

FRANCES BAARD DISTRICT MUNICIPALITY



PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

**FRANCES BAARD DISTRICT MUNICIPALITY,
AS REPRESENTED BY:
THE MUNICIPAL MANAGER**

Ms. ZIPHORAH MANTSHA BOGATSU

.....
(FULL NAMES)

AND

Mr. FREDDY NTSHAVHENI NETSHIVHODZA

.....
(FULL NAMES)

THE ACTING HOD: PLANNING AND DEVELOPMENT

FOR THE PERIOD

15 AUGUST 2018 – 15 NOVEMBER 2018

PERFORMANCE AGREEMENT ENTERED INTO BY AND BETWEEN:

The FRANCES BAARD DISTRICT MUNICIPALITY herein represented by Ms. Ziphorah Mantsha Bogatsu (Full name/s and surname) in her capacity as Municipal Manager (hereinafter referred to as the Employer or Supervisor)

and

Mr. Freddy Ntshavheni Netshivhodza (Full name/s and surname) as Acting Director of Planning and Development of the FRANCES BAARD DISTRICT 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 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 AGREEMENT

The purpose of this Agreement is to -

2.1 comply with the Systems Act, the Performance Regulations as well as with 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 the suitability of the employee for permanent employment and/or to assess whether the employee has met the performance expectations applicable to his/her job;

2.6 appropriately reward/pay the employee in accordance with the employer's performance management policy in the event of outstanding performance and relationship with the employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION OF AGREEMENT

3.1 This agreement will commence on the 15TH August 2018 and will remain in force until the 15th November 2018 whereupon a new Performance Agreement, Performance Plan (Annexure A & B) and Personal Development Plan (Annexure C) 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 "May /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 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

4.1 The Performance Plan (Appendix A & B) 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.

4.2 The performance objectives and targets reflected in "Appendix A" would be set by the employer in consultation with the employee and based on the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan

(SDBIP) and the Budget of the employer for a particular financial year, and shall include key objectives; key performance indicators; target dates 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 in which the work must be achieved. The weightings show the relative importance of the key objectives in relation 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 (IDP).

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. PERFORMANCE AGREEMENT

6. The employee agrees to sign and adhere to the performance conditions and criteria set out in the Performance Agreement and the Performance Plan (Appendices A, B and C) of the municipality.

6.1 The employee undertakes to actively focus towards the promotion and implementation of the KPA's and KPI's (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 Plan of the Employee (Appendices A and B).

6.2.1 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 Managerial Requirements (CCR's), respectively.

6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

6.2.3 KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

6.3 The employee's assessment will be based on his/her performance in terms of the outputs/outcomes (performance indicators) identified as per attached Performance Plan (Appendix 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:

APPENDIX A: KEY PERFORMANCE AREAS (KPA's)	Weighting
Local Economic Development	40
Institutional Development and Transformation	40
Municipal Financial Viability and Management	10
Good Governance and Public Participation	10
Total	100

6.4 The CCR's will constitute the other 20% of the employee's assessment score. CCR's that are deemed to be most critical for the employee's specific job should be selected from the list below as agreed to between the employer and employee:

APPENDIX B: CORE COMPETENCY REQUIREMENTS (CCR's)		
1. Core Managerial Competencies (CMC's)	✓	Weight
Financial Management	✓	10
Client Orientation and Customer Focus	✓	10
People Management and Empowerment	✓	10
Honesty and Integrity		

Problem Solving and Analytical Thinking		
People and Diversity Management		
Service Delivery Innovation		
Strategic Capability and Leadership	√	10
2. Core Occupational Competencies (COC's)		
Competence in policy conceptualization, analysis and implementation	√	10
Exceptional and dynamic creativity to improve municipality Policy conceptualization	√	10
Interpretation of legislative and policy framework	√	10
Skills in Mediation		
Skills in Governance	√	10
Knowledge of Performance Management and Reporting	√	10
Knowledge of developmental local government	√	10
TOTAL		100

7. EVALUATING PERFORMANCE

7.1 The Performance Plan (Appendices A and B) 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 to be identified during any performance review discussion and must be documented in a "Personal Development Plan" (Appendix C) as well as the actions agreed upon 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 and SDBIP.

7.5 The annual performance appraisal/assessment will involve:

7.5.1 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) An indicative rating on a five-point scale should be provided for each KPA.

(c) The applicable assessment rating calculator (refer to paragraph 6.5.3 below) will then be used to add the scores and to calculate a final KPA score.

7.5.2 Assessment of the CCR's (CMC's and COC's)

(a) Each CCR should be assessed according to the extent to which the specified standards have been met.

(b) An indicative rating on a five-point scale should be provided for each CCR.

(c) The applicable assessment rating calculator will then be used to add the scores and to calculate a final CCR score.

7.5.3 Overall rating

An overall average rating is calculated by using the applicable assessment-rating calculator which in turn will constitute the final outcome of the performance appraisal/assessment.

7.6 The assessment of the performance of the employee will be based on the following rate scale for KPA's and CCR's:

Level	Terminology	Description	Rating: 1- 5
5.0	Outstanding performance	Performance exceeds by far the standard expected of the employee at this level. The appraisal indicates that the employee has achieved <u>above fully effective results against all performance criteria and</u>	

		<u>indicators as specified in the Performance Plan and maintained this in all areas of responsibility throughout the year.</u>	
4.0 to 4.9	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved <u>above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.</u>	

Level	Terminology	Description	Rating: 1 - 5
3.0 to 3.9	Fully effective	Fully effective Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has <u>fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan.</u>	
2.0 to 2.9	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. The review/assessment indicates that the <u>employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.</u>	
1.0 to 1.9	Unacceptable performance	Performance does not meet the standards expected for the job. The review/assessment indicates that the <u>employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite all efforts to encourage improvement.</u>	

8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of each employee in relation to his/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:

Appraisals/Assessments will be done during the first two weeks of the new quarter.

First quarter (July – September)

Second quarter (October – December)

Third quarter (January – March)

Fourth quarter (April – June)

8.2 The employer shall keep record of the mid-year review and annual assessments.

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 "Appendices A and B" 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 "Appendices A and B" or any other part of the performance plan and performance agreement whenever the performance management system has been changed or amended in which instances the employee will be fully consulted before any such changes are being made.

9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Appendix C.

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 generate 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;

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 as per the approved performance policy of the municipality.

12.2 The employee will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least twelve months (12) service at the current remuneration package on 30 June (end of financial year) subject to a fully effective assessment, only if such a remuneration band exists within the remuneration system of the municipality for the particular post level.

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 performance 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.

PERFORMANCE MANAGEMENT SYSTEM (PMS)

PERFORMANCE PLAN for 2018/19 - ACTING DIRECTOR: PLANNING AND DEVELOPMENT (Mr. Freddy Netshivhodza)

APPENDIX A (1):


KEY PERFORMANCE AREAS (KPA's) and KEY PERFORMANCE INDICATORS (KPI's) = 80%

Purpose: The performance plan defines Council's expectations of the Acting Director: Planning and Development's performance agreement to which this document is attached and Section 57(5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on key performance indicators(KPI's) set in the Municipality's Integrated Development Plan(IDP) as reviewed annually.

Key responsibilities:

1. Local Economic Development.
2. Integrated Development Planning.
3. Geographical Information Management.
4. Town Planning and Land-Use Management.
5. Financial Viability and Management.
6. Good Governance and Public Participation.

Good Governance and Public Participation.																		
No.	Key Performance Area	Weight	Key Performance Indicators				Baseline Information	Annual Targets			Quarterly Projections							
			No.	KPI's	SDBIP	Weight		Time Frame	Quantity		1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
		100				100				Number Amount	%	Number Amount	%	Number Amount	%	Number Amount	%	
KPA 2: Local Economic Development (LED)																		
1	To build a diverse economic base by 2022.	5	1	Percentage progress in the development of a business plan for the establishment of the agripark farmer productions unit.	8	3	0	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			2	Percentage progress in the promotion of trade and investment through participation at four exhibition platforms	8	2	3 Exhibitions participated	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
2	To develop learning and skillful economies by 2022.	5	3	Percentage progress in training of 50 SMME's on business skills development.	9	3	SMME's trained on new venture creation training	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	-	-	-
			4	Percentage progress in the hosting of the entrepreneur awareness expo.	9	2	2017 entrepreneur expo hosted	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	-
3	To Develop inclusive economies by 2022.	5	5	Percentage progress in the development of the business support centre.	10	1	Launched Phokwane business support centre	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			6	Percentage progress in the hosting of workshops to promote and empower local municipalities on the informal economy strategy.	10	1	Developed informal economy strategy	01/07/2018 - 30/06/2019	-	100%	-	-	-	-	-	100%	-	100%
			7	Percentage progress in the implementation of the emerging farmers development programme.	10	1	Emerging farmer survey	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			8	Number of Social Labour Plan district impact reports developed.	10	1	0	01/07/2018 - 30/06/2019	1	-	-	-	-	-	1	-	-	-
4	To facilitate the development of enterprises by 2022.	5	9	Percentage progress towards the support of fourty (40) SMME's through the Economic Growth and Development fund.	11	2	53 SMME's supported in 2017/18	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	-
			10	Percentage progress on the implementation of capacity building programmes for enterprises.	11	3	0	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
5	To facilitate and improve economic coordination in the district by 2022.	5	11	Percentage progress towards the development and coordination of the district economy.	12	2	1 Economic intelligence report	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			12	Number of incentive policy facilitation workshops hosted.	12	3	Adopted district incentive policy framework	01/07/2018 - 30/06/2019	2	-	-	-	-	-	2	-	-	-
KPA 2: Local Economic Development (Tourism) continues...																		
6	To facilitate the development of tourism infrastructure and products in the district by 2022.	5	13	Percentage progress in the development of tourism products.	13	3	Business plan and spealists studies for the development of Gans-Pan	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			14	Percentage progress in the implementation of projects aimed at supporting tourism development in the district.	13	2	4 projects supported in 2017/18	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
7	To position the " home of the Diamond fields " as a renowed tourism destination brand by	5	15	Percentage participation at marketing and promotional platforms.	14	5	100% implemented projects for 2017/18	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	100%	
8	To facilitate strategic partnerships and participation of tourism role players by 2022.	5	16	Number of engagements hosted to achieve colaborative partnerships between government and private sector.	15	5	4 Association meetings successfully hosted	01/07/2018 - 30/06/2019	4	-	1	-	1	-	1	-	1	-
KPA 3: Municipal Institutional Development and Transformation																		
9	To perform the Human Resource Function in FBDM.	5	17	Percentage compliance with the HRM policies and prescripts.	23	5	100% Compliance	01/07/2018 - 30/06/2019	-	100%	-	-	-	100%	-	100%	-	100%
10	To facilitate the development and review of the district municipality's IDP in compliance with legislation and policies by 2021/2022.	10	18	Percentage progress in the review of the district municipal IDP.	31	10	100% reviewed 2017/18 district IDP	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%

PERFORMANCE MANAGEMENT SYSTEM (PMS)																		
PERFORMANCE PLAN for 2018/19 - ACTING DIRECTOR: PLANNING AND DEVELOPMENT (Mr. Freddy Netshivhodza)																		
No.	Key Performance Area	Weight	Key Performance Indicators				Baseline Information	Annual Targets			Quarterly Projections							
			No.	KPI's	SDBIP	Weight		Time Frame	Quantity		1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
									Number Amount	%	Number Amount	%	Number Amount	%	Number Amount	%		
		100				100												
KPA 3: Municipal Institutional Development and Transformation																		
11	To assist and support the LM's in the development and review of their IDP's by 2021/2022.	10	19	Percentage implementation of the district process plan.	32	10	100% implementation of the 2017/18 process plan	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
12	To improve and maintain a functional and compliant institutional performance management systems in FBDM for the 2018/19 FY.	5	20	Percentage compliance with tperformance management system (PMS) in FBDM.	36	5	100%	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
13	To facilitate the development of urban and rural areas in accordance with approved spatial plans by 2022.	5	21	Percentage progress on the processing of land development applications submitted to DMPT.	33	5	100% processed applications received	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
14	To facilitate the development of Brown and green field development by 2022.	5	22	Percentage progress on township establishment.	34	5	0	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
15	To promote the use of GIS as a planning tool in the district by 2022.	5	23	Percentage access and utilisation of GIS in the District.	35	3	100% completed GIS projects in 2018/18	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
			24	Percentage promotion of training and awareness of GIS in the District.	35	2	100% workshops conducted in 2017/18	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
KPA 4: Good Governance and Public Participation																		
16	To keep the public informed on government activities in the District.	5	25	Percentage implementation of the communication strategy to ensure informed stakeholders in the District,	38	5	Planned activities for 2018/19	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
17	To facilitate the improvement of staff engagement to enable the District Municipality to achieve its goals.	5	26	Percentage implementation of the internal communication plan to ensure informed employees.	39	5	100%	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
KPA 5: Municipal Financial Viability and Management																		
18	To ensure compliance with all accounting and legislative reporting requirements.	5	27	Percentage compliance to budgeting and reporting requirements of the municipality within the activities of the Department: Planing and Development.	48	5	100%	01/07/2018 - 30/06/2019	-	100%	-	100%	-	100%	-	100%	-	100%
DATE SIGNED: 2 July 2018																		
ACTING DIRECTOR: PLANNING AND DEVELOPMENT:  MUNICIPAL MANAGER: 