

PERFORMANCE AGREEMENT

For Section 56 Employees

MADE AND ENTERED INTO BY AND BETWEEN:

SEDIBENG DISTRICT MUNICIPALITY

STANLEY KHANYILE

(MUNICIPAL MANAGER)

AND

ZWELIBANZI MAJOLA

(EXECUTIVE DIRECTOR: STRATEGIC PLANNING AND ECONOMIC DEVELOPMENT)

FOR THE PERIOD: 01 JULY 2020 TO 30 JUNE 2021

5.K.

20/21 Financial year

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The Sedibeng District Municipality herein represented by Stanley Khanyile in his capacity as Municipal Manager (hereinafter referred to as the **Employer**)

and

Zwelibanzi Majola Employee of the Municipality (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, 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(4A), 57(4B) and 57(5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to -

- 2.1 Comply with the provisions of Section 57(1)(b), 57(4A), 57 (4B) and 57(5) of the Act as well as the employment contract entered into between the parties;
- 2.2 Specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 Specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;

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- 2.4 Monitor and measure performance against set targeted outputs;
- 2.5 Use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job; In the event of outstanding performance, to appropriately reward the employee; and
- 2.6 Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- a) This Agreement will commence on the 01 July 2020 and will remain in force until 30 June 2021 thereafter 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.
- b) 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.
- c) This Agreement will terminate on the termination of the Employee's contract of employment.
- d) The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
- e) 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
 - 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 the Performance Plan (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 weightings.
 - 4.2.1 The key objectives describe the main tasks that need to be done.
 - 4.2.2 The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved.
 - 4.2.3 The target dates describe the timeframe in which the work must be achieved.
 - 4.2.4 The weightings show the relative importance of the key objectives to each other.
 - 4.2.5 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.

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5. PERFORMANCE MANAGEMENT SYSYTEM

- 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
- 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 standards will be included in the performance management system as applicable to the Employee.
- 5.4 The **Employee** undertakes to actively focus towards the promotion and implementation of the KPAs (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 (2) components, both of which shall be contained in the Performance Agreement.
 - The Employee must be assessed against all three components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCR) respectively.
 - 5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
 - 5.5.3 Main areas of work will account for 60%, Risk Management will account for 10%, Implementation of Audit Recommendations and / or Management Audit Action Plans will account for and CCRs will account for 20% of the final assessment.
- 5.6 The Employee's assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (Annexure A). and the weightings agreed to between the **Employer** and **Employee**:
- 5.7 In the case of managers directly accountable to the Municipal Manager, the weighting of key performance areas related to the functional area of the relevant manager must be subject to negotiation between the Municipal Manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the Employee's assessment score. CCRs that are deemed to be most critical for the **Employee**'s specific job should be selected $(\sqrt{\ })$ from the list below as agreed to between the Employer and Employee.
- 5.9 Performance Weighting:

20% 10%	80%
10%	
1070	
30%	
20%	
20%	
100%	
	20%

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		Split per CCR	20%
Financial Management	√	20%	
Strategic Capability and Leadership	√	20%	
People Management and Empowerment	$\sqrt{}$	20%	
Client Orientation and Customer Focus	$\sqrt{}$	10%	
Service Delivery Innovations	√	20%	
Communications	$\sqrt{}$	10%	
TOTAL		100%	
OVERALL WEIGHTINGS			100%

6. EVALUATING PERFORMANCE

- 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 discussions should be documented in a Personal Development Plan as well as the actions agreed to and implementation should take place within the set timeframes.
- 6.4 The Employee's performance will be measured in terms of contributions to the goals, strategies and performance indicators set out in the Employer's IDP.
- 6.5 The annual performance appraisal will involve:
 - 6.5.1 Assessment of the achievement of results as outlined in the performance plan (SDBIP):
 - (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 as described in 6.10 below.
 - (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score
 - 6.5.2 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.
 - 6.5.3 Overall rating

S.k. 2020/21 Financial year An overall rating is calculated by using the applicable assessment-rating calculator such overall rating represents the outcome of the performance appraisal.

- 6.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCRs: as included in the Performance Plan (Annexure A)
- 6.7 For purposes of evaluating the annual performance of managers directly accountable to the municipal manager, an evaluation panel constituted of the following persons must be established -
 - 6.7.1 Municipal Manager
 - 6.7.2 Chairperson of the Audit Committee or the Deputy Chairperson if the Chairperson is absent
 - 6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council:
 - 6.7.4 Municipal Manager from another municipality

Manager responsible for Human Resources of the municipality must provide secretariat services to the evaluation panel

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 that 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 2020	October 2020 (Informal)
2	October – December 2020	February 2021
3	January to March	April (Informal)2021
4	April – June	November 2021

- 7.2 The Employer shall keep a record of the mid-year review and annual 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.
- 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

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Performance Agreement

The Personal Development Plan (PDP) for addressing developmental gaps is attached as in the Performance Plan (Annexure A)

9. OBLIGATIONS OF THE EMPLOYER

- 9.1The 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 to assist him to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

- 10.1 The Employer agree 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 10.1 as soon as practicable to enable the Employee to take any necessary action without delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

- 11.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- A performance bonus of from 5% to 14% of the all-inclusive annual remuneration package 11.2 may be paid to the Employee (subject to budget availability) in recognition of outstanding performance to calculated as follows:

11.3

Score	Performance Rating	Bonus %	
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5	Score above 90%	Outstanding Performance	10% - 14% of total
			package
4	Score from 80% and 90%	Significantly above expectation	5%-9% of total package
3	Score from 70% - 80%	Fully Effective	0%
2	Score below 70%	Ineffective and Unacceptable	0% bonus and remedial
		Performance	action required

- 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 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
 - 12.1.1 The MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the Employee; or
 - 12.1.2 Any other person appointed by the MEC.
 - 12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal 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; whose decision shall be final and binding on both parties.
- 12.2 In the event that the mediation process contemplated above fails, clause 20.3 of the Contract of Employment shall apply.

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.
- 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.
- 13.3 The performance assessment results of the municipal manager must be submitted to the

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MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment and to the Mayoral Committee of Sedibeng District Municipality within thirty (30) days after the conclusion of the assessment.

This done and signed at_	Verein on the 14 day of Agrist 2020
AS WITNESSES:	
1	
	EXECUTIVE DIRECTOR Z. MAJOLA
2	
AS WITNESSES:	
1	MUNICIPAL MANAGER
	S. KHANYILE
2	



PERFORMANCE PLAN

EXECUTIVE DIRECTOR: STRATEGIC PLANNING AND ECONOMIC DEVELOPMENT

2020/21FINANCIAL YEAR

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Performance Plan 2020/21

1. PURPOSE

The Performance Plan defines the council's expectation of the Executive Director: Strategic Planning and Economic Development's performance agreement to which this document is attached and of the Municipal Systems Act (MSA) which provides that the performance objectives and targets must be based on the Integrated Development Plan of the municipality.

2. KEY RESPONSIBILITIES OF THE EXECUTIVE DIRECTOR: STRATEGIC PLANNING AND ECONOMIC DEVELOPMENT

- a) Providing strategic leadership in the Strategic Planning and Economic Development Cluster.
- b) Ensure coherent strategic planning through Spatial Development Framework (SDF)
- c) Coordinate the development of Growth and Development Strategy.
- d) Responsible for the development of Integrated Development Plan.
- e) Ensure Effective implementation of Spatial Planning And Land Use Management Act (SPLUMA) in the Region
- f) Establishing and maintaining a system for monitoring the successful implementation of local economic development
- g) Co-ordinate the process of lobbying funds for the strategic projects of the
- h) Co-ordinate the Implementation of the Southern Corridor Regional Implementation
- i) Create work opportunities in public social programmes
- j) Coordinate support of Local SMMEs and Co-operativesk) Promote Regional Tourism
- I) Provide a central market distribution system for the region and maximize municipal revenue through effective monitoring of the Fresh Produce Market

Furthermore, each Executive Director is further expected to monitor the implementation of the IDP projects as outlined in Chapter 4 of the Sedibeng District Municipality Integrated Development Plan 2020/21.

3. THE SCORECARD OF THE XECUTIVE DIRECTOR: STRATEGIC PLANNING AND **ECONOMIC DEVELOPMENT**

The scorecard is made up of the following:

Scoreca	ard item	Weighting
i)	The Service Delivery and Budget Implementation Plan (SDBIP) of the cluster	60%
ii)	Implementation of Audit Recommendations and/ or Management audit action plans for both internal audit and External Audit (relevant to the cluster)	10%
iii)	Risk Management of the cluster	10%
iv)	Core Managerial Competencies	20%
	TOTAL	100%

Performance Plan 2020/21

	Spatial Development	Number of sector E3.1 Spatial Development Plans reviewed E4.1 Housing and urban renewal programmes coordinated financial year
	- 0	3 3
E3.1	adopted previous	 E4.1

54.

						LOCAL ECO	NOMIC D	LOCAL ECONOMIC DEVELOPMENT			
EPWP	Creating work	177	83 83	Number Expanded Public	E8.1	Hundred and twenty (67)	CAPEX	Employ 55 EPWP beneficiaries	1	Employ 55 EPWP beneficiaries	
	opportunities in public	livelihoods		Works Program			CAPEX	Dellei Cidiles		Dellardares	
	9	education, health,		(EPWP)		beneficiaries					
		rural development		beneficiaries		employed in the					
		food security and		employed		previous					
		land reforms. To				financial year					
		promote local									
		economic									
		opportunities									
SMMEs	Ensure that adequate			Number of	E8.2	50	CAPEX	Coordinate support	1	Coordinate support	Coordinate support
)Emerging	financial and non-			SMMEs and		Cooperatives		to Capacitate forty		to Capacitate ten	to Capacitate ten
Farmers) and	financial assistance is			Cooperatives		and SMME's ((30) SMMEs(small		(15)SMMEs and Co-	(15)SMMEs and Co-15)SMMEs and Co-
Cooperatives	provided to SMME"s			capacitated		Emerging		emerging Farmers)		ops	ops
Development	and Cooperatives					Farmers)		and Co-ops			
						trained in the					
						previous					
						IIIIdilicidi yedi	TOURISM	Ž-			
Tourism Damand	Promote and Develon To create Tourism	- 11	FO	Number of	FQ 1	Participated in	OPEX	Identify and	Identify and	Identify and	Identify and
	Tourism and Leisure			marketing and				participate in one (1)	participate in one (1)	participate in one (1) participate in one (1)	participate in one (1)
	sector	targeted tourism		Tourism Initiatives		and market		Marketing and	Marketing and	Marketing and	Marketing and
		marketing		participated in the		Initiatives in the		Tourism initiative	Tourism initiative one Tourism initiative	Tourism initiative	Tourism initiative
		indicatives		report		2019/20		and produce four (4)	(1) report	one (1) report	one (1) report
								reports			
Tourism Supply	Promote and Develop Develop Skills and		E10	Number of reports	E10.1	Four skills	OPEX	Facilitate four (4)	Facilitate one (1)	Facilitate one (1)	Facilitate one (1)
,	Tourism and Leisure	products in the		on development		development		skills development	skills development	skills development	skills development
	sector	tourism industry		and tourism		and tourism		and tourism	and tourism	and tourism	and tourism
				awareness		awareness		awareness	awareness	awareness	awareness
				programmes		programmes		programmes and	programme and	programme and	programme and
						and reports		report	report	report	report
				Number of		submitted in					
				development and		2019/20					
				tourism awareness		FY(4)Awarenes					
				programmes		s programmes					
				facilitate		in the previous					
						!					

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Agriculture To promote and	municipal revenue	Fresh Produce To provide a centra market distribution system for the region and maximize	
To facilitate		To provide a central market distribution services to local system for the region suppliers and maximize buyers	
E12 Number of reports E12.1		Number of Fresh E11.1 Produce Markets reports submitted to council	
12.1 Four(4) reports CAPEA		11.1 Four (4) Fresh OPEX Produce four (4) Produce Market Fresh Produce Reports in the CAPEX Market Reports previous FY	
Milling plan within	Implement the	20	
_	Doduce One (1)	Produce one (1) Fresh Produce Market Report	
Miling plant within the Mega Agripark	Produce One (1)	Produce one (1) Fresh Produce Market Report	
Miling plant within Miling plant within the Mega Agripark the Mega Agripark the Mega Agripark	Produce One (1)	Produce one (1) Fresh Produce Market Report	
Milling plant within the Mega Agripark	Produce One (1)	Produce one (1) Fresh Produce Market Report	
Plant Agripark Project Repot	Four Milling	Four fresh produce market reports	The second secon

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4. PERSONAL DEVELOPMENT PLAN (PDP)

				(in order of priority)	Skills Performance Gap
	etc.)	/ Training /Conference	(Short Course/ Workshop	expected	Type of development Expected Timeframe
					Expected Timeframe
			practise the skill	performance area to	Work opportunity /
			notes)	(Resource requirements, additional	Further detail

dership Ipowerment Therefore the state of	TOTAL		100%
dership Ipowerment Imer Focus Imer Focus			2000
dership Ipowerment Mer Focus	Communications	4	10%
nent $\sqrt{}$	Service Delivery Innovations	*	20%
nent $\sqrt{}$	Client Orientation and Customer Focus	*	10%
\	People Management and Empowerment	1	20%
~	Strategic Capability and Leadership	*	20%
Split per CCR	Financial Management	*	20%
			Split per CCR
5. CORE COMPETENCY REQUIREMENTS WEIGHTING	5. CORE COMPETENCY REQUIRE	VIENTS WEIGHTING	

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Performance Plan 2020/21

6. ACCEPTANE OF THE PLAN

This Performance Plan is hereby accepted by;



Date:

and Signed by : Mr S. Khanyile **Municipal Manager**

Date:

