

# ANNUAL PERFORMANCE AGREEMENT



NATURALLY PROGRESSIVE

Name of Employee : NC Phanyane

Position Held : Director Corporate and Shared Services

Post Level : Section 57

Immediate Supervisor : Municipal Manager

Period Covered : 01/07/2015 – 30/06/2016

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NC Phanyane

**PART A:**

**PERFORMANCE AGREEMENT**

ENTERED INTO AND BETWEEN:-

**POLOKWANE MUNICIPALITY**

REPRESENTED BY THE ACTING MUNICIPAL MANAGER

**NNDAVHELESENI KENNETH RAMAKUELA**

HEREINUNDER REFERRED TO AS THE EMPLOYER.

AND

**NAMADZAVHO CALIFORNIA PHANYANE**

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

CITY OF  
*Polokwane*  
NATURALLY PROGRESSIVE

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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) 90 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 5.3 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 Mayor in his absence by the Deputy Mayor or Executive Committee in consultation with the Employee.
- 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 for 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 current 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 10<sup>th</sup> DAY OF July 2015  
[Signature]  
OBO THE EMPLOYER  
AS WITNESSES

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DATED at Polokwane ON THIS 10<sup>th</sup> DAY OF July 2015  
[Signature]  
THE EMPLOYEE  
AS WITNESSES  
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## 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:-

Number	Key Performance Area (80%)	Weight
6.1	Basic Service Delivery	N/A
6.2	Financial Management and Viability	N/A
6.3	Municipal Transformation and Organisational Development	80%
6.4	Local Economic Development	N/A
6.5	Good Governance and Public Participation	20%
	<b>Total KPA</b>	<b>100%</b>

<b>CORE COMPETENCY REQUIREMENTS (20%)</b>		
Number	Core Competency Requirements	Weight
6.6	Strategic Capability and Leadership	9%
6.7	Programme and Project Management	9%
6.8	Financial Management	9%
6.9	Change Management	9%
6.10	Knowledge Management	9%
6.11	Service Delivery Innovation	9%
6.12	Problem Solving and Analysis	9%
6.13	People Management and Empowerment	9%
6.14	Client Orientation and Customer Focus	9%
6.15	Communication	9%
6.16	Honesty and Integrity	10%
	<b>Total percentage</b>	<b>100%</b>

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## PART C: EMPLOYEE SCORECARD

### 1. Municipal Transformation and Organisational Development

Municipal Transformation and Institutional Development																	
KPI No	Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Key Performance Indicator	Key Performance Indicator (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	Strategic Objective Annual Outcome	KPI Projects	Budget		Quarterly Milestones				Portfolio of Evidence
											Capital (R)	Operational (R)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
MTOD 01	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	Submission of Reviewal of WSP to LGSETA by 30/06/2016	Director Corporate and Shared Services	Date	30/06/2014	30/06/2016	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	n/a	Municipal submission of Reviewed of WSP to LGSETA by 30/06/2015	Reviewed Polokwane Municipality WSP signed by the Municipal Manager, Proof of submission to LGSETA
MTOD 02	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	Submission of Employment Equity Plan to the Department of Labour by 30 June 2016	Director Corporate and Shared Services	Date	30/06/2015	30/06/2016	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	n/a	Municipal submission of Employment Equity Plan to the Department of Labour by the 30/06/2015	Approved Employment Equity Plan signed and dated by the Municipal Manager, Proof of Employment Equity Plan submission to Department of Labour with submission dates.
	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's employment equity plan BY 30/06/2016	Director Corporate and Shared Services	Number	New Indicator	5	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	None	2	2	1	Employment report.
	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	The percentage of a municipality's budget actually spent in implementing its workplace skills plan	Director Corporate and Shared Services	Percentage	New Indicator	1% of the employee related costs	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	R 4 000 000.00	n/a	n/a	n/a	1% of the employee related costs	Expenditure reports

Municipal Transformation and Institutional Development

KPI No	Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Key Performance Indicator	Key Performance Indicator (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	Strategic Objective Annual Outcome	KPI Projects	Budget		Quarterly Milestones				Portfolio of Evidence
											Capital (R)	Operational (R)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
MTOD 03	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	# of new External Students awarded study bursaries for the 2016 academic year by 30th June 2016	Director Corporate and Shared Services	Number	28	30	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	30	28	Reports on External Bursaries Beneficiaries, List of students and photos of the awarding ceremony, Attendance Registers of the Bursary awarding ceremony.
MTOD 04	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Human Resources Management	# of Graduate students awarded Internships/Experimental/Learn erships at Polokwane Municipality by the 30th June 2016	Director Corporate and Shared Services	Number	148	150	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	n/a	150	List and details of Graduates awarded Internships/Experimental/Learn erships at Polokwane Municipality. Copies of Internships/Experimental/Learn erships contracts. Reports on Internship/Experimental/Learn erships for the 2014/15 Financial year
MTOD 05	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Employee Assistance Programme	Conduct 4 Employee Wellness Outreach programmes by 30 June 2016	Director Corporate and Shared Services	Number	4	4	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	1	1	1	1	Employee Assistance Annual Programme, Proof of EAP undertaken, including Attendance Registers
MTOD 06	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Labour Relations	# of training on application and understanding of code of conduct for all employees by 30 June 2016	Director Corporate and Shared Services	Number	New Indicator	2		n/a	n/a	n/a	n/a	1 (SCM Official s)	n/a	1 (level 1-5)	Attendance registers, manuals and invitations
MTOD 07	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Labour Relations	# of Local Labour Forum meetings convened and held by 30 June 2016.	Director Corporate and Shared Services	Number	10	10					3	2	3	2	Local Labour Forums meeting notices, attendances registers and minutes

Municipal Transformation and Institutional Development																	
KPI No	Key Performance Area	Polelwane Strategic Objective	Municipal Programme	Key Performance Indicator	Key Performance Indicator (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	Strategic Objective Annual Outcome	KPI Projects	Budget		Quarterly Milestones				Portfolio of Evidence
											Capital (R)	Operational (R)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
MTOD 12	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Organisational Development	Reviewal of the Institutional Organisational Structure by 30/06/2016	Director Corporate and Shared Services	Date	30/06/2015	30/06/2016	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	n/a	30/06/2016	Council Approved Reviewed Organisational Structure/Report of the Reviewal of the Organisational Structure
MTOD 13	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	OHS	Conduct OHS audit by 30/06/2016	Director Corporate and Shared Services	Date	30/06/2015	30/06/2016	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	n/a	n/a	OHS Audit conducted by the 30/06/2016	Municipal Manager's Approved OHS Institutional Audit Report for 2014/15
MTOD 14	Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	Fleet Management	% availability of municipality service delivery fleet vehicles for operational purpose (fleet availability norm is 75%)	Director Corporate and Shared Services	Percentage	New Indicator	75%	Improved Efficiency and Effectiveness of Municipal Administration	Register Fleet as per NRTA	839,520	n/a	75%	75%	75%	75%	Monthly fleet availability reports signed and dated by the Fleet Manager, Director Corporate and Shared Services and Municipal Manager

## 2. Good Governance and Public Participation

Good Governance and Public Participation																	
KPI No	Key Performance Area	Polelwane Strategic Objective	Municipal Programme	Strategic Key Performance Indicator	Key Performance Indicator (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	KPI Annual Outcome	KPI Projects	Budget (R,000)		Quarterly Milestones				Portfolio of Evidence
											Capital (R,000,00)	Operational (R,000,00)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
GGPP09	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	ICT	% Implementation of the ICT Governance Framework	Director Corporate and Shared Services	Percentage	New Indicator	100% (Phase 1 of the Governance Framework)	Good Governance and Legislative Compliance	Network Upgrading & Development of ICT Strategy	4		25%	50%	75%	100%	Developed ICT Strategy Repository, Enterprise Architecture framework

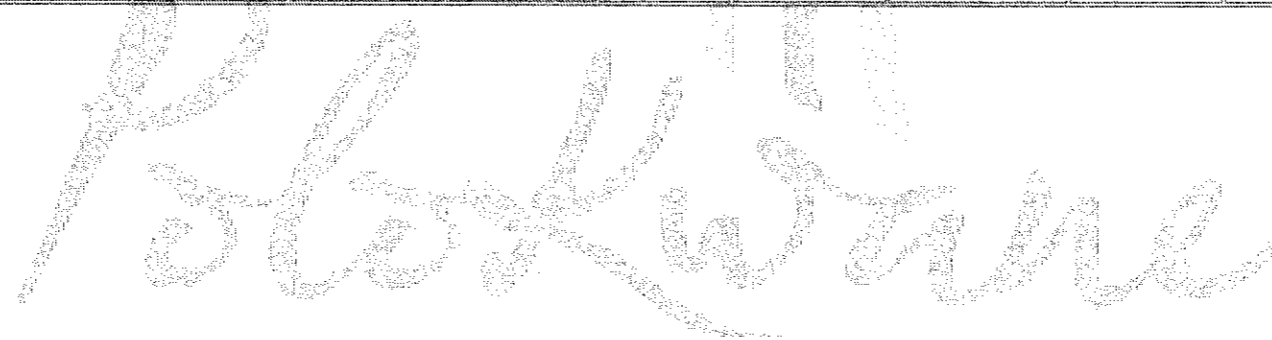


Good Governance and Public Participation

KPI No	Key Performance Area	Portfolio Strategic Objective	Municipal Programme	Strategic Key Performance Indicator	Key Performance Indicator (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	KPI Annual Outcome	KPI Projects	Budget (R,000)		Quarterly Milestones				Portfolio of Evidence
											Capital (R,000,00)	Operational (R,000,00)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
GGPP10	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	Deadline for the development of the Service Delivery Charter/Service Standards with contact details by 30 Sept 2015	Director Corporate and Shared Services	Date	New indicator	30/06/2016	Good Governance and Legislative Compliance	None	n/a	n/a	30/09/2015	n/a	n/a	n/a	Council Resolutions on the adoption of service charter/service standards, copies services charter/service placed on municipal service points.
GGPP11	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	# of Executive Management meetings scheduled and convened by 30 June 2016	Director Corporate and Shared Services	Number	12	12	Good Governance and Adherence to Legislative Compliance	None	None	n/a	3	3	3	3	Exco Annual Plan (Calendar) Minutes and Agendas
GGPP12	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	# of Mayoral Committee meetings scheduled and convened by 30 June 2016	Director Corporate and Shared Services	Number	12	12	Good Governance and Adherence to Legislative Compliance	None	None	n/a	3	3	3	3	Integrated Corporate Calendar, Minutes and Agendas
GGPP13	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	# of Council sittings scheduled and convened by 30 June 2016	Director Corporate and Shared Services	Number	4	4	Good Governance and Adherence to Legislative Compliance	None	None	n/a	1	1	1	1	Integrated Corporate Calendar, Council Agendas, Minutes
GGPP14	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	# of Portfolio Committee meetings scheduled and convened by 30 June 2016	Director Corporate and Shared Services	Number	100	100	Good Governance and Adherence to Legislative Compliance	None	None	n/a	30	20	20	30	Integrated Corporate Calendar, Portfolio Agendas, Minutes and Attendance registers
GGPP15	Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting processes	Governance (Secretariat)	Tabling the Oversight Report on the 2014/15 to Council by 31/03/2016	Director Corporate and Shared Services	Date	31/03/2015	31/03/2016	Legislative Compliance to MFMA S 129	None	None	n/a	n/a	n/a	Oversight Report on 2014/15 Annual Report tabled in Council by 31/03/2016	n/a	Council Approved Oversight Report and Council Resolution

### 3. Capital Projects

Key Performance Area	Polokwane Strategic Objective (RDP Objective)	Municipal Programme	Project Name	Project Location	Ward No.	Vote No.	Project Owner	Annual Project Output (30 June 2016)	Sources of Funding	Implementing Agent	Budget	Quarterly Project Implementation Milestones				PoR (Evidence to verify Performance)
												Quarter 1	Quarter 2	Quarter 3	Quarter 4	
<b>Information Services</b>																
Basic Service Delivery	Increased access to municipal services to all households	Information Services	Network Upgrade	City	All Wards	5210	Director Corporate and Shared Services	Upgrade of ICT Infrastructure (Disaster Recovery and Production)	CRR	Polokwane Municipality	1 500 000	n/a	Implementation at 25%	Implementation at 80%	Implementation at 100%	DR and Production upgraded, Project plans and closeout reports. Invoices
Basic Service Delivery	Increased access to municipal services to all households	Information Services	Development and Implementation of IT Strategy	City	All Wards	5210	Director Corporate and Shared Services	Business process analysis and automation	CRR	Polokwane Municipality	3 000 000	n/a	Implementation at 25%	Implementation at 60%	Implementation at 100%	Project progress reports, Invoices, Closeout report and process automation



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