

MADE AND ENTERED INTO BY AND BETWEEN:

**MOPANI DISTRICT MUNICIPALITY** 

AS REPRESENTED BY THE MUNICIPAL MANAGER

**MR TSHEPO MOGANO** 

AND

**MR PARADISE SHILOWA** 

**SENIOR MANAGER: WATER SERVICES** 

THE EMPLOYEE OF THE MUNICIPALITY

PERFORMANCE AGREEMENT

FOR THE

**FINANCIAL YEAR:** 

1 JULY 2024 - 30 JUNE 2025



### **ENTERED INTO BY AND BETWEEN:**

The Municipality herein represented by Mr. TSHEPO JACK MOGANO in his capacity as Municipal Manager (hereinafter referred to as the Employer or Supervisor)

and

Mr. PARADISE SHILOWA Employee of the Municipality (hereinafter referred to as the Employee).

### WHEREBY IT IS AGREED AS FOLLOWS:

1. Introduction	1.1 The Employer has entered into a contract of employment with the Employee in terms of section 56(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".						
	1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.						
	1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Employee to a set of outcomes that will secure local government policy goals.						
	1.4 The Parties wish to ensure that there is compliance with Sections 57 (4A), 57 (4B) and 57 (5) of the Systems Act						
2. Purpose of this	The purpose of this Agreement is to:						
Agreement	Comply with the provisions of Section 57(1) (b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties.						
	2.2 Specify objectives in terms of the key performance indicators and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality.						
	2.3 Specify accountabilities as set out in a Performance Plan, which forms an Annexure to the Performance Agreement.						
	2.4 Monitor and measure performance against set targeted outputs.						
	2.5 Use the Performance Agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job.						
	2.6 In the event of outstanding performance, to appropriately reward the employee.						
	2.7 Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.						
3. Commencement	3.1 This Agreement will commence on 1 July 2024 and will remain in force until						

and duration	30 June 2025 thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.
	3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than one month after the beginning of each successive financial year.
	3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
	3.4 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon.
	3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or Council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.
4. Performance Objectives	<ul> <li>4.1 The Performance Plan (Annexure A) sets out-</li> <li>4.1.1 Key Performance Areas that the employee should focus on.</li> <li>4.1.2 Core competencies required from employees.</li> <li>4.1.3 The performance objectives, key performance indicators and targets that must be met by the Employee.</li> <li>4.1.4 The time frames within which those performance objectives and targets must be met.</li> </ul>
	The performance objectives, key performance indicators and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer, and shall include strategic objectives; key performance indicators; targets; projects and activities that may include dates and weightings. A description of these elements follows:
	4.2.1 The strategic objectives describe the strategic intent of the organisation that needs to be achieved.
	4.2.2 The strategic performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved.
	4.2.3 The target dates describe the timeframe in which the work must be achieved.
	4.2.4 The weightings show the relative importance of the key performance areas, key objectives, and key performance indicators to each other.



### Management System

system that the Employer adopts or introduces for the Employee, management and municipal staff of the Employer.

- 5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 5.3 The Employer will consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.
- 5.4 The Employee undertakes to actively focus towards the promotion and implementation of the KPA's (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, Key Performance Areas and core Competency Requirements, both of which shall be contained in the Performance Agreement.
  - 5.5.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competency Requirements (CCRs) respectively.
  - 5.5.2 KPA's covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
  - 5.5.3 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.6 The Employee's assessment will be based on his / her performance in terms of the key performance indicator outputs / outcomes identified as per attached Performance Plan (Annexure A), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

Key Performance Areas (KPA's)	Weighting
Municipal Institutional Development and Transformation	10%
Basic Service Delivery	50%
Local Economic Development (LED)	10%.
Municipal Financial Viability and Management	30%
Good Governance and Public Participation	20%
Spatial Rationale	0%
Total	100%

- 5.7 Manager's responsibilities are also directed in terms of the abovementioned key performance areas. In the case of managers directly accountable to the Municipal Manager, other key performance areas related to the functional area of the relevant manager can be added subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the Employee's assessment score.



CCRs that are deemed to be most critical for the Employee's specific job should be selected (v) from the list below as agreed to between the Employer and Employee. Three of the CCRs are compulsory for Municipal Managers:

CORE MANAGERIAL COMPETENCIES (CMC)	WEIGHT
Strategic Capability and Leadership	5%
Programme and Project Management	5%
Financial Management	20%
Change Management	5%
Knowledge Management	5%
Service Delivery Innovation	10%
Problem Solving and Analysis	15%
People Management and Empowerment	5%
Client Orientation and Customer Focus	5%
Communication	10%
Accountability and Ethical Conduct	15%
Total percentage	100%

# 6. Evaluating Performance

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out:
  - 6.1.1 The standards and procedures for evaluating the Employee's performance.
  - 6.1.2 The intervals for the evaluation of the Employee's performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- The Employee's performance will be measured in terms of contributions to the strategic objectives and strategies set out in the Employer's IDP
- 6.5 The Annual performance appraisal will involve:
  - 6.5.1 Assessment of the achievement of results as outlined in the Performance Plan:
    - (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
    - (b) Values are supplied for KPI's and Activities under each KPA as part of the Institutional Assessment. Based on the Target for an activity or KPI, over or under performance are calculated and converted to the 1-5-point scale automatically. These scores are carried over to the applicable employee's performance plan. During assessment, the employee has a chance to submit evidence of performance where a disagreement.
    - (c) The applicable assessment ratings and scores will calculate a



					municipal manager, an evaluat ns must be established-	tion panel constituted of the
			6.7.1 6.7.2 6.7.3 6.7.4	Chairper Member	al Manager son of the performance audit co of the mayoral committee al manager from another munic	
		sec			sible for human resources of th to the evaluation panels refer	
7.	Schedule for Performance Reviews	7.1	Agree:	ment shall ted with t	e of each Employee in relation be reviewed within the month the understanding that reviews performance is satisfactory:	th following the quarters as
			Second Third	uarter d quarter quarter n quarter	: January – March 2025	(October 2024) (January 2025) (April 2025) (July 2025)
		7.2		mployer s ment mee	shall keep a record of the metings.	id-year review and annual
		7.3		mance fee yee's perf	edback shall be based on the Er ormance.	mployer's assessment of the
		7.4	the pr	ovisions o	rill be entitled to review and n f Annexure "A" from time to ti ill be fully consulted before any	me for operational reasons.
		7.5	perfor	mance m	may amend the provisions of anagement system is adopte e case may be. In that case any such change is made.	ed, implemented and / or
8.	Developmental Requirements	- 1 a co-warmen		Developn nexure B.	nent Plan (PDP) for addressi	ng developmental gaps is
9.	Obligations of the Employer	9.1	The En	nployer sh	all:	
	the Employer		9.1.1		an enabling environment to faci employee.	ilitate effective performance
			9.1.2	Provide opportu	access to skills developmentities.	ent and capacity building
			9.1.3	generat	ollaboratively with the Emplore solutions to common problemance of the Employee.	
			9.1.4	require	request of the Employee deleg d by the Employee to enable nance objectives and targets e ent.	e him / her to meet the
			9.1.5	Make a	vailable to the Employee such	resources as the Employee

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final KPA score.

#### 6.5.2 Assessment of the CCRs:

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
- (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.

### 6.5.3 Overall rating:

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcomes of the various weighted ratings contained in the performance Plan which represents the outcome of the performance appraisal.

6.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCRs:

Rating	Terminology	Description	% Score
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level.	167
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job.	133 - 166
3	Fully effective	Performance fully meets the standards expected in all areas of the job.	100 - 132
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job.	67 - 99
1	Unacceptable performance	Performance does not meet the standard expected for the job. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	0 – 66

For the purpose of evaluating the performance of the section 57 manager

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may reasonably require from time to time to assist him / her to meet the performance objectives and targets established in terms of this Agreement. 10. Consultation 10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others -10.1.1 A direct effect on the performance of any of the Employee's functions. 10.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer. 10.1.3 A substantial financial effect on the Employer. 10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the Employee to take any necessary action without delay. 11. Management of 11,1 The evaluation of the Employee's performance will form the basis for **Evaluation** rewarding outstanding performance or correcting unacceptable **Outcomes** performance. 11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance to be constituted as follows: Rating % Bonus Over Performance 130 - 133.8 5% 133.9 - 137.6 6% 137.7 - 141.4 7% 141.5 - 145.2 8% 145.3 - 149 9% 150 - 153.410% 153.5 - 156.8 11% 156.9 - 160.2 12% 160.2 - 163.6 13% 163.7 - 16714% 11.3 In the case of unacceptable performance, the Employer shall: 11.3.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance.

12. Dispute

12.1 Any disputes about the nature of the Employee's performance agreement,

11.3.2 After appropriate performance counselling and having provided

the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

# and/ or any other matter provided for, shall be mediated by the mayor within thirty (30) days of receipt of a formal dispute from the employee, whose decision shall be final and binding on both parties. The decision of the mediator (Mayor) shall be final and binding on both parties whose decision shall be final and binding on both parties. Any disputes about the outcome of the employee's performance evaluation, must be mediated by a member of the municipal council, provided that such member was not part of the evaluation panel provided for in subregulation 27(4) (e) of the Municipal Performance Regulations, Regulation 805 of 2006, within thirty (30) days of receipt of a formal dispute from the employee. The decision of the mediator shall be final and binding on both parties whose decision shall be final and binding on both parties. 13. General 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Employer. 13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments. 13.3 The performance assessment results of the Municipal Manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment. **AS WITNESSES:** AS WITNES MUNICIPAL ANAGER

whether it relates to key responsibilities, priorities, methods of assessment

Resolution



PERSONAL
DEVELOPMENT PLAN
(PDP)

MADE AND ENTERED INTO BY AND BETWEEN:

MOPANI DISTRICT
MUNICIPALITY

AS REPRESENTED BY THE MUNICIPAL MANAGER

MR TSHEPO JACK MOGANO

AND

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THE EMPLOYEE OF THE MUNICIPALITY

FOR THE

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1 JULY 2024 - 30 JUNE 2025



#### . INTRODUCTION

The Aim of the Personal Development Plan (PDP) is to ensure that Employees are skilled to meet Objectives as set out in the Performance Management Agreement as prescribed by legislation. Successful career-path planning ensures competent employees for current and possible future positions. It there for *identifies*, *prioritise* and *implement* training needs.

Legislative needs taken into account comes from the Municipal Systems Act Guidelines: Generic senior management competency framework and occupational competency profiles, Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments' legislated competency requirements need also be taken into consideration during the PDP process.

## 2. COMPETENCE MODELLING

What does an institution mean when it says an employee / prospective employee is competent if he / she fits a managerial competency framework or occupational competency profile? The institution is in fact expressing competence as a future-oriented ideal that they require to achieve their strategic objectives [The institution is in effect giving a depiction of the desired or required knowledge, skills and attributes for an individual in a specific position]. For competence to be useful, the associated competence should be greater than the observed performance as it will allow the individual growth towards this 'ideal'.

There is however a risk in expressing a required competence that a current or prospective employee should adhere to in the future, as the future is, by definition, uncertain. Managers cannot know how an employee will perform in the future nor can they know how employees that they did not select, did not promote, did not award a qualification to, might perform.

Moreover, managers do not make their expressions in a social vacuum. They do so within a social context in which there are various actors, various stakeholders, with different interest's accountabilities, different things they are trying to achieve and various ways in which others will hold them accountable. If managers are selecting employees they shall similarly have to justify their decisions to others. Relevance thus becomes an obvious issue that affects the level of confidence in such a decision. Various human resources procedures and systems need to be established to maintain the relevance of the expression of competence to the requirements of the employer. Confidence is the basis on which the various parties implicated in the decisions and actions taken within a competence system will seek to account to others for those decisions and actions.

When linking a decision that a prospective employee / current employee is competent the communication is based on what may be called conventions of assessment. Some common understanding is achieved by which a certain set of arrangements become socially accepted as the basis for linking different contexts. Contexts differ, in particular in terms of time. So performance in the past is linked to future situations in which desired performance is anticipated. This linking of contexts will normally involve some model, some way of accounting for the claimed link.

The Department of Cooperative Governance has published a competency framework for senior managers in January 2014, with focus on the following:

- Critical leading competencies that drive the strategic intent and direction of local government;
- Core competencies which senior managers are expected to possess, and which drive the execution of the leading competencies; and
- The eight Batho Pele principles





3. COMPILING THE PERSONAL DEVELOPMENT PLAN ATTACHED AS THE APPENDIX.

A manager, in consultation with his / her employee is to compile a Personal Development Plan. The PDP has 7 columns that need to be completed. An example is attached as Appendix A.

Column 1: Skills/Performance GAP

1. Skills / Performan ce Gap (in order of priority)	2. Outcomes Expected (measurable indicators, quantity, quality and time frames)	3. Suggested training and / or developmen t activity	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportuni ty created to practice skill / developm ent area	7. Support Person
E.g. 1. Appraise Performan ce of Managers	The manager will be able to enter into performance agreements with all managers reporting to him / her, appraise them against set criteria, within relevant time frames	A course contoining theoretical application with coaching in the workplace following [relevant unit standard?]	External provider, in line with identified unit standard and not exceeding R 6 000	Morch 200	Appraisal of managers reporting to him / her	Senior Manager: Training/ HR

(a) The identified training needs should be entered into column one. The following should be taken into consideration:

### Organisational needs

Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.

The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description should be compared to the current competency profile of the employee to determine the individual's competency gaps.

Specific competency gaps as identified during the probation period and performance appraisal of the employee.

### Individual training needs that are job / career related.

Prioritisation of the training needs [1 to ...] in column 1 should also be determined since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs should be prioritized for purposes of accommodating critical / strategic training and development needs in the HR Plan, Personal Development Plans and the Workplace Skills Plan.

Column 2: Outcomes Expected

1. Skills / Performan ce Gap (in order of	2. Outcomes Expected (measurable indicators: quantity,	3. Suggested training and / or developmen	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportuni ty created to practice	7. Support Person
priority)	quality and time frames)	t activity			skill / developm ent area	

Consideration must be given to the outcomes expected in column 2 so that once the intervention is completed the impact it had can be measured against relevant output indicators.





3. Column 3: Suggested Training

1. Skills / Performan ce Gap (in order of priority)	2. Outcomes Expected (meosurable indicators: quantity, quality and time frames)	3. Suggested training and / or developmen t activity	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportuni ty created to practice skill / developm ent area	7. Support Person
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Training needs must be identified with due regard to cost effectiveness and listed in column 3.

4. Column 4: Suggested mode of delivery

1. Skills / Performan ce Gap (in order of priority)	2. Outcomes Expected (measurable indicators: quantity, quality and time	3. Suggested training and / or developmen t activity	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportuni ty created to practice skill /	7. Support Person
priority)	quality and time frames)	t activity			skill / developm ent area	

The suggested mode of delivery refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. Mode of delivery consists of, amongst others, self-study, internal or external training provision; coaching and / or mentoring and exchange programmes. Training must be conducted either in line with a recognised qualification from a tertiary institution or unit standards registered on the National Qualifications Framework (South African Qualifications Authority), which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine within the municipality whether unit standards have been developed with regard to a specific outcome (and registered with the South African Qualifications Authority). Unit standards usually have measurable assessment criteria to determine achieved competency.

5. Column 5: Suggested Time Lines

1. Skills /	2. Outcomes	3. Suggested	4.	5.	6. Work	7.
Performan ce Gap (in order of priority)	Expected (measurable indicators: quantity, quality and time frames)	training and /or developmen t activity	Suggested mode of delivery	Suggested Time Frames	opportuni ty created to practice skill / developm ent area	Support Person

An employee should on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions. The suggested time frames enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.

6. Column 6: Work opportunity created to practice skill / development area

H	1. Skills /	2. Outcomes	3. Suggested	4.	5.	6. Work	7.
Н	Performan	Expected	training and	Suggested	Suggested	opportuni	Support
	ce Gap (in order of priority)	(measurable indicators: quantity, quality and time frames)	/ or developmen t activity	mode of delivery	Time Frames	ty created to practice skill / developm	Person
U						ent area	

This further ensures internalisation of information gained as well as return on investment (not just a nice to have skill but a necessary to have skill that is used in the workplace).



7. Column 7: Support Person 1. Skills / Performan 2. Outcomes 3. Suggested 6. Work Expected Suggested Suggested training and opportuni Support ce Gap (measurable /or mode of Time ty created Person (in order of indicators: quantity, developmen delivery Frames to practice priority) t activity quality and time skill / frames) developm ent area This identifies a support person that could act as coach or mentor with regard to the area of learning for the employee.





Personal Development Action Plan

rmance		The state of the s	THE REAL PROPERTY AND ADDRESS OF THE PARTY AND			
eap	2. Outcomes Expected	3. Suggested Training / Development activity	4. Suggested Mode of delivery	5. Suggested Time Frames	6. Work opportunity created to practice skill / development area	7. Support Person
		AUTO CADD	ATTEND ON BLOCK	Block	TECHNICAL	mm
		CNC PRACTICE PAID TIME OR SEMESTER TECHNICAL	And Time Cla	SEMESTER	TECHNICAL	ww
		PRINCE 2	CONST	14 DASES	14 DASS TECHNICAE	MM

Municipal Manager S Signature

Employee s Signature

Date

2024 107/16.

Date