

2023/2024

Performance Agreement

Directorate: Corporate Services



Tokoloko
Local Municipality

Tokoloko Municipality
A Nation that flies with freedom!



PERFORMANCE AGREEMENT

Made and entered into by and between:

**The Municipality of Tokologo as represented by the
Acting Municipal Manager**

M.A. SEHLOHO

(RSA identity number 871020 5770 080)

AND

C.L. TLHOKWE

(RSA identity number: 731019 5433 087)

The employee of the municipality

For

FINANCIAL YEAR: 1 JULY 2023 - 30 JUNE 2024

M.A.S

h.c.T.

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The Municipality of Tokologo Local Municipality herein represented by

M.A. SEHLOHO

(RSA identity number 871020 5770 080)

In his capacity as Acting Municipal Manager
(Hereinafter referred to as the Employer or Supervisor)
And

C.L. TLHOKWE

(RSA identity number: 731019 5433 087)

Employee of the Municipality of Tokologo
(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 56(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 56(4A), 56(4B) and 56(5) of the Systems Act.

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2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 56(1) (b), (4A), (4B) and (5) of the Systems Act 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;
- 2.4 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;
- 2.5 appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.6 give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3 COMMENCEMENTS AND DURATION

- 3.1 This Agreement will commence on the 1st July 2023 and will remain in force until 30th June 2024 where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next quarter or any portion thereof, if applicable
- 3.2 The parties will review the provisions of this Agreement at the end of each quarter. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least every quarter (if applicable) by not later than the beginning of each successive quarter.
- 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 (Annexure A) sets out-
 - a) the performance objectives and targets that must be met by the Employee; and
 - b) The time frames within which those performance objectives and targets must be met.
- 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 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 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.

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5 PERFORMANCE MANAGEMENT SYSTEMS

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.

5.4 The Employee agrees to participate in the performance management and development system that the Employer adopts.

5.5 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.

5.6 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.

- a) The Employee must be assessed against both components with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Managerial Competencies (CMCs) respectively.
- b) Each area of assessment will be weighted and will contribute a specific part to the total score.
- c) KPAs covering the main areas of work will account for 80% and CMCs will account for 20% of the final assessment.

5.7 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 (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 (80% of Total)	Weighting
Basic Service Delivery	5
Municipal Institutional Development and Transformation	20
Local Economic Development	5
Municipal Financial Viability and Management	10
Good Governance and Public Participation	60
Total	100%

5.8 The CMCs will make up the other 20% of the Employee's assessment score. CMCs 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:

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
CORE MANAGERIAL COMPETENCIES (CMC)	INDICATE CHOICE	WEIGHT
Core Managerial Competencies:		5
Strategic Capability		10
Programmed and Project Management		10
Financial Management	compulsory	
Change Management		
Knowledge Management		5
Service Delivery Innovation		10
Problem Solving and Analysis		
People Management and Empowerment	compulsory	10
Client Orientation and Customer Focus	compulsory	10

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Communication		5
Honesty and Integrity		5
Core Occupational Competencies:		
Competence in self-management		5
Interpretation and implementation within the legislative and national policy frameworks		5
Knowledge of developmental local government		
Knowledge of performance management and reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualization, analysis and implementation.		
Knowledge of more than one functional municipal field/ discipline		
Mediation skills		
Skills in governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		5
Advanced influencing skills		
Partnership and Stakeholder Relations		5
Supply Chain Management		5
		100%

6. EVALUATING PERFORMANCE

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

- a) the standards and procedures for evaluating the Employee's performance; and
- b) the intervals for the evaluation of the Employee's performance
- c)

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.

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

7. The quarterly performance appraisal will involve:

7.1 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 the five-point scale should be provided for each KPA.
- c) The applicable assessment rating calculator (refer to paragraph 7.3 below) must then be used to add the scores and calculate a final KPA score.

7.2 Assessment of the CMCs

- a) Each CMC 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 CMC.
- c) The applicable assessment rating calculator (refer to paragraph (7.1) must then be used to add the scores and calculate a final CMC score.

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7.3 Overall rating

- a) An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.
- b) The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CMCs:

LEVEL	TERMINOLOGY	DESCRIPTION	RATING				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	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 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.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the 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 management efforts to encourage improvement.					

7.4 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established –

- 7.4.1 Member of the Executive Committee;
- 7.4.2 Chairperson/ Member of the Audit Committee;
- 7.4.3 Municipal Manager
- 7.4.4 Municipal Manager from another Municipality.

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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 second and third quarter may be verbal if performance is satisfactory:

- a) July to September 2023 for the First quarter;
- b) October to December 2023 for the Second quarter;
- c) January to March 2024 for the Third quarter;
- d) April to June 2024 for the Fourth quarter.

8.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.

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.

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 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.

12.2 A performance bonus of 5% to 14% of the inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance.

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12.3 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.

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

12.4.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

12.4.2 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.

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 provided for, shall be mediated by:

13.1.2 Any other person appointed by the MEC.

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 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.

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Signed at Bosque On this day of 25th Month July 2023

As Acting Municipal Manager [Signature]

Director Corporate Services [Signature]

Witness 1 [Signature]

Witness 2 [Signature]

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ANNEXURE "A"

PERFORMANCE PLAN FOR

C.L. TLHOKWE (RSA identity number: 731019 5433 087)

DIRECTOR CORPORATE SERVICES

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 - 3.3 DETAILED SCORECARD OF THE CORPORATE SERVICES DIRECTOR

4. ACCEPTANCE OF THE PLAN

ACRONYMS

- CMC - CORE MANAGERIAL COMPETENCY
- PDP - PERSONAL DEVELOPMENT PLAN
- PP - PERFORMANCE PLAN
- KPA - KEY PERFORMANCE AREA

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1. PURPOSE

The performance plan defines the council's expectations Director Financial Services 'performance agreement to which this document is attached and section 56(5) of the municipal System Act, 32 of 2000, which provides that performance objectives and targets must be based on key performance indicators as set in the municipality's Integrated Development Plan and SDBIP, as reviewed annually.

2. OBJECTIVES OF LOCAL GOVERNMENT

The following objectives of local government informed the IDP of Tokologo Local Municipality and will inform the Director Financial Services 'performance against set performance indicators:

- 2.1 provide democratic and accountable government for local communities
- 2.2 ensure the provision of service to communities in a sustainable manner
- 2.3 promote social and economic development
- 2.4 promote a safe and healthy environment
- 2.5 encourage the involvement of communities and community organisations in the matters of local government

3. SCORECARD OF THE DIRECTOR CORPORATE SERVICES

3.1. The Tokologo Municipality Local municipality approved five (5) Key Performance Areas in the IDP of 2022-2027. The targets to achieve the objectives for the 2023/2024 were defined in the approved SDBIP 2023/2024. The Municipal Manager is required to ensure that all targets, programmes and project as committed in the IDP 2023/2024 are delivered according to the commitment of the Management, Section 79 Committee and Council.

A key principle is that the departmental heads must lead all programmes allocated to them in the SDBIP 2023/2024, and ensure that departmental units contribute, comply and report.

The scorecard of the Corporate Services is made up of the following:

- Core managerial competencies of the Corporate Services
- Core service delivery targets of the Corporate Services

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3.2 CORE MANAGERIAL COMPETENCIES OF THE DIRECTOR CORPORATE SERVICES

CORE MANAGERIAL COMPETENCIES	WEIGHT
Financial Management	10%
People Management and Empowerment	20%
Client Orientation and Customer Focus	10%
Strategic Capability and Leadership	10%
Problem Solving and Analytical thinking	10%
Service Delivery Innovation	20%
Competency in Policy Conceptualization and Implementation	10%
Honesty and Integrity	10%
	100%

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3.3 DETAILED SCORECARD OF THE DIRECTOR FINANCIAL SERVICES

The outcome targets of Director Corporate Service's scorecard are achieved only if the outputs of the SDBIP are achieved. However, for the purpose of measuring the performance of the Director Corporate Services against entire SDBIP, the following KPAs totalling 80 points of Director Corporate Service's scorecard will be used:

The detailed scorecard of the Director Corporate Services summarises the specific requirements of Director Corporate Services in 3.1 and 3.2 and indicates in detail how the items above are measured and scored.

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CORPORATE SERVICES DIRECTORATE'S SERVICED DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024

Key Performance Area	Focus Area	Strategic Objective	Key Performance Indicator	Baseline Indicator	Inputs	Annual Target	Q1 Original Target	Q2 Original Target	Q3 Original Target	Q4 Original Target	Portfolio of Evidence	
Institutional development and transformation	Human Resource Human Resource	Effective Human Resources Management	Develop Municipal Communication Strategy	New indicator	Internal Municipal Resources	Approved Communications Strategy by 30 th June 2024	0	0	Submit draft Communications Strategy to Council	Submit final draft Communications Strategy to Council for approval	Council resolution on the approval of the Communications strategy	
			Submission of employment equity report to Department of employment and Labour	1 Report submitted in 2022/2023	Internal Municipal Resources	01 employment equity report submitted to Department of employment and Labour by the 30 th June 2024	0	0	01 Employment equity Report	0	Employment report and acknowledgment of submission	
	Human Resource	Effective Human Resources Management	Develop Human Resource Development Strategy	Draft Human Resource Strategy not approved	Internal Municipal Resources	Developed Human Resource Strategy by June 2024	0	0	Draft Human resource Strategy	Final Human Resource Strategy	Council resolution and approved HR strategy	
			Number of reviewed organisational structure	2022/2023 organisational structure	Internal Municipal Resource	1 Organisational Structure reviewed by June 2024	0	0	0	1 reviewed Organisational Structure	Council resolution on the adoption of the Organisational Structure	
	Human Resource Development	Effective Human Resources Management	Number of Management Reports	4 HR reports Submitted in 2022/2023	Internal Municipal Resources	4 quarterly HR Report submitted to the Municipal Manager by 30 th June 2024	1 HR Report submitted	1 HR Report submitted	1 HR Report submitted	1 HR Report submitted	Proof of submission and HR Management Reports	
			Indicator Descriptor: the HR Report should contain – Acting, standby Allowances and overtime, Bonuses, long service awards, retirements, disciplinary, leave taken									
	Human Resources Development	Ensure that the personnel is properly capacitated	Number of approved Workplace Skills Plan	1 Workplace Skills Plan approved in 2022/2023	Internal Municipal Resources	1 approved workplace skills plan by 30 st April 2024	0	0	0	0	1 Approved Workplace Skills Plan	Approved Workplace Skills Plan by the training Committee
				Number of implemented work place skills plan	Implementation of work place skills plan in 2022/2023	Internal Municipal Resources	2 reports on implemented work place skills plan by 30 June 2024	0	0	1 report on implementation of workplace skills plan	1 report on implementation work place skills plan	WSP implementation report

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CORPORATE SERVICES DIRECTORATE'S SERVICED DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/2024

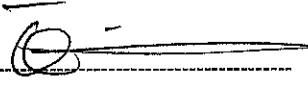
Key Performance Area	Focus Area	Strategic Objective	Key Performance Indicator	Baseline Indicator	Inputs	Annual Target	Q1 Original Target	Q2 Original Target	Q3 Original Target	Q4 Original Target	Portfolio of Evidence	
Public Participation and Good Governance	Labour Relation	Functional Local Labour Forum	Functional Training Committee	2 meetings held during 2022/2023	Internal Municipal Resources	4 training committee meetings held by 30 th June 2024	1 meeting held	1 meeting held	1 meeting held	1 meeting held	Minutes and attendance register	
			Number of Local labour forum meetings held as per the approved schedule	8 LLF meetings held in 2022/2023	Internal Municipal Resources	4 local labour forum meetings held by 30 th June 2024	1 LLF Meetings	1 LLF Meetings	1 LLF Meetings	1 LLF Meetings	1 LLF Meetings	Notices, attendance registers and minutes
			Approval of the filling plan	No filling plan in place	Internal Municipal Resources	Filling Plan approved by 31 st December 2023	0	Approved filling Plan	0	0	0	0
Public Participation and Good Governance	Records management	To have a functional records management unit	Records management infrastructure put in place	No filling offices in the municipality	Internal Municipal Resources	Filling room/s allocated and utilised by 31 st March 2024	0	0	Filling room/s allocated	0	Approval for filling rooms and pictures	
			Number of ITC Report submitted to the Municipal Manager	4 ITC report submitted in 2022/2023	Internal Municipal Resources	4 quarterly ITC Reports submitted to the Municipal Manager by 30 th June 2024	1 ITC Report submitted	1 ITC Report submitted	1 ITC Report submitted	1 ITC Report submitted	1 ITC Report submitted	ITC reports and proof of submission
			Functioning municipal website	Municipal website not functional in 2022/2023	ICT budget	Functional municipal website by 30 th June 2024	0	0	0	0	0	Report on upgraded Municipal website
Public Participation and Good Governance	Good Governance	Improved Organisational Cohesion and Effectiveness	Percentage of Council resolutions implemented	100% council resolutions Implemented for 2022/2023	Internal Municipal Resources	100% council resolutions implemented by 30 th June 2024	100% council resolution implemented	100% council resolution implemented	100% council resolution implemented	100% council resolution implemented	Council Resolution Execution Register	
			Functional Health & safety Committee	1 Health and safety Committee meeting held in 2022/2023	Internal Municipal Resources	4 Health and safety Committee meetings by 30 th June 2024	1 Health and safety Committee meetings	1 Health and safety Committee meetings	1 Health and safety Committee meetings	1 Health and safety Committee meetings	1 Health and safety Committee meetings	Notices, attendance registers and minutes

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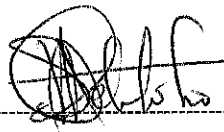
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4. ACCEPTANCE OF PLAN

Performance plan for C.L. Tihokwe: Director Corporate Services for period 01 July 2023 to 30 June 2024

Signed and Accepted by: -----

Date: 25/07/2023-----

Signed by M.A. SEHLOHO: Acting Municipal Manager: -----

Date: 25/07/2023-----

N.A.S L.C.T.