

MF

FINANCIAL YEAR 2018-2019

FOR THE

MS J.R PELOO  
ACTING EXECUTIVE MANAGER: CDS

THE EMPLOYEE OF THE MUNICIPALITY

AND

AS REPRESENTED BY THE EXECUTIVE MAYOR  
ACTING MUNICIPAL MANAGER MR M.F MONKOE

DR. JS MOROKA LOCAL MUNICIPALITY

MADE AND ENTERED INTO BY AND BETWEEN:

PERFORMANCE AGREEMENT

Dr JS Moroka Local Municipality

**drjsmlm**



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- 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/ScoreCard;
- 2.4 Monitor and measure performance against set targets and indicators;

The Purpose of this Agreement is to -

**2. PURPOSE OF THIS AGREEMENT**

- 1.1 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.
- 1.2 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 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

**1. INTRODUCTION**

**WHEREBY IT IS AGREED AS FOLLOWS:**

**Ms. J.R Peloo**  
**Employee** of the Municipality (hereinafter referred to as the Acting Executive Manager: CDS)

**And**

**Dr. JS Moroka** Local Municipality herein represented by **MF Monkoe** in his capacity as the Acting Municipal Manager (hereinafter referred to as the **Employer** or Supervisor)

**ENTERED INTO BY AND BETWEEN:**

**PERFORMANCE AGREEMENT**

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- 3.1 This Agreement will commence on the 1<sup>st</sup> July 2018 and will remain in force until 30<sup>th</sup> June 2019 where after a new Performance Agreement, Performance Plan/Scorecard 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 for any reason.
- 3.4 The content of this Agreement may be revised at anytime during the above-mentioned 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.

**3. COMMENCEMENT AND DURATION**

- 2.5 Use the Performance Agreement and Performance Plan/Scorecard as the basis 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.

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- 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.

**5. PERFORMANCE MANAGEMENT SYSTEM**

- 4.1 The Performance Plan/Scorecard (Annexure A) sets out-
  - 4.1.1 The performance objectives and targets that must be met by the Employee; and
  - 4.1.2 The time frames within which those performance objectives and targets must be met.
- 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 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. PERFORMANCE OBJECTIVES**

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5.7 The CCRs will make up the other 20% of the **Employee's** assessment score. CCR's which are deemed to be most critical for the **Employee's** specific job, should be selected (✓) from the list below as agreed to between the **Employer** and **Employee**. Three of the CCRs are compulsory for the Municipal Manager and Managers directly accountable to the Municipal Manager:

Key Performance Areas (KPA's)	Weighting
Basic Service Delivery and Infrastructure Development	60
Municipal Institutional Development and Transformation	-
Local Economic Development (LED)	-
Municipal Financial Viability and Management	10
Good Governance and Public Participation	10
<b>Total</b>	<b>80%</b>

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/Scorecard (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.

5.5.3 CCRs and COCs will account 20% of the final assessment.

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

5.5.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competency Requirements (CCRs) and Core Managerial Competencies (CMC's) respectively.

5.4. 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. 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.

5.5.1. The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competency Requirements (CCRs) and Core Managerial Competencies (CMC's) respectively.

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- 6.1 The Performance Plan/Scorecard 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 (Annexure B) as well as the actions agreed to and implementation must take place within set time frames.

**6. EVALUATING PERFORMANCE**

WEIGHT	COMPETENCIES
	<b>Core Managerial Competencies</b>
	Strategic Capability and leadership
	Programme and Project Management
	Financial Management ( compulsory)
5	Service Delivery Innovation
	Problem Solving and Analysis
	People Management and Empowerment ( compulsory)
5	Client Orientation and Customer Focus ( compulsory)
	Communication
	Honesty and Integrity
	<b>Core Occupational Competencies</b>
	Competence in Self-Management
	Interpretation of and implementation within the legislative and national policy frameworks
5	Knowledge of Performance Management and Reporting
	Competence in policy conceptualisation, analysis and implementation
	Knowledge of more than one functional municipal field/discipline
	Skills in Mediation
	Skills in Governance
	Competence as required by other national line sector departments
	Exceptional and dynamic creativity to improve the functioning of the municipality
20%	<b>TOTAL</b>

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).

## 7. PERFORMANCE APPRAISALS

The Annual Performance Appraisals will involve:

### 7.1 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.

### 7.2. Assessment of the CCRs

- (a) Each CCR 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 CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

### 7.3 Overall rating

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

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**7.4. Rating Scale**

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

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully 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 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.					

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*Handwritten initials/signature*

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.

- First quarter : July – September (review by December)
- Second quarter : October – December (review by March)
- Third quarter : January – March (review by June)
- Fourth quarter : April – June (review by September)

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.

**8. SCHEDULE FOR PERFORMANCE REVIEWS**

- a. Municipal Manager;
- b. Chairperson of the Performance Audit Committee and/or the Audit Committee Member;
- c. Member of the Mayoral or Executive Committee;
- d. Municipal Manager from another municipality;
- e. Member of a ward committee as nominated by the Executive Mayor
- f. PMS Unit (or HR for Secretariat Services)

For the purpose of evaluating the performance of the Managers directly accountable to the Municipal Manager an evaluation panel constituted of the following persons must be established-

**7.5. EVALUATION PANEL**

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

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- 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.
- 11.1.3. A substantial financial effect on the **Employer**.
- 11.1.2 Commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and
- 11.1.1 A direct effect on the performance of any of the **Employee's** functions;
- 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 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;
- 10.1.1 Create an enabling environment to facilitate effective performance by the employee;
- 10.1 The Employer shall –

**10. OBLIGATIONS OF THE EMPLOYER**

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

**9. DEVELOPMENTAL REQUIREMENTS**

- 8.4 The **Employer** will be entitled to review and make reasonable changes to the provisions of Annexure "B" 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.

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- 14.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure B 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. GENERAL**

- 13.2 In the event that the mediation process contemplated above fails, clause 20.3 of the Contract of Employment shall apply.

**Whose decision shall be final and binding on both parties.**

- 13.1.3 In the case of Managers directly accountable to the Municipal Manager, a Member of the Mayoral Council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27(4)(e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute from the employee;
- 13.1.2 Any other person appointed by the Executive Mayor.
- 13.1.1 The Executive Mayor within thirty (30) days of receipt of a formal dispute from the **Employee**; or
- 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. DISPUTE RESOLUTION**

- 12.1.2 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.
- 12.1.1 Provide systematic remedial or developmental support to assist the **Employee** to improve his or her performance; and
- 12.1 In the case of unacceptable performance, the **Employer** shall –

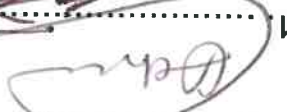

**12. MANAGEMENT OF EVALUATION OUTCOMES**

14.3 The performance assessment results of the municipal manager must be submitted to the Executive Mayor as the responsible person, within fourteen (14) days after the conclusion of the assessment.

Thus done and signed at 518/13/15MR on this the 18 day of July 2018.

(Employee)  
Ms J.R Peloo  
Acting Executive Manager: CDS

AS WITNESSES:

1.   
2. 

Thus done and signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_

(Employer)  
Mr MF Monkoe  
Acting Municipal Manager

AS WITNESSES:

1. ....  
2. ....

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["the Employee"]

[J.R PELOO]

and

["the Employer"]

[M.F MONKOE ]

Entered into by and between

PERSONAL DEVELOPMENT PLAN (PDP)

### Annexure C

drj:smim



1. Personal Development Plan

1.1.1 A Municipality should be committed to –

- (a) the continuous training and development of its employees to achieve its vision, mission and strategic objectives and empower employees; and
- (b) managing training and development within the ambit of relevant national policies and legislation.

1.1.2 A Municipality should follow an integrated approach to Human Resource Management, that is:

- (a) Human resource development forms an integral part of human resource planning and management.
- (b) In order for training and development strategy and plans to be successful it should be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals and career pathing.

(c) To ensure the necessary linkage with performance management, the Performance Management and Development System provides for the Personal Development Plans of employees to be included in their annual performance agreements. Such approach will also ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs can be identified through performance management and appraisal.

(d) Career-pathing ensures that employees are placed and developed in jobs according to aptitude and identified potential. Through training and development they can acquire the necessary competencies to prepare them for future positions. A comprehensive competency framework and profile for Municipal Managers are attached and these should be linked to relevant registered unit standards to specifically assist them in compiling Personal Development Plans in consultation with their managers.

(e) Personal Development Plans are compiled for individual employees and the data collated from all employees in the municipality forms the basis for the prescribed Workplace Skills Plan, which municipalities are required to compile as a basis for all training and education activities in the municipality in a specific financial year and report on progress made to the Local Government Sector Education and Training Authority.

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1.1.3 The aim of the compilation of Personal Development Plans is to identify, prioritise and implement training needs.

1.1.4 Compiling the Personal Development Plan attached at Appendix.

(a) Competency assessment instruments, which are dealt with more specifically in Appendix 1 and 2, should be established to assist with the objective assessment of employees' actual competencies against their job specific competency profiles and managerial competencies at a given period in time with the purpose of identifying training needs or skills gaps.

(b) The competency framework and profiles and relevant competency assessment results will enable a manager, in consultation with his / her employee, to **compile a Personal Development Plan**. The identified training needs should be entered into **column 1 of Appendix 1, entitled Skills / Performance Gap**. The following should be carefully determined during such a process:

(i) Organisational needs, which include the following:

- Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.
  - The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description should be compared to the current competency profile of the employee to determine the individual's competency gaps.
  - Specific competency gaps as identified during the probation period and performance appraisal of the employee.
- (ii) Individual training needs that are job / career related.

(c) Next, the **prioritisation of the training needs [1 to ...] should be listed** since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs should be prioritized for purposes of accommodating critical / strategic training and development needs in the HR Plan, Personal Development Plans and the Workplace Skills Plan.

(d) Consideration must then be given to the **expected outcomes**, to be listed in **column 2 of Appendix 1**, so that once the intervention is completed the impact it had can be measured against relevant output indicators.

(d) **An appropriate intervention** should be identified to address training needs / skills gaps and the outcome to be achieved but with due regard to cost effectiveness. These should be listed in **column 3 of Appendix 1, entitled: Suggested training and / or development activity in line with the National Qualifications Framework**, which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Development / Skills Development Unit within the municipality whether unit standards have been developed and registered with the South African Qualifications Authority that are in line with the skills gap and expected outcomes identified. Unit standards usually have measurable assessment criteria to determine achieved competency.

(e) **Guidelines regarding the number of training days per employee and the nominations of employees:** An employee should on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions.

(f) **Column 4 of Appendix 1: The suggested mode of delivery** refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. The training / development activity should impact on delivery back in the workplace. Mode of delivery consists of, amongst others, self-study [The official takes it upon him / her to read e.g. legislation]; internal or external training provision; coaching and / or mentoring and exchange programmes, etc.

(g) The **suggested time frames (column 5 of Appendix 1)** enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.

(h) **Work opportunity created to practice skill / development areas, in column 6 of Appendix 1**, further ensures internalisation of information

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gained as well as return on investment (not just a nice to have skill but a necessary to have skill that is used in the workplace).

(i) The final column, **column 7 of Appendix 1**, provides the employee with a **support person** that could act as coach or mentor with regard to the area of learning.

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(Name of Municipality)  
BE IS MOCOKA Local Municipality

(Position held)  
AGING EXECUTIVE MANAGER CAS

(Residential address)  
P.O. Box 1677, MAREBE HALL  
0450

MAREBE HALL  
0450

(Postal address)  
385 Ficus Street

I, the undersigned (surname and initials)  
Pendo SE

Appendix C  
FINANCIAL DISCLOSURE FORM

CONFIDENTIAL

MF for

Amount of Remuneration/Income	Type of business	Name of corporate entity, partnership or firm

2. Directors and partnerships  
See information sheet: note (2)

Name of Company/Entity	Nominal Value	Nature	Number of shares/Extent of financial interests

1. Shares and other financial interests (Not bank accounts with financial institutions.)  
See information sheet: note (1)

herby certify that the following information is complete and correct to the best of my knowledge:

Fax:

Tel: 018 973 1101

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Signature by Council \_\_\_\_\_  
Date \_\_\_\_\_

\_\_\_\_\_ Council

Amount of remuneration/ Income	Type of Work	Name of Employer

Must be sanctioned by Council. See information sheet: note (3)

3. Remunerated work outside the Municipality

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Source of assistance/sponsorship	Description of assistance/sponsorship	Value of assistance/sponsorship

See information sheet: note (5)

5. Sponsorships

Name of client	Nature	Type of business activity	Value of any benefits received

See information sheet: note (4)

4. Consultancies and retainerships

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PLACE: SIRBASWA

DATE: 18/07/2018

SIGNATURE OF EMPLOYEE

*[Handwritten signature]*

Description	Extent	Area	Value
<del>HHH</del>			

See information sheet: note (7)

7. Land and property

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Description	Value	Source
<del>HHH</del>		

See information sheet: note (6)

6. Gifts and hospitality from a source other than a family member

OATH/AFFIRMATION

1. I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down her/his answers in his/her presence:

(i) Do you know and understand the contents of the declaration?

Answer Yes

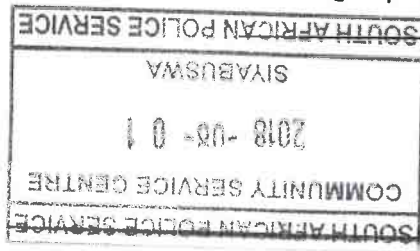
(ii) Do you have any objection to taking the prescribed oath or affirmation?

Answer No

(iii) Do you consider the prescribed oath or affirmation to be binding on your conscience?

Answer Yes

2. I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration. The deponent utters the following words: "I swear that the contents of this declaration are true, so help me God." / "I truly affirm that the contents of the declaration are true". The signature/mark of the deponent is affixed to the declaration in my presence.



Commissioner of Oath / Justice of the Peace

*(Handwritten signature and scribbles)*

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