



PERFORMANCE AGREEMENT

Made and entered into by and between:

Maluti-A-Phofung Municipality

[AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER]

Halcon Amos Goliath

AND

Sipho Mbuyiselo Godfrey Tshabalala

Acting Director: Public Safety, Transport and Protection Services

for the

FINANCIAL YEAR: 01 OCTOBER 2023 - 31 DECEMBER 2023

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- 2.1 comply with the provisions of Section 57 (1)(b), (4)(a), (4)(b) and (5) of the Systems Act as well 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 Employee's performance expectations and accountabilities;
- 2.3 specify accountability as set out in the Performance Plan (Annexure A);
- 2.4 monitor and measure performance against set targeted outputs;

The purpose of this agreement is to –

2. PURPOSE OF THIS AGREEMENT

- 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 of 2000 (hereinafter referred to as the "Systems Act"). The Employer and the Employee (are hereinafter referred to as "parties").
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Employee to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4)(a), 57(4)(b) and 57(5) of the Systems Act.

1. INTRODUCTION

WHEREBY IT IS AGREED AS FOLLOWS:

The Municipality of Maluti-A-Phofung Municipality herein represented by Halcon Amos Goliath in his capacity as the Acting Municipal Manager (hereinafter referred to as the Employer or Supervisor) and Sipho Mbuyiselo Godfrey Tshabalala in his capacity as the Acting Director: Public Safety, Transport and Protection Services (hereinafter referred to as an Employee)

ENTERED INTO BY AND BETWEEN:

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- 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 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 **01 July 2023** and will remain in force until **30 September 2023** 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 at least once a year, during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.
 - 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
 - 3.4 The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.
 - 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

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

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.

5.1 The Employer 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 PERFORMANCE MANAGEMENT SYSTEM

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.

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 quality requirements define the quality standards which the indicators must meet. The weightings show the relative importance of the key objectives to each other.

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, quality requirements and weightings.

4.1.2 The quality requirements and time frames within which those performance objectives and targets must be met.

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

4.1 The Performance Plan (Annexure A) sets out-

4 PERFORMANCE OBJECTIVES

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#	Key Performance Areas (KPA's)	Weighting
1.	Good Governance, Leadership and Public Participation	
2.	Municipal Institutional Development and Transformation	
3.	Basic Service Delivery	
4.	Local Economic Development	
5.	Municipal Financial Viability and Management	
Total		100

6.1 The Employee agrees to participate in the performance management and development system that the Employer adopts.

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

6.3 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.

6.3.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Leadership Competencies respectively.

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

6.3.3 KPAs covering the main areas of work will account for 80% and Leading Competency Requirements will account for 20% of the final assessment.

6.4 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:

6 AGREEMENT TO COMPLY WITH EMPLOYER'S SYSTEM

6.5 The leading Competencies make up the other 20% of the Employee's assessment score. The table below depicts the leading competencies assigned to the senior manager as per the Local Government "Regulation" on the appointment and conditions of employment of senior manager

#	CORE COMPETENCY	Institutional Standard	Director: Public Safety, Transport and Protection Services' Standard
1.	Communication	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	Disseminate and convey information and knowledge adequately
2.	Result and Quality Focus	Able to maintain the high quality standard focus on achieving results and objectives while consistently striving to exceed expectation and encourage others to meet the quality standard, further to actively monitor and measure results and quality against identified objectives	Monitors progress, quality of work, and use of resource, provides status updates and make adjustments as needed
3.	Planning and Organising	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	Schedule tasks in order to ensure that they are performed within budget and with efficient use of time and resources
4.	Knowledge and Information management	Able to promote the generation and sharing of knowledge and information through various processes and media in order to	Regularly share information with stakeholders and team members
			5

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#	CORE COMPETENCY	Institutional Standard	Director: Public Safety, Transport and Protection Services' Standard
		enhance the collective knowledge base of local government	
5.	Analysis and Innovation	Able to analyse information, challenges, and trends to establish and implement facts-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives	Identify solutions on various areas in the department
6.	Moral Competencies	Able to identify moral trigger, apply reasoning that promotes honesty and integrity consistently, display behaviour that reflects moral competence	Identify, develop and apply measures of self-correction
			10
	Total 50		

#	Leadership Competencies	Generic Standards	Director: Public Safety, Transport and Protection Services' standard	Weight
1	Strategic direction and leadership	Provide and direct a vision for the institution and inspire and deploy others to deliver on the strategic institutional mandate	Actively define performance measures to monitor the progress and effectiveness of the department	15
2	People Management	Effectively manage, inspire, and encourage people respect diversity, optimise talent and build nurture relationship in order to achieve institutional objectives	Provide mentoring and guidance to others in order to increase personal effectiveness	10
3	Program and Project Management	Able to understand program and project management methodology plan, management, monitoring and evaluate specific activities in order to deliver set objectives	To ensure that departmental programs monitored to track progress and optimal resource utilisation and adjustments are made as needed	10
4	Financial Management	Able to compile plan and manage budget, control cash flow, institute financial risk management and administer procurement processes in accordance with the recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner	Identify and implement proper monitoring and evaluation practices to ensure appropriate spending against budget	5
5	Changed leadership	Able to direct and initiate transformation in departmental employees in order to successfully drive and implement new	Motivate and inspire others around change initiatives	5

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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 the Employee's performance; and
- 7.1.2 the intervals for the evaluation of the Employee's performance.
- 7.2 Despite the establishment of the agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage (e.g. quarterly – highly recommended) 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 implemented within the agreed upon 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 the following:
 - 7.5.1 Assessment of the achievement of results as outlined in the performance plan:

		initiatives and deliver professional and quality service to the communities.		
6	Governance Leadership	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practises and obligations. Further able to deliver to direct the conceptualisation of relevant policies and enhance co-operative governance relationship.		
			Total 50	
5	Demonstrate a high level of commitment in complying with governance requirements			

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LEVEL	TERMINOLOGY	DESCRIPTION	RATING				
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	1	2	3	4	5

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

7.5.3 Overall rating
 An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.
 7.6 Assessment of the performance of the employee

7.5.2 Assessment of the leading and Core Competency Requirements:
 (a) Each Assessment of the leading and Core Competency Requirements should be assessed according to the extent to which the specified standards have been met.
 (b) An indicative rating on the five-point scale should be provided for each Assessment of the leading and Core Competency Requirements.
 (c) The applicable assessment rating calculator (refer to paragraph 7.5.1) must then be used to add the scores and calculate a final Assessment of the leading and Core Competency Requirements score.

(a) Each KPA shall be assessed according to the extent to which the specified standards or performance indicators have been met or exceeded and with due regard to ad hoc tasks that had to be performed under the KPA.
 (b) An indicative rating on the five-point scale should be provided for each KPA.
 (c) The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.

RATING	DESCRIPTION	TERMINOLOGY	LEVEL
1	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.		
2	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.	Performance significantly above expectations	4
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.	Full effective	3

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7.7 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established –

LEVEL	TERMINOLOGY	DESCRIPTION	RATING
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 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.	
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.	1 2 3 4 5

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- 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.

* These performance reviews must be formal and documented

INTERVAL	PERIOD	EVALUATION DEADLINE
First quarter	(July – September)	Before end October
*Second quarter	(October – December)	Before end January
Third quarter	(January – March)	Before end April
*Fourth quarter	(April – June)	Before end December

- 8.1 The performance of each Employee in relation to his 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:

8. SCHEDULE FOR PERFORMANCE REVIEWS

- 7.7.1 Municipal Manager;
- 7.7.2 Member of the Audit Committee;
- 7.7.3 Member of the Mayoral Committee; and
- 7.7.4 Municipal Manager from another municipality

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is included below.

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 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;

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:

a) a direct effect on the performance of any of the Employee's functions;

b) commit the Employee to implement or to give effect to a decision made by the Employer; and

c) 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.

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12.5 The Employee will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least twelve months (12)

FINAL SCORE	BONUS/REWARD
150 and above	10% to 14% of the annual total remuneration package
130 to 149%	5% to 9% of the annual total remuneration package
100% to 129%	1% to 4% of the annual total remuneration package
99% and below	Compulsory Performance Counselling

- a] A score of 99% and below will require compulsory Performance Counselling,
- b] A score of 100% to 129% is awarded a performance bonus ranging from 1 – 4%,
- c] A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9%, and
- d] A score of 150 and above is awarded a performance bonus ranging from 10% - 14%.

12.4 As per the Performance Regulations, the 57 Managers shall be able to qualify for performance bonuses according to the following score:

- a] The approval of such evaluation by the municipal council, and
- b] The annual report for the financial year under review has been tabled and adopted through an oversight report by the municipal council.

12.3 A performance bonus may be granted to an employee in recognition of performance based on the Performance Management Regulations of 2006. Section 8 of the regulations state that a performance bonus, based on affordability, may be paid to the employee, only after: An evaluation of performance in accordance with the provisions of Regulation 23;

12.2 A *discretionary* performance bonus of up to 14% of the inclusive annual remuneration package *may* be paid to the Employee in recognition of outstanding performance.

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

12. MANAGEMENT OF EVALUATION OUTCOMES

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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.

14.1 The contents of the performance agreement shall be made available to the public by the Employer in accordance with the Municipal Finance Management Act, 2003 and section 46 of the Municipal Systems Act, 2000.

14. GENERAL

13.2 Any dispute about the outcome of the employee's performance evaluation shall be mediated by a member of the municipal council, appointed by the Mayor, provided that such a member was not part of the evaluation panel provided for in paragraph 7.7 above, within thirty (30) days of receipt of a formal dispute from the employee, whose decision shall be binding on both parties.

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 the Mayor within thirty (30) days of receipt of a formal dispute from the Employee, whose decision shall be final and binding on both parties.

13. DISPUTE RESOLUTION

12.6 In the case of unacceptable performance, the Employer shall:
a) provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
b) 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.

service at the current remuneration package on 30 June (end of financial year) subject to a fully effective assessment.

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FINANCIAL YEAR: 01 October 2023 – 31 December 2023

(hereinafter referred to as the Employee)

Maluti-A-Phofung Municipality

of

Acting Director: Public Safety, Transport and Protection Services

in his capacity as

Sipho Mbuyiselo Godfrey Tshabalala

and

(hereinafter referred to as the Representative of the Municipality, the Employer)

of the Maluti-A-Phofung Municipality

Acting Municipal Manager

in his capacity as

Haleon Amos Goliath

by and between

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15. PERFORMANCE PLAN

16. Introduction

A Performance Plan is a strategic management tool that enables the performance of the employee to be assessed in an objective and fair manner. It defines the Council's expectations of the *Acting Director: Public Safety, Transport and Protection Services*, performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

This Performance Plan is composed of three distinct plans:

a. Output Plan

The output plan is a plan of what outputs the employee is expected to deliver on. The outputs are defined in terms of the tangible deliverables (product or service). The quality requirements include the standard of the product or service and the time frame within which it must be delivered. Finally, the indicator must reflect what evidence must be produced to demonstrate the delivery.

b. Competency Plan

The competency plan is a plan of what competencies (skills, knowledge, and attitude) the employee must acquire to be able to perform and deliver on the set objectives effectively. It entails the determination of the gap between the required level of competence and the employee's actual level of competence.

c. Development Plan

The development plan is a plan of what development interventions will be undertaken to bridge the gap between the required level of competence and the employee's actual level of competence and thus bring the employee to the desired competency level.

17. Output Plan

17.1 Introduction

The output plan is a plan of what outputs the employee is expected to deliver on. It consists of the key performance areas (KPA's), weighting, outputs, performance indicator, baseline information and a target. A key performance area is a defined or demarcated area of performance. The outputs are defined in terms of the tangible deliverables (product or service).

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The quality requirements include the standard of the product or service and the time frame within which it must be delivered. The quality requirements are the standards which measure the quality of the service or product.

The baseline information is the current information which is used as a starting point from which performance will be measured. Finally, the indicator must reflect what evidence must be produced to demonstrate the delivery.

a. Key Performance Areas

The following are Key Performance Areas (KPA's) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2006) and the Municipality's IDP:

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18. OUPUT PLAN

KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY

Goal(s) 1: Accelerate service delivery and infrastructure development

Strategic Objective	Project Name	Indicator	Budget Allocation	Baseline	Spatial Reference	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Means of Verification	Custodian
Enhance organisational performance and management of municipal resources	Fleet Management	Number of fleet inspections conducted on municipal fleet	Operational budget	0	Municipal Offices	12	3 (stand-alone)	3 (stand-alone)	3 (stand-alone)	3 (stand-alone)	Signed reports for all departments with vehicle exception reports	Manager: Fleet Management
							100%	100%	100%	100%		
Promote environmental health and safety of local communities	Fire and Disaster Management	% of reported fire and emergency incidents responded to	Operational Budget	100%	Whole of municipality	100%	100%	100%	100%	100%	1. Report signed by the Director: Public Safety 2. time response sheets	Manager: Fire and Disaster Management
							100%	100%	100%	100%		
Promote environmental		Number of fire safety inspections to be conducted	Operational Budget	100%	Whole of municipality	100%	100%	100%	100%	100%	Fire safety checklist, registration on dangerous goods and certificates issued	Manager Fire and Disaster Management

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Strategic Objective	Project Name	Indicator	Budget Allocation 2023/2024	Baseline	Spatial Reference	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Means of Verification	Custodian												
													KEY PERFORMANCE AREA (KPA) 3: FINANCIAL MANAGEMENT & VIABILITY											
health and safety of local communities	Livestock impounding	100% impounding of stray livestock	Operational Budget	100%	Whole of municipality	100%	100%	100%	100%	100%	Report signed by the Director: Public Safety	Pound Master												
													Road blocks	Number of road blocks conducted, stop and checks.	Operational Budget	25	Whole of municipality	30	7 (stand-alone)	7 (stand-alone)	7 (stand-alone)	9 (stand-alone)	Report of the director	Chief Traffic
													Implementation of bylaws	Number of bylaws Implemented	Operational Budget	2	Whole of municipality	2 (animal impoundment by laws, road traffic bylaws)	2	2	2	2	Report signed by Director Public Safety, notices)	Chief Traffic

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems

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Enhance organisational performance and management of municipal resources	Improved vehicle control	Number of vehicle exception reports generated with flagged areas for consequence	Operation Budget	100 %	Head office	100 %	100%	100%	100%	100%	Vehicle exception report indicating areas identified for consequence	Manager: Fleet Management
Enhance organisational performance and management of municipal resources	Bids Processing	Average number of days take to process a bid submission of specification to adjudication	Operational Budget	65 days	Municipal Office	65 days	65 days	65 days	65 days	65 day	Bids Evaluation Report	Director: Public Safety, Transport and Protection Services

KEY PERFORMANCE AREA (KPA) 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems

Strategic Objective	Project Name	Indicator	Budget Allocation 2023/2024	Baseline	Spatial Reference	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Means of Verification	Custodian
To enhance organisational performance, financial viability and management of municipal resources.	PMS	Turnaround time for the submission of departmental performance reports	Operational Budget	Within 10 working days after the end of each quarter	Municipal Office	Within 10 working days after the end of each quarter	Within 10 working days after the end of each quarter	Within 10 working days after the end of each quarter	Within 10 working days after the end of each quarter	Within 10 working days after the end of each quarter	Signed off POEs with all relevant attachments	Director: Public Safety, Transport and Protection Services

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KEY PERFORMANCE AREA (KPA) 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems												
Strategic Objective	Project Name	Indicator	Budget Allocation 2023/2024	Baseline	Spatial Reference	Annual Target 2023/2024	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Means of Verification	Custodian
To improve the effectiveness of governance administrative and financial systems	Circular compliance 88	Number of departmental Circular 88 quarterly reports submitted	R0	New indicator	Head Office	4	1	1	1	1	Circular 88 quarterly reports	Director: Public Safety, Transport and Protection Services
To ensure good corporate governance and public participation	MAYCO Council resolutions	% of MAYCO and Council resolutions implemented	Operational Budget	Head office	100%	100%	100%	100%	100%	100%	Report on the implementation of MAYCO and Council resolutions. Resolution Register	Director: Public Safety, Transport and Protection Services



To improve the effectiveness of governance administrative and financial systems	Internal and External Audit Findings	% of departmental A-G matters addressed as per the audit action plan	Operational Budget	100%	Head office	100%	100%	100%	100%	100%	100%	100%	Audit action plan report	Director: Public Safety, Transport and Protection Services
To ensure good corporate governance and public participation	Risk Management	Number of reviews conducted for departmental operational risk registers to identify emerging risks.	Operational Budget	4	Head office	4	1	1	1	1	1	1	Operational Risk Review Report signed off by the Director	Director: Public Safety, Transport and Protection Services
To ensure good corporate governance and public participation	MPAC/PROPEC Resolutions	% Implementation of MPAC/PROPEC Resolutions relevant to the department	Operational Budget	100%	Head office	100%	100%	100%	100%	100%	100%	100%	Report on the implementation of MPAC/PROPEC Resolution Register	Director: Public Safety, Transport and Protection Services

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19. PERSONAL DEVELOPMENT PLAN

The Personal Development Plan that pertains to what development interventions are envisaged and planned to bridge the gap between the required level of competence and the employee's actual (current) level of competence and thus bring the employee to the desired competency level.

#	Identified area of development	Outcomes expected (Proficiency level)	Suggested training/development/capacitation activity	Planned timeframes	Work opportunity created to practice skill/development
1.	SIM Training	Fully Competent	High level training	Semester basis	For adjudication
2.					
3.					

Scoring Key:

COMPETENCY LEVEL	SCORE
Fully Competent	5
Partially Competent	3
Significant Development Required	1

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This proficiency level indicates that the performer has fully mastered the competency, works without supervision, is capable of instructing others on the competency and capable of solving or applying the competency to a wide range of new or different situations.

○ **Advanced**

This proficiency level indicates that the person can perform the competency at the minimum required level, i.e., able to display the competency at the required level, without supervision. This is the standard that any performance improvement programme and training or coaching effort seeks to achieve.


○ **Competent**


The proficiency level required to successfully perform at the level of "new entrant" or a person who can only handle the competency in its "basic format" and requires regular supervision and direction. The purpose of training and development is to move the proficiency level from that of "basic" to at least "competent" for all middle managers.


○ **Basic**

20. PROFICIENCY KEY:

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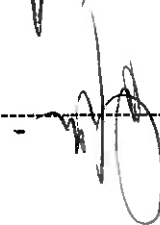
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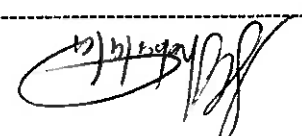
(REPRESENTING EMPLOYER)

 (Signature)

H. Allen James (Full Name)

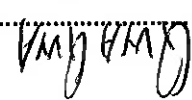
AND

(EMPLOYEE)

 (Signature)

Siphos GM (Full Name)

Between:

Thus done and signed at  on this the 8 day of September 2023

Thus done and signed at Putturbitta on this the 30th day of JULY 2025

Between:

(Signature)



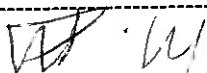
(EMPLOYEE)

(Full Name)

MAREKULA JUKA MEHATA

AND

(Signature)



(Full Name)

(REPRESENTING EMPLOYER)

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AS WITNESSES:

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- 2.1 comply with the provisions of Section 57 (1)(b), (4)(a), (4)(b) and (5) of the Systems Act as well 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 Employee's performance expectations and accountabilities;
- 2.3 specify accountability as set out in the Performance Plan (Annexure A);
- 2.4 monitor and measure performance against set targeted outputs;

The purpose of this agreement is to –

2. PURPOSE OF THIS AGREEMENT

- 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 of 2000 (hereinafter referred to as the "Systems Act"). The Employer and the Employee (are hereinafter referred to as "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. 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 The parties wish to ensure that there is compliance with Sections 57(4)(a), 57(4)(b) and 57(5) of the Systems Act.

1. INTRODUCTION

WHEREBY IT IS AGREED AS FOLLOWS:

The Municipality of Maluti-A-Phofung Municipality herein represented by Councillor Malekula Julia Melato Diamini in her capacity as the Executive Mayor (hereinafter referred to as the Employer or Supervisor) and Adv. Motsahae Matthews Mofokeng (Employee of Maluti-A-Phofung Municipality) (hereinafter referred to as the Municipal Manager)

ENTERED INTO BY AND BETWEEN:

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 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 01 July 2023 and will remain in force until 30 September 2023 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 at least once a year, during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.

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

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

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

4. PERFORMANCE OBJECTIVES

4.1 The Performance Plan (Annexure A) sets out-

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

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6.1 The Employee agrees to participate in the performance management and development system that the Employer adopts.

6. AGREEMENT TO COMPLY WITH EMPLOYER'S SYSTEM

5.3 The Employer will consult the Employee on the specific performance standards that will be included in the performance management system as applicable to the Employee.
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. PERFORMANCE MANAGEMENT SYSTEM

5.1 The Employer agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.
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.
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 quality requirements define the quality standards which the indicators must meet. The weightings show the relative importance of the key objectives to each other.
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, quality requirements and weightings.
4.1.2 the quality requirements and time frames within which those performance objectives and targets must be met.

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#	Key Performance Areas (KPA's)	Weighting
1.	Good Governance, Leadership and Public Participation	20
2.	Municipal Institutional Development and Transformation	20
3.	Basic Service Delivery	20
4.	Local Economic Development	20
5.	Municipal Financial Viability and Management	20
Total		100

- 6.2 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 6.3 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.
- 6.3.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Leadership Competencies respectively.
- 6.3.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 6.3.3 KPAs covering the main areas of work will account for 80% and Leading Competency Requirements will account for 20% of the final assessment.
- 6.4 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 KPAs, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

6.5 The leading Competencies make up the other 20% of the Employee's assessment score. The table below depicts the leading competencies assigned to the senior manager as per the Local Government "Regulation" on the appointment and conditions of employment of senior manager

#	CORE COMPETENCY	Institutional Standard	Municipal Manager's Standard
1.	Communication	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	Disseminate and convey information and knowledge adequately
2.	Result and Quality Focus	Able to maintain the high quality standard focus on achieving results and objectives while consistently striving to exceed expectation and encourage others to meet the quality standard, further to actively monitor and measure results and quality against identified objectives	Monitors progress, quality of work, and use of resource, provides status updates and make adjustments as needed
3.	Planning and Organising	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	Schedule tasks in order to ensure that they are performed within budget and with efficient use of time and resources
4.	Knowledge and Information management	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	Regularly share information with stakeholders and team members
			5

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#	CORE COMPETENCY	Institutional Standard	Municipal Manager's Standard
5.	Analysis and Innovation	Able to analyse information, challenges, and trends to establish and implement facts-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives	Identify solutions on various areas in the department
6.	Moral Competencies	Able to identify moral trigger, apply reasoning that promotes honesty and integrity consistently, display behaviour that reflects moral competence	Identify, develop and apply measures of self-correction
		Total 50	
			5
			10

#	Leadership Competencies	Generic Standards	Municipal Manager's standard	Weight
1	Strategic direction and leadership	Provide and direct a vision for the institution and inspire and deploy others to deliver on the strategic institutional mandate	Actively define performance measures to monitor the progress and effectiveness of the department	15
2	People Management	Effectively manage, inspire, and encourage people respect diversity, optimise talent and build nurture relationship in order to achieve institutional objectives	Provide mentoring and guidance to others in order to increase personal effectiveness identify development and learning needs within the department	10
3	Program and Project Management	Able to understand program and project management methodology plan, management, monitoring and evaluate specific activities in order to deliver set objectives	To ensure that departmental programs monitored to track progress and optimal resource utilisation and adjustments are made as needed	5
4	Financial Management	Able to compile plan and manage budget, control cash flow, institute financial risk management and administer procurement processes in accordance with the recognised financial practises. Further to ensure that all financial transactions are managed in an ethical manner	Identify and implement proper monitoring and evaluation practises to ensure appropriate spending against budget	5
5	Changed leadership	Able to direct and initiate transformation in departmental employees in order to successfully drive and implement new	Motivate and inspire others around change initiatives	5

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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 the Employee's performance; and
 - 7.1.2 the intervals for the evaluation of the Employee's performance.
- 7.2 Despite the establishment of the agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage (e.g. quarterly – highly recommended) 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 implemented within the agreed upon 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 the following:
 - 7.5.1 Assessment of the achievement of results as outlined in the performance plan:

		initiatives and deliver professional and quality service to the communities.		
6	Governance Leadership	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practises and obligations. Further able to deliver to direct the conceptualisation of relevant policies and enhance co-operative governance relationship.	Demonstrate a high level of commitment in complying with governance requirements	10
				Total 50

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LEVEL	TERMINOLOGY	DESCRIPTION	RATING
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	1 2 3 4 5

The assessment of the performance of the Employee will be based on the following rating scale for KPAs and CRs:

7.6 Assessment of the performance of the employee rating represents the outcome of the performance appraisal.

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall

7.5.3 Overall rating

- (a) Each Assessment of the leading and Core Competency Requirements should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each Assessment of the leading and Core Competency Requirements.
- (c) The applicable assessment rating calculator (refer to paragraph 7.5.1) must then be used to add the scores and calculate a final Assessment of the leading and Core Competency Requirements score.

7.5.2 Assessment of the leading and Core Competency Requirements:

- (a) Each KPA shall be assessed according to the extent to which the specified standards or performance indicators have been met or exceeded and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.

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LEVEL	TERMINOLOGY	DESCRIPTION	RATING
			1 2 3 4 5
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	Full effective	Fully effective Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.	
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the	

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7.7 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established –

7.7.1 Executive Mayor;

7.7.2 Chairperson of the Audit Committee or his/her representative;

7.7.3 Member of the Mayoral Committee; and

7.7.4 Executive Mayor/Mayor and/or Municipal Manager from another municipality.

LEVEL	TERMINOLOGY	DESCRIPTION	RATING
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 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.	1 2 3 4 5
		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.	

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The Personal Development Plan (PDP) for addressing developmental gaps is included below.

9. DEVELOPMENTAL REQUIREMENTS

- 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.
- 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.
- 8.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.
- 8.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.

* These performance reviews must be formal and documented

INTERVAL	PERIOD	EVALUATION DEADLINE
First quarter	(July – September)	Before end October
*Second quarter	(October – December)	Before end January
Third quarter	(January – March)	Before end April
*Fourth quarter	(April – June)	Before end December

8.1 The performance of each Employee in relation to his 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:

8. SCHEDULE FOR PERFORMANCE REVIEWS

7.7.5 Member of a ward committee as nominated by the Executive Mayor

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

12. MANAGEMENT OF EVALUATION OUTCOMES

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.

- a) a direct effect on the performance of any of the Employee's functions;
- b) commit the Employee to implement or to give effect to a decision made by the Employer; and
- c) a substantial financial effect on the Employer.

11.1 The Employer agrees to consult the Employee timely where the exercising of the powers will have amongst others:

11. CONSULTATION

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.

10.1.4 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

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;

10.1.2 provide access to skills development and capacity building opportunities; employee;

10.1.1 create an enabling environment to facilitate effective performance by the Employer shall:

10. OBLIGATIONS OF THE EMPLOYER

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12.6 In the case of unacceptable performance, the Employer shall:

fully effective assessment.

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

FINAL SCORE	BONUS/REWARD
150% and above	10% to 14% of the annual total remuneration package
130% to 149%	5% to 9% of the annual total remuneration package
100% to 129%	1% to 4% of the annual total remuneration package
99% and below	Compulsory Performance Counselling

- a) A score of 99% and below will require compulsory Performance Counselling,
- b) A score of 100% to 129% is awarded a performance bonus ranging from 1 – 4%,
- c) A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9%, and
- d) A score of 150 and above is awarded a performance bonus ranging from 10% - 14%.

12.4 As per the Performance Regulations, the 557 Managers shall be able to qualify for performance bonuses according to the following score:

- a) An evaluation of performance in accordance with the provisions of Regulation 23;
- b) The approval of such evaluation by the municipal council, and
- c) The annual report for the financial year under review has been tabled and adopted through an oversight report by the municipal council.

12.3 A performance bonus may be granted to an employee in recognition of performance based on the Performance Management Regulations of 2006. Section 8 of the regulations state that a performance bonus, based on affordability, may be paid to the employee, only after:

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

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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.

14.1 The contents of the performance agreement shall be made available to the public by the Employer in accordance with the Municipal Finance Management Act, 2003 and section 46 of the Municipal Systems Act, 2000.

14. GENERAL

13.2 In the event that the mediation process contemplated above fails, the dispute resolution mechanism as enshrined in the Labour Relations Act shall apply.

13.1.3 the Executive Mayor within thirty (30) days of receipt of a formal dispute from the Employee, in the case of the Section 56 Managers

13.1.2 any other person appointed by the MEC.

13.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the Employee, in the case of the Municipal Manager; or

whether it relates to key responsibilities, priorities, methods of assessment and/or any other matter provided for, shall be mediated by:

13.1 Any disputes about the nature of the Employee's performance agreement,

13. DISPUTE RESOLUTION

- a) provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
- b) 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.