



The home of harmony, prosperity and growth

MEMORANDUM OF AGREEMENT OF EMPLOYMENT

MADE AND ENTERED INTO BY AND BETWEEN:

THE COUNCIL OF THE NGWATHE LOCAL MUNICIPALITY

Herein represented by LESAOANA DAVID KAMOLANE, in his duly authorised capacity as
Municipal Manger of the **NGWATHE LOCAL MUNICIPALITY**

AND

(herein referred to as the "the Employee")

LETLONKANA ABRAM MARUMO

Let
K-m
SS

WHEREAS:

A. The Municipal Council of the Ngwathe Local Municipality wishes to engage the services of an Employee to perform the duties and functions of a Municipal Manager at the Ngwathe Local Municipality; and

B. The Employee has accepted the offer of employment for the period contemplated below;

THE PARTIES AGREE AS FOLLOWS:

INTERPRETATION AND DEFINITIONS

1. In this Agreement, unless the context indicates otherwise

(a) an expression, which denotes any gender, includes the other genders, a natural person includes an judicial person and vice versa, and the singular includes the plural and vice versa;

(b) clause headings are for convenience only and will not be used in its interpretation, and the following expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings--

"agreement" means this agreement and all the Annexures hereto;

"Employee" means LETLONKANA ABRAM MARUMO

"MFMA" means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

"Municipality" means the Ngwathe Local Municipality, established in terms of Structures Act;

"parties" means the Municipality and the Employee;

"Regulations" means the Local Government: Performance Regulations for

HF
K-m
SS

Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006, promulgated in the Government Gazette in terms of section 120 of the Systems Act, as Regulation Notice 805 on 1 August 2006;

“Structures Act” means the Local Government: Municipal Structure Act, 2000 (Act No. 117 of 1998);

“Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), and the Regulations promulgated in terms of the Act;

(c) words and expressions defined in any sub-clause, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause; and

(d) this agreement is governed by and construed in accordance with the laws of the Republic of South Africa.

PERIOD AND CONDITIONS OF EMPLOYMENT

2. The Municipality hereby employs the Employee on an Acting Capacity as contemplated in Regulation 2(3)(a), and the Employee hereby accepts employment as the **Acting Director Community Services**, subject to the terms and conditions contained in this agreement,
- and subject to the Regulations, the Systems Act and the MFMA, provided that–
- (a) this agreement will commence on **02 June 2014** and shall endure for the period of duration as determined by the Council;
- (b) the agreement may be renewed or extended at the sole discretion of the Municipality, as contemplated in section 57(6)(c) of the Systems Act and Regulation 2(3)(c), provided that the agreement may not be extended beyond a period of two years after an election of the Municipal Council;
- (c) the Employee will be subject to a one year period of probation, commencing on the

HT
K.M.
S.S.

date of employment;

(d) this agreement will be subject to—

(i) the conclusion and signature of a Performance Agreement between the Municipality and the Employee, in a format substantially compliant with Annexure “A”, within ninety days of the date of commencement of this agreement, and annually within thirty days after the commencement of each subsequent financial year;

(ii) the submission of original certificates to substantiate all academic and professional qualifications, as well as proof of previous employment, on or before the date of commencement of this agreement;

(iii) the Code of Conduct as stipulated in Schedule 2 of the Act, attached as Annexure “B”; and

(iv) the disclosure of financial interests on an annual basis, within thirty days of the end of the financial year, which must be lodged with the Municipality, in a format substantially compliant with Annexure “C”.

(e) It is specifically recorded that there is no expectation that this agreement will be renewed or prolonged beyond the period referred to in 2(a) or (b), other than by agreement between the parties.

(f) The failure to renew or extend the period referred to in 2(a) or (b) above shall not constitute a dismissal of the employee and the employee shall not be entitled to any additional remuneration or compensation in respect of the conclusion of such period.

(g) The parties specifically record that this agreement will come to an automatic end on expiry of the fixed period, and shall not be construed as a termination based on the municipalities operational requirements, nor as an unfair dismissal.

HT
K. in
SS

DUTIES

3. It is agreed that the Employee will generally perform the duties contemplated in the Systems Act and the MFMA, provided that the annual Performance Agreement contemplated in clause 2(d)(i) may include further duties of the Employee.

PLACE OF WORK

4. The Employee's ordinary place of work will be the demarcated area of the municipality, provided that the municipality may require the Employee to work at such places within the Republic of South Africa, as may be necessary, whether on a temporary or permanent basis, and may require the employee to travel internationally in the performance of his duties.

OFFICIAL WORKING HOURS

5.(1) The Employee will be required to work such hours and days in accordance with the operational needs and requirements of the municipality at any particular time, which may not be less than forty hours per week from Monday to Friday.

(2) It is a material term and condition of the Employee's employment that he, at no additional cost to the Municipality, works such additional or overtime hours, including Saturdays, Sundays and Public Holidays, as may be necessary to fulfill his job requirements.

(3) The Employee—

- (a) must be punctual and diligent in the performance of his duties;
- (b) must devote all of his time to the performance of his duties to the best

HT
K.M.
S.S.

of his ability; and

(c) may not engage either directly or indirectly in any other form of business or remunerative work, without the prior written consent of the Municipality.

REMUNERATION

6.(1) The Employee will be paid an inclusive annual remuneration package of

R 866 410.00 , payable in twelve equal monthly installments, which inclusive annual remuneration package consists of a—

(a) basic salary of at least 60% of the inclusive flexible remuneration package; and

(b) flexible portion, which may be structured by the Employee as follows:

(i) R_____ as a contribution to a Retirement or Provident Fund, upon proof of membership of such a Fund;

(ii) R_____ as a contribution to a Medical Aid scheme upon proof of membership of such a Fund;

(iii) R_____ as a Motor Vehicle allowance, subject to clause 8;

(iv) R_____ as a Housing allowance;

(v) R_____ as a 13th cheque; and

(vi) R_____ as a non-pensionable cash allowance.

(2) The inclusive annual remuneration package of the Employee is to be structured in line with the guidelines provided by the South African Revenue Service.

(3) The Employee's inclusive annual remuneration package may be adjusted annually with a cost-of-living increase, which is not performance based.



K.v.w

S.S



PERFORMANCE BONUS

7. The Employee may be eligible for a performance bonus on an annual basis, as

contemplated in the performance agreement attached hereto as Annexure "A", provided that the performance bonus–

(a) may not exceed 14% of the inclusive annual remuneration package of the Employee;

(b) must be affordable and provided for in the municipal budget;

(c) may only be approved subsequent to the tabling and adoption of the annual report for the year under review; and

(d) may only be approved subsequent to an evaluation of the Employee's performance.

MOTOR VEHICLE

8. The Employee must have a motor vehicle available for the proper performance of his functions and discharge of his duties, provided that–

(a) the Employee must secure his own financing;

(b) the choice of motor vehicle is the exclusive discretion of the Employee;

(c) the vehicle must be suitable for official duties;

(d) the Employee will not be entitled to use any vehicle of the Municipality for the performance of his official duties; and

(e) the Employee will be compensated for official kilometres travelled in excess of 500 km per month, according to the tariffs payable for privately owned vehicles prescribed by the Department of Transport.

HT

K.M

S.S

W

MOBILE PHONE

9. The Employee will be entitled to a mobile telephone for official purposes according to the policy of the Municipality or in accordance with a decision of Council.

DEDUCTIONS FROM SALARY

10. The Municipality is entitled to make the following deductions from the salary of the employee, before it is paid to the employee -

- (a) PAYE due to the South African Revenue Services;
- (b) Unemployment Insurance contributions;
- (c) any other deductions the employee has consented to in writing; and
- (d) any other deductions ordered by a competent authority.

LEAVE

11.(1) The Employee is entitled to 24 working days leave per annum on full pay, provided that-

- (a) in the event that the Employee is appointed after the commencement of an annual leave cycle, he will be entitled to annual vacation leave on a pro rata basis determined as a fraction of the entitlement;
- (b) the Employee must take at least fifteen consecutive working days leave within a twelve-month period; and
- (c) the remaining leave days, if any, must be taken no later than the end of June of the year following the relevant leave cycle, where after unused leave credits will be forfeited.

(2) The Employee will be entitled to thirty-six working days sick leave with full pay during a



K.M.

S.S



three-year cycle, provided that in the event that the employee—

- (a) is absent from work for more than two consecutive days or on more than two occasions during an eight week period, he will be required to produce a medical certificate in order to qualify for paid sick leave; and
- (b) in the reasonable opinion of the Municipality, becomes permanently unable to perform his duties adequately by reason of medical incapacity, the Municipality may terminate his or her employment.

(3) The Employee will be entitled to four consecutive calendar months' maternity leave to commence at any time—

- (a) within a period of four weeks prior to the expected date of birth of her child; or
- (b) on a date from which the attending medical practitioner certifies that it is necessary for the Employee's health or that of her unborn child,

subject to the provisions of the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)

(4) The Employee will be entitled to a maximum of five working days family responsibility leave per calendar year, provided that such leave can only be utilised if—

- (a) the Employee's child is born;
- (b) the Employee's child is ill; or
- (c) a spouse, life partner, parent, grandparent, child, grandchild or sibling dies.

(5) The Employer may grant the Employee special leave with or without pay, for a reasonable number of working days with prior approval, in terms of the relevant special leave policy or by decision of council.

14

K. M.

5.5

W

PRECAUTIONARY SUSPENSION

12.(1) The Municipality may suspend the Employee on full pay if he is alleged to have committed a serious offence and the Municipality is of the opinion that his continued presence at the workplace –

(a) might jeopardise any investigation into the alleged misconduct; or
(b) endanger the well being or safety of any person or municipal property.

(2) Any Employee who is to be suspended must be notified in writing, of the reasons for his suspension within twenty-four hours after the suspension, provided that the Employee will be entitled to make representations on the suspension within seven working days of the date of suspension.

(3) In the event that the Employee is suspended as a precautionary measure, the Municipality must hold a disciplinary hearing within sixty days of the date of suspension, provided that the Chairperson of the hearing may extend such period, failing which the suspension will terminate and the Employee must return to work.

TERMINATION OF CONTRACT

13.(1) The Employee may terminate this agreement by giving thirty days' written notice of termination to the Municipality, provided that the Municipality may, in its sole discretion, waive any part of the notice period.

(2) This agreement–

(a) will terminate–

(i) as contemplated in clause 2; or

(ii) automatically on the date on which the Employee is issued a certificate in

Handwritten signatures and initials: "H.H.", "K.M.", "S.S.", and a large stylized signature.

terms of the relevant legislation, stating that he is a candidate in any election for a member of a Council, Provincial Legislature or Parliament, or from the date on which he is nominated as a permanent delegate to the National Council of Provinces; or

(b) may be terminated–

(i) by either party in the event of a material breach of a term or condition of the agreement, after having given the other party fourteen days written notice, calling upon it to rectify the breach and if such party fails to rectify the breach;

(ii) by the Municipality on account of misconduct on the part of the Employee as contemplated in the relevant disciplinary code and procedures of the Municipality;

(iii) due to unacceptable performance in terms of the Performance Management System, after the relevant incapacity procedures have been complied with; or

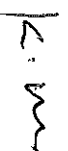
(iv) any other reason recognised in law.

DOMICILIUM AND NOTICES

14.(1) The parties choose their domicilium citandi et executandi for all purposes of the giving of any notice, the payment of any sum, the serving of any process and for any other purpose arising from this agreement, as follows:

The Municipality:

Ngwathe Local Municipality
Liebenbergstrek/ P.O Box 359
Parys
9585
Facsimile: 056 817 7131



The Employee:

LETLONKANA ABRAM MARUMO

5 Fourie Str

Vredefort

9595

Facsimile:

(2) Either party, upon written notice to the other party, may vary its physical address or facsimile number to any other physical address or facsimile number within the Republic of South Africa.

(3) Any notice given by either party to the other party, which—

(a) is delivered by hand during the normal business hours of the addressee at the addressee's domicile will be deemed to have been received by the addressee at the time of delivery;

(b) is posted by prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's domicile will be deemed to have been received by the addressee on the seventh day after the date of posting; or

(c) is sent by facsimile during the normal business hours of the addressee to the addressee's domicile will be deemed to have been received on the date and time of successful transmission thereof.

DISPUTE SETTLEMENT

15. Either party to the agreement may, in the event of any dispute arising out of the agreement, refer the dispute for arbitration by the CCMA, provided that the agreement to refer disputes for arbitration does not bar either of the parties to refer any dispute between them to any court for adjudication, which includes the Magistrate's Court with jurisdiction, provided that seventy two hours' notice must be given to the other party prior to such referral.

hff.

k.m.

SS

GENERAL

16.(1) No addition to or variation or mutually agreed cancellation or novation of this agreement and no waiver of any right arising from this contract or its breach or termination will be of any force or effect unless reduced to writing and signed by or on behalf of both parties.

(2) No grace, delay, relaxation, leniency or indulgence granted by the either party to the other will be deemed to be an abandonment of any right by the former party contemplated in this agreement, and any such grace, delay, relaxation, leniency or indulgence will not prevent the former party from insisting on strict future compliance by the defaulting party with all the terms and conditions of this agreement.

(3) Each clause of this agreement is severable from each of the other clauses and if any clause in this agreement is found to be void, invalid or unenforceable for any reason, the remaining clauses will remain in full force and effect.

(4) The employee will not at any time make any untrue statement in relation to the Municipality or any of its entities, and in particular will not after termination of his or her employment under this agreement wrongly represent him- or herself as being employed by or connected in any respect with the Municipality.

(5) In the implementation of this agreement, the parties undertake to observe the utmost good faith and they warrant in their dealings with each other that they will not do anything or refrain from doing anything, that might prejudice or detract from the rights, assets or interests of each of other.

(6) Both the Municipality and the Employee acknowledge that the provisions of the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), are applicable to them, and that such minimum conditions will apply where this agreement is silent.

14

K.W

S.S

W

SIGNED AT Park ON THIS, THE 29 DAY OF May 2014

AS WITNESSES:

1. MD MHA

[Signature]
MUNICIPAL MANAGER

2. [Signature]

SIGNED AT Park ON THIS, THE 16 DAY OF May 2014

AS WITNESSES:

1. [Signature]

[Signature]

THE EMPLOYEE

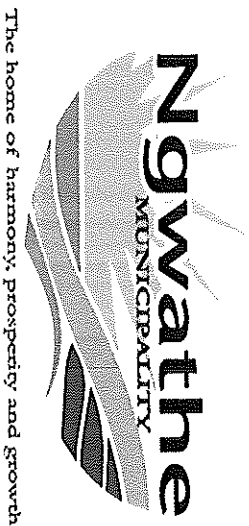
2. [Signature]

[Signature]
[Signature]

[Signature]
[Signature]

ANNEXURE A:

PERFORMANCE AGREEMENT



PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

THE NGWATHE LOCAL MUNICIPALITY
herein represented by

LESAOANA DAVID KAMOLANE
(herein referred as the Municipal Manager)

AND

LETLONKANA ABRAM MARUMO
(herein referred to as the employee)

FOR THE

FINANCIAL YEAR: 01 JULY 2014 - 30 JUNE 2015

Handwritten signatures:
LH
K in
LW

WHEREAS

A. The Employer has entered into a Agreement of Employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

B. Section 57(1)(b) of the Local Government: Municipal Systems Act, 2000, read with the Memorandum of Agreement of Employment concluded between the parties, requires the parties to conclude an annual Performance Agreement within ninety days of assumption of duty, and renew it annually within one month of the commencement of the beginning if the financial year;

C. The parties must 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 as defined in the municipal Integrated Development Plan; and

D. The parties must ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Local Government: Municipal Systems Act, 2000,

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

INTERPRETATION AND DEFINITIONS

1. In this Agreement, unless the context indicates otherwise—

(a) an expression, which denotes any gender, includes the other genders, a natural person includes an judicial person and vice versa, and the singular includes the plural and vice versa; (b) clause headings are for convenience only and will not be used in its interpretation, and the following expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings—

“agreement” means this Performance Agreement and all the Appendices hereto;

“Employee” means LETLONKANA ABRAM MARUMO;

“MEC” means the Member of the Free State Executive Council responsible for local government;

“MFMMA” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“Municipality” means the Ngwathe Local Municipality, established in terms of Structures Act;

“parties” means the Municipality and the Employee;

“Regulations” means the Local Government: Performance Regulations for Municipal

HA
K-m
M

Managers and Managers Directly Accountable to Municipal Managers, 2006, promulgated in the Government Gazette as Regulation Notice 805 on 1 August 2006; “Structures Act” means the Local Government: Municipal Structures Act, 2000 (Act No. 117 of 1998); and

“Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), and the Regulations promulgated in terms of the Act;

(c) words and expressions defined in any sub-clause, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub clause; and

(d) this agreement is governed by and construed in accordance with the laws of the Republic of South Africa.

PURPOSE OF THIS AGREEMENT

2. The purpose of this Agreement is to –

- (a) comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as well as the Memorandum of Agreement of Employment entered into between the parties;
- (b) communicate the Employer’s performance expectations and accountabilities to the Employee, by specifying objectives and targets as defined in the IDP;
- (c) specify accountabilities as set out in the Performance Plan, which must be in a format substantially compliant with Appendix “A”;
- (d) monitor and measure performance against set targeted outputs;
- (e) use this Agreement and the Performance Plan as the basis for assessing the performance of the Employee and to establish whether the Employee has met the performance expectations applicable to the position; and
- (f) appropriately reward the Employee in accordance with the Employer’s performance management policy in the event of outstanding performance.

COMMENCEMENT AND DURATION

3.(1) This Agreement will commence on 01 July 2014 and will remain in force until 30 June 2015 where after a new Agreement, Performance Plan and Personal Development Plan must be concluded between the parties for each of the following financial years or any portion thereof for the duration of the Agreement of Employment.

(2) This Agreement will terminate on the termination of the Employee’s employment for any reason whatsoever.



- (3) The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.
- (4) If at any time during the validity of this Agreement the work environment alters, whether as a result of government or council decisions or otherwise, to the extent that the contents of this Agreement are no longer appropriate, the contents must immediately be revised.
- (5) Any significant amendments or deviations must take cognisance of the requirements of sections 34 and 42 of the Systems Act, and regulation 4(5) of the Regulations.

PERFORMANCE OBJECTIVES

- 4.(1) The Performance Plan must set out the—
 - (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.
- (2) The performance objectives and targets reflected in the Performance Plan must—
 - (a) be set by the Employer in consultation with the Employee;
 - (b) be based on the Integrated Development Plan and Budget of the Employer; and
 - (c) include key objectives, performance indicators, target dates and weightings.
- (3) It is agreed that—
 - (a) the key objectives must describe the main tasks that must be performed by the Employee;
 - (b) the key performance indicators provide the details of the evidence that must be provided to indicate that a key objective has been achieved;
 - (c) the target dates describe the timeframe in which the work must be achieved; and
 - (d) the weightings indicate the relative importance of the key objectives to each other.
- (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.

PERFORMANCE MANAGEMENT SYSTEM

- 5.(1) The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Municipality, and accepts that the purpose of the performance management system is to provide a comprehensive system, with specific performance standards, to assist Municipality to perform to the standards required.
- (2) The Employer must consult the Employee about the specific performance standards that are included in the performance management system that are applicable to the Employee.
- (3) The Employee undertakes to actively focus on the promotion and implementation of the Key Performance Areas, including special projects relevant to the Employee's responsibilities, within the local government framework.
- (4) The Employee must be assessed on his performance in terms of the performance indicators


K-m 

identified in the attached Performance Plan and include--

- (a) the Key Performance Areas; and
- (b) Core Managerial Competencies, with a weighting of 80:20 allocated to sub-clause (a) and (b) respectively.

(5) The Key Performance Areas will make up 80% of the Employee's assessment score, and will contain the following Areas:

Key Performance Areas (KPA's)	Weighting
Basic Service Delivery	40%
Municipal Institutional Development and Transformation	10%
Local Economic Development (LED)	35%
Municipal Financial Viability and Management	10%
Good Governance and Public Participation	5%
Total	100%

(6) The Core Management Criteria will make up the other 20% of the Employee's assessment score, and 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 (CCR) FOR EMPLOYEES 20% of Total Weighting		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Strategic Capability and Leadership		10%
Programme and Project Management		5%
Financial Management	compulsory	18%
Change Management		1%
Knowledge Management		1%
Service Delivery Innovation		5%
Problem Solving and Analysis		5%
People Management and Empowerment	compulsory	10%
Client Orientation and Customer Focus	compulsory	10%
Communication		1%

Handwritten signature

Handwritten signature

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES 20% of Total Weighting		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Honesty and Integrity		2%
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		2%
Interpretation of and implementation within the legislative an national policy frameworks		2%
Knowledge of Performance Management and Reporting		5%
Knowledge of global and South African specific political, social and economic contexts		1%
Competence in policy conceptualisation, analysis and implementation		5%
Knowledge of more than one functional municipal field / discipline		5%
Skills in Mediation		1%
Skills in Governance		4%
Competence as required by other national line sector departments		2%
Exceptional and dynamic creativity to improve the functioning of the municipality		5%
Total percentage		100%

EVALUATING PERFORMANCE

- 6.(1) The Performance Plan, attached hereto as Appendix "A", must set out the—
 (a) the standards and procedures for evaluating the Employee's performance; and
 (b) the intervals for the evaluation of the Employee's performance.


 Kim


(2) Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage during the validity of the Agreement of Employment.

(3) Personal growth and development needs identified during any performance review discussion, as well as the actions and time frames agreed to, must be documented in a Personal Development Plan, which must be in a format substantially compliant with Appendix "B."

(4) The Employee's performance will be measured in terms of contributions to the goals and strategies contemplated in the Employer's Integrated Development Plan.

(5) The annual performance appraisal must involve—

- (a) an assessment of the achievement of results as outlined in the performance plan;
- (b) an assessment of each Key Performance Area 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;
- (c) a rating on the five-point scale for each Key Performance Area; and
- (d) the use of the applicable assessment rating calculator to add the scores and calculate a final Key Performance Area score.

(6) The Core Management Criteria must be assessed—

- (a) according to the extent to which the specified standards have been met;
- (b) with an indicative rating on the five-point scale for each Criteria; and
- (c) by using the applicable assessment rating calculator to add the scores and calculating a final score.

(7) An overall rating is calculated by using the applicable assessment-rating calculator, which represents the outcome of the performance appraisal, provided that the performance assessment of the Employee will be based on the following rating scale for both Key Performance Indicators and Core Management Criteria:

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.					


K. M. M.

Level	Terminology	Description	Rating				
			1	2	3	4	5
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.					

(8) The performance of the Employee must be evaluated by an evaluation panel constituted in terms of regulation 27(4)(d), (e) and (f) of the Regulations.

SCHEDULE FOR PERFORMANCE REVIEWS

7.(1) The performance of each Employee in relation to his performance agreement must be reviewed during–

- (a) July to September for the First quarter;
- (b) October to December for the Second Quarter;

[Handwritten signature]

[Handwritten mark]

- (c) January to March for the Third quarter
 - (d) April to June for the Fourth quarter,
- Provided that reviews in the first and third quarter may be verbal if performance is satisfactory.

(2) The Employer must keep a record of the mid-year review and annual assessment meetings, and feedback must be based on the Employer's assessment of the Employee's performance.

(3) The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented or amended, provided that the Employee must be consulted before any such change is made.

OBLIGATIONS OF THE EMPLOYER

8. The Employer must-

- (a) create an enabling environment to facilitate effective performance by the Employee;
- (b) provide access to skills development and capacity building opportunities;
- (c) work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- (d) on the request of the Employee delegate such powers reasonably required by the Employee to enable him to meet the performance objectives and targets established in this Agreement; and
- (e) make available to the Employee such resources as the Employee may reasonably require from time to time to assist him to meet the performance objectives and targets established in this Agreement.

CONSULTATION

9.(1) The Employer agrees to consult the Employee timeously where the exercising of the powers will--

- (a) have a direct effect on the performance of any of the Employee's functions;
- (b) commit the Employee to implement or to give effect to a decision made by the Employer; and
- (c) have a substantial financial effect on the Employee.

(2) The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in sub-clause (1) above, as soon as is practicable to enable the Employee to take any necessary action without delay.

MANAGEMENT OF EVALUATION OUTCOMES

10.(1) The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus of between 5% and 14% of the inclusive annual remuneration package may

Handwritten signatures and initials: "LH" and "K-in" on the left, and "M" on the right.

be paid to the Employee in recognition of outstanding performance, as per regulation 32(2) of the Regulations.

- (3) In the case of unacceptable performance, the Employer—
 - (a) must provide systematic remedial or developmental support to assist the Employee to improve his performance; and
 - (b) may, after appropriate performance counselling and having provided the necessary guidance and support as well as reasonable time for improvement in performance, consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his duties.

DISPUTE RESOLUTION

- 11.(1)** Any disputes about the nature or content of the Employee's Performance Agreement, must be mediated by—
 - (a) the Member of the Executive Council responsible for local government in the province, in the case of the Municipal Manager, or any other person appointed by the said Member of the Executive Council; and
 - (b) the Mayor, in the case of Managers directly accountable to the Municipal Manager, within thirty days of receipt of a formal dispute from the Employee.

- (2) Any disputes about the outcome of the Employee's performance evaluation, must be mediated by—
 - (a) the Member of the Executive Council for local government in the province, or any other person appointed by the MEC, in the case of the Municipal Manager; and
 - (b) a Municipal Councillor, in the case of Managers directly accountable to the Municipal Manager, provided that such a Councillor was not part of the evaluation panel contemplated in regulation 27(4)(e) of the Regulations, within thirty days of receipt of a formal dispute from the Employee.

- (3) The decision of the Mediator contemplated in sub-clauses (1) and (2) will be final and binding on both parties.

GENERAL

- 12.(1)** The Employer must make the contents of this Agreement and the outcome of any review conducted in terms of the Performance Plan available to the public as contemplated in section 46 of the Systems Act.

- (2) Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his Agreement of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

- (3) The performance assessment results of the Municipal Manager must be submitted to the Member of the Executive Council responsible for local government in Free State as well as the National Minister responsible for local government, within fourteen days after the conclusion of the assessment.

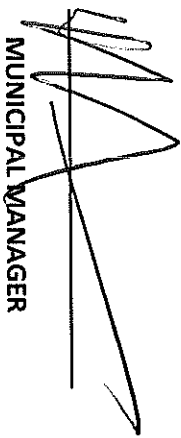
HK
K-w

W

SIGNED AT PARIS ON THIS, THE 27 DAY OF June 2014

AS WITNESSES:

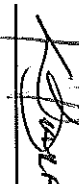
1. 

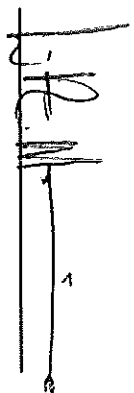

MUNICIPAL MANAGER

2. 

SIGNED AT PARIS ON THIS, THE 27 DAY OF June 2014

AS WITNESSES:

1. 



THE EMPLOYEE

2. 

ANNEXURE B:

CODE OF CONDUCT

SCHEDULE 2

CODE OF CONDUCT FOR MUNICIPAL STAFF MEMBERS

1. Definitions

In this Schedule “partner” means a person who permanently lives with another person in a manner as if married.

2. General conduct

A staff member of a municipality must at all times—

- (a) loyally execute the lawful policies of the municipal council;
- (b) perform the functions of office in good faith, diligently, honestly and in a transparent manner;
- (c) act in such a way that the spirit, purport and objects of section 50 are promoted;
- (d) act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised; and
- (e) act impartially and treat all people, including other staff members, equally without favour or prejudice.

3. Commitment to serving the public interest

A staff member of a municipality is a public servant in a developmental local system, and must accordingly—

- (a) implement the provisions of section 50 (2);
- (b) foster a culture of commitment to serving the public and a collective sense of responsibility for performance in terms of standards and targets;
- (c) promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution;
- (d) obtain copies of or information about the municipality’s integrated development plan, and as far as possible within the ambit of the staff member’s job description, seek to implement the objectives set out in the integrated development plan, and achieve the performance targets set for each performance indicator;
- (e) participate in the overall performance management system for the municipality, as well as the staff member’s individual performance appraisal and reward system, if such exists, in order to maximise the ability of the municipality as a whole to achieve its objectives and improve the quality of life of its residents.

4. Personal gain

- (1) A staff member of a municipality may not—

- (a) use the position or privileges of a staff member, or confidential information obtained as a staff member, for private gain or to improperly benefit another person; or
- (b) take a decision on behalf of the municipality concerning a matter in which that staff member, or that staff member's spouse, partner or business associate, has a direct or indirect personal or private business interest.

(2) Except with the prior consent of the council of a municipality a staff member of the municipality may not—

- (a) be a party to a contract for—
 - (i) the provision of goods or services to the municipality; or
 - (ii) the performance of any work for the municipality otherwise than as a staff member;
- (b) obtain a financial interest in any business of the municipality; or
- (c) be engaged in any business, trade or profession other than the work of the municipality.

5. Disclosure of benefits

(1) A staff member of a municipality who, or whose spouse, partner, business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality, must disclose in writing full particulars of the benefit to the council.

(2) This item does not apply to a benefit which a staff member, or a spouse, partner, business associate or close family member, has or acquires in common with all other residents of the municipality.

6. Unauthorised disclosure of information

(1) A staff member of a municipality may not without permission disclose any privileged or confidential information obtained as a staff member of the municipality to an unauthorised person.

(2) For the purpose of this item "privileged or confidential information" includes any information—

- (a) determined by the municipal council or any structure or functionary of the municipality to be privileged or confidential;
- (b) discussed in closed session by the council or a committee of the council;
- (c) disclosure of which would violate a person's right to privacy; or
- (d) declared to be privileged, confidential or secret in terms of any law.

(3) This item does not derogate from a person's right of access to information in terms of national legislation.

7. Undue influence

A staff member of a municipality may not—

- (a) unduly influence or attempt to influence the council of the municipality, or a structure or functionary of the council, or a councillor, with a view to obtaining any appointment, promotion, privilege, advantage or benefit, or for a family member, friend or associate;
- (b) mislead or attempt to mislead the council, or a structure or functionary of the council, in its consideration of any matter; or
- (c) be involved in a business venture with a councillor without the prior written consent of the council of the municipality.

8. Rewards, gifts and favours

- (1) A staff member of a municipality may not request, solicit or accept any reward, gift or favour for—
 - (a) persuading the council of the municipality, or any structure or functionary of the council, with regard to the exercise of any power or the performance of any duty;
 - (b) making a representation to the council, or any structure or functionary of the council;
 - (c) disclosing any privileged or confidential information; or
 - (d) doing or not doing anything within that staff member's powers or duties.
- (2) A staff member must without delay report to a superior official or to the speaker of the council any offer which, if accepted by the staff member, would constitute a breach of subitem (1).

9. Council property

A staff member of a municipality may not use, take, acquire, or benefit from any property or asset owned, controlled or managed by the municipality to which that staff member has no right.

10. Payment of arrears

A staff member of a municipality may not be in arrears to the municipality for rates and service charges for a period longer than 3 months, and a municipality may deduct any outstanding amounts from a staff member's salary after this period.

11. Participation in elections

A staff member of a municipality may not participate in an election of the council of the municipality, other than in an official capacity or pursuant to any constitutional right.

12. Sexual harassment

A staff member of a municipality may not embark on any action amounting to sexual harassment.

13. Reporting duty of staff members

Whenever a staff member of a municipality has reasonable grounds for believing that there has been a breach of this Code, the staff member must without delay report the matter to a superior officer or to the speaker of the council.

14. Breaches of Code

Breaches of this Code must be dealt with in terms of the disciplinary procedures of the municipality envisaged in section 67(1)(h) of this Act.

14A. Disciplinary steps

(1) A breach of this Code is a ground for dismissal or other disciplinary steps against a staff member who has been found guilty of such a breach.

(2) Such other disciplinary steps may include—

- (a) suspension without pay for no longer than three months;
- (b) demotion;
- (c) transfer to another post;
- (d) reduction in salary, allowances or other benefits; or
- (e) an appropriate fine.

ANNEXURE C:

CONFIDENTIAL FINANCIAL DISCLOSURE FORM

NGWATHE LOCAL MUNICIPALITY

DISCLOSURE OF BUSINESS INTEREST BY AN EMPLOYEE

(As required by paragraph 5(2) of the Code of Conduct for Staff members)

Employee

Lehlongong Abraham Mavuso

Office/Department

Community Services

in my capacity as an employee of Ngwathe Local

Municipality, hereby disclose the full particulars of the direct benefit which I or my spouse, partner, business associate or close family member acquired or stand to acquire from a contract concluded with Ngwathe Local Municipality as follows:

Barrode Funeral Parlor (not doing)
business with Ngwathe Local Municipality)

I therefore declare that the information supplied in this form is to the best of my knowledge correct and current and I do not have any other interest/benefit than those declared herewith, and I understand that I must regularly declare any change in the above to municipal manager by completion of this form.

Signature (recipient)

L.A. Mavuso

Date

4/2/14

Disclosure is noted

Municipal Manager

Date

EMPLOYEE'S DECLARATION OF INTEREST

Full Names :

ID Number :

Type of Interest	Body in or from which the interest is derived or accrued	Value of Interest
Shares and securities in any company		
Other interests in any business undertaking.	N/A	N/A
Membership of any Close Corporation		
Employment and Remuneration		
Interest in any trust		
Interest in property		

Pension		
Subsidies, grants and sponsorship by any organisation.		

DECLARATION :

I hereby declare that the information supplied is to the best of my knowledge correct and that I do not have any other interest, financial and/or business, than those declared herewith, and I understand that I must annually declare any change in my above declared interests to the Municipal Manager by the completion of this form.

SIGNATURE : L.A.M.

DATE : 4/8/14