

**PERFORMANCE AGREEMENT**

**BETWEEN**

**Pateka Qwabe**

**(Community Services Manager)**

**And**

**Mluleki Fihlani  
(Municipal Manager)**

**OF  
INGQUZA HILL LOCAL MUNICIPALITY**

**PERIOD OF AGREEMENT:  
1 July 2008 TO 30 June 2009**

## 1.0 JOB DETAILS

Department: Community Services

Location: Ingquza Hill Local Municipality

Salary Level: Section 57 Manager

Notch (Package):

Occupational classification: Senior Management

Designation: Manager: Community Services

## **2.0 VISION AND MISSION**

### **2.1 Vision**

**A developmental, economically viable and responsive municipality where all communities enjoy equitable access to sustainable services.**

### **2.2 Mission**

**To facilitate sustainable development by promoting development and ensuring service delivery in a just and equitable manner focusing on infrastructural and social services through a skilled, accountable and responsive administration and council that prioritises needs and good governance**

## **3.0 JOB PURPOSE**

I, Pateka Qwabe, in my capacity as Community Services Manager commit myself to the vision and mission of the of the Municipality as reflected in the IDP of Ingquza Hill Local Municipality.

As Community Services Manager, my job purpose will be to:

To manage the Community Services Department such that it promotes and achieves all the priorities identified in the Integrated Development Plan and the Service Delivery & Budget Implementation Plan

## **PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT**

If the Community Services Manager's performance achieves outstanding performance, he shall qualify for the annual performance bonus in accordance with the results of the performance evaluation agreed to in this contract. The acceptability of the level of her performance or otherwise shall be determined and declared by the performance evaluation team in accordance with the provision of this agreement, following the receipt of a report on the Community Services Manager's achievement or otherwise of the KPIs as reflected in Annexure "A" of this contract.

The annexure "A" mentioned above has listed Key Performance Areas (KPAs) and Core Competency Requirements (CCRs) that are worth a total of 100 points together. Each KPA and CCR consists of Objectives and Key Performance Indicators that have different weightings. The achievement of above 160 percent shall be regarded as 100% bonus warranting, as average and warranting a proportional percentage of performance bonus and a percentage below 130 percent and 80 percent shall warrant some form of recognition, and 50 percent and below shall require the employer to effect remedial measures that may include incapacity disciplinary enquiry.

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

- I. The annual report for the financial year under review has been tabled and adopted by the municipal council;
- II. An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and
- III. Approval of such evaluation by the municipal council as a reward for outstanding performance or effective performance.

The increment for 2008/09 shall be based on the Community Services Manager's employment contract concluded between him and the Municipal Manager and the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers directly accountable to Municipal Managers, 2006. The employer shall grant annual salary adjustment linked to a cost-of-living adjustment based on market indicators, which is not performance based.

## **1. EVALUATING PERFORMANCE**

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

The annual performance appraisal will involve:

- I. Assessment of the achievement of results as outlined in the performance plan;
- II. Assessing the extent to which the specified standards or KPIs have been met with due regards to ad-hoc tasks that had to be performed under the KPAs and CCRs.

The criteria upon which the performance of the employee shall be assessed consist of two components, both of which shall be contained in the performance plan:-

- I. The employee must be assessed against both components, with a weighting of **80:20** allocated to the KPAs and the CCRs respectively;

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

A five-point rating scale to be used for both KPAs and CCRs is the following:

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 key 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	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. 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.					

The performance bonus payment shall be categorised in two bands with some ranges per band.

The first performance bonus (cash rewards) payment band ranges between 5% and 9% of the all-inclusive remuneration package, as follows:

- I. A score of 130% -138% to qualify for 5% bonus;

- II. A score of above 138%-148% to qualify for 7% bonus;
- III. A score of above 148%-149% to qualify for 9%.

The second performance bonus (cash rewards) payment band ranges between 10% and 14% of the all-inclusive remuneration package, as follows:

- I. A score of 150% - 155% to qualify for 10% bonus;
- II. A score of above 155% - 160% to qualify for 13% bonus;
- III. A score of above 160% to qualify for 14% bonus.

The performance achievement ranging between 80% and 129% shall be regarded as fully effective and therefore warranting the employer to acknowledge and or recognize, whichever is necessary. This category of performance acknowledgement and recognition is a non-financial rewards system, this will apply as follows:

- i. A score of 80% - 100% to get a letter of acknowledgement and recognition issued by the Municipal Manager;
- ii. A score of above 100% - 120% to get a recognition certificate from the Mayor;
- iii. A score of above 120% - 129% to get an academic/ skills development programme grant to a maximum of R20 000.00 only, this to be paid to the learning institution of choice. The selected programme must be linked to the personal development plan (Annexure B).

A level of performance achievement of 50% and below shall warrant the employer to execute corrective measures that may include disciplinary measures due to incapacity.

## **2. DEVELOPMENTAL REQUIREMENTS**

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

## **3. CONSEQUENCE OF SUBSTANDARD PERFORMANCE**

Where the employer, at any time during the Community Services Manager’s employment, is not satisfied with the Community Services Manager’s performance with respect to any matter dealt with in this Agreement, the employer will give notice to the Community Services Manager to attend a monitoring and review meeting.

The Community Services Manager will have the opportunity at the meeting to satisfy the Municipal Manager or the monitoring and evaluation team of the measures being taken to ensure that her performance becomes satisfactory and any program, including any dates, for implementing these measures.

#### **4. RULING LANGUAGE**

The contract is made out in the English language, which shall be the ruling language. All correspondence between the parties to this contract and all reports and documents pertaining to this contract shall be in English language.

#### **5. TERM OF AGREEMENT**

This agreement shall be deemed to have been entered into on the 1<sup>st</sup> July 2008 and will expire on the 30<sup>th</sup> June 2009. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31 July 2009.

#### **6. LIMITATIONS OF THE AGREEMENT**

This contract is an agreement between the employer and the Community Services Manager about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the Community Services Manager entered into on accepting her position and to South African legislation. In the case of any ambiguity, the employment contract shall prevail over this performance contract. Nothing contained in this Agreement in any way limits the right of the employer to terminate the Community Services Manager's contract of employment with or without notice for any other breach by the Community Services Manager of her obligations to the Municipality or for any other valid reason in law.

## **7. MONITORING AND EVALUATION**

The monitoring and performance reviews for each quarter as determined in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 shall be comprised of the Municipal Manager, and his brief will be to assess the performance of the Community Services Manager in line with the performance requirements as outlined in Annexure" A" of this contract. Despite the in-year reviews, the employer shall establish an assessment team to conduct an annual performance review composed as follows:

- I. Municipal Manager
- II. Chairperson of the audit committee
- III. Member of the executive committee
- IV. Municipal Manager from another municipality
- V. The Senior Operations Officer shall provide secretariat services to the assessment team referred to above.

## **8. DISPUTE RESOLUTION**

In case of disputes, which cannot be resolved through negotiations and mediation, the employee has a right to refer the case to the Mayor who must settle the case within thirty (30) days of receipt of a formal written dispute. The decision of the Mayor shall be deemed final and binding on both parties.

## 9. JURISDICTION

Regardless of the place of execution, performance or domicile of the parties, this contract and all modifications and amendments hereof shall be governed by and construed under and in accordance with the laws of the Republic of South Africa.

**TABLE 1**

<b>NUMBER</b>	<b>KEY PERFORMANCE CATEGORY</b>	<b>APPLICABLE BATHOPELE PRINCIPLE(S) FOR THIS CATEGORY TARGETED FOR THIS YEAR</b>	<b>WEIGHT</b>
1.	Basic Service Delivery	Value for money, Access, Consultation, Redress,	25%
2.	Institutional Development & Transformation	Value for money, Access, Consultation, Redress,	30%
3.	Local Economic Development	Value for money, Access, Consultation, Redress, Courtesy	15%
4.	Financial Viability & Management	Value for money, Access, Consultation, Redress, Courtesy	15%

5.	Good Governance & Public Participation	Value for money, Access, Consultation, Redress, Courtesy	15%
<b>SUB-TOTAL FOR PERFORMANCE PLAN ( PART B TABLES LATER)</b>			<b>100%</b>

**TABLE 2**

<b>NUMBER</b>	<b>CORE MANAGEMENT CRITERIA</b>	<b>BATHOPELE PRINCIPLES</b>	<b>WEIGHT</b>
1.	Strategic Capability, Leadership and Financial Management	Value for money	10
2.	Change Management	Consultation	10
3.	People Management and Empowerment	Courtesy	10
4.	Client Orientation and Customer Focus	Service standards	5
5.	Service Delivery	Value for money; speed, consultation	10

6.	Problem-Solving and Analytical Thinking	Consultation	10
7.	People and Diversity Mgt	Consultation	5
8.	Client Orientation and Customer Focus	Courtesy	5
10	Communication	Courtesy	5
11	Accountability/ Ethical Conduct	Consultation	5
12	Policy Conceptualisation and Implementation	Consultation	5
12.	Mediation Skills	Consultation	5
13.	Advanced Negotiation Skills	Consultation	5
14.	Partnership & Stakeholders Relation	Accountability	5
15.	Supply Chain Management	Redress	5

#### **4.0 JOB FUNCTIONS**

My job functions as Community Services Manager will include the following:

To control and manage all staff working in the Community Services Department

To conceptualise, draft & ensure implementation of all policies relating to Community Services

To manage all administrative systems used in the Community Services department.

To ensure implementation of all council resolutions and other pieces of legislation relating to Community Services

#### **5.0 REPORTING REQUIREMENTS**

I shall report to the Municipal Manager as my Supervisor on all parts of this Agreement. I shall:

- Timeously alert the Municipal Manager of any emerging factors that could preclude the achievement of any performance agreement undertakings.
- Establish and maintain appropriate internal controls and reporting systems in order to meet performance expectations.
- Discuss and thereafter document for the record and future use any revision of targets as necessary as well as progress made towards the achievement of Performance Agreements measures in all four key categories of my performance as listed in section 3 above.
- Effectively manage the performance of all my subordinate team(s) as dictated by the prevailing PMS policies and practices of the Municipalities.

In turn the Municipal Manager as my Supervisor shall:

- Create an enabling environment for me to facilitate effective performance.
- Provide access to skills development, capacity building opportunities and all required resources
- Work collaboratively to solve problems and generate solutions to common problems within the Municipality that may be impacting on my performance.

## **6.0 DELEGATIONS**

The following authorities and powers of the Municipal Manager herewith delegated to me (Community Services Manager) to enable him to execute key responsibilities and achieve set objectives:

Authorisation of expenditure for the community services department

Approval of all leaves in the institution

## **7.0 PERFORMANCE APPRAISAL FRAMEWORK**

Performance will be assessed according to:

- ❖ The outputs and outcomes under each KRA / Measurable Objective as outlined and contained in my Annual Individual Performance Plan attached as Part A of this whole Agreement.
- ❖ Part D of this Agreement, being the Competence-Based Individual Development Portion of this whole Agreement. This part D will include a list of all agreed and applicable generic competencies taken from the DPLG list of CMCs, plus more job specific competencies.
- ❖ Both Parts B and D will have input, output and outcome indicators that reflect (e.g. in brackets BP 1) the measurement of Batho Pele Principles in the applicable KRI and Targets.
- ❖ All measurable objectives or KRAs will show their weightings and where standards are available like the Batho Pele standards, these standards will inform the KRI for that Batho Pele principle.

I shall further undertake to focus and to actively work towards the promotion and implementation of KRAs within the framework of the laws and regulations governing the Public Service.

## **8.0 DEVELOPMENTAL REQUIREMENTS**

The plan for addressing the developmental gaps would be as per attached PART D.

## **9.0 TIME TABLE AND RECORDS OF REVIEW DISCUSSIONS AND ANNUAL APPRAISALS**

I shall report to the Municipal Manager as to progress regarding the contents of this agreement and specific outputs as contained in this agreement and the Strategic Plan of the Municipal and stating reasons for any variance to the plan.

During the review sessions or at any stage where such a need is detected, my manager and I will agree to the amendment of specific outputs based on circumstances obtaining. Such changes must be in writing and counter-signed by myself as well as my manager.

My Manager, the Municipal Manager shall give due feedback every quarter with regards to my performance and where necessary, we shall agree on the administration of any remedies to arrest any undesirable trends which may be evident at the time.

The annual evaluation shall be performed in June 2009

## **10.0 MANAGEMENT OF PERFORMANCE OUTCOMES**

The Municipal Manager shall review and evaluate my performance in terms of this agreement.

Where satisfactory performance has been demonstrated, the Municipal Manager shall authorize performance related salary recognition which includes but is not limited to cash bonuses and/or upward salary progression and with regard to poor /non performance deal with matter in terms of the PMS policy.

**11.0 DISPUTE RESOLUTION**

Both the Municipal Manager and myself shall agree that should there exist a dispute about the nature of this PA relating to key responsibilities, priorities, methods of assessment and /or salary increment in this agreement shall be mediated by a mutually acceptable person to both of us to resolve the dispute that might arise.

**12.0 AMENDMENT OF AGREEMENT**

Amendments to the agreement shall be in writing and can only be effected after discussion and agreement by both parties. Such agreement will be signified by signatures to each amendment. Such amendment must be attached to the original signed agreement and a copy forwarded to the Performance Management Unit of the department for record keeping.

**13.0 SIGNATURES OF PARTIES TO THE AGREEMENT**

The contents of the agreement discussed and agreed by:

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P. QWABE  
(COMMUNITY SERVICES MANAGER)

DATE:

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M. FIHLANI (MUNICIPAL MANAGER)

\_\_\_\_\_  
DATE

<p>List of Key Outcomes</p> <ul style="list-style-type: none"><li>❖ Effective coordination of health programmes</li><li>❖ Improved accessibility to health services</li><li>❖ Increased awareness for prevention and utilization of health services</li></ul>	<p>Performance Targets for key Outcomes</p> <ul style="list-style-type: none"><li>• Facilitate establishment of growth monitoring sites and health posts</li><li>• Conduct awareness campaigns</li><li>• Establish clinic committees</li></ul>
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Strategic Objective	KRAs Measurable Objective	Weight in %	KRIs indicators	Baseline	Means / Evidence of Verification / Outputs	Targets					Resource Allocation		
						Annual Target for the whole year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Financial	Physical & Spatial	Human
Improve access to health care services	To coordinate initiatives of all stakeholders dealing with health issues		Coordination of stakeholders dealing with health issues		List of membership, minutes of meetings and resolutions	100%	25%	50%	75%	100%	100 000		
			Operational health posts	5 health posts	Number of operational health posts	5		2	2	5			
			Number of awareness workshops conducted		Minutes/attendance register	1	1	1	1	1			
<b>List of Key Outcomes</b> <ul style="list-style-type: none"> <li>❖ Improved access to information</li> <li>❖ Improved access to early childhood development</li> <li>❖ Access to bursaries</li> <li>❖ Improved computer literacy levels</li> </ul>						<b>Performance Targets for key Outcomes</b> <ul style="list-style-type: none"> <li>• Facilitate revival of existing ABET programmes</li> <li>• Establishment of community libraries</li> <li>• Facilitate access to bursaries</li> <li>• Establishment of computer laboratories</li> </ul>							
Strategic	KRAs	W	KRIs	Baseline	Means /	Targets					Resource Allocation		

Objective	Measurable Objective	indicators	Evidence of Verification / Outputs	Annual Target for the whole year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Financial	Physical & Spatial	Human		
List of Key Outcomes	Coordination of all stakeholders and communities in crime prevention				Performance Targets for key Outcomes								
Improved functional CPFs in all wards Improved reporting and response to crime incidents Regulation of liquor traders Improved traffic safety facilities	Improved access to information and education facilities	Operational CPFs in all wards	Number of enrolled students	1									
		Operational CPFs in all wards	Number of enrolled students	1									
		Operational CPFs in all wards	Number of enrolled students	1									
		Operational CPFs in all wards	Number of enrolled students	1									
		Establishment of community libraries	Number of operational community libraries	100%	50%	75%	100%	100%					
		Establishment of pre-schools	Number of children attending preschools	4	1	1	1	1					
		Access to bursaries	Number of students awarded bursaries	100				100%					

List of Key Outcomes						Performance Targets for key Outcomes							
<ul style="list-style-type: none"> <li>Economic empowerment of women and disabled</li> <li>Decrease levels of abuse for women, children and the disabled</li> <li>Strategic access to information</li> </ul>						<ul style="list-style-type: none"> <li>Influence policies Supply Chain Management for special preference of the disabled and women</li> <li>Women's Support</li> <li>Organization of the Disabled</li> </ul>							
Strategic Objective	KRAs	Weight	KRIs	Baseline	Means / Evidence	Annual	Quarterly	Quarterly	Quarterly	Quarterly	Resource Allocation		
Strategic Objective	KRAs	Weight	KRIs	Baseline	Means / Evidence	Targets				Resource Allocation			
Strategic Objective	KRAs	Weight	KRIs	Baseline	Means / Evidence	† for the whole year					Financial	Physical	Human
To reduce crime and create a safe environment for all	To reduce the number of criminal incidents		Establishment of Community Safety Forum		List of membership, minutes of meetings and resolutions	100%		100%		100%	500 000		
			Operational CPF's in all wards		Minutes/attendance register								
			Operational Transport Forum		Minutes/attendance register	5		2	2	5			
			Intensified law enforcement		Number of and amount generated from traffic fines	1	1	1	1	1			

Objective	Measurable Objective		indicators		Evidence of Verification / Outputs	Annual Target for the whole year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Financial	Physical & Spatial	Human
To mainstream the women, disabled and children's rights and empowerment	Increased access to procurement deals and decrease in violence and abuse against these special groups		Awareness campaigns against women abuse and gender based violence	5	Attendance registers	1		1		1			
			Assessment of compliance with requirement for access for disabled persons		Number of compliant and non-compliant buildings assessed  A reviewed policy with specific targets for the special groups	100%	50%	75%	100%	100%			
<b>List of Key Outcomes</b> ✦ Allocation of poverty alleviation funds according to needs ✦ Poverty alleviation in communities						<b>Performance Targets for key Outcomes</b> • Obtain baseline information of poverty levels • Establishment of community gardens							
<b>Strategic</b>	<b>KRAs</b>	<b>≧</b>	<b>KRIs</b>	<b>Baseline</b>	<b>Means /</b>	<b>Targets</b>					<b>Resource Allocation</b>		

Objective	Measurable Objective		indicators		Evidence of Verification / Outputs	Annual Target for the whole year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Financial	Physical & Spatial	Human
To reduce the impact of poverty in communities	To encourage communities to use agriculture as a poverty alleviation tool		Availability of baseline information for prioritization of projects	All wards	Data base of the needs analysis	1		1		1	R400 000		
			Facilitate establishment of community gardens	4	Number of gardens and beneficiaries								

PART C: COMPETENCY PROFILE

INDIVIDUAL COMPETENCY PROFILE	JOB RELATED COMPETENCY PROFILE
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List of own current Competencies	Current level of competency	Is this competence required for the job	Level of Competency Required for the Job.
<b>1.0 Key Generic Competences</b>			
1.1 Strategic Capability & Leadership	2	Yes	3
1.2 Programme & Project management	3	Yes	3
1.3 Financial Management	2	Yes	3
1.4 Change Management	3	Yes	3
1.5 Knowledge Management	3	Yes	3
1.6 Service Delivery Innovation	3	Yes	3
1.7 Problem Solving & Analysis	3	Yes	3
1.8 People Management & Empowerment	3	Yes	3
1.9 Client Orientation & Customer Focus	3	Yes	3
1.10 Communication	3	Yes	3
1.11 Honesty & Integrity	3	Yes	3
Sub-Total (where applicable)			
<b>2.0 Job Specific Competences</b>			
2.1 Knowledge of developmental local government	3	Yes	3
2.2 Knowledge of performance management & reporting	3	Yes	3
2.3 Competence in policy conceptualisation, analysis & implementation	3	yes	3
2.4 Skills in governance	3	yes	3

3.0 Other Competences Deemed Important / Useful for Career and Performance Enhancement			
3.1 Project Management	3	Yes	3
3.2 Mediation Skills	3	Yes	3
3.3 Knowledge of global and South African specific political, social & economic contexts	3	Yes	3
3.4 Self management	3	Yes	3
3.5 Knowledge of more than one functional municipal field	3	Yes	3

**PART D: Competence-based individual development plan**

Competence Required	For which KRA is this competency required	Weighting in %	Current level of competence	Targeted level of competence )	Timetable for gaining targeted competency	Activities to close competence gaps
<b>Strategic Capability &amp; Leadership</b>	<b>Financial Viability &amp; Management</b>	<b>15</b>	<b>2</b>	<b>3</b>	<b>January 2009</b>	<b>Leadership Advancement Programme</b>
<b>Financial Management</b>	<b>Financial Viability &amp; Management</b>	<b>15</b>	<b>2</b>	<b>3</b>	<b>March 2009</b>	<b>Advanced Financial Management</b>

