

Mogale City

Local Municipality

PERFORMANCE MANAGEMENT AGREEMENT

ENTERED INTO BY AND BETWEEN:

MOGALE CITY LOCAL MUNICIPALITY

AS REPRESENTED BY THE

MUNICIPAL MANAGER:

MAKHOSANA MSEZANA

AND

EXECUTIVE MANAGER: COMMUNITY DEVELOPMENT SERVICES

LOVEY ADOLPHINA MODIBA

THE EMPLOYEE OF THE MUNICIPALITY

FOR THE

FINANCIAL YEAR: 01 July 2024 TO 30 JUNE 2025

W.A. MAM
DAL

PERFORMANCE MANAGEMENT AGREEMENT

ENTERED INTO BY AND BETWEEN

MOGALE CITY LOCAL MUNICIPALITY herein represented by **M. MSEZANA** as the **MUNICIPAL MANAGER** (hereinafter referred to as the Employer or Supervisor)

And

Adolphina Lovey Modiba as the **EXECUTIVE MANAGER; COMMUNITY DEVELOPMENT SERVICES** of **MOGALE CITY LOCAL 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 57(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 “the Parties”.
- 1.2 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.
- 1.3 The parties wish to ensure that there is compliance with Sections 57 (1)b, (4A), 57(4B), 57(C) and 57(5) of the Systems Act, Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, 2006 & Local Government: Competency Framework for Senior Managers, 2014.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to –

- 2.1 Comply with the provisions of Section 57(1)(b), (4A),(4B), (4C) and (5) of the Systems Act, Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, 2006 & Local Government: Competency Framework for Senior Managers, 2014 as well as the Contract of Employment entered into between the parties;



- 2.2 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3 Specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.4 Monitor and measure performance against set targeted outputs;
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing whether the employee has met the performance expectations applicable to his job;
- 2.6 Appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.7 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **01 July 2024** and will remain in force until **30 JUNE 2025**; where after 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 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
- 3.3 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.
- 3.4 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

- 4.1 The Performance Plan (Annexure A) sets out-
 - 4.1.1 The performance objectives and targets that must be met by the Employee; and
 - 4.1.2 The time frames within which those performance objectives and targets must be met.

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- 4.2 The performance objectives and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan and the Budget of the Employer, and shall include key objectives; key performance indicators; target and weightings.
- 4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe within which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 4.4 The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan.

5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, 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.

6. THE EMPLOYEE AGREES TO PARTICIPATE IN THE PERFORMANCE MANAGEMENT AND DEVELOPMENTS SYSTEM THAT THE EMPLOYER ADOPTS

- 6.1 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 6.2 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the performance agreement.
- 6.2.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs)/ Core Managerial Competencies (CMC) respectively.
- 6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

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LEADING COMPETENCY REQUIREMENTS		WEIGHTS %
	<ul style="list-style-type: none"> Employee Relations Management Negotiation and Dispute Management 	
Change Leadership	<ul style="list-style-type: none"> Change Vision and Strategy Process Design and Improvement Change Impact Monitoring and Evaluation 	15
Governance Leadership	<ul style="list-style-type: none"> Policy Formulation Risk and Compliance Management Cooperative Governance 	20
CORE COMPETENCIES		
Moral Competence		
Planning and Organizing		
Analysis and Innovation		
Knowledge and Information Management		
Communication		
Result and Quality Focus		
TOTAL		100

7. EVALUATING PERFORMANCE

7.1 The Performance Plan (Annexure A) to this Agreement sets out-

7.1.1 The standards and procedures for evaluating the Employee's performance; and

7.1.2 The intervals for the evaluation of the Employee's performance.

7.2 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.

7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan (PDP) as well as the actions agreed to and implementation must take place within set time frames.

7.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP.

7.5 The annual performance appraisal will involve:

7.5.1 Assessment of the achievement of results as outlined in the performance Plan:

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- (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) An indicative rating on the five-point scale should be provided for each KPA;
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

7.5.2 Assessment of the Competencies

- (a) Each competency 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 competency
- (c) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final competency score.

7.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

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

OVERALL PERFORMANCE	RATING	PERFORMANCE SCORE
<p>Unacceptable Performance</p> <p>Performance does not meet the standard expected for the job. The employee has failed to demonstrate the commitment level expected in the job despite management efforts to encourage improvement.</p>	1	59% and below
<p>Performance Not Fully Effective</p> <p>Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job.</p>	2	60% – 69%
<p>Performance Fully Effective</p>	3	70% – 79 %

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OVERALL PERFORMANCE	RATING	PERFORMANCE SCORE
Performance fully meets the standards expected in all areas of the job		
Performance Significantly Above Expectations/ Exceptional Performance Performance is significantly higher than the standard expected in the job.	4	80% – 89 %
Outstanding Performance Performance far exceeds the standard expected of an employee at this level.	5	90% – 100 %

7.7 For purposes of evaluating the performance of the Executive Manager: Community Development Services, an evaluation panel constituted by the following persons must be established –

- 7.7.1 Municipal Manager;
- 7.7.2 Chairperson of the Performance Audit Committee
- 7.7.3 Member of the Mayoral Committee;
- 7.7.4 Municipal Manager from another Municipality/ or a technical expert of an equivalent position.

8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of each Employee in relation to his or her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

Quarter	Timeline	Date of the Review
First Quarter	July – September 2024	25 October 2024
Second Quarter	October – December 2024	24 January 2025
Third Quarter	January – March 2025	25 April 2025
Fourth Quarter	April – June 2025	20 August 2025

8.2 The Employer shall keep a record of all formal and informal reviews, including the mid-year review and annual assessment meetings.

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- 8.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.
- 8.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee will be fully consulted before any such change is made.
- 8.5 The Employer may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case the Employee will be fully consulted before any such change is made.

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer shall –

10.1.1 create an enabling environment to facilitate effective performance by the Employee;

10.1.2 provide access to skills development and capacity building opportunities;

10.1.3 work collaboratively with the Employee to solve problems and solutions to common problems that may impact on the performance of the Employee;

10.1.4 on the request of the Employee delegate such powers reasonably required by the Employee to enable him/ her to meet the performance objectives and targets established in terms of this Agreement; and

10.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this agreement.

11. CONSULTATION

11.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others –

11.1.1 a direct effect on the performance of any of the Employee's functions;

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11.1.2 commit the Employee to implement or to give effect to a decision made by the Employer; and

11.1.3 a substantial financial effect on the Employer.

11.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

12. MANAGEMENT OF EVALUATION OUTCOMES

12.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

12.2 A performance bonus of 5% to 14% of the inclusive annual remuneration package may be paid to the Employee in recognition of performance and the amount payable would be calculated on the following basis:

Performance Rating			Bonus Amount
1.	0% - 59%	Performance Unacceptable	0% of total package
2.	60% - 69%	Performance Not Fully Effective	
3.	70% - 79%	Performance Fully Effective	Remuneration Progression
4.	80% - 89%	Performance Significantly Above Expectations/ Exceptional Performance	<ul style="list-style-type: none">• Remuneration Progression• 5% - 9% of Total Package
5.	90% - 100%	Outstanding Performance	<ul style="list-style-type: none">• Remuneration Progression• 10% - 14% of total package

12.3 In the case of unacceptable performance, the Employer shall –

12.3.1 provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

12.3.2 after appropriate counseling 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.

13. DISPUTE RESOLUTION

13.1 Any disputes about the nature of the employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provide for, shall be mediated by –

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13.1.1 In the case of managers directly accountable to the municipal manager, the executive mayor or mayor within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

13.2 In the event that the mediation process contemplated above fails, clause 19.3 of the Contract of Employment shall apply.

14. GENERAL

14.1 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.

14.2 Nothing in this agreement diminished 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.

Thus done and signed at Krugersdorp on this the 25th day of July 2024

AS WITNESSES:

1. 



**EMPLOYEE (Executive Manager:
Community Development Services)**

2. NIMMASUKU

Thus done and signed at Krugersdorp on this the 31 day of Aug 2024

AS WITNESSES:

1. 


**EMPLOYER
(Municipal Manager)**

2. 



DEPARTMENT: COMMUNITY DEVELOPMENT SERVICES												
KPA: SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT 50%												
PLANNING LEVEL	MSCOA PROJECT	WARDS TO BENEFIT	KEY PERFORMANCE INDICATOR	WEIGHTING	UNIT OF MEASURE	BASELINE	ANNUAL TARGET	QUARTER	PROGRAMME/PROJECT MILESTONE	TYPE OF EVIDENCE PER QUARTER	INDIVIDUAL PERFORMANCE MEASUREMENTS	
Executive Manager: Output	Indigent Registration	All Wards	Number of households registered to have access to free basic services	50%	Number	4300	5000	Q1 Q2 Q3 Q4	1250 1250 1250 1250	Q1-Q4: Quarterly indigent management report and indigent register	1= Less than 3000 indigent registered 2=3000-4499 indigent registered 3= 5000 indigent registered 4= 5001-6000 indigent registered 5= More than 6000 indigent registered	
KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION 25%												
PLANNING LEVEL	MSCOA PROJECT	WARDS TO BENEFIT	KEY PERFORMANCE INDICATOR	WEIGHTING	UNIT OF MEASURE	BASELINE	ANNUAL TARGET	QUARTER	PROGRAMME/PROJECT MILESTONE	TYPE OF EVIDENCE PER QUARTER	INDIVIDUAL PERFORMANCE MEASUREMENTS	
Executive Manager: Output	AG Audit Action plans	All Wards	% implementation of AG Audit Action plans	10%	%	100%	100%	Q1 Q2 Q3 Q4	- - 100% 100%	Q3-Q4: Internal Audit assessed OPCA pane	1= Less than 70% implemented 2= 70%-84% implemented 3= 85% implemented 4= 86%-95% implemented 5= 96%-100% implemented	
Executive Manager: Output	Risk Management	All Wards	% implementation of departmental mitigation actions on the Strategic Risk Register	10%	%	60%	100%	Q1 Q2 Q3 Q4	100% 100% 100% 100%	Q1-Q4: Strategic Risk report	1= Less than 80% implemented 2= 80%-99% implemented 3= 100% constructed 4= 100% implemented one month before quarter end 5= 100% implemented two(2) months before quarter end	
Executive Manager: Output	Licensing services	All Wards	Percentage implementation of licensing services processed on the eNATIS system	5%	Percentage	100%	100%	Q1 Q2 Q3 Q4	100% 100% 100% 100%	eNATIS System Generated report	1= 80% services processed 2= 90% services processed 3=100% services processed 4= 100% services processed and 6 complimentary letters from clients and DOT 5=100% services processed and 8 complimentary letters from clients and DOT	

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KPA: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT 20%

Executive Manager: Output	Performance Management	All Wards	Number of Managers performance review sessions conducted	20%	Number	2	2	Q1	-	Minutes of Assessment	1= Less than 1 sessions conducted		
								Q2	1		2= 1 sessions conducted		
								Q3	-		3= 2 sessions conducted		
								Q4	1		4= 4 sessions conducted		
											5= 5 sessions or more conducted		

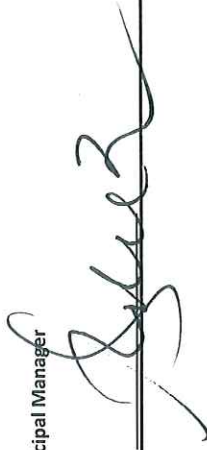
KPA: LOCAL ECONOMIC DEVELOPMENT 5%

PLANNING LEVEL	MSCOA PROJECT	WARDS TO BENEFIT	KEY PERFORMANCE INDICATOR	WEIGHTING	UNIT OF MEASURE	BASELINE	ANNUAL TARGET	QUARTER	PROGRAMME/ PROJECT MILESTONE	TYPE OF EVIDENCE PER QUARTER	INDIVIDUAL PERFORMANCE MEASUREMENTS
Executive Manager: Output	Employment opportunities	All Wards	No. Contracted participants exposed to employment opportunities	5%	Number	101	94	Q1 Q2 Q3 Q4	- - - 94	4th Qtr EPWP Report and requisition for payment	1= 75 participants exposed to employment opportunities 2= 80 participants exposed to employment opportunities 3= 94 participants exposed to employment opportunities 4= 100 participants exposed to employment opportunities 5= 105 participants exposed to employment opportunities

TOTAL: 100 %

Signed and Accepted by the Executive Manager: Community Development Services

Ms Lovey Modiba:  Date: 25/07/2024

Approved by the Municipal Manager  Date: 31/07/2024

Makhosana Msezana:

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CORE MANAGERIAL COMPETENCIES	WEIGHTING	KPI	PERFORMANCE MEASUREMENT	EVIDENCE
Strategic Direction and Leadership (Provides a vision, sets the direction for the department and inspires others to deliver on the organisational mandate.)	20	No. of Individual Performance Agreements signed with Managers by 30 August 2023	1= 4 Performance Management Agreements signed after the 13/09/2024	Four (4) 2024/2025 Performance Management Agreements signed with Managers
			2= 4 Performance Management Agreements signed after the 06/09/2024	
			3= 4 Performance Management Agreements signed by the 30/08/2024	
			4= 4 Performance Management Agreements signed by the 23/08/2024	
			5= 4 Performance Management Agreements signed by the 16/08/2024	
Program and Project Management	20	% Implementation of the Service Delivery Budget Implementation Plan	1= 59% and below implementation of the SDBIP	2024/25 SDBIP Quarterly Performance Reports from Monitoring and Evaluation Division
			2= 60-69% implementation of the SDBIP	
			3= 70-79% implementation of the SDBIP	
			4= 80-89% implementation of the SDBIP	
			5= 90-100% implementation of the SDBIP	
Financial Management	5	% Reduction of Unauthorized Irregular Fruitless (UIF) expenditure	1= 0 - 54% reduction on the UIWFE	Quarterly UIWF report; Annual UIWF report; MPAC report on UIWF
			2= 55 - 64% reduction on the UIWFE	
			3= 65 - 74% reduction on the UIWFE	
			4= 75 - 89% reduction on the UIWFE	
			5= 90 - 100% reduction including no UIWFE expenditure incurred	
	5	% of opex budget spent at the end of financial year	1= 92% Spent	1 July 2024 to 30 June 2025 in year monitoring report
			2= 94% Spent	
			3= 96% Spent	
			4= 98% Spent	
			5= 100% Spent	
5	% of grant funded capital budget spent at the end of financial year	1= 92% Spent	1 July 2024 to 30 June 2025 in year monitoring report	
		2= 94% Spent		
		3= 96% Spent		
		4= 98% Spent		
		5= 100% Spent		
Change Management	5	Number of quarterly staff meetings held per year	1= 2 meetings held	Agenda and Attendance Register of staff meetings
			2= 3 meetings held	
			3= 4 meetings held	
			4= 4 meetings held	
			5= 5 or more meetings held	
10	Number of staff and management meetings held per year	1= 4 meetings held	Agenda and Attendance Register of management meetings	
		2= 6 meetings held		
		3= 8 meetings held		
		4= 10 meetings held		
		5= 12 meetings held		

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Governance Leadership	10	Revision and Development of SOP/ Policies	1= 1 Revised/ newly developed SOP or Policy submitted to Council in the 2024/2025 financial year for approval	Revised/ newly developed SOP or Policies submitted to Council in the 2024/2025 financial year for approval
			2=2 Revised/ newly developed SOP or Policies submitted to Council in the 2024/2025 financial year for approval	
People Management and Empowerment	10	% implementation of departmental mitigation actions on the Strategic Risk	3= 3 Revised/ newly developed SOP or Policies submitted to Council in the 2024/2025 financial year for approval	Quarterly progress reports submitted on the implementation of the 2024/25 Strategic Risk Management
			4= 4 Revised/ newly developed SOP or Policies submitted to Council in the 2024/2025 financial year for Approval	
			5= 5 or more Revised/ newly developed SOP or Policies submitted to Council in the 2024/2025 financial year for approval	
			1=59% and Below implementation of Strategic Risk mitigation measures	
			2=60-69% implementation of Strategic Risk mitigation measures	
Total 100			3=70-79 % implementation of Strategic Risk mitigation measures	Signed grievance form and Grievance meeting / response
			4=80-89 % implementation of Strategic Risk mitigation measures	
			5=90 - 100% implementation of Strategic Risk mitigation measures	
			1= grievance attended within 20 days	
			2= grievance attended within 15 days	
		Days taken to attend to labour disputes(grievances) internally	3= grievance attended within 10 days	
			4= grievance attended within 8 days	
			5= grievance attended within 5 days	

Signed and Accepted by the Executive Manager: Community Development Services


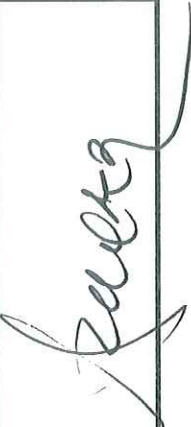
Ms. Loye Modiba: 

Approved by the Municipal Manager:

Makhosana Msezana: 

Date: 25/07/2024

Date: 31/07/2024

SURNAME	MODIBA	NAME	LOVEY
POSITION	EXECUTIVE MANAGER: CDS	REPORT TO	MUNICIPAL MANAGER
SALARY LEVEL	2	SALARY BAND	S56
DEPARTMENT	COMMUNITY DEVELOPMENT SERVICES	FINANCIAL YEAR	2024/25
Competency area to be developed	Specific development objectives (what to achieve)	Development activities (self-study, on-the-job, formal-dates and cost)	Support required (e.g. coaching)
	Competency indicators (evidence of development)		Development review and assessment: Training provider
N/A			Sign-off review and assessment (Individual, Expert Trainer & Coach)
EMPLOYEE SIGNATURE		MM'S SIGNATURE	
		DATE	31/07/2024