



GA-SEGONYANA LOCAL MUNICIPALITY

2019/2020

PERFORMANCE AGREEMENT
INFRASTRUCTURE SERVICES

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AS PRESENTED BY

MARTIN TSATSIMPE

(In his capacity as the Municipal Manager of the GA-SEGONYANA LOCAL MUNICIPALITY)

(The client for the purpose of this agreement)

AND

HENDRIK SMIT

Director Infrastructure Services of GA-SEGONYANA LOCAL MUNICIPALITY

(The Employee for the purpose of this agreement)

GA-SEGONYANA LOCAL MUNICIPALITY



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Table of Contents

1. Introduction.....	4
2. Purpose of this agreement.....	4
3. Commencement and Duration.....	5
4. Performance Objectives.....	5
5. Performance Management System.....	5
6. Performance Management.....	5-7
7. Evaluation Performance.....	7
8. Assessment of the CMCs.....	7
9. Overall Rating.....	8-9
10. Obligations of the client.....	9
11. Consultation.....	9
12. Dispute Resolution.....	10
13. General.....	10
Annexure A-Personal Development Plan.....	11
Annexure B: Service delivery targets and Key performance indicators.....	12


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ENTERED INTO BY AND BETWEEN:

GA-SEGONYANA LOCAL MUNICIPALITY herein represented by **M.Tsatsimpe, ID No, 780405 5422 081**, in his capacity as the Municipal Manager of GA-SEGONYANA LOCAL MUNICIPALITY (hereinafter referred to as the client)

AND

Hendrik Smit, ID No, 521219 5059 080 in his capacity as the Director Infrastructure Services an Employee of GA-SEGONYANA MUNICIPALITY (hereinafter referred to as the employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1.INTRODUCTION

The Client 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 Client and the Employee are hereinafter referred to as “the Parties”.

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. 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 –

- ✓ Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- ✓ Specify objectives and targets established for the Employee and to communicate to the Employee the Client’s expectations of the Employee’s performance expectations and accountabilities; Specify accountabilities as set out in the Performance Plan (Annexure B);
- ✓ Monitor and measure performance against set targeted outputs;
- ✓ Use the Performance Agreement and Performance Plan as the only basis for assessing whether the employee has met the performance expectation applicable to his;
- ✓ Appropriately reward the Employee in accordance with the client’s performance management system in the event of outstanding performance: and
- ✓ Give effect to the client’s commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

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3.COMMENCEMENT AND DURATION

- 3.1 Notwithstanding the date of signature thereof. This agreement and the date of signature shall commence and shall in all respect be deemed to have commenced, with effect from **1 July 2019** and will remain in force until **30 June 2020** 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 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 Client's contract of employment for any reason.
- 3.4 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.
- 3.5 If at any time during the validity of this Agreement the work environment alters to (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

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

- ✓ The time frames within which those performance objectives and targets must be met
- ✓ The performance objectives and targets reflected in Annexure B are set by the Client in consultation with the Employees and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan of the Client, and shall include key objectives; key performance indicators; target dates and weightings.

5. PERFORMANCE MANAGEMENT SYSTEM

5.1. The Employee agrees to participate in the performance management system that the Municipality 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 Client, management and municipal staff to perform to the standards required.

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

6. PERFORMANCE MANAGEMENT

The Employee agrees to participate in the Performance Management System that the Client adopts.

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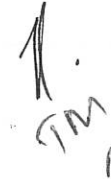
- ✓ The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPA's) (Including special projects relevant to the employee's responsibilities) within the Local Government Framework.
- ✓ The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- ✓ The Employee must be assessed against both components, with a weighting of 8:20 allocated to KPA and the Core Managerial Competencies [CMCs] respectively.
- ✓ Each area of assessment will be weighted and will contribute a pro rata to the total score.
- ✓ KPA's covering the main areas of work will account 80% and CMC's will account for 20% of the final assessment.

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 B) which are linked to the KPA's and will constitute 80% of the overall assessment result as per the weightings agreed to between the Client and Employee.

Key Performance Areas	Weighting
Institutional Transformation and Organisational Development	2
Basic Service Delivery and Development	80
Financial Management	10
Local Economic Development	2
Good Governance and Public Participation	6
Total	100%

The CMCs will make up the other 20% of the Employee's assessment score. CMCs 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 Client and Employee:

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	√ (Indicate choice)	Weight
Core Managerial Competencies:		
Strategic Capability and Leadership		
Programme and Project Management		20
Financial Management	Compulsory	20
Change Management		
Knowledge Management		
Service Delivery Innovation		10
Problem Solving and Analysis		5
People Management and Empowerment	Compulsory	10

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CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	√ (Indicate choice)	Weight
Core Managerial Competencies:		
Client Orientation and Customer Focus	Compulsory	10
Communication		5
Honesty and Integrity		
Core Occupational Competencies:		
Competence in Self-Management		
Interpretation of and implementation within the legislative and national policy frameworks		
Knowledge of developmental local government		5
Knowledge of Performance Management and Reporting		5
Knowledge of global and South African specific political, social and economic contexts		5
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		5
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%


7. EVALUATING PERFORMANCE


The performance Plan (Annexure B) to this Agreement sets out-

- ✓ The standards and procedures for evaluating the Employee's performance; and
- ✓ The intervals for the evaluation of the Employee's performance.

Despite the establishment of agreed intervals for evaluation, the client may in addition review the Employee's performance at any stage while the contract of employment remains in force.

- ✓ Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan.
- ✓ The actions agreed to and implementation must take place within set time frames.

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The annual performance appraisal will involve:

- ✓ Assessment of the achievement of results as outlined in the performance plan (Annexure B):
- ✓ 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.
- ✓ An indicative rating on the five-point scale should be provided for each KPA.
- ✓ The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

8. ASSESSMENT OF THE CMCS

Each CMC should be assessed according to the extent to which the specified standards have been met. An indicative rating on the five-point scale should be provided for each CMC. The applicable assessment rating calculator must then be used to add the scores and calculate a final CMC score.


9. OVERALL RATING


An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal. The Assessment of the performance of the Employee will be based on the following rating scale for KPA's and CMCS:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee 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 achieves 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.					
	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the					

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Level	Terminology	Description	Rating				
			1	2	3	4	5
2		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	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved 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.					

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

- ✓ Municipal Manager
- ✓ Chairperson of the performance audit committee
- ✓ Member of the Executive committee
- ✓ Municipal manager from another municipality.

Performance review of individual managers occurs on a quarterly basis during the periods in the table below.

First Quarter	During the first week of October.
Second Quarter	During the second week of February.
Third Quarter	During the first week of April.
Fourth Quarter and Annual Review	End of July.

- ✓ The Client shall keep a record of the mid-year review and annual assessment meetings.
- ✓ Performance feedback shall be based on the client's assessment of the Employee's performance.
- ✓ The Client will be entitled to review and make reasonable changes to the provisions of Annexure "B" from time to time for operational reasons.
- ✓ The Employee must be fully consulted before any such change is made.
- ✓ The Client may amend the provisions of Annexure B 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 changes is made.

10. OBLIGATION OF THE CLIENT

The Client shall –

- ✓ Create an enabling environment to facilitate effective performance by the employee;
- ✓ Provide access to skills development and capacity building opportunities;
- ✓ Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- ✓ 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
- ✓ 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

The Client agrees to consult the Employee timeously where the exercising of the powers will have amongst others –

- ✓ A direct effect on the performance of any of the Employee's functions;
- ✓ Commit the Employee to implement or to give effect to a decision made by the Client; and
- ✓ A substantial financial effect on the Client.
- ✓ The Client agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in as soon as is practicable to enable the Employee to take any necessary action without delay.

12. MANAGEMENT OF EVALUATION OUTCOMES

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

In the case of unacceptable performance, the Client shall -

- ✓ Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
- ✓ After appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Client 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, subject to the provisions of the Labour Relations Act, 1995 as amended.

13. DISPUTE RESOLUTION

13.1. Any dispute about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities methods of assessment and/or any other matter provide for, shall be mediated by –

- ✓ The MEC for Cooperative Governance and Traditional Affairs; or

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✓ Any other person appointed by the MEC

13.2 In the event that the mediation process contemplated above fails, the parties concerned firstly to the jurisdiction of the Commission for Mediation and Arbitration (CMCMA) and if the CCMA is not able to adjudicate the dispute, a court of the Republic of South Africa with regard to any claims or dispute resulting or arising from this contract.

14. GENERAL

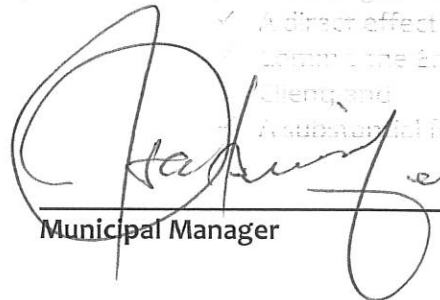
The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Client.

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

Thus, done and signed at **KURUMAN** on the Day of **28 June 2019**



Director Infrastructure Services



Municipal Manager



(1) Witness



(1) Witness



(2) Witness



(2) Witness

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Annexure A: PERSONAL DEVELOPMENT PLAN

DEVELOPMENTAL REQUIREMENTS

The aim of the Personal Development Plan (PDP) is to ensure that Employees are skilled to meet objectives as set out in the Performance Management Agreement employees by legislation. Such career-path planning ensures competent employees for current and possible future positions. It is three of identifies, prioritise and implement training needs.

Legislative needs taken into account comes from the Municipal Systems Act Guidelines: Generic Senior Management Competency Framework and occupational competency profiles, Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments legislated competency requirements needs to be taken into consideration during the PDP Process

2019-2020 Personal Development Plan Director Infrastructure Services						
Skills/Performance Gap	Outcome Expected	Suggested Training/ Development Activities	Suggested Mode of delivery	Suggested Timeframes	Work opportunity created to practice skill/ Development Area	Support Person
Retain PR resignation	CPD continuous professional development	Attend CPD accredited w/shops/conferences	Attendance	1 July 2019- 30 June 2020	Ongoing	N/A

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ANNEXURE B: SERVICE DELIVERY OBJECTIVES, KEY PERFORMANCE INDICATORS AND TARGETS

Key Performance Area: Basic Service Delivery and Infrastructure Development								Quarterly Targets				Annual Budget	Portfolio of Evidence
Strategic Goal	Objectives	Directorate	Key Performance Indicator	KPI Type	Unit of Measurement	Baseline	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		
Develop and maintain infrastructural community services	To continuously comply to national building act and regulations	Infrastructure Services	KPI 39 % of building completion certificates issued within 30 days by 30 June 2020	Output	%	4 reports on building completion certificates issued	100% of applications received for building completion certificates	100%	100%	100%	100%	operational	Building plans applications and building completion certificates
			KPI 40 Number of notices served expressed as a % of contraventions reported by 30 June 2020	Output	%	1 report on building contraventions notices served. (15 contravention notices served)	100% of contraventions reported	100%	100%	100%	100%	operational	Contravention report register, notices served
			KPI 41 Number of building plans assessed within 30 days expressed as a % of total applications received by 30 June 2020	Output	%	19 building plans assessed within 30 days	100% of applications	100%	100%	100%	100%	operational	Building plans, building plans application register and proof of assessment


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Key Performance Area: Basic Service Delivery and Infrastructure Development								Quarterly Targets				Annual Budget	Portfolio of Evidence
Strategic Goal	Objectives	Directorate	Key Performance Indicator	KPI Type	Unit of Measurement	Baseline	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		
Develop and maintain infrastructural community services	Provision of basic level of services to households	Infrastructure Services	KPI 42 Number of households provided with electricity connections expressed as a % of applications received by 30 June 2020	Output	%	1 report	100% of applications	100%	100%	100%	100%	R 101 548mil	Application forms, proof of connection
	To upgrade 35.85k main gravel roads to paved standard by 2022		KPI 43 Number of km of newly surfaced/paved roads completed by 30 June 2020	Output	Number	3.8 km	8.76km				8.76km	R 31 941mil	Completion certificates, last payment certificate and GPS coordinates
	To promote infrastructure development		KPI 44 Number of community halls completed by 30 June 2020	Output	Number	seven miles community hall constructed by June 2019	1	1				R 1 897mil	Completion certificates, last payment certificate and GPS coordinates
	To supply at least basic water services to all households in the municipal area.		KPI 45 Number of water sources developed and completed by 30 June 2020	Output	Number	3	3 boreholes				3boreholes	R 13 121mil	Completion certificates, last payment certificate and GPS coordinates



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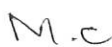
Key Performance Area: Basic Service Delivery and Infrastructure Development								Quarterly Targets				Annual Budget	Portfolio of Evidence
Strategic Goal	Objectives	Directorate	Key Performance Indicator	KPI Type	Unit of Measurement	Baseline	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		
Develop and maintain infrastructural community services	To supply at least basic water services to all households in the municipal area.	Infrastructure Services	KPI 46 Number of km of Potable water pipelines laid by 30 June 2020		Km	0km	36.3km				36.3km	(share budget with KPI 48)	Completion certificates, last payment certificate and GPS coordinates
			KPI 47 Number of new prepaid water stand pipes installed		Number	140	140				140	R2mil	Completion certificates, last payment certificate and GPS coordinates
	KPI 48 Number of water tanks (reservoirs) constructed by 30 June 2020			Number	2	2				2	R 80 535mil	Completion certificates, last payment certificate and GPS coordinates	
	KPI 49 Number of new households provided with basic level of sanitation (VIP Toilets) by 30 June 2020		Output	Number	724 new households provided with access to basic level of sanitation	250				250	R 8 918mil	Beneficiary list, Happy letters and GPS coordinates	
	To supply at least basic water services to all households in the municipal area.		KPI 50 Number of households provided with full water borne sewer expressed as a % of the total number of applications received by 30 June 2020	Output	%	4 reports on number of new households provided with water borne (4 households were connected)	100%	100%	100%	100%	100%	R 8 119mil	Application forms, proof of installation


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Key Performance Area: Basic Service Delivery and Infrastructure Development								Quarterly Targets				Annual Budget	Portfolio of Evidence
Strategic Goal	Objectives	Directorate	Key Performance Indicator	KPI Type	Unit of Measurement	Baseline	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		
Develop and maintain infrastructural community services	To supply at least basic water services to all households in the municipal area.	Infrastructure Services	KPI 51 Number of households provided with new water yard connection by the municipality expressed as a % of applications received by 30 June 2020	Output	%	2 reports on yard connections done by the municipality (3-yard connections by municipality)	100%	100%	100%	100%	100%	R 7 500mil	Application forms, proof of installation
			KPI 52 Report on number of households provided with new water yard connection by 30 June 2020	output	Number	4 reports	1 report on number of households provided with water yard connections by 30 June 2020				1	R 25mil	Report on water yard connections from Sedibeng
			KPI 53 Report on number in-situ houses constructed by the Department of COGHSTA by 30 June 2020	Output	Number	1 report	1 report on number in-situ houses constructed by the Department of COGHSTA by 30 June 2020				1		





Key Performance Area: Basic Service Delivery and Infrastructure Development								Quarterly Targets				Annual Budget	Portfolio of Evidence
Strategic Goal	Objectives	Directorate	Key Performance Indicator	KPI Type	Unit of Measurement	Baseline	Annual Target	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		
Create a conducive environment for prosperous business investment	To supply at least basic water services to all households in the municipal area.	Infrastructure Services	KPI 54 Average blue drop water quality standard achieved (at least 70%) by 30 June 2020	Output	%	11 laboratory reports for water quality samples taken at source at point of use	70%	70%	70%	70%	70%	operational	Copies of lab reports
	To ensure and Inspectorate the implementations of by-laws		KPI 55 Number of audits on outdoor advertising conducted by 30 June 2020	Output	Number	1	1 outdoor audit advertising				1 outdoor audit advertising	operational	Outdoor advertising Audit Report
	Key Performance Area: Local Economic Development												
	To create platform for economic growth opportunities and job creation through continuous promotion of Ga-Segonyana as investment destination		KPI 56 Number of EPWP Jobs created by 30 June 2020	Output	Number	422	278				278	R 1 274mil	Copies of employment contracts





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