

# ANNUAL PERFORMANCE AGREEMENT



**Name of Employee** : MMM MATSHIVHA

**Position Held** : DIRECTOR CORPORATE AND SHARED SERVICES

**Post Level** : SECTION 57

**Immediate Supervisor** : MUNICIPAL MANAGER

**Period Covered** : 01<sup>ST</sup> JULY 2020 – 30<sup>TH</sup> JUNE 2021

MMM

**PART A:**

**PERFORMANCE AGREEMENT**

ENTERED INTO AND BETWEEN: -

**POLOKWANE MUNICIPALITY**  
REPRESENTED BY THE MUNICIPAL MANAGER

**DIKGAPÉ H MAKOBÉ**

\_\_\_\_\_  
HEREINUNDER REFERRED TO AS THE EMPLOYER.

AND

**MMM MATSHIVHA**

\_\_\_\_\_  
HEREINUNDER REFERRED TO AS THE EMPLOYEE (DIRECTOR CORPORATE AND SHARED SERVICES)



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**1. Whereas:**

- 1.1 The Employer and the Employee have entered into a Contract of Employment in terms of Section 57(1)(a) of the Local Government Municipal Systems Act 32 of 2000 (The Systems Act).
- 1.2 In terms of Section 57 of the Systems Act and the Contract of Employment between the Employer and the Employee the parties are required to enter into a Performance Agreement Which Agreement must be concluded annually within a (ninety) 60 days after the appointment of the Employee and thereafter within one (1) month after the beginning of the Employer's subsequent financial year.
- 1.3 In compliance with the legislation, the parties hereby wish to record their agreement and obligations as contained in the relevant sections of this document.
- 1.4 This agreement shall commence on or retrospective of the date of signature by both parties and shall remain in force until a new Performance Agreement is concluded between the parties which agreement shall be reached within one (1) month after the beginning of the ensuing financial year of the Municipality.

**2. PERFORMANCE BONUS**

- 2.1 In terms of this Performance Agreement, the Employee's Contract of Employment, Local Government Performance Regulations -2006, the Employee is entitled to the payment of a performance bonus that is equivalent to the score obtained during the performance appraisal.
- 2.2 The Employee's performance shall be assessed in respect of key performance areas, objectives, key performance indicators and targets dates based on the balanced scorecard method applicable to the SBU and the Employee as set out in 'Part C' below.
- 2.3 All objectives and key performance indicators set out in the employee's scorecard shall be rated within a scale of 1-5 and weighted out of a total of 100 percent.
- 2.4 This percentage (calculated in 2.3 above) shall be applied to the performance bonus not exceeding (14%) of the Employee's current annual total cost to the Employer.
- 2.5 The performance bonus shall be split into 80/20 between KPA's and Core Competency Requirements.
- 2.6 There may be no bonus payable in the event that the Employee failed to perform the routine duties of his post contained in the Employee's contract of employment or reasonable legal instructions given to the Employee by the Employer from time to time.

**3. PERFORMANCE ASSESSMENT PROCEDURE**

- 3.1 The process of assessment shall be in accordance with the procedure set out in 'Part B' and in terms of the Municipality's Performance Management Policy.
- 3.2 The Employee shall give the Employer his/her performance file and provide verbal explanation when required to do so by the Employer to enable the performance assessment to be completed.
- 3.3 The assessment of the Employee shall be undertaken by the Municipal Manager, Municipal Manager from another municipality, Portfolio Committee Head responsible for the Directorate, Representative from Internal Audit, Chairperson of the Audit Committee and HR as scribes/secretariat.
- 3.4 The quarterly and the end of the year assessment of performance in accordance with this agreement shall take place as indicated under 'Part C'.
- 3.5 The annual performance assessment shall be conducted in the presence of a performance evaluation panel as provided in paragraph 3.3 and in the Local Government Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to the Municipal Managers, 2006 section 27 (4) d and e.



3.6 It is recorded and agreed that the key performance areas, key performance indicators and target dates are based on the 2020/21 Integrated Development Plan, SDBIP and Budget of the municipality adopted by the Employer.

3.7 It is recorded and acknowledged that the key performance areas, key performance indicators and target dates may be affected from time to time by decisions made by the Employer, the Council and/or by amendments to the Integrated Development Plan, SDBIP, Budget and legislation.

3.8 In the event of 3.7 occurring it is agreed that the key performance areas, key performance indicators and target dates will be reassessed and the Employee shall not be prejudiced by such decisions and/or amendments.

3.9 Therefore the Municipal Manager or Evaluation Panel (whatever the case may be) shall take into account the Employee's reasons for deviation, and if found to be beyond the Employee's control and with due regard for Employee's demonstrated effort to meet a particular objective, such objective shall not be assessed and the balance of objectives in this Agreement shall be rated out of 80% for KPAs and 20% for Critical Competency Requirements respectively.

#### 4. APPEAL PROCEDURE

4.1 Therefore the Municipal Manager or Evaluation Panel (whatever the case may be) shall take into account the Employee's reasons for deviation, and if found to be beyond the Employee's control and with due regard for Employee's demonstrated effort to meet a particular objective, such objective shall not be assessed and the balance of objectives in this Agreement shall be rated out of 80% for KPAs and 20% for Critical Competency Requirements respectively.

4.2 In the event that upon completion of the annual performance appraisal the Employee is dissatisfied with the decision of the Municipal Manager as the case may be or where a dispute or differences have arisen as to the extent to which the Employee has performed, the Employee shall be entitled to refer such dispute and/or appeal to the MEC for Local Government for mediation.

4.3 Then the completed appeal application must be submitted to the MEC for Local Government to be mediated within 30 days.

4.4 Then the completed appeal application must be submitted to the MEC for Local Government to be mediated within 30 days.

4.5 The appraiser shall likewise be entitled to make representations to and prepare a Memorandum to accompany the appeal application for the Mayor or MEC giving account of the events and decision upon which the appeal application is based.

4.6 The appeal authority shall consider the submissions by the Employee and/or the Municipal Manager and shall make a final decision.

4.7 The provisions of this clause shall not derogate from the Employee's rights to refer a dispute for determination in accordance with the provisions of the Labour Relations Act having exhausted the internal dispute procedure.

DATED at Polokwane ON THIS 17 DAY OF JUNE 2020

OBO THE EMPLOYER

AS WITNESSES

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DATED at Polokwane ON THIS 17 DAY OF June 2020

THE EMPLOYEE  
AS WITNESSES

## PART B: ASSESSMENT PROCEDURE

5.1 The annual performance assessments shall be conducted by the Municipal Manager / Mayor and Evaluation Panel in accordance with the municipality's Performance Management System, PMS Policy, Local Government Municipal Performance Regulations for the Municipal Managers and Managers Directly Accountable to the Municipal Managers, 2006 and in consultation with the Employee.

5.2 It is recorded that the employee is required to cooperate and work as a team in the performance of his/her functions.

5.3 In assessing performance in respect of the key performance areas the following points and weighting shall be applied: -

Key Performance Area (80%)	
Number	Key Performance Area
6.1	Basic Service Delivery
6.2	Financial Management and Viability
6.3	Municipal Transformation and Organisational Development
6.4	Local Economic Development
6.5	Good Governance and Public Participation
<b>Total KPA</b>	
<b>Weight</b>	<b>Weight</b>
25%	25%
N/A	N/A
50%	50%
N/A	N/A
25%	25%
<b>100%</b>	<b>100%</b>

CORE COMPETENCY REQUIREMENTS (20%)	
Number	Core Competency Requirements
6.6	Strategic Capability and Leadership
6.7	Programme and Project Management
6.8	Financial Management
6.9	Change Management
6.10	Knowledge Management
6.11	Service Delivery Innovation
6.12	Problem Solving and Analysis
6.13	People Management and Empowerment
6.14	Client Orientation and Customer Focus
6.15	Communication
6.16	Honesty and Integrity
<b>Total percentage</b>	
<b>Weight</b>	<b>Weight</b>
10%	10%
10%	10%
10%	10%
10%	10%
10%	10%
10%	10%
10%	10%
5%	5%
5%	5%
10%	10%
<b>100%</b>	<b>100%</b>

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## PART C: EMPLOYEE SCORECARD

### 1. KEY PERFORMANCE INDICATORS

#### 1.1. BASIC SERVICE DELIVERY (BSD)

IDP KPI Ref No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2019/20	Annual Target 2020/21	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Portfolio of Evidence
BSD_OS17	Service Delivery	Smart Mobility	Improving transport, roads and bridges	Promotion of economic growth, job creation and sustainable human settlements	Fleet Management	Review fleet management policy, inclusive of consequences of abuse and negligence	Number of fleet management policy reviewed 30 June each year	#	1	1	N/A	N/A	N/A	1	Council resolution, approved policy
BSD_OS17	Service Delivery	Smart Mobility	Improving transport, roads and bridges	Promotion of economic growth, job creation and sustainable human settlements	Fleet Management	Management and monitoring abuse and negligence of Municipal fleet by 30 June each year	Number of reports generated on the management and monitoring abuse and negligence of Municipal fleet by 30 June each year	#	1	4	1	1	1	1	Approved quarterly reports on the management of municipal fleet
BSD_OS35	Service Delivery	Smart Living	Increased access to municipal services to all households	Increased access to municipal services to all households	Facilities Management	To have all municipal facilities comply with building regulations by renovating and upgrading facilities	Number of municipal facilities comply with building regulations by renovating and upgrading facilities by 30 June each year	#	1	2	N/A	N/A	1	1	Job cards and Invoices
BSD_OS36	Service Delivery	Smart Living	Increased access to municipal services to all households	Increased access to municipal services to all households	Facilities Management	Regular review and implementation of maintenance plan and schedule	Number of Facility maintenance plan reviewed and schedule by 30 June each year	#	0	1	N/A	1	N/A	N/A	Approved Facility maintenance plan

## 1.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (MTOD)

IDP KPI Ref No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2019/20	Annual Target 2020/21	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Portfolio of Evidence
MTOD_TL01	Municipal Transformation and Organisational Development	Smart People		To ensure efficiency and effectiveness of municipal administration	Human Resources/ Occupational Health and Safety	Expand OHS capacity	Conduct OHS audit by 30 June each year	#	1	1	N/A	N/A	N/A	1	OHS audit plan
MTOD_TL02	Municipal Transformation and Organisational Development	Smart People	Ensure long-term planning capacity, monitoring and evaluation	To ensure efficiency and effectiveness of municipal administration	Human Resources Management	Build capacity of employees through training	Submission of Reviewed of WSP to LGSETA by 30 April each year	#	1	1	N/A	N/A	N/A	Submission of Reviewed of WSP to LGSETA by 30 April 2021	WSP Report and confirmation letter
MTOD_TL03	Municipal Transformation and Organisational Development	Smart People	Ensure long-term planning capacity, monitoring and evaluation	To ensure efficiency and effectiveness of municipal administration	Human Resources Management	Targeted recruitment	Submission of Employment Equity Plan to the Department of Labour by 30 June each year	#	1	1	N/A	N/A	N/A	Submission of Employment Equity Plan by 30 June 2021	Employment Equity report and confirmation letter
MTOD_TL04	Municipal Transformation and Organisational Development	Smart People	Ensure long-term planning capacity, monitoring and evaluation	To ensure efficiency and effectiveness of municipal administration	Human Resources Management	Targeted awarding of bursary	Number of new External Students awarded study bursaries for the next academic year by 30th June each year	#	40	40	N/A	N/A	N/A	40	Bursary report
MTOD_TL05	Municipal Transformation and Organisational	Smart People	Ensure long-term planning capacity,	To ensure efficiency and effectiveness of municipal	Human Resources Management	Build capacity of municipal officials	Number of Graduate students awarded Internships/Experimental/Learnership at	#	167	200	N/A	N/A	N/A	200	Training report

IDP KPI Ref No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2019/20	Annual Target 2020/21	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Portfolio of Evidence
			in the municipal affairs				each year								

### 1.3 PROJECTS

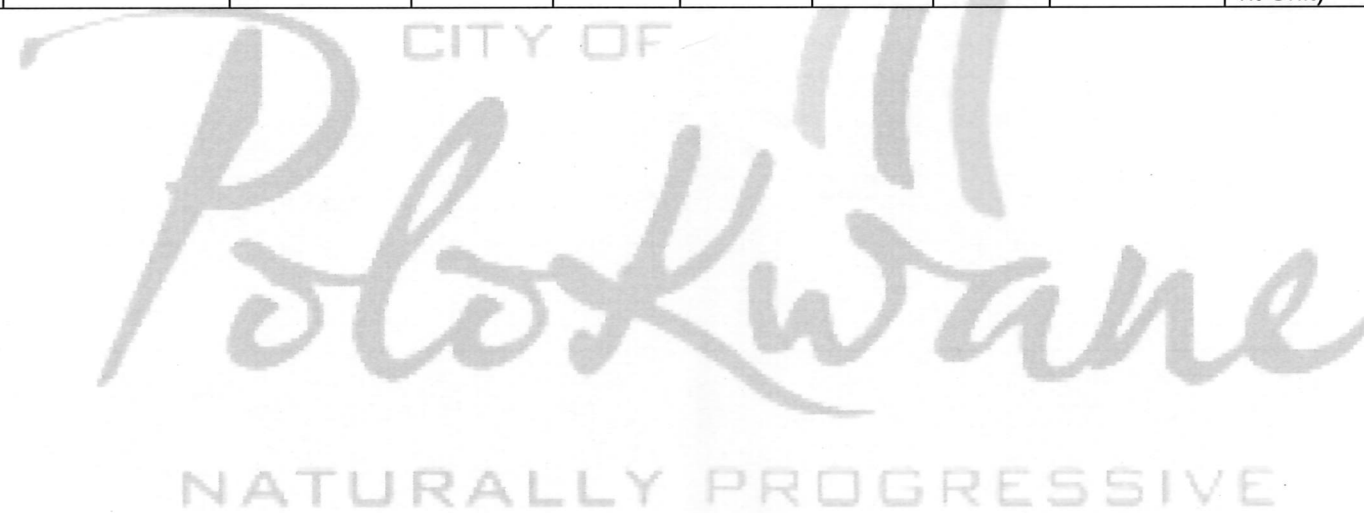
Project Number	Key Performance Area	Polokwane Strategic Objective (IDP Objective)	Municipal Programme	Project Name/Description	Type of Project / Classification	Project Location	Ward No.	Project Owner	Sources of Funding	Original	Quarterly Project Implementation Milestones				Annual Project Output (30 June 2021)	PoE (Evidence to verify Performance)
											Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
<b>Facility Management- Engineering</b>																
CWP_05	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Facility Maintenance	Civic Centre refurbishment	R	Polokwane	City Cluster	Director Corporate and Shared Services	CRR	R900 000,00	Pay outstanding invoices for the contractor and consultant	None	None	None	Payment of outstanding invoices	Payment certificates
CWP_06	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Facility Maintenance	Renovation of offices	R	Municipal wide	Municipal wide	Director Corporate and Shared Services	CRR	R1 220 261,40	Issue Job cards for Major maintenance of facilities. Renovation of facilities by Service Providers	Completion of renovations and approval of work. Payment of invoices.	None	None	Major maintenance of Municipal facilities.	Job cards, payment certificates and Completion Certificate.
CWP_07	Basic Service Delivery	To ensure provision of basic and environmental services	Infrastructure/Facility Maintenance	Construction of Mankweng Traffic and Licensing Testing Centre	N	Mankweng	26	Director Corporate and Shared Services	CRR	R3 150 000,00	Specification and advertisement of Bid	Bid evaluation, adjudication and appointment	Site establishment and construction of palisade	Completion of phase 1 scope of work	Completion of upgrades phase 1:	Advertisement, appointment letters, Project

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Project Number	Key Performance Area	Polokwane Strategic Objective (IDP Objective)	Municipal Programme	Project Name/Description	Type of Project / Classification	Project Location	Ward No.	Project Owner	Source of Funding	Original	Quarterly Project Implementation Milestones				Annual Project Output (30 June 2021)	PoE (Evidence to verify Performance)
											Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
		in a sustainable way to our communities										nt of Service provider	fence		Constructi on of palissade fence, guard house, upgrading of electricity.	progress report, Payment certificate and Completion certificate
CWP_08	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Facility Maintenance	Fencing of Itsoseng Centre	N	Polokwane	23	Director Corporate and Shared Services	CRR	R1 000 000,00	Issue job card to Service Provider. Constructio n of palissade fence	Completion of scope of work and approval. Payment of invoice.	None	None	Palissade fence constructe d	Job cards, payment certificates and Completion Certificate.
CWP_09	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Facility Maintenance	Upgrading of Traffic Logistics Offices	R	City Cluster	23	Director Corporate and Shared Services	CRR	R300 000,00	Appointmen t of consultant and developmen t of drawings for approval	Issue Job card and approval of quotation for work to be done	Completion of upgrades and approval.	None	Completi on of upgrades	Appointment letter, drawings, Issued Job Card, invoices
CWP_10	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Facility Maintenance	Municipal Furniture and Office Equipment	N	Municipal wide	Municipal wide	Director Corporate and Shared Services	CRR	R273 225,29	Advertisem ent of new panel of Suppliers for Furniture and Office equipment	Bid evaluation, adjudicati on and appointme nt of Service provider	Request for qoutations to supply furniture, approval of quotations	Delivery of office furniture	Supply of office furniture	Delivery notes, payments
<b>Information Services - Corporate and Shared Services</b>																
CWP_214	Good Governance and Public Participation	To ensure efficiency and effectiveness of Municipal administration	ICT Programme	Provision of Laptops, PCs and Peripheral Devices	n	Municipal wide	Municipal wide	Director Corporate and Shared Services	CRR	R2 000 000,00	• 50 PCs • 10 Laptops • 10 Printers • 4 Projectors	• 50 PCs • 10 Laptops • 10 Printers • 4 Projectors	• 50 PCs • 10 Laptops • 10 Printers • 4 Projectors	N/A	Delivery of 50 PCs, 10 Laptops, 10 Printers and 4 Projectors	Requisitions, invoices and delivery notes
CWP_215	Good Governance and Public Participatio	To ensure efficiency and effectiveness of	ICT Programme	Implementation of ICT Strategy ( Upgrade of ICT data centre	n	Municipal wide	Municipal wide	Director Corporate and Shared Services	CRR	R1 500 000,00	Specificatio n and advertisem ent of Bid	Appointme nt of Service Provider	Implementati on of the project	Implementati on of the project	An updgraded data centre	Advertisem ent, appintment letter, Project

Project Number	Key Performance Area	Polokwane Strategic Objective (IDP Objective)	Municipal Programme	Project Name/Description	Type of Project / Classification	Project Location	Ward No.	Project Owner	Source of Funding	Original	Quarterly Project Implementation Milestones				Annual Project Output (30 June 2021)	PoE (Evidence to verify Performance)
											Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)		
	n	Municipal administration														progress report, Invoices and completion certificate
<b>Fleet Management - Corporate and Shared Services</b>																
CWP_247	Basic Service Delivery	To ensure efficiency and effectiveness of Service delivery	Fleet Management	Acquisition of Fleet	n	Municipal wide	Municipal wide	Director Corporate and Shared Services	CRR	R20 000 000,00	Conduct Needs Analysis on Essential Services SBU in terms of Municipal Fleet Needs.	Submission of final fleet analysis needs report and fleet technical specification report to SCM for vehicle orders (Supply Chain Management Unit)	Delivery of ordered fleet inline with the needs and specifications	n/a	Procured fleet	Delivery notices, Fleet analysis reports and technical fleet specification report



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