

PERFORMANCE AGREEMENT

For Section 56 Employees

MADE AND ENTERED INTO BY AND BETWEEN:

SEDIBENG DISTRICT MUNICIPALITY

STANLEY KHANYILE

(MUNICIPAL MANAGER)

AND

JABULILE NXUMALO

(EXECUTIVE DIRECTOR)

FOR THE FINANCIAL YEAR: 01 JULY 2018 TO 30 JUNE 2019

S.K.
[Signature]

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

Jabulile Nxumalo 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;
- 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 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 2018 and will remain in force until 30 June 2019 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.



5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.
- 5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 5.3 The Employer will consult the Employee about the specific performance standards that 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.
- 5.5.1 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 10% and CCRs will account for 20% of the final assessment.
- 5.6 The Employee's assessment will be based on 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 (✓) from the list below as agreed to between the Employer and Employee.
- 5.9 Organisational Performance Weighting:

KEY PERFORMANCE AREAS WEIGHTING	ABSOLUTE WEIGHTING	WEIGHTED AVERAGE
Basic Service Delivery	20%	80%
Municipal Transformation and Institutional Development	10%	
Good Governance and Public Participation	30%	
Municipal Financial Viability and Management	20%	
Local Economic Development	20%	
TOTAL	100%	

CORE COMPETENCY REQUIREMENTS WEIGHTING			
		Split per CCR	20%
Financial Management	√	20%	
Strategic Capability and Leadership	√	20%	
People Management and Empowerment	√	20%	
Client Orientation and Customer Focus	√	10%	
Service Delivery Innovations	√	20%	
Communications	√	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

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 or a representative.

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 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 2018	October 2018 (Informal)
2	October – December 2018	February 2019
3	January to March 2019	April 2019 (Informal)
4	April – June 2019	August 2019

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

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

9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall –:

- 9.1.1 Create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 Provide access to skills development and capacity building opportunities;
- 9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 9.1.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable 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 her 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.



11.2 A performance bonus of from 5% to 14% of the all-inclusive annual remuneration package maybe paid to the Employee in recognition of outstanding performance to calculated as follows:

Score	Performance Rating		Bonus %
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 Performance	0% bonus and remedial action required

11.3 In the case of unacceptable performance, the Employer shall –:

11.3.1 Provide systematic remedial or developmental support to assist the Employee to improve her performance; and

11.3.2 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 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 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.

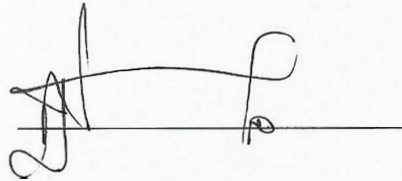
13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

This done and signed at VEREENIGING on the 03 day of JULY 2018

AS WITNESSES:

1. Pieterson

2. Muller

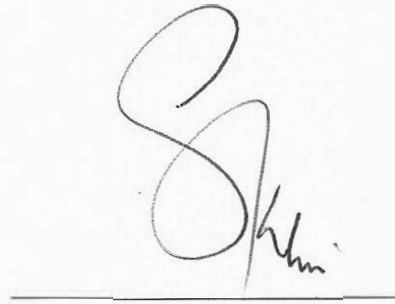


EXECUTIVE DIRECTOR

AS WITNESSES:

1. [Signature]

2. [Signature]



MUNICIPAL MANAGER

ANNEXURE A



PERFORMANCE PLAN

EXECUTIVE DIRECTOR COMMUNITY SERVICES

2018/19 FINANCIAL YEAR

1. PURPOSE

The Performance Plan defines the council's expectation of the Executive Director: Community Services' 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: COMMUNITY SERVICES

- a) Providing strategic leadership in the Community Services Cluster.
- b) Developing and continuously evaluating the short-term and long-term strategic.
- c) Co-ordinate implementation of regional Community safety and support crime prevention initiatives undertaken in collaboration with other stakeholders / government departments.
- d) Co-ordinate the control all wildfires, on or threatening public land.
- e) Minimize the incidence of preventable wildfires through disaster management campaigns.
- f) Co-ordinate Disaster Management of all three Local Municipalities, Sector departments, non-governmental organisation and the private sector in the region.
- g) Coordinate implementation Sports, Arts and Culture Programmes in the region,
- h) Provide support to HIV/Aids Affected Communities in the region.
- i) Co-ordinate Youth and Women Empowerment activities in the region.
- j) Ensure effective management and conservation of heritage resources within the region.
- k) Performing any other function delegated by the Accounting Officer in relation the department's roles and responsibilities.

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 2018/2019

3. THE SCORECARD OF THE EXECUTIVE DIRECTOR COMMUNITY SERVICES

The scorecard is made up of the following:

Scorecard 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%



SEDIBENG DISTRICT MUNICIPALITY														
COMMUNITY SERVICES - CUSTODIAN: EXECUTIVE DIRECTOR COMMUNITY SERVICES														
RENEWING OUR COMMUNITIES														
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR THE YEAR ENDING 30 JUNE 2019														
Priority Area	IDP Strategy	IDP Objective	Objective No.	Key Performance Indicator (KPI)	KPI No	Baseline	Budget Amount	Funding Source	Annual Target	Quarter One(1)	Quarter two (2)	Quarter Three (3)	Quarter Four (4)	POE Required
KPA 4: BASIC SERVICES AND INFRASTRUCTURE														
COMMUNITY SAFETY														
Community Safety Programmes	To implement community safety programmes	To promote and build safer communities	H1	Number of Community Safety Programmes implemented	H1.1	2017/18 Community safety Reports	6 821 415	OPEX	Implement twelve (12) Community Safety Programmes and report	Implement four (4) Community Safety Programmes and report	Implement four (4) Community Safety Programmes and report	Implement four (4) Community Safety Programmes and report	Implement four (4) Community Safety Programmes and report	Minutes and Attendance Registers
DISASTER MANAGEMENT														
Disaster management awareness	To conduct community awareness campaigns	To promote disaster resilient communities	H2	Number of Disaster Management awareness programmes conducted	H2.1	Four (4) Awareness campaigns in 2017/18	10 831 616	OPEX	Conduct four (4) Public Disaster Management awareness programmes and report	Conduct one (1) Public Disaster Management awareness programmes and report	Conduct one (1) Public Disaster Management awareness programmes and report	Conduct one (1) Public Disaster Management awareness programmes and report	Conduct one (1) Public Disaster Management awareness programmes and report	Minutes and attendance Registers
HEALTH AND SOCIAL DEVELOPMENT														
District Health Council Activities	Promote the efficient delivery of Primary Health Care	To ensure effective Service Delivery	H3	Number of Primary Health Care (PHC) Programmes implemented	H3.1	Three (3) District Health Council Meetings On 2017/18 financial year	13 744 176	OPEX	Develop resolution register for District Health council meetings and monitor implementation	Monitor implementation of resolutions of District Health council and update resolution register	Monitor implementation of resolutions of District Health council and update resolution register	Monitor implementation of resolutions of District Health council and update resolution register	Monitor implementation of resolutions of District Health council and update resolution register	Updated resolution register
Women and Gender Programmes	Encourage women to take charge of their lives	To provide women empowerment platforms	H4	Number of Women and Gender Programmes implemented	H4.1	Three (3) Women and Gender Programmes in 2017/18 Financial year			Conduct three (3) Women and Gender Programmes	Conduct Human Trafficking Empowerment Trainings (Stakeholders)	Conduct Human Trafficking Empowerment Trainings (SDM Interns)		Conduct Agriculture Economic Empowerment for women	Reports and attendance registers
Youth Programmes	Encourage young people to take charge of their lives	To provide youth empowerment platforms	H5	Number of Young people (youth) accessed through Youth Advisory Centre (YAC) Services	H5.1	2000 young people accessed in 2017/18 financial year			2000 Young people (youth) to access and participate on YAC Services	500 Youth participate on YAC services	500 Youth participate on YAC services	500 Youth participate on YAC services	500 Youth participate on YAC services	Programme, attendance registers and event photos
Bursary Programme	To provide bursaries to regional students	To encourage and capacitate previously disadvantaged students	H6	Number of external students provided Financial Assistance	H6.1	External Bursaries			Provide Financial Assistance to 25 External students			Provide Financial Assistance to 25 External students		Programme Report
HIV AND AIDS														
HIV and AIDS Programme	Facilitate, coordinate and monitor internal and external HIV, STI and TB Programmes	To provide support to HIV/Aids infected and affected communities	H7	500 000 people and 100 000 households reached through door-to-door campaign	H7.1	500 000 people reached in the previous financial year	8 288 000	HIV/AIDS Grant/OPEX	Implement door-to-door programme and reach 500 000 people	Implement door-to-door programme and reach 125 000 people	Implement door-to-door programme and reach 125 000 people	Implement door-to-door programme and reach 125 000 people	Implement door-to-door programme and reach 125 000 people	Programme Reports
SPORTS, ARTS AND CULTURE														
Sports and Recreation Programmes	Provide developmental Sports, Arts and Cultural Programs	To improve their quality of lives for the people of the region	H8	Number of Sports development programmes coordinated	H8.1	Four (4) Programmes in the previous financial year	14 482 546	OPEX	Coordinate (4) Developmental Sports Programmes and Consolidation of the Approved Regional Recreation Policy with GP SACR	Coordinate one (1) Developmental Sports Programmes and Consolidation of the Approved Regional Recreation Policy with GP SACR	Coordinate one (1) Developmental Sports Programmes and Consolidation of the Approved Regional Recreation Policy with GP SACR	Coordinate one (1) Developmental Sports Programmes and Consolidation of the Approved Regional Recreation Policy with GP SACR	Coordinate one (1) Developmental Sports Programmes and Consolidation of the Approved Regional Recreation Policy with GP SACR	Attendance Registers, reports on events with photos of the events
Arts and Culture Programmes				Number of Arts and Cultural programmes coordinated	H8.2	Four (4) Programmes in the previous financial year			Coordinate Four (4) Arts and Culture Programmes and Two (2) Craft Hub Programmes	Coordinate One (1) Arts and Culture Programme and Two (2) Craft Hub Programmes	Coordinate One (1) Arts and Culture Programme and report	Coordinate One (1) Arts and Culture Programme and report	Coordinate One (1) Arts and Culture Programme and report	Attendance Registers, reports on events with photos of the events

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4. PERSONAL DEVELOPMENT PLAN (PDP)

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

5. CORE COMPETENCY REQUIREMENTS WEIGHTING

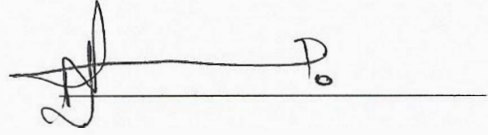
		Split per CCR
Financial Management	√	20%
Strategic Capability and Leadership	√	20%
People Management and Empowerment	√	20%
Client Orientation and Customer Focus	√	10%
Service Delivery Innovations	√	20%
Communications	√	10%
TOTAL		100%
OVERALL WEIGHTINGS		

S-K


6. ACCEPTANCE OF THE PLAN

This Performance Plan is hereby accepted by;

Miss Jabulile Nxumalo
Executive Director Community Services



A handwritten signature in black ink, appearing to be 'J Nxumalo', written over a horizontal line.

Date:



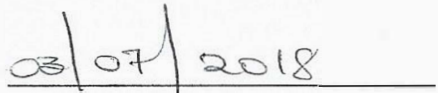
A handwritten date '03/07/2018' written over a horizontal line.

and Signed by Mr S. Khanyile
Municipal Manager



A large, stylized handwritten signature in black ink, written over a horizontal line.

Date:



A handwritten date '03/07/2018' written over a horizontal line.