

PERFORMANCE AGREEMENT




Made and entered into by and between:

Puseletso Isaac Radebe
ID No: 6402195585080

The Municipal Manager of the Mafube Local Municipality
duly authorized by Council
(‘the Municipal Manager’)

and

Nokufa Elizabeth Radebe
ID No: 570316 0778 084
(the Director: Corporate Services)


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1. INTRODUCTION

The Municipal Manager has entered into a contract of employment with the Director: Corporate Services for a period of five (5) years, starting from 01 November 2012 and ending 31 October 2017, in terms of section 56 (1) (a) (i) of the Local Government: Municipal Systems Act 32 of 2000 ('the Systems Act').

Section 57 (1) (a) (ii) 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 Director: Corporate Services reporting to the Municipal Manager, to a set of actions that will secure local government policy goals.



The performance contract is between, the Director: Corporate Services and Mafube Local Municipality, represented by the Municipal Manager. It is for the 2014/2015 financial year only. The expected performance reflected in this contract is based on the Integrated Development Plan and the Performance Management System for 2014/2015 financial year. The Integrated Development Plan and Performance Management System have been adopted by the Council and will be the basis for the assessment of performance.

The parties wish to ensure that there is compliance with section 57 (4A); 57 (4B); 57 (4C) and 57 (5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The parties agree that the purposes of this Agreement are to:

- 2.1 Comply with the provisions of Section 57 (1) (a) (ii) of the Systems Act;
- 2.2 State objectives and targets established for the Director: Corporate Services;
- 2.3 Specify accountabilities;
- 2.4 Monitor and measure performance;
- 2.5 Establish a transparent and accountable working relationship; and

 
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- 2.6 Give effect to the Municipality's commitment to a performance-orientated Relationship with its Director: Corporate Services in attaining equitable and improved service delivery.
- 2.7 Give effect to the Municipality's commitment to a performance-orientated relationship with its Director: Corporate Services in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1 The agreement will commence on the 01 July 2014 and will remain in force until 30 June 2015 where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year.
- 3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new performance agreement, performance plan and personal development plan that replaces this Agreement at least once a year by not later than July each financial year.
- 3.3 This Agreement will terminate on the termination of the Director: Corporate Services 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 (whether as a result of government or council decision 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 Annexure "A" sets out:
- 4.1.1 The performance objectives and targets that must be met by the Director: Corporate Services; 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 Municipal Manager in consultation with the Director: Corporate Services, and include key objectives; key performance indicators; target dates and weighting. The Municipal Manager shall report to the Executive Committee regarding the above.
- 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

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provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weighting shows the relative importance of the key objectives to each other.

- 4.4 The Director: Corporate Service's performance will be measured in terms of contributions to the goals and strategies set out in the Municipalities Integrated Development Plan and Performance Management System and the Core Managerial Competencies (CMC).
- 4.5 The municipality will make available to the Director: Corporate Services such employees as the Director: Corporate Services may reasonable require from time to time to assist her to meet the performance objectives and targets established in terms of this Agreement; provided that it will at all times remain the responsibility of the Director: Corporate Services to ensure that she complies with those performance obligations and targets.
- 4.6 The Director: Corporate Services will at her request be delegated such powers by the Municipal Manager as may in the discretion of the Municipal Manager be reasonably required from time to time to enable her to meet the performance objectives and targets established in terms of this Agreement.
- 4.7 The Municipal Manager will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Director: Corporate Services will be fully consulted before any such change is made.
- 4.8 The provisions of Annexure "A" may be amended by the Municipal Manager when the Municipality's Performance Management System is adopted, implemented and/or amended as the case may be.

5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Director: Corporate Services agrees to participate in the Performance Management System that the municipality adopts or introduces for the Municipality, Management and Municipal Staff.
- 5.2 The Director: Corporate Services accepts that the purpose of the Performance Management System will be to provide a comprehensive system with specific performance standards to assist the Municipality, Management and Municipal Staff to perform to the standards required.
- 5.3 The Municipal Manager will consult the Director: Corporate Services about the specific performance standards that will be included in the performance management system as applicable to the Director: Corporate Services.



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6. EVALUATING PERFORMANCE

- 6.1 The criteria upon which the performance of the Director: Corporate Services shall be assessed consists of two components, both of which shall be contained in the performance agreement.
 - 6.1.1 The Director: Corporate Services performance will be assessed against both components with a weighting of 80:20 allocated to the Key Performance Areas (KPA) and the Core Managerial Competencies (CMCs) respectively.
 - 6.1.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
 - 6.1.3 KPAs covering the main areas of work will account for 80% and CMCs will account for 20% of the final score.
- 6.2 The Director: Corporate Services assessment will be based on her performance in terms of the outputs/outcomes (performance indicators) identified as per attached performance plan (Annexure A), which are linked to the KPAs, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Municipality and the Municipal Manager.
- 6.3 Annexure "A" to this Agreement sets out:
 - 6.3.1 The standards for evaluating the Director: Corporate Services in terms of the KPA.
 - 6.3.2 Intervals for the evaluation of the Director: Corporate Services performance;
- 6.4 Despite the establishment of agreed intervals for evaluation, the Municipal Manager may, in addition, review the performance of the Director: Corporate Services at any stage while the contract of employment remains in force.
- 6.5 Annexure "B" to this agreement sets out:
 - 6.5.1 Core Competency requirements for the Director: Corporate Services and weighting for each CMC.
- 6.6 The CMCs will make up another 20% of the Director: Corporate Services assessment 'score.
- 6.7 Each CMC will be assessed according to the extent to which the specified standards have been met.



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- 6.8 Personal growth and development needs identified during any performance review discussions must be documented and, where possible, actions agreed, implemented and evaluated.

7. PERFORMANCE REVIEWS

- 7.1 The evaluation of the Director: Corporate Services performance will be done by:

- (i) The Municipal Manager
- (ii) Chairperson of the Audit Committee
- (iii) Representative from Department of COGTA
- (iv) Representative from SALGA Free State
- (v) Representative from Fezile Dabi District Municipality

- 7.2 An audited performance report will be tabled to the Executive Committee.


- 7.3 The performance of the Director: Corporate Services shall be reviewed on the following dates:

First Quarter: July –September	Date: Third Week of October 2014
Second Quarter: October-December	Date: Third Week of January 2015
Third Quarter: December-March	Date: Third Week of April 2015
Fourth Quarter: April-June	Date: Second month after the end of the financial year: Annual Performance 2015

- 7.4 The Municipality will keep a record of the mid year reviews and annual assessment meetings.

8. PERFORMANCE BONUS

- 8.1 If the Director: Corporate Services has performed acceptable, she shall qualify for the annual performance bonus in accordance with clause 13 of the contract of employment entered into by the Director: Corporate Services and the Municipal Manager. The level of performance of the Director: Corporate Services will be determined by the Municipal Manager in accordance with the provisions of this agreement, the Key Performance Indicators as reflected in "Annexure A" of this contract.
- 8.1.1 The assessment shall be done after the Municipal Manager has received an audited performance report from the Audit Committee.
- 8.2 An achievement of 80% and above shall be regarded as warranting 100% bonus. 50% to 79% shall warrant a proportional percentage of performance bonus. 49% and below shall be regarded as under-performance warranting no performance bonus.


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9. CONSULTATION

- 9.1 The Municipal Manager agrees to timeously consult the Director: Corporate Services where the exercising of such powers will-
- 9.1.1 Have a direct effect on the performance of any functions of the Director: Corporate Services;
- 9.1.2 Commit the Director: Corporate Services to implement or to give effect to a decision made by the Municipal Manager;
- 9.1.3 Have a substantial financial effect on the municipality
- 9.2 The Municipal Manager agrees to inform the Director: Corporate Services of the outcome of any decisions taken pursuant to the exercise of powers contemplated in as soon as is practicable to enable the Director: Corporate Services to take any necessary action without any delay.

10. CONSEQUENCES OF SUBSTANDARD PERFORMANCE

- 10.1 Where the Municipal Manager, at any time during the employ of the Director: Corporate Services, is not satisfied with her performance with respect to any matter dealt with in this Agreement, the Municipal Manager will give notice to the Director: Corporate Services to attend a meeting with the Municipal Manager.
- 10.2 The Director: Corporate Services will have the opportunity at the meeting to satisfy the Municipal Manager of the measures being taken to ensure that the performance of the Director: Corporate Services becomes satisfactory and any program, including any dates, for implementing these measures.
- 10.3 Where there is a dispute or difference as to the performance of the Director: Corporate Services under this Agreement, the parties will confer with the view to resolving the dispute or difference.
- 10.4 If at any stage the Municipal Manager holds the view that the performance of the Director: Corporate Services is not satisfactory, the Municipality will, subject to compliance with applicable labour legislation, be entitled by notice in writing from the Municipal Manager to terminate the employment of the Director: Corporate Services in accordance with the notice period set out in the Director: Corporate Services contract of employment.
- 10.5 Nothing contained in this Agreement in any way limits the right of the Municipality to terminate the contract of employment of the Director: Corporate Services with or without notice for any other breach by the Director: Corporate Services of her obligations to the Municipality or for any other valid reasons in law.

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11. RULING LANGUAGE

- 11.1 The contract is made in English, which shall be the ruling language. All correspondence between the parties to this contract and all reports and documentation pertaining to this contract shall be in English language.

12. TERM OF CONTRACT

- 11.1 This contract shall be deemed to have been entered into on 01 July 2014 and will expire on the 30th of June 2015. The parties will enter into a new performance agreement that replaces this Agreement by no later than 01 August 2015.

13. DISPUTES RESOLUTION


- 13.1 In the event that the Director: Corporate Services is dissatisfied with any decision or action of the Municipal Manager or Municipality in terms of this Agreement, or where a dispute or difference arises as to the extent to which the Director: Corporate Services has achieved the performance objectives and targets established in terms of this Agreement, the Municipal Manager and the Executive Committee may meet with the Director: Corporate Services with the view of resolving the issue. At the request of the Director: Corporate Services the Performance Review Committee will record the outcome of the meeting in writing through the Municipal Manager.
- 13.2 In the event that the Director: Corporate Services remains dissatisfied with the outcome of the meeting, she may raise the issue in writing with the Municipal Executive Committee by requesting that the issue be placed on the agenda of a meeting of the Executive Committee.

The Executive Committee will determine the process for resolving the issue, which will involve at least, providing the Director: Corporate Services with an opportunity to state her case orally or in writing. At the request of the Director: Corporate Services, the Executive Committee will record its decision on the issue in writing. The decision of the Executive Committee on the issue will be made within 2 weeks of the issue being raised, or as soon thereafter as possible.

- 13.3 In the event that one party is dissatisfied with the outcome of the meeting, the matter shall be mediated by the MEC for COGTA in the province or any other person appointed by the MEC within thirty days of the receipt of a formal dispute from the Municipality.

14. LIMITATIONS OF THE CONTRACT

- 14.1 This performance agreement is between the Municipal Manager and the Director: Corporate Services on the expected performance of the Director:

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Corporate Services during the 2014/2015 financial year. The performance agreement is subject to the South African Legislative Framework and the employment contract entered into by and between Municipal Manager and the Director: Corporate Services. The performance agreement shall therefore be within the South African Legislative Framework.


- 14.2 In cases of ambiguity, the employment contract shall prevail over this performance agreement.

15. GENERAL

- 14.1 The contents of the Agreement and the outcome of any review conducted in terms of Annexure "A" and "B" will not be confidential, and may be made available to the public by the Municipality, where appropriate.
- 15.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Director: Corporate Services of her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

16. WHOLE AGREEMENT

- 16.1 The parties to this contract agree that this contract constitutes the whole agreement and arrangement for the performance of the Director: Corporate Services with effect from 01 July 2014.
- 16.2 No agreement, adding to, deleting from or cancellation, and varying to this contract shall be effective unless reduced to writing and signed by both parties.
- 16.3 Annexure A and B form part of this contract.



Handwritten signature and initials:

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Signed at FRANKFORT on this 17 day JULY of 2014.

Signature: _____

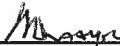
Signed on behalf of Mayor/Council by:

Puseletso Isaac Radebe (the Municipal Manager)

AS WITNESSES


1. Signature: _____

2. Signature: _____

Signature: _____

Signed and Accepted by: **Nokufa Elizabeth Radebe**
(Director: Corporate Services)

AS WITNESSES

1. Signature: _____

2. Signature: _____

Annexure A

PERFORMANCE DEVELOPMENT PLAN

Entered into by and between

MAFUBE LOCAL MUNICIPALITY


"the Employer"

Represented by:

**Mr Puseletso Isaac Radebe
(Municipal Manager)**

and

**Mrs Nokufa Elizabeth Radebe
(Director: Corporate Services)
["the Employee"]**


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1. Purpose

The performance plan defines the Council's expectations of the Director: Corporate Services performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

2. Key responsibilities

The following objectives of local government will inform the Director: Corporate Services performance against set performance indicators:

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development.
- 2.4 Promote a safe and healthy environment.
- 2.5 Encourage the involvement of communities and community organisations in the matters of local government.

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3. Key Performance Areas

The following Key Performance Areas (KPA's) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

3.1 Municipal Transformation and Organisational Development.

3.2 Infrastructure Development and Service Delivery.

3.3 Local Economic Development (LED).

3.4 Municipal Financial Viability and Management.

3.5 Good Governance and Public Participation.

4. Municipal Integrated Development Planning (IDP) Key Strategic Objectives

4.1 Infrastructural Development

The municipality has committed itself to ensure that the infrastructural backlog is addressed and communities are provided with clean water, bucket system is eradicated, streets and Stormwater drainage are upgraded, all houses are electrified, waste disposal is managed effectively to avoid health hazards, cemeteries are provided, cleaned and fenced.

4.2 Land Development and Housing

Municipality has committed itself to coordinate the process of housing delivery and development, through provision of land for economic activities, commercial, residential development and ensure that land reform is sustainable.

4.3 Safety and Security

Municipality will ensure that its property, asset and community are protected through working hand in hand with the South African Police Services, making sure that all public places are secured and will strive to encourage more satellite police stations and corruption is eliminated

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4.4 People Development

The municipality committed itself to comply with regulations in terms of the Environment Conservation Act and making its environment pleasant and healthy for its community and the future residents area, provide and facilitate sufficient care for the aged, frail and disabled, pay points pension, provisions of adequate health care, education facilities, promotion of arts and culture, youth women and children and prepared them to be part of economic mainstream

4.5 Economic Growth and Job Creation

The municipality will strive to promote economic development through reducing the unemployment rate through employing the following factors of production effectively, that is, land, labour, entrepreneurship, promotion of tourism, local economic development, SMME's, involvement of youth, women, disable people, promoting of small scale farming, and facilitation of business centres, industries and partners with mining houses.

4.6 Institutional Development

The municipality will ensure effective functioning of all municipal offices and will ensure that all personnel is integrated in the system with one condition of employment and will integrate all municipal assets into one asset register, develop operational systems, policies, procedures and by-laws and implement any legislation affecting local governance.



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DEPARTMENTAL BALANCE SCORE CARD

DEPARTMENT: CORPORATE SERVICES

Strategic Priority (SP)	Key Performance Area	Programmes	Objectives	Key Performance Indicators	Baseline (2013/14)	Budget	Annual Target	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
SP: Ensure more effective, accountable and clean local government that works together with national, provincial government and promote active community participation	Institutional Development	Human Resource Management	To provide sufficient and skilled human capital to enable all departments to function optimally in order to enhance institutional capacity and effective service delivery	Organisational structure compiled and reviewed	Approved Organisational structure	N/A	2014/2015	Projected	Projected	Projected	Projected
							Reviewed Organisational structure as per the regulations.	Consultation of various Directorates for the review of organisational structure	Submission of the draft organisational structure to Council for approval	Implementation of the reviewed organisational structure	Implementation of the reviewed organisational structure
				Number of critical posts to be filled	6 (Senior Internal Auditor, PMU Manager, IDP Officer, Building Inspector, Labour relations Officer)	50,000.00	Filling of vacant posts for section 56 managers And other posts as determined by Council	Advertisement of section 56 posts (Director Planning and Infrastructure Services)	Advertisement of other posts And selection process	Advertisement of other posts And selection process	Recruitment process finalized
				Compilation and submission of WSP/DOI annually to LGSETA and training implementation and capacity	Trained 53 employed officials and 169 unemployed learners	R450 000.00	To train and developed 300 employed officials and 250 unemployed learners	Evaluation and Approval of WSP and DOI by LGSETA and signing of Funding Agreements.	Consultation of LLF and Training Committee, Appointment of Training Providers and Training Implementations	Training implementation, Reporting, Monitoring and Review of training Priorities	Conducting skills Audit Compilation of WSP and submission to the LGSETA for evaluation and approval.

building	Employment equity (EE) plan report and compiled submitted annually to the Department of Labour on time	Submitted EE Plan and Report to DOL in October 2013	N/A	To submit the employment equity on time and establishment of EE committee	Establishment of Employment Equity Committee. Employment Equity Plan revised and adopted by Council and attending of EE Workshop and Seminars	Submission of Employment Equity Plan to the Department of Labour by October 2014	Implementation of EE plan as per approved targets and measures	Monitor and report to LLF, council and relevant stakeholders
	Time management systems effectively implemented	Manual time sheets are in place	R350,00 0.00	Electronic Time Management System implemented	Advertising and appointing for the system	Installation of the system and submission of clocking point areas to the service provider	Implementation of electronic management system	Monitoring the effectiveness of the system
	Employee wellness programmes held	Women's day and SAMSRA District games)	R150,00 0.00	Employee Assistance programme developed and implemented	Women's months celebration and Heritage month	Elderly games activities and HIV AIDS celebration	Conducting sports activities	Attending SAMSRA District and Provincial games




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Occupational Health and Safety	396	PPE was provided to the permanent employees as well as EPWP and Contractual workers	1,826,250.00	To Comply with the OHS Act/legislation	Training of OHS representatives Provision of PPE's Conducting inspections on the different surroundings of the workplace	Provision of PPE's Conducting inspection on the different surroundings of the workplace Conduct OHS meetings with the reps	Provision of PPE's Conducting inspection on fleet, different plants Conduct OHS meetings with the reps
			N/A	Develop and implement the Comprehensive HIV/AIDS Programme	Draft of the HIV/AIDS policy and consultation process	Submission of the policy to the Council for approval	Monitoring of the plan
	Effectiveness of Local Labour Forum and Sub-committees	9 meeting held	N/A	Minimum of 4 meetings	Development of the LLF Meeting schedule and holding monthly meetings	Implementation of resolutions	LLF Meetings and Implementation of Resolutions
	Number of disputes and grievances (stage 1 to 3) handled in terms of the collective agreement (turn around time is within 90 days)	3	N/A	Handle all disputes and grievances within the required period as per the legislation	Induction of management and employees about handling grievances	Induction of manager and supervisor about handling grievances	Monitor the compliance to Labour Relations legislation and HR Policies
	Number of human resources related policies compiled and reviewed annually	17	N/A	Review the 17 policies.	Consultation for the Reviewal of policies travelling allowance	Submission of the developed policies to Council	Implementation and monitoring of policies

ANNEXURE B

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)		WEIGHTING
Strategic Capability		7
Programme and Project Management		6
Financial Management		7
Change Management		3
Knowledge Management		4
Service Delivery Innovation		7
Problem Solving and Analytical Thinking		6
People and Diversity Management		6
Client Orientation and Customer Focus		7
Communication		7
Accountability and Ethical Conduct		7
Policy Conceptualization and Implementation		7
Mediation Skills		4
Advanced negotiation skills		6
Advanced influencing skills		5
Partnership and stakeholder relations		6
Supply chain management		7
		100%

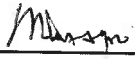


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Signed and Accepted by:

Nokufa Elizabeth Radebe

Director Corporate Services



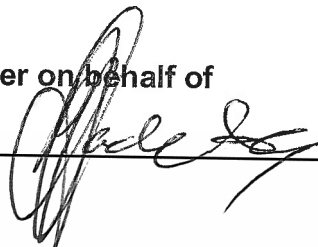
Date 12/07/2014

Signed by:

The Municipal Manager on behalf of

Mayor/Council

Date _____



As Witness

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