

# ANNUAL PERFORMANCE AGREEMENT



Name of Employee : MS Makgoba

Position Held : Director Planning and Economic Development

Post Level : Section 57

Immediate Supervisor : Municipal Manager

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

*Makgoba*

**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

**MATOME SYDNEY MAKGOBA**

HEREINUNDER REFERRED TO AS THE EMPLOYEE (DIRECTOR PLANNING AND ECONOMIC DEVELOPMENT)

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.

**NATURALLY PROGRESSIVE**

**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.

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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 Polekane ON THIS 10<sup>th</sup> DAY OF July 2015.  
OBO THE EMPLOYER  
AS WITNESSES

DATED at Polekane ON THIS 10<sup>th</sup> DAY OF July 2015  
THE EMPLOYEE  
AS WITNESSES

1 [Signature]  
1 [Signature]

## 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%)		Weight
6.1	Basic Service Delivery	N/A
6.2	Financial Management and Viability	N/A
6.3	Municipal Transformation and Organisational Development	10%
6.4	Local Economic Development	70%
6.5	Good Governance and Public Participation	20%
<b>Total KPA</b>		<b>100%</b>

CORE COMPETENCY REQUIREMENTS (20%)		Weight
<b>Core Competency Requirements</b>		
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>

## PART C: EMPLOYEE SCORECARD

Local Economic Development																	
Key Performance Area	Portfolio Strategic Objective	Municipal Programme	Strategic Key Performance Indicator	KPI No	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,000.00)	Operational (R,000.00)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	Job creation	# of Job opportunities created through the municipal LED initiatives by 30/06/2016 (Temporary job opportunities)	LED01	Municipal Manager	Number	500	155	Increased economic growth, job creation and Sustainable human settlement	n/a	n/a	n/a	30	35	40	50	Municipal LED initiatives report. List of employees, their details and the duration of employment. Attendance registers
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	informal business support	# of street traders capacitated by 30/06/2016	LED02	Municipal Manager	Number	350	160	Increased economic growth, job creation and Sustainable human settlement	n/a	n/a	n/a	30	40	40	50	Attendance register
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	Tourism	# of tourism programmes and projects supported by 30 June 2016	LED03	Director Planning and Economic Development	Number	2	5	Increased economic growth, job creation and Sustainable human settlement	Tourism Marketing	n/a	R100 000	1	2	1	1	Tourism programmes and projects event reports
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	SMME Support	# of SMME incubated by 30 June 2016	LED04	Director Planning and Economic Development	Number	7	20	Increased economic growth, job creation and Sustainable human settlement	SMME Support	n/a	R100 000	5	5	5	5	List of SMME incubated and the programme attended. Reports on SMME Incubation
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	SMME Support	# of SMME capacitated by 30 June 2016	LED05	Director Planning and Economic Development	Number	50	90	Increased economic growth, job creation and Sustainable human settlement	SMME Support	n/a	R100 000	20	30	20	20	Attendance register and reports
Local Economic Development	Increased economic growth, job creation and Sustainable human settlement	SMME Support	# of SMME linked with market by 30 June 2016	LED06	Director Planning and Economic Development	Number	90	100	Increased economic growth, job creation and Sustainable human settlement	SMME Support	n/a	R100 000	20	40	30	30	Attendance register and reports
Basic Service Delivery	Increased access to municipal services to all households	Spatial Planning and Land Use Management	Appointment of 3 external Technical experts by 30/12/2015 (Environmental specialist, Town planning attorney and Water Engineer)	LED07	Director Planning and Economic Development	Number	New	30/12/2015	Increased economic growth, and sustainable human settlement	n/a	n/a	n/a	n/a	Appointment of Environmental specialist, Town Planning Attorney and Water Engineer by 30/12/2015	n/a	n/a	Dated appointment letters of Technical experts

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Local Economic Development																	
Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Strategic Key Performance Indicator	KPI No	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,000.00)	Operational (R,000.00)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Basic Service Delivery	Increased access to municipal services to all households	Spatial Planning and Land Use Management	Review of planning by-laws in-line with SPLUMA by 30/12/2015	LED08	Director Planning and Economic Development	Date	New	30/12/2016	Increased economic growth, and sustainable human settlement	n/a	n/a	n/a	n/a	Reviewed Planning by-laws by 30/12/2016	n/a	n/a	Gazette By-laws
Basic Service Delivery	Increased access to municipal services to all households	Corporate Geo-Informatics	Development of an Integrated GIS System Phase 1 (Analysis of existing municipal systems) by 30/06/2016	LED09	Director Planning and Economic Development	Date	New Indicator	Developed Integrated GIS System (Phase 1)	Increased economic growth, and sustainable human settlement	N/A	N/A	N/A	Stakeholder engagement, Benchmarking, Risk analysis, Bid specification	Bid advertisement, Appointment of Service provider	Installation and System integration	System testing and validation	Meeting Minutes, Benchmarking Report, Bid Specification document, Advert, Appointment letter, System screenshot, Certification of acceptance
Basic Service Delivery	Increased access to municipal services to all households	Social Housing	Number of Integrated Human Settlements developed by 30/06/2016 (Polokwane Ext 78)	LED10	Director Planning and Economic Development	Number	New Indicator	1	Increased economic growth, and sustainable human settlement	N/A	N/A	N/A	N/A	N/A	N/A	1	Approved and registered Integrated Human Settlements

## Good Governance and Public Participation

Good Governance and Public Participation																
Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Strategic KPI	KPI (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	Strategic Objective (Output)	Budget		Quarterly Milestones				PoE (Evidence to verify Performance)	
									Capex	Opex	Quarter 1	Quarter 2	Quarter 3	Quarter 4		
Good Governance and Public Participation	Improve community confidence in the system of local government	Internal Audit	% of 2013/14 AG audit queries addressed by 31 August 2015	Director Planning & Economic Development	Percentage		100%	n/a	n/a	n/a	100%	100%	100%	100%	OPCA Tracking register	
Good Governance and Public Participation	Improve community confidence in the system of local government	PMS	# of Quarterly Departmental Performance Reports submitted to SPME [MFMA S52 (d)], by 30 June 2015	Director Planning & Economic Development	Number	4	4	n/a	n/a	n/a	1	1	1	1	Signed off Departmental report and proof of submission	
Good Governance and Public Participation	Improve community confidence in the system of local government		Submission of Departmental Performance Reports with PoE 10 days after the end of each quarter	Director Planning & Economic Development	Date	10 days after the end of each quarter	10 days after the end of each quarter	n/a	n/a	n/a	10 days after the end of each quarter	10 days after the end of each quarter	10 days after the end of each quarter	10 days after the end of each quarter	Signed off Departmental report, PoE and proof of submission	
100% Good Governance and Public Participation	Improved efficiency of planning, monitoring, evaluation and reporting	Secretariat	% Implementation of Council resolutions	Director Planning & Economic Development	Percentage	100%	100%	Good Governance	n/a	n/a	100%	100%	100%	100%	Updated Council resolution register	

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Good Governance and Public Participation															
Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Strategic KPI	KPI (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2015)	Annual Target (30 June 2016)	Strategic Objective (Output)	Budget		Quarterly Milestones				PoB (Evidence to verify Performance)
									Capex	Opex	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
	processes														

## Organisational Development and Transformation

Municipal Transformation and Institutional Development															
Key Performance Area	Polokwane Strategic Objective	Municipal Programme	Strategic KPI	KPI (Owner)	KPI Unit of Measurement	KPI Baseline (30 June 2014)	Annual Target (30 June 2015)	Strategic Objective (Output)	Budget		Quarterly Milestones				PoB (Evidence to verify Performance)
									Capex	Opex	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration		Signing of Performance of Agreements with all SBU Managers by 31/07/2015	Director Planning & Economic Development	Date	New Indicator	31/07/2015	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	31/12/2014	n/a	n/a	Signed Performance Agreement
Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration		# SBU Managers Performance Assessments conducted by 30/06/2016	Director Planning & Economic Development	Number	New Indicator	1	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	n/a	n/a	1	n/a	Minutes, Assessment report/results
Municipal Transformation and Institutional Development	Improved efficiency and effectiveness of Municipal administration	OHS	# of Departmental OHS meeting held by 30/06/2016	Director Planning & Economic Development	Number	New Indicator	12	Improved Efficiency and Effectiveness of Municipal Administration	n/a	n/a	3	3	3	3	Minutes, Agendas, attendance registers and OHS Audit Report

## Capital Projects

Key Performance Area	Polokwane Strategic Objective (IDP 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				PoB (Evidence to verify Performance)
												Quarter 1	Quarter 2	Quarter 3	Quarter 4	
City Planning																
Spatial Rationale	Increased economic growth, and sustainable human settlements	City Planning	Township establishment ext 78	Disteneng	8		Director Planning and Economic Development	Township register at deeds office for Polokwane Ext 78	CRR	Polokwane Municipality	1 500 000	n/a	General plan approval	Opening of the township register	Proclamation on the Government gazette	Proclamation notice