

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN

THE MUNICIPALITY OF RAMOTSHERE

MOILOA LOCAL

AS REPRESENTED BY THE ACCOUNTING OFFICER

FRANCE TEMEKI MABOKELA

(IN HIS CAPACITY AS **THE MUNICIPAL**
MANAGER OF RAMOTSHERE MOILOA LOCAL
MUNICIPALITY)

("EMPLOYER")

AND

MORUFA MOLOTO

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- 1.4** The parties intend 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)(c),(4A),(4B) and (5) of the Systems Act 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 and accountabilities;
- 2.3** Specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.4** Monitor and measure performance against set outputs;
- 2.5** Use the **Performance Agreement and Performance Plan** as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the **Employee** has met the performance expectations applicable to his/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.

3. COMMENCEMENT AND DURATION

- 3.1** This Agreement will commence on **01 July 2022** and will remain in force until **30 June 2023** where after a new **Performance Agreement, Performance Plan and Personal Development Plan** shall be concluded between the parties for the next financial year or any portion thereof.

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work must be achieved. The weightings show the relative importance of the key objectives to each other.

- 4.4** The **Employee's** performance will, in addition, be measured in Terms of contributions to the goals and strategies set out in the **Employer's Integrated Development Plan (IDP).**

5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1** The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the 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.
- 5.4** The **Employee** undertakes to actively focus towards the promotion and the implementation of the Key Performance Areas (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 components, both of which shall be contained in the performance agreement. The employee must be assessed against both components, with a weighing of 80:20 allocated to the **Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs)** respectively. Each area of assessment will be weighted and will contribute a specific part to the total score. KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment;

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The performance of Section 57 Managers should be assessed in terms of Core Competency Requirements (CCRs) as required by the Regulations of Section 57 Managers. These competencies describe general managerial and occupational skills. The assessment of these competencies will account for **(20%) twenty percent** of the total employee assessment score. Three of the CCR's are compulsory for all managers.

Competency Area	Indicate choice (Mark)	Comment	Ratings 1 2 3 4 5	Timeframe to achieve targeted	Training / program needed to close competency	Weight (in %)
Strategic Capability and Leadership			2	June 2023		10%
Change Management			1	June 2023		5%
Financial Management			1	June 2023		15%
Problem Solving and Analysis			2	June 2023		10%
People Management and Empowerment			2	June 2023		5%
Client Orientation and Customer Communication			2	June 2023		10%
Interpretation of and implementation			2	June 2023		10%
Knowledge of developmental local			2	June 2023		5%
Knowledge of Performance			2	June 2023		10%
TOTAL						100%

5.6 The **Employee's** assessment will be based on his performance in terms of outputs (performance targets) reflected on the Performance Plan which are linked to relevant KPAs, key objectives and key performance indicators (KPIs) as agreed to between the Employer and the Employee;

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identified as per attached Performance Plan (Annexure A), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee.

- 6.4** The CMC's will make up the other 20% of the Employee's assessment scorecard. CMC's that are deemed to be most critical for the Employee's specific job should be selected (✓) from the list in Annexure A as agreed to between the **Employer and Employee.**

7. EVALUATING PERFORMANCE

- 7.1** The **Performance Plan (Annexure A)** to this Agreement sets out:

7.1.1 The standards and procedures for evaluating the Employee's performance; and

7.1.2 The intervals for the evaluation of the Employee's performance.

- 7.2** Despite the establishment of 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.

- 7.3** Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan. The Development Plan as well as the actions agreed to must be implemented within set time frames.

- 7.4** The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP.

- 7.5** The annual performance appraisal will involve:

7.5.1 Assessment of the achievement of outcomes 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

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Level	Terminology	Description	Rating
		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 Performance Agreement 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	

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8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of the 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:

1.	First quarter	October 2022
2.	Second quarter	January 2023
3.	Third quarter	April 2023
4.	Fourth quarter	July 2023

8.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.

8.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

8.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee must 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.

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;

11.2 A performance bonus of 5% to 14% of inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance.

11.2.1 In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided as follows:

- a) a score of 130% to 149% is awarded a performance bonus of 5% to 9%; and
- b) a score of 150% and above is awarded a performance bonus of 10% to 14%.

11.3 The **Employee** will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of least twelve (12) service at current remuneration package 30 June (end of financial year) subject to a fully effective assessment.

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 :

Thus done and signed at 2 court on this the 1st day of July (Month) 2022 (Year)

AS WITNESSES:

1. [Signature]

[Signature]

**MR FRANCE MABOKELA
MUNICIPAL MANAGER:
RAMOTSHERE MOILOA
LOCAL MUNICIPALITY**

2. [Signature]

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