



# **MATATIELE**

LOCAL MUNICIPALITY

## **PERFORMANCE AGREEMENT**

**MADE AND ENTERED INTO BY BETWEEN:**

**THE MATATIELE MUNICIPALITY**

**AS REPRESENTED BY THE MUNICIPAL MANAGER**

**MR. LIZO MATIWANE**

**AND**

**MR. MOTHUSI LEHLEHLA**

**IDENTITY NUMBER: 830929 5706 086**

**GENERAL MANAGER: INFRASTRUCTURE PLANNING AND DEVELOPMENT**

**FOR**

**2021/2022**

**FINANCIAL YEAR**

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## 1. INTRODUCTION

- 1.1. The Employer, duly represented by the **Municipal Manager** in his capacity as the **Accounting officer** has entered into a contract of employment with the Employee, **Mr. M. Lehlehla** 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 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 promote local government policy goals;
- 1.4. The Parties wish to ensure that there is compliance with Sections 57(4B) and 57(5) of the Systems Act;
- 1.5. In this Agreement, the followings terms will have the meaning ascribed thereto:
  - 1.5.1. "**this Agreement**" – means the performance agreement between the Employer and the employee and the Annexures thereto;
  - 1.5.2. "**the Municipal Manager**" – means the Municipal Manager of the Municipality appointed in terms of Section 54(A) of the Systems Act;
  - 1.5.3. "**the Employee**" means the appointed in terms of Section 56 of the Systems Act;
  - 1.5.4. "**the Employer**" means Matatiele Local Municipality; and
  - 1.5.5. "**the Parties**" means the Employer and Employee

## 2. PURPOSE OF THE AGREEMENT

- 2.1. To comply with the provisions of Section 57(1)(b), (4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the Parties;
- 2.2. To specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance targets and accountabilities;
- 2.3. To specify accountabilities as set out in the Performance Plan (**Annexure A**);
- 2.4. To monitor and measure performance against set targeted outputs and outcomes;
- 2.5. To establish a transparent and accountable working relationship;
- 2.6. To appropriately reward the employee in accordance with section 11 of this agreement;  
And
- 2.7. To give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining improved service delivery.

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### 3. COMMENCEMENT AND DURATION

- 3.1. This Agreement will commence on **01 July 2021** and will remain in force until **30 June 2022** where-after a new Performance Agreement shall be concluded between the parties for the next financial year or any portion thereof;
- 3.2. The Parties will conclude a new Performance Agreement that replaces this Agreement at least once a year by not later than 31<sup>st</sup> of July of the succeeding financial year;
- 3.3. This Agreement will terminate on the termination of the Employee's contract of employment for any reason; and
- 3.4. The content of this Agreement may be revised at any time during the abovementioned period to determine the current applicability of the matters previously agreed upon.

### 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;
  - 4.1.2. The time frames within which those performance objectives and targets must be met; and
  - 4.1.3. The core competency requirements (CCRs) as the management skills regarded as critical to the position held by the Employee.
- 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, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer, and shall include:
  - 4.2.1. Key objectives that describe the main tasks that need to be done;
  - 4.2.2. Key performance indicators (KPIs) that provide the details of the evidence that must be provided to show that a key objective has been achieved;
  - 4.2.3. Target dates that describe the timeframe in which the targets must be achieved; and
  - 4.2.4. Weightings showing the relative importance of the key objectives to each other.
- 4.3. The Personal Development Plan (PDP) sets out the Employee's personal development requirements in line with the objectives and targets of the Employer; and
- 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. MANDATE OF THE EMPLOYER**

### **5.0. JOB PURPOSE**

Describe the purpose of the job (overall focus) as it relates to the Vision and Mission of the Department. Capture the overall accountability that the jobholder has in relation to her / his position.

- 5.1 Authorise, Monitor and control infrastructure implementation.
- 5.2 Develop and improve infrastructure management procedures and systems
- 5.3 Ensure compliance with the requirements of all relevant applicable legislation and other related prescripts.
- 5.4 accountable for maintenance and efficiency of operation of adequate, electricity, roads storm water drainage and Kerbing.
- 5.5 Manage the compilation and submission of monthly, quarterly, mid-term and annual directorate reports in line with the legislative requirements of council and other organs of the state and ensure that they support the municipal programme.
- 5.6 Oversee the enforcement of planning and building regulations to ensure compliance.
- 5.7 Oversee and manage council property accordance with policy and laid down procedures.
- 5.8 Manage complex civil structures projects from conceptualization, design contract management, quality assurance and compliance and ensure their proper integration to the municipality's overall plan (IDP).
- 5.9 Perform financial monitoring through commissioning, operations and maintenance to ensure effective and efficient functioning of the department within the budgetary constraints of the municipality.
- 5.10 Manage all Infrastructure related grant funding allocated to the municipality.
- 5.11 Provide professionally advisory to the municipality on project conceptualization, design project management and implementation.
- 5.12 Oversee the management of all equipment and capital resources to ensure accountability by the department.
- 5.13 Manage all department's contracts and tender according to the approval SLA's terms of reference, letter of appointment and contracted project timelines and as per project brief.
- 5.14 Responsible to ensure proper infrastructure development and planning, project management and administration.
- 5.15 Ensure diligent execution of municipal functions and management of the department in accordance with applicable legislation.

### **6. STRATEGIC CONTEXT OF EMPLOYER:**

- 6.1. In line with the Vision of the Municipality, the Employee is committed in assisting and supporting the management and staff members of the Municipality in attaining service excellence in the performance of their line function.
- 6.2. In supporting the administration, the Employee has set its vision as follows:
  - 6.2.1. An administration that functions optimally
  - 6.2.2. The Employee commits himself/ herself to the achieving of the Vision, Mission and strategic objectives of Matatiele Local Municipality:

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- 6.2.3. To strive for united administration that is equipped with capacitated staff, compliant statues, outcome based and future oriented.

## **7. CORE FUNCTIONS`**

This section describes the key functions that the jobholder is required to perform, based on the job profile, and the departmental strategic/operational plan.

- 7.1. Provision of strategic leadership and guidance
- 7.2. Provision of effective and efficient administrative services
- 7.3. Ensure compliance with all relevant pieces of legislation and agreements or applicable legal/statutory requirements
- 7.4. Ensure development and implementation of policies
- 7.5. Budget/Financial Management and Control

## **8. PERFORMANCE MANAGEMENT SYSTEM**

- 8.1. The Employee agrees to participate in the performance management and development system that the Employer adopts.
- 8.2. The Employee undertakes to actively focus towards the promotion and implementation of Key Performance Areas (KPA's) (including special projects relevant to the Employee's responsibilities) within the local government framework and Core Competency Requirements (CCRs). The CCR's are made up of the Core Managerial Competencies (CMC's) and Core Occupational Competencies (COC's).
- 8.3. 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.
- 8.4. The Employee undertakes to actively focus on the promotion and implementation of the Key Performance Areas (KPAs) (including special projects relevant to the employee's responsibilities) within the local government framework;
- 8.5. The criteria upon which the performance of the Employee shall be assessed shall consist of two components, KPA's and Competency Framework requirements as per the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, both of which shall be contained in the Performance Agreement;
- 8.6. The Employee's assessment will be based on his performance in terms of the outputs/outcomes (KPIs) identified as per attached Performance Plan (**Annexure A**), which are linked to the KPAs applicable to the Employee, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee.

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Key Performance Areas
KPA 01: Basic Service Delivery
KPA 02: Good Governance and Public Participation
KPA 03: Financial Viability
KPA 04: Municipal Transformation and Dev.
KPA 05: Local Economic Development
KPA 06: Spatial Planning

- 8.7. The competency requirements for senior managers as per **Regulation 9** of Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers will make up the other 20% of the Employee's assessment score. The competencies will be assessed every six (6) months (January and July).

## 9. DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY

The Employee shall report to the Municipal Manager of Matatiele Local Municipality as his supervisor on all parts of this agreement. The Employee shall:

- 9.1 Timeously alert the supervisor of any emerging factors that could preclude the achievement of any performance agreement undertakings, including the contingency measures that he proposes to take to ensure the impact of such deviation from the original agreement is minimized.
- 9.2 Establish and maintain appropriate internal controls and reporting systems in order to meet performance expectations.
- 9.3 Discuss and there after document for record and future use any revision of the targets as necessary as well as progress made towards the achievement of performance agreement measures.

In turn the supervisor shall:

- 9.4 Create an enabling environment to facilitate effective performance by the Employee
- 9.5 Provide access to skills development and capacity building opportunities.
- 9.6 Work collaboratively to solve problems and generate solutions to common problems within the Municipality that may be impacting on the performance of the Employee
- 9.7 Monitor and evaluate the employee's performance
- 9.8 Endeavor to provide support in the form of coaching, guidance, mentoring, training and Counseling to the manager should signs of substandard performance show

## 10. REPORTING

- 10.1 The Employee must timeously alert the supervisor of any emerging factors that could preclude the achievement of any performance agreement undertakings, including the

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contingency measures that he/she proposes to take to ensure the impact of such deviation from the original agreement is minimized.

## 11. DEVELOPMENTAL REQUIREMENTS

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

## 12. TIMETABLE AND RECORDS OF REVIEW DISCUSSIONS AND ANNUAL APPRAISAL

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:

Quarter	Review Period	Review to be completed by
1	July – September	20 October 2021
2	October – December	20 January 2022
3	January – March	20 April 2022
4	April – June	20 September 2022

## 13. MANAGEMENT OF PERFORMANCE OUTCOMES

- 13.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 13.2 A performance bonus of 5% to 14% of inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance.
- 13.3 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 current remuneration package at end of financial year (30 June) subject to a fully effective assessment.
- 13.4 In the case of unacceptable performance, the Employer shall:
- 13.4.1 provide systematic remedial of development support to assist the Employee to improve his/her performance; and
  - 13.4.2 after appropriate performance and 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.

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## 15. AMENDMENT OF AGREEMENT

Amendments to the agreement should be in writing and can only be effected after discussion and agreement by both parties.

## 16. PERFORMANCE MANAGEMENT CRITERIA

Performance will be assessed according to the information contained in the Performance Plan and the Core Competency Requirements (CCRs) framework (attached as Annexure A). The specific KPAs and CCRs together with their weightings are as follows:

KEY PERFORMANCE AREAS (KPA's)	WEIGHTING
Basic Service Delivery and Infrastructure	80%
Municipal Institutional Development and Transformation	5%
Local Economic Development (LED)	5%
Municipal Financial Viability and Management	5%
Good Governance and Public Participation	5%
Spatial Development	-
<b>TOTAL</b>	<b>100%</b>

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES		
LEADING COMPETENCIES (LC's)	√	WEIGHT
1. Strategic Direction and Leadership	√	5%
2. People Management	√	10%
3. Program and Project Management	√	45%
4. Financial Management	√	15%
5. Change Leadership	√	5%
6. Governance Leadership		-
CORE COMPETENCIES (CC's)		
	√	WEIGHT
1. Moral Competency	√	5%
2. Planning and Organizing		-
3. Analysis and Innovation	√	5%
4. Knowledge and Information management		-
5. Communication	√	5%
6. Results and Quality Focus	√	5%
<b>TOTAL</b>		<b>100%</b>

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16.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the KPAs and the Core Competency Requirements (CCRs) respectively.

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

16.3 KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment. Up to twelve (12) CCRs could be selected from the list that are deemed to be critical.

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

RATING	DEFINITION OF RATING	DESCRIPTION
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 Performance Agreement 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 Performance Agreement 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 Performance Agreement 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 Performance Agreement 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.

## 19. SIGNATURES OF PARTIES TO THE AGREEMENT

The contents of this document have been discussed and agreed with the Employee concerned.

### EMPLOYEE

Thus, done and signed at MATATIELE on the 22 July 2021

#### AS WITNESSES:

1. Wunfumu ..

2. S. A. Mbede



General Manager: Infrastructure  
Planning & Development

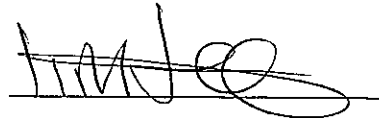
### EMPLOYER/ SUPERVISOR

Thus, done and signed at MATATIELE on the 22 July 2021

#### AS WITNESSES:

1. \_\_\_\_\_

2. \_\_\_\_\_



Municipal Manager