

ANNUAL PERFORMANCE AGREEMENT



Name of Employee : JOHANNES NICOLAAS FOURIE

Position Held : DIRECTOR ENERGY SERVICES

Post Level : SECTION 57

Immediate Supervisor : MUNICIPAL MANAGER

Period Covered : 01st JULY 2020 – 30th JUNE 2021

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PART A:

PERFORMANCE AGREEMENT

ENTERED INTO AND BETWEEN: -

POLOKWANE MUNICIPALITY
REPRESENTED BY THE MUNICIPAL MANAGER

DIKGAPE H MAKOBE

HEREIN UNDER REFERRED TO AS THE EMPLOYER.

AND

JOHANNES NICOLAAS FOURIE

HEREIN UNDER REFERRED TO AS THE EMPLOYEE (DIRECTOR ENERGY 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 KPA's 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 KPA's 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.

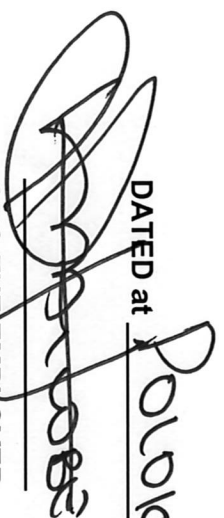
4.3 Then the completed appeal application must be submitted to the MEC for Local Government to be mediated within 30 days.

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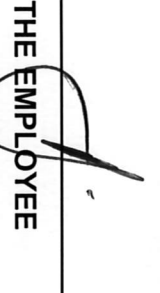
4.5 The appraiser shall likewise be entitled to make representations to and prepare a Memorandum to accompany the appeal application for the Mayor or MEC giving account of the events and decision upon which the appeal application is based.

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

1 _____

DATED at Polokwane ON THIS 18th 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
Total KPA	
	100%

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
Total percentage	
	100%

PART C: EMPLOYEE SCORECARD

1. KEY PERFORMANCE INDICATORS

1.1 BASIC SERVICE DELIVERY

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_TL01	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Increase electricity capacity by: building substations and install underground cables	Number of new substations built by 30 June each year	#	1	1	N/A	N/A	N/A	1 (Only phase 2 of a multiyear project)	Progress reports, payment certificates
BSD_TL02	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Increase electricity capacity by: - building substations and install underground cables	Kilometre of underground cables installed by 30 June each year	km	1	1	N/A	N/A	300m	1000m (This is a cumulative figure for the year)	Minutes of SCM process meetings, appointment letter, Progress reports, payment certificates, Completion certificate.
BSD_TL03	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and	To ensure provision of basic and environmental services in a sustainable way	Energy	Expanding smart metering	Number of new smart meters installed by 30 June each year	#	2000	2000 installation of extra smart meters	There is no such project for the 2020/2021 financial year.				

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
			refuse removal												
BSD_TL04	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Households with access to electricity	Increase percentage of Households with access to electrification from 96.1% (229790 HH) to 97.1% (230 943HH) (97.1%) (1200)) by 30 June 2020.	%	96.9%	97.1% (1200)	N/A	N/A	200	1200 (This is a cumulative figure for the year)	Minutes of SCM process meetings, appointment letter, Progress reports, payment certificates, Completion certificate
BSD_TL05	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	number of retrofits done to reduce consumption	Number of retrofits street lights fitted in Polokwane by 30 June each year	#	800	1000 retrofitted street lights	There is no such project on the 2020/2021 financial year				
BSD_OS01	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure efficiency and effectiveness of Municipal administration	Energy	Apply to NERSA to increase license area and extend services	Draft report and Number of areas transferred to Polokwane as part of license increased	#	1	1	N/A	N/A	1 (Draft report)	1 (Final Feasibility report)	Progress reports, Payment certificates, Minutes of meetings, Feasibility report.
BSD_OS02	Service Delivery	Smart living	Provision of basic services, which include	To ensure provision of basic and environmental services in a	Energy	Increase electricity capacity by: - upgrading Bus bars and	Number of substations upgraded to specifications	#	1	1	N/A	N/A	N/A	1 (Completion of Phase 2: Installation of bus bars)	Progress reports, payment certificates,

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
			electricity, water, sanitation and refuse removal	sustainable way		installing additional transformers	by 30 June each year								Minutes of meetings.
BSD_OS03	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Build solar plants	Number of solar panels installed as part of solar plants	#	0	1	There is no such project on the 2020/2021 financial year				
BSD_OS04	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Improve cost effectiveness through increasing NMD at Alpha 11KV substation	Number of capacitor banks installed by 30 June each year	#	1	1	There is no such project on the 2020/2021 financial year				
BSD_OS05	Service Delivery	Smart living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environmental services in a sustainable way	Energy	Electrification of low cost housing in Eskom license area (all clusters)	Number of low cost housing electrified by 30 June each year	#	500	500	N/A	N/A	100	500 (This a cumulative figure for the year)	Minutes of SCM process meetings, appointment letter, Progress reports, payment certificates, Completion certificate
BSD_OS06	Service Delivery	Smart living	Provision of basic services,	To ensure provision of basic and	Energy	Establishment of electrical control centre	Number of Electrical control centre	#	1	1	There is no such project on the				

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
			which include electricity, water, sanitation and refuse removal	environmental services in a sustainable way		and capacitate call centre operators (decentralized service control centres)	established and call centre operators capacitated by 30 June each year				2020/2021 financial year				



ToloKwane

NATURALLY PROGRESSIVE

