

# 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 2019 – 30<sup>TH</sup> JUNE 2020

*MMM*

**PART A:**

**PERFORMANCE AGREEMENT**

ENTERED INTO AND BETWEEN: -

**POLOKWANE MUNICIPALITY**  
REPRESENTED BY THE MUNICIPAL MANAGER

**DIKGAPE H MAKOBE**

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

AND

**MM MATSHIVHA**

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

*Polokwane*

NATURALLY EMERGENT

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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 2019/20 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 16 DAY OF July 2019  
  
OBO THE EMPLOYER  
AS WITNESSES

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DATED at Polokwane ON THIS 16 DAY OF July 2019  
  
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	22%
6.2	Financial Management and Viability	0%
6.3	Municipal Transformation and Organisational Development	45%
6.4	Local Economic Development	0%
6.5	Good Governance and Public Participation	33%
	<b>Total KPA</b>	<b>100%</b>

CORE COMPETENCY REQUIREMENTS (20%)		
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>

**PART C: EMPLOYEE SCORECARD**

**1. KEY PERFORMANCE INDICATORS  
1.1 BASIC SERVICE DELIVERY (BSD)**

KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Target	Annual Target	1 <sup>st</sup> Quarter Target	2 <sup>nd</sup> Quarter Target	3 <sup>rd</sup> Quarter Target	4 <sup>th</sup> Quarter Target	Evidence of Portfolio
BSD_O S17	Basic Service Delivery	Smart Mobility	Improving 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	Review fleet management policy, inclusive of consequences of abuse and negligence by 30 June 2020	#	1	1	N/A	N/A	1	N/A	Council Resolution and Reviewed Policy

**1.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT (MTOD)**

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KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Program	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2018/19	Annual Target 2019/20	1 <sup>st</sup> Quarter Target	2 <sup>nd</sup> Quarter Target	3 <sup>rd</sup> Quarter Target	4 <sup>th</sup> Quarter Target	Evidence of Portfolio
MTOD_TL 01	Municipal Transformation and Organisational Development	Smart People	Ensure long-term efficiency and effectiveness of municipal administration	Occupational Health and Safety	Expand OHS capacity	Conduct OHS audit by 30 June each year	#	1	N/A	N/A	N/A	N/A	N/A	30-Jun-20	Audit Report
MTOD_TL 02	Municipal Transformation and Organisational Development	Smart People	Ensure long-term 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	Date	30 April	N/A	N/A	N/A	N/A	N/A	Submission of Reviewed of WSP to LGSETA by 30 April 2020	WSP Submission of Reviewed of WSP to LGSETA by 30 April 2020
MTOD_TL 03	Municipal Transformation and Organisational Development	Smart People	Ensure long-term 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	N/A	N/A	N/A	N/A	N/A	30-Jun-20	Equity Report and Confirmation Letter
MTOD_TL 04	Municipal Transformation and Organisational Development	Smart People	Ensure long-term 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	#	10	N/A	N/A	N/A	N/A	N/A	20	Bursary Report
MTOD_TL 05	Municipal Transformation and Organisational Development	Smart People	Ensure long-term efficiency and effectiveness of municipal administration	Human Resources Management	Build capacity of municipal officials and the	Number of Graduate students	#	200	N/A	N/A	N/A	N/A	N/A	200	Training Report

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KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2018/19	Annual Target 2019/20	1 <sup>st</sup> Quarter Target	2 <sup>nd</sup> Quarter Target	3 <sup>rd</sup> Quarter Target	4 <sup>th</sup> Quarter Target	Portfolio of Evidence	
MTOD_TL 06	and Organisational Development and Organisational Development	Smart People	Ensure long-term capacity, planning, and efficiency	To ensure efficiency and effectiveness of municipal administration	Human Resources Management	Build capacity of municipal officials around IR matters	Number of training on application and understanding of code of conduct for all employees by 30 June each year	#		2	N/A	2	1	1	N/A	Attendance Registers

### 1.3 GOOD GOVERNANCE AND PUBLIC PARTICIPATION (GGPP)

KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2018/19	Annual Target 2019/20	1 <sup>st</sup> Quarter Target	2 <sup>nd</sup> Quarter Target	3 <sup>rd</sup> Quarter Target	4 <sup>th</sup> Quarter Target	Portfolio of Evidence	
GGPP_TL08	Good Governance and Public Participation	Smart Governance	Promotion of good governance and the participation of local communities in the municipal	To ensure confidence in the system of local government	ICT	Continuous Improvement of Corporate Governance of and by 30 June 2020	Number ICT Steering Committee meeting held	#		4	4	4	2	3	4	Minutes and Attendance Register

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KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2018/19	Annual Target 2019/20	1 <sup>st</sup> Quarter Target	2 <sup>nd</sup> Quarter Target	3 <sup>rd</sup> Quarter Target	4 <sup>th</sup> Quarter Target	Portfolio Evidence
GGPP_TL09	Good Governance and Public Participation	Smart Governance	Promotion of good governance and the participation of local communities in the municipal affairs	To ensure community confidence in the system of local government	ICT	Continuous improvement of Corporate Governance reports on the performance of and Governance Service providers by 30 June 2020	Number of quarterly reports on the performance of and Governance Service providers by 30 June 2020	#	4	4	1	2	3	4	Quarterly Report
GGPP_TL10	Good Governance and Public Participation	Smart Governance	Promotion of good governance and the participation of local communities in the municipal affairs	To ensure efficiency and effectiveness of municipal administration	Legal	Review and implement delegations of powers to ensure that all managers act and take decisions within their scope	Annual review of the Delegations of powers to ensure effective administration by 31 June 2020	#	Approved Delegations of Powers policy	Reviewed delegations of powers by 30 March 2020	1	1	n/a	1	Revised Delegation of Powers
GGPP_OS10	Good Governance and Public Participation	Smart Governance	Promotion of good governance and the participation of local communities in the municipal affairs	To ensure efficiency and effectiveness of municipal administration	Legal	Effective drafting and vetting of all contracts / agreements to maximise legal protection of the city	Number of Municipal contracts drafted and vetted by 30 June 2020.	%	100%	100%	100%	100%	100%	100%	Report on List of Contracts drafted and vetted
GGPP_TL14	Good Governance and Public Participation	Smart Governance	Promotion of good governance and the participation of local communities in the municipal affairs	To ensure efficiency and effectiveness of municipal administration	Human Resources/ Labour Relations	Monitor the corporate calendar.	Number of Local Labour Forum meetings convened and held by 30 June each	#	10	10	3	3	3	2	LLF Notice and Minutes

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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	Sources of Funding	Original	Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Project Output (30 June 2020)	POE (Evidence to Verify Performance)
CWP_213	Good Governance and Public Participation	To ensure efficiency and effectiveness of Municipal administration	ICT Programme	Provision of Laptops, PCs and Peripheral Devices	n			Director Corporate and Shared Services	2 000	2 000	• 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	• 150 PCs • 30 Laptops • 30 Printers • 12 Projectors	Quarterly Report

Information Services - Corporate and Shared Services

1.3 PROJECTS

*Polokwane*

KPI No	KPA	Pillar	Municipal IDP Priority	IDP Strategic Objective	Municipal Programme	Operating Strategy	Key Performance Indicator (KPI)	Unit of Measure (UoM)	Performance Baseline 2018/19	Annual Target 2019/20	1st Quarter Target	2nd Quarter Target	3rd Quarter Target	4th Quarter Target	Evidence of Portfolio
							Performance Indicator (KPI)	(UoM)	2018/19	2019/20	Quarter Target	Quarter Target	Quarter Target	Quarter Target	



Project Number	Key Performance Area	Strategic Objective (IDP Objective)	Municipal Programme	Project Name/Description	Type of Project / Classification	Project Location	Ward No.	Project Owner	Sources of Funding	Original	Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Project Output (30 June 2020)	POE (Evidence to verify Performance)
Quarterly Project Implementation Milestones																
CWP_0	9	Basic Service Delivery	Infrastructure/Fa	Civic Centre Aircon Upgrade	U	Polokwane	20	Director Corporate and Shared Services	CRR	1 000	Issue Jobcard, approval of quotation.	Installation of aircon plant for Civic Centre North wing	None	Installation of aircon plant for Civic Centre North wing	Installation of aircon plant for Civic Centre North wing	Job cards, payments
CWP_1	0	Basic Service Delivery	Infrastructure/Fa	Refurbishment of Municipal Public toilets	N	Municipal wide	25	Director Corporate and Shared Services	CRR	500	Replacement of toilet systems and basins	Painting of toilets	Maintenance	Maintenance	Issue Job cards, plumbing and electrical faults and paintings	Issue Job cards, plumbing and electrical faults and paintings
CWP_1	2	Basic Service Delivery	Infrastructure/Fa	Refurbishment of Mankweng Library	R	Mankweng	25	Director Corporate and Shared Services	CRR	200	Issue Jobcard, approval of quotation.	Waterproofing of leaking roofs	None	None	Waterproofing of roof	Issued Job Card, Invoices
CWP_1	3	Basic Service Delivery	Infrastructure/Fa	Refurbishment of Mankweng Fire Department	R	Mankweng		Director Corporate and Shared Services	CRR	1 500	Issue Jobcard, approval of quotation.	Waterproofing of leaking roofs	Construction of n of guard house, fixing of electrical faults	None	Waterproofing of roof, n of guard house, fixing of electrical faults	Issued Job Card, Invoices
CWP_1	7	Basic Service Delivery	Infrastructure/Fa	Fencing of Itsoeng Centre	N	Polokwane		Director Corporate and Shared Services	CRR	1 000	Advertising of Bid and n.	Site establishment, n of Palisade fence	Site establishment, n of Palisade fence	None	Construction of n of Palisade fence	Appointment letter, Project progress report, Payment certificate, Completion certificate

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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	Sources of Funding	Original	Quarter 1 (Jul-Sep)	Quarter 2 (Oct-Dec)	Quarter 3 (Jan-Mar)	Quarter 4 (Apr-Jun)	Annual Project Output (30 June 2020)	POE (Evidence to verify Performance)
CWP_1	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Fa	Upgrading of Jack Botes Hall	N	City	City Cluster	Directorate and Shared Services	CRR	1 500 000	Issue approval of Jobcard, quotation.	Construction of ramps, electrical installation of fire lights	Installation of Aluminium doors, installation of fire escape fittings	Competitive of work.	Construction of ramps, maintenance of electrical fittings, installation of Aluminium doors, installation of fire escape fittings	Issued Job Card, invoices
8	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Fa	Infrastructure/Fa	N	City	City Cluster	Directorate and Shared Services	CRR	1 500 000	Issue approval of Jobcard, quotation.	Construction of ramps, electrical installation of fire lights	Installation of Aluminium doors, installation of fire escape fittings	Competitive of work.	Construction of ramps, maintenance of electrical fittings, installation of Aluminium doors, installation of fire escape fittings	Issued Job Card, invoices
CWP_2	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Fa	Refurbishment of the City Pool		City Cluster	City Cluster	Directorate and Shared Services	CRR	1 000 000	Maintenance of pumps	Cleaning the down pipes			Maintenance of pumps	Job card, pictures, certificate
CWP_2	Basic Service Delivery	To ensure provision of basic and environmental services in a sustainable way to our communities	Infrastructure/Fa	Infrastructure/Fa	N	Nirvana	19	Directorate and Shared Services	CRR	300 000	Issue Jobcard, Fixing of plumbing and electrical faults	None	None	None	Fixing of plumbing and electrical faults	Issued Job Card, invoices

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