

# ANNUAL PERFORMANCE AGREEMENT



Name of Employee : JOHANNES FOURIE

Position Held : DIRECTOR ENERGY SERVICES

Post Level : SECTION 57

Immediate Supervisor : MUNICIPAL MANAGER

Period Covered : 01<sup>st</sup> JULY 2021 – 30<sup>th</sup> JUNE 2022

**PART A:**

**PERFORMANCE AGREEMENT**

ENTERED INTO AND BETWEEN: -

**POLOKWANE MUNICIPALITY**  
REPRESENTED BY THE MUNICIPAL MANAGER

**DIKGAPE H MAKOBE**

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HEREINUNDER REFERRED TO AS THE EMPLOYER.

AND

**JOHANNES NICOLAAS FOURIE**

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HEREINUNDER REFERRED TO AS THE EMPLOYEE (DIRECTOR

## **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 2021/22 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.

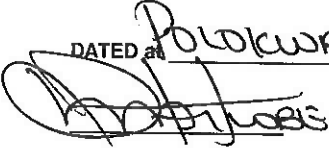
4.4 Then the completed appeal application must be submitted to the MEC for Local Government to be mediated within 30 days.

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 29 DAY OF July 2021

  
OBO THE EMPLOYER  
AS WITNESSES

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DATED at Polokwane ON THIS 29<sup>TH</sup> DAY OF July 2021

  
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	Weight
6.1	Basic Service Delivery	100%
6.2	Financial Management and Viability	0%
6.3	Municipal Transformation and Organisational Development	0%
6.4	Local Economic Development	0%
6.5	Good Governance and Public Participation	0%
	<b>Total KPA</b>	<b>100%</b>

CORE COMPETENCY REQUIREMENTS (20%)		
Number	Core Competency Requirements	Weight
6.6	Strategic Capability and Leadership	9.09%
6.7	Programme and Project Management	9.09%
6.8	Financial Management	9.09%
6.9	Change Management	9.09%
6.10	Knowledge Management	9.09%
6.11	Service Delivery Innovation	9.09%
6.12	Problem Solving and Analysis	9.09%
6.13	People Management and Empowerment	9.09%
6.14	Client Orientation and Customer Focus	9.09%
6.15	Communication	9.09%
6.16	Honesty and Integrity	9.1%
	<b>Total percentage</b>	<b>100%</b>

## PART C: EMPLOYEE SCORECARD

### 1. KEY PERFORMANCE INDICATORS 1.1 BASIC SERVICE DELIVERY

KPI No	KPA	Pillar	Municipal Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Responsible Director	Performance Baseline 2020/21	Annual Target 2021/22	Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)	Portfolio of Evidence
BSD_TLO 1	Service Delivery	Smart Living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environment al services in a sustainable way	Energy	Increase electricity capacity by:	Number of new substations built by 30 June 2022	#	Director Energy Services	0	1	N/A	N/A	N/A	1 (Only phase 3 of a multiyear project)	Progress reports, payment certificates Monthly reports
BSD_TLO 2	Service Delivery	Smart Living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environment al services in a sustainable way	Energy	Increase electricity capacity by:	Kilometre of underground cables installed by 30 June 2022	km	Director Energy Services	0	1 km	N/A	N/A	N/A	1	Progress reports, payment certificates Final report of areas to be taken over
BSD_TLO 3	Service Delivery	Smart Living	Provision of basic services, which include electricity, water, sanitation and refuse removal	To ensure provision of basic and environment al 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% (230 943-HH) (97.1%) (1200) by 30 June 2022	%	Director Energy Services	0.92%	97% (1154)	50	100	200	1200 (This is a cumulative figure for the year)	Minutes of SCM process meetings, appointment letters, Progress reports, payment certificates, Completion Certificate Monthly urban connections

KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Responsible Director	Performance Baseline 2020/21	Annual Target 2021/22	Quarter 1 (Jul-Sept 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)	Portfolio of Evidence	
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	Number of retrofits done to reduce consumption	Number of retrofits of street lights fitted in Polokwane by 30 June 2022	#	Director Energy Services	0	500 retrofitted street lights	N/A	N/A	250	250	Progress reports, payment certificates	
BSD_OSO1	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	Number of areas transferred to Polokwane as part of license increased. Final report on areas to be taken over	#	Director Energy Services	New	N/A				1	Final report of areas to be taken over, Minutes of meetings	
BSD_OSO2	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	#	Director Energy Services	New	1				0	There is no such project on the budget for the financial year under review	
BSD_OSO3	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	#	Director Energy Services	920	1154	N/A	N/A	200	1154 (This is a cumulative figure for the year, and it is included in BSD_TL03)	Minutes of SCM process meetings, appointment letters, Progress reports, payment certificates, Completion certificate	
BSD_OSO4	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	Establishment of electrical control centre and capacitate call centre operators (decentralized service)	Number of Electrical control centre established and call centre operators capacitated	#	Director Energy Services	New	N/A	N/A	N/A	N/A	N/A	N/A (There is no budget for such a project)	The Call Centre ISO functional and operational but not automated

KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Responsible Director	Performance Baseline 2020/21	Annual Target 2021/22	Quarter 1 (Jul-Sept 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)	Portfolio of Evidence
BSD_NT-EL_1	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 in urban areas	Number of additional households living in formal areas provided with electricity connections	#	Director Energy Services	254	300	N/A	175	275	75 (This figures can vary because new connections are working on the basis of applicants apply and pay for connections as and when they need it)	Completed application forms, proof of payment, completion certificates Monthly reports Minutes of meetings
BSD_NT-EL_2	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	Number of additional high mast lights installed	#	Director Energy Services	5	5	N/A	N/A	N/A	5	Minutes of SCM process meetings, appointment letters, Progress reports, payment certificates, Completion certificate



1.2 PROJECTS

PROJEC CT NO.	KEY PERFORMA NCE AREA	POLOKWANE STRATEGIC OBJECTIVE (IDP OBJECTIVE)	MUNICIPAL PROGRAMM E	PROJECT NAME /PROJECT DESCRIPTION	TYPE OF PROJEC T	Project Locatio n /Municip ality Ward	FUNDI NG SOURC E	ORIGINAL BUDGET 2021/22	QUARTERLY PROJECT IMPLEMENTATION MILESTONES				Annual Project Output	Portfolio of Evidence
									Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct- Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)		
<b>Energy Services - Energy</b>														
CWP 138	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Illumination of public areas (High Mast lights)			CRR	4 000 000	N/A	N/A	N/A	5	5	Appointment letter, BAC, Progress reports
CWP 139	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Install New Bakone to IOTA 66KV double circuit GOAT line			CRR	650 000	N/A	N/A	N/A	1	1	Progress reports Minutes of Meetings Payment certificates Servitudes paid
CWP 140	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Build 66KV/Bakone substation			CRR	20 000 000	N/A	N/A	N/A	1	1	Progress reports Minutes of Meetings Payment certificates
CWP 141	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Power factor corrections in the following Substations, Sigma, Beta & Gamma			CRR	#REF!						
CWP 142	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Plant and Equipment			CRR	3 000 000	Quotations	200 000	400 000	1 000 000	3 000 000	Tools purchased, invoices, payment certificates

PROJ CT NO.	KEY PERFORM ANCE AREA	POLKOVANE STRATEGIC OBJECTIVE (IDP OBJECTIVE)	MUNICIPAL PROGRAM E	PROJECT NAME /PROJECT DESCRIPTION	TYPE OF PROJ CT	Project Locatio n /Municipal Ward	FUNDI NG SOURC E	ORIGINAL BUDGET 2021/22	QUARTERLY PROJECT IMPLEMENTATION MILESTONES				Annual Project Output	Portfolio of Evidence
									Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct- Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)		
CWP 143	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Increase license area assets			CRR	600 000	N/A	N/A	300 000	600 000	1	Final Report on areas to be taken over
CWP 144	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Replace 66kV Bus Bars & Breakers at Gamma Substation			CRR	2 000 000	N/A	500 000	1 000 000	2000 000	1	Meters of bus bars and number of breakers replaced Minutes of meetings Payment certificates Monthly reports
CWP 145	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Upgrade Gamma Substation and install additional 20MVA transformer			CRR	7 000 000	N/A	1 000 000	5 000 000	7 000 000	1	Upgraded substation reports
CWP 146	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Supply power to new Pietersburg substation, and install temporary switch gear container			CRR	20 000 000	SCM processes	5 000 000	10 000 000	20 000 000	Meters of cables installed	Appointme nt letters, BAC, Monthly reports Minutes of meetings Payment certificates Completi on certificates
CWP 147	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Construction of new 66 KV Lines as per master plan			CRR	2 000 000	Supply chain processes	Draft report	1000 000	2000 000	Services registered for 66KV lines and substation	Appointme nt Payment certificates Progress reports Minutes of meetings

PROJECT NO.	KEY PERFORMANCE AREA	POLOKWANE STRATEGIC OBJECTIVE (IDP OBJECTIVE)	MUNICIPAL PROGRAM	PROJECT NAME / PROJECT DESCRIPTION	TYPE OF PROJECT	Project Location /Municipal Ward	FUNDING SOURCE	ORIGINAL BUDGET 2021/22	QUARTERLY PROJECT IMPLEMENTATION MILESTONES				Annual Project Output	Portfolio of Evidence
									Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)		
CWP 148	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Power Generation (SSEG) at Municipal Buildings			CRR	2 000 000	Supply chain processes	Construction period	1 000 000	2 000 000	1- SSEG on Library roof	Appointments Payment certificates Progress reports Minutes of meetings
CWP 149	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Retrofitting of Street lights with LED lights			CRR	4 000 000	SCM processes	Construction period	3 000 000	4 000 000	200 LEDs installed	Appointments Progress report Payment certificates Minutes of meetings
CWP 150	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Installation of 3x185mm cables from Sterkpark to Iota sub			CRR	2 000 000	SCM processes	Digging and installation of 500M cables	Digging and installation of 1000M cables	Digging and installation of 1500M cables	3 cables installed from IOTA to Sterk Park	Appointments Progress report Payment certificates Minutes of meetings
CWP 151	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Design and Construct permanent distribution substation at Thornhill			CRR	1 000 000		Payment of outstanding costs	N/A	N/A	Payment of Outstanding work done	Payment certificate
CWP 152	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Replacement of Fences at Sigma			CRR	1 000 000	SCM processes	Construction period	Construction and payment R 500 000	Construction and payment R 1 000 000	1 substation fences completed	Appointments Payment certificate Progress reports Minutes of meetings
CWP 153	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Replacement of Fences at Alpha			CRR	1 000 000	SCM processes	Construction period	Construction and payment R 500 000	Construction and payment R 1 000 000	1 substation fences completed	Appointments Payment certificate Progress reports Minutes of meetings

PROJECT NO.	KEY PERFORMANCE AREA	POLOKWANE STRATEGIC OBJECTIVE (IDP OBJECTIVE)	MUNICIPAL PROGRAMME	PROJECT NAME / PROJECT DESCRIPTION	TYPE OF PROJECT	Project Location /Municipal Ward	FUNDING SOURCE	ORIGINAL BUDGET 2021/22	QUARTERLY PROJECT IMPLEMENTATION MILESTONES				Annual Project Output	Portfolio of Evidence
									Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)		
CWP 154	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Electrification Of Urban Households in Extension 78			CRR	10 000 000	Construction period	Construction and payment 2 000 000	Construction and payment 2 000 000	Construction and payment 2 000 000	300 households completed	Payment certificate Progress reports Minutes of meetings
CWP 155	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Design and construction 66kV Distribution substation Matlala			CRR	1 000 000	SCM processes	Design stage	Design and Payment 300 000	Design and Payment 1000 000	2XService for lines and one substations completed. Payment certificates Final designs and Tender document	
CWP 156	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Cherry Pickers x10			CRR	8 500 000	Tender specifications	Advertisement and procurement	Delivery of Cherry Pickers	N/A	Procured Cherry Pickers	Appointments Payment certificates and delivery letters
CWP 157	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	LDV's for electricians x15			CRR	3 000 000	Tender specifications	Advertisement and procurement	Delivery of LDV's	N/A	Procured LDV's x15	Appointments Payment certificates and delivery letters
CWP 158	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Refurbishing of lydale networks			CRR	1 500 000	Design stage	Construction stage	Construction and payment R 500 000	Commissioning	Improved MV and LV networks	Appointments Payment certificates Progress reports Minutes of meetings
CWP 159	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Electrification Of Urban Households			INEP	15 000 000	SCM processes	Construction and payment R 5 000 000	Construction and payment R 10 000 000	Construction and payment R 15 000 000	300 connections completed	Appointments Payment certificate Progress report Minutes of meetings

PROJECT NO.	KEY PERFORMANCE AREA	POLOKWANE STRATEGIC OBJECTIVE (IDP OBJECTIVE)	MUNICIPAL PROGRAMME	PROJECT NAME / PROJECT DESCRIPTION	TYPE OF PROJECT	Project Location /Municipal Ward	FUNDING SOURCE	ORIGINAL BUDGET 2021/22	QUARTERLY PROJECT IMPLEMENTATION MILESTONES				Annual Project Output	Portfolio Evidence
									Quarter 1 (Jul-Sep 21)	Quarter 2 (Oct-Dec 21)	Quarter 3 (Jan-Mar 22)	Quarter 4 (Apr-Jun 22)		
CWP 160	Basic Service Delivery	To ensure the provision of basic and environmental services in a sustainable way to our communities	Energy Services	Replacement of Streetlights and design of PV systems on Municipal Buildings			EEDSM	6 000 000	SCM processes	Construction and payment R 2 000 000	Construction and payment R 4 000 000	Construction and payment R 6 000 000	Roof PV and 200 street lights Retrofits completed	Appointment Payment certificate Progress report Minutes of meetings