promote good governance and to be effective in delivering services	% of issues raised and proposed corrective measures rectified	95%	95	95	95	95	5
To ensure an improved audit opinion in line with the LGTAS	Good Governance and Public Participation		Number of Bid Committee Meetings Attended	New KPI	3	5	7	10	5
To ensure an improved audit opinion in line with the LGTAS	Good Governance and Public Participation	Implement corrective measures as identified in internal audit reports as to reduce risk areas	% of issues raised and proposed corrective measures rectified	100%	100	100	100	100	1
To ensure an improved audit opinion in line with the LGTAS	Good Governance and Public Participation	Implementation of Council resolutions	% of Council resolutions implemented	New P/I	100	100	100	100	1
To ensure an improved audit opinion in line with the LGTAS	Good Governance and Public Participation	Submission of annual report information	% submitted by due date	100%	60	100	100	100	5
Municipal Financial Viability and Management									
Ensure sound financial management and financial sustainability of SPM	Municipal Financial Viability and Management	Approve sound and authorised expenditure of the section to enhance municipal financial viability and management	Number of months without unauthorised spending	12	3	3	3	3	3
Ensure sound financial management and financial sustainability of SPM	Municipal Financial Viability and Management	Report on MIG funding during the financial year in accordance with DoRA requirements.	Number of reports submitted by due date	47	12	24	36	47	15

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 - Initials "LW" and "MS" below it.
 - The number "175" written below the initials.

Strategic Objectives	National KPA	Key Performance Indicator (KPI)	Unit of Measurement	Baseline	Targets				Weight
					Q1	Q2	Q3	Q4	
Ensure sound financial management and financial sustainability of SPM	Municipal Financial Viability and Management	Capture EPWP performance during the financial year in accordance with the DoRA requirements.	Number of submissions on EPWP system	4	1	2	3	4	15
Ensure sound financial management and financial sustainability of SPM	Municipal Financial Viability and Management	Assist with other infrastructure related grant (e.g. DBSA loan, ISDG, GURP etc) as per request by the Municipal Manager.	% of tasks completed or reports submitted	New KPI	100	100	100	100	10
Municipal Transformation and Institutional Development									
To provide an overarching framework for sustainable municipal performance improvement	Municipal Transformation and Institutional Development	Monitoring of effective delivery against capital KPI's as per departmental service delivery plans	Number of monthly reports reviewed	4	1	2	3	4	5
To provide an overarching framework for sustainable municipal performance improvement	Municipal Transformation and Institutional Development	Project management support to directorates	% on time spent on support rendered to directorates	60%	60	60	60	60	15
Total									80

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CORE COMPETENCY FRAMEWORK

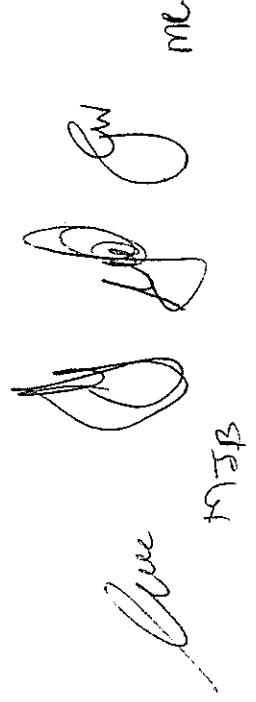
The performance of Section 57 Managers should be assessed in terms of Core Competency Requirements (CCRs) as required by the Regulations of Section 57 Managers. These competencies describe general managerial and occupational skills. The assessment of these competencies will account for **twenty percent** of the total employee assessment score. The bold CCR's are compulsory for all managers.

Annexure B describes the different proficiency levels for each Core Competency Requirements (CCRs) and should therefore form part of this section of the Performance Plan.

Core Managerial Skill	Select prov. level (refer Annexure B)	Definition	Weight
Strategic Leadership and Management		Skills to be able to provide a vision, set the direction for the municipality or department and inspire others in order to deliver on the municipality's mandate	2
Programme and project management		Skills to enable the individual to plan, manage, monitor and evaluate specific activities in order to ensure that policies are implemented and that local government objectives are achieved	5
Financial Management		Skills required to manage projects and/or department work within the constraints of a budget. This includes being able to plan a budget at the beginning of the financial year, controlling costs throughout the year by allocating resources appropriately and understanding and anticipating the impact of other departments on own budget and adopting where necessary.	2
Change Management		Skills to initiate and support municipal transformation and change in order to implement new initiatives successfully and deliver on service delivery commitments.	0
Knowledge management		This includes the working knowledge of Council regulations, by-laws and policies, National, Provincial and Local Government structures and applicable legislation.	2
Problem solving and analytical thinking		Be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner	2
People and diversity management		Skills to manage and encourage people, optimise their outputs and effectively manage relationships. This includes holding regular meetings with his/ her team so that information can be shared and so that the team is aware of decisions that may affect them. It also involves distributing workloads so that individual skills are used appropriately and so that the work is evenly spread, making sure that the team has the necessary tools and resources in order to do their work and motivating the team so that they are committed to achieving the goals of the department and ultimately the municipality	1
Client orientation and customer focus		Whether providing a service to an internal or external customer this means trying to determine the needs of the customer and then meeting those needs. At a minimum employees are required	1

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Core Managerial Skill	Select prov. level (refer Annexure B)	Definition	Weight
		to react to queries, keeping promises, being honest in all their dealings, adhering to policies, procedures and delegations, keeping the client up to date, being friendly and helpful and solving problems quickly and without argument. Ideally managers are required to be proactive by trying to understand needs of the customer and providing an appropriate service based on these underlying needs	
Service delivery innovation		This is about wanting to work well to achieve a high standard by trying to improve on the way things are done and by working towards achieving the work objectives. It is also about putting plans into action, meeting deadlines, taking initiative and solving problems to make sure that things get done. Employees do not wait to be told to do something but rather are encouraged to use their initiative to make sure that things get done accurately and efficiently.	1
Communication		Skills to be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.	2
Accountability and ethical conduct		Must be able to display and build the highest standards of ethical and moral conduct in order to promote confidence and trust in the municipality	2
		Total	20



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