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## PERFORMANCE AGREEMENT

Made and entered into by and between:

**Dr. F P MOTHAMAHA (The Municipal Manager)**

**AND**

**Ms. M P MOROKOLO (Director: Technical Services)**

**FOR THE FINANCIAL YEAR: 1 JULY 2024 - 30 JUNE 2025**

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## PERFORMANCE AGREEMENT ENTERED INTO BY AND BETWEEN:

Ngwathe Local Municipality herein represented by **Dr. F P MOTHAMAHA** in his capacity as the Municipal Manager (hereinafter referred to as the Employer or Supervisor), and

**Ms. M P MOROKOLO** the Director of Technical Services of Ngwathe Local Municipality (hereinafter referred to as the Employee).

## WHEREBY IT IS AGREED AS FOLLOWS:

### 1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
- 1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Employee to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

### 2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to –

- 2.1 Comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- 2.2 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3 Specify accountabilities as set out in the Performance Plan (Annexure A);

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- 2.4 Monitor and measure performance against set targeted outputs;
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the Employee has met the performance expectations applicable to his/her job;
- 2.6 Appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.7 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

### 3. COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **1st February 2025** and will remain in force until **30th June 2025** where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next quarter or any portion thereof, if applicable.
- 3.2 The parties will review the provisions of this Agreement at the end of each quarter. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least every quarter (if applicable) by not later than the beginning of each successive quarter.
- 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
- 3.4 The content of this Agreement may be revised at any time during the above- mentioned period to determine the applicability of the matters agreed upon.
- 3.5 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

### 4. PERFORMANCE OBJECTIVES

- 4.1 The Performance Plan (Annexure A) sets out-
  - 4.1.1 the performance objectives and targets that must be met by the Employee; and
  - 4.1.2 the time frames within which those performance objectives and targets must be met.

- 4.2 The performance objectives and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan and the Budget of the Employer, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 4.4 The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan.

## **5. PERFORMANCE MANAGEMENT SYSTEM**

- 5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.
- 5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.
- 5.3 The Employer will consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.
- 5.4 The Employee agrees to participate in the performance management and development system that the Employer adopts.
- 5.5 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.6 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- (a) The Employee must be assessed against both components with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Managerial Competencies (CMCs) respectively.

- (b) Each area of assessment will be weighted and will contribute a specific part to the total score.
- (c) KPAs covering the main areas of work will account for 80% and CMCs will account for 20% of the final assessment.

5.7 The Employee's assessment will be based on his/her performance in terms of the outputs / outcomes (performance indicators) identified as per attached performance plan (Annexure A), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weights agreed to between the Employer and the Employee:

Municipal Transformation and Organizational Development	20
Infrastructure Development and Basic Service Delivery	20
Local Economic Development (LED)	20
Municipal Financial Viability and Management	20
Good Governance and Public Participation	20
<b>Total</b>	<b>100%</b>

5.8 The CMCs will make up the other 20% of the Employee's assessment score. CMCs that are deemed to be most critical for the Employee's specific job should be selected from the list below as agreed to between the Employer and Employee:

1	Strategic Direction and Leadership	<ul style="list-style-type: none"> <li>• Impact and influence</li> <li>• Institutional Performance Management</li> <li>• Strategic Planning and Management</li> <li>• Organisational Awareness</li> </ul>	
2	People Management	<ul style="list-style-type: none"> <li>• Human Capital Planning and Development</li> <li>• Diversity Management</li> <li>• Employee Relations Management</li> <li>• Negotiation and Dispute Management</li> </ul>	
3	Program and Project Management	<ul style="list-style-type: none"> <li>• Program and Project Planning and Implementation</li> <li>• Service Delivery Management</li> <li>• Program and Project Monitoring and</li> </ul>	

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		Evaluation	
4	Financial Management	<ul style="list-style-type: none"> <li>Budget Planning and Execution</li> <li>Financial Strategy and Delivery</li> <li>Financial Reporting and Monitoring</li> </ul>	
5	Change Leadership	<ul style="list-style-type: none"> <li>Change and Vision and Strategy</li> <li>Process Design and Improvement</li> <li>Change Impact Monitoring and Evaluation</li> </ul>	
6	Governance Leadership	<ul style="list-style-type: none"> <li>Policy Formulation</li> <li>Risk and Compliance Management</li> <li>Cooperative Governance</li> </ul>	
1	Moral Competence		
2	Planning and Organising		
3	Analysis and Innovation		
4	Knowledge and Information Management		
5	Communication		
6	Resulting and Quality Focus		
<b>TOTAL</b>			<b>100</b>
<b>(NB: the sum total of weighted Leading and Core Competencies must always be equals to 100)</b>			


## 6. EVALUATING PERFORMANCE

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

- the standards and procedures for evaluating the Employee's performance; and
- the intervals for the evaluation of the Employee's performance.

6.2 Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.

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

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

6.5 The annual performance appraisal will involve:

6.5.1 Assessment of the achievement of results as outlined in the performance plan:

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

6.5.2 Assessment of the CMCs:

- (a) Each CMC should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CMC.
- (c) The applicable assessment rating calculator must then be used to add the scores and calculate a final CMC score.

6.5.3 Overall rating:

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

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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.							

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

- 6.6.1 The Municipal Manager
- 6.6.2 Chairperson of the Audit Committee
- 6.6.3 Member of the Mayoral Committee
- 6.6.4 Municipal Manager or Senior Manager from another municipality

## 7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each Employee in relation to his/her performance agreement shall be reviewed on the following dates with the understanding that reviews in the second and third quarter may be verbal if performance is satisfactory:

- (a) **First Quarter:** July to September 2024 – not later than 15 October 2024
- (b) **Second Quarter:** October to December 2024 – not later than 15 January 2025
- (c) **Third Quarter:** January to March 2025 – not later than 15 April 2025
- (d) **Fourth Quarter:** April to June 2025 – not later than 15 July 2025

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

7.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

7.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee will be fully consulted before any such change is made.

7.5 The Employer may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case the Employee will be fully consulted before any such change is made.

## 8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is part of the attached Annexure A.

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## 9. OBLIGATIONS OF THE EMPLOYER

### 9.1 The Employer shall –

- 9.1.1 create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 provide access to skills development and capacity building opportunities;
- 9.1.3 work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 9.1.4 on the request of the Employee delegate such powers reasonably required by the Employee to enable him/ her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/ her to meet the performance objectives and targets established in terms of this Agreement.

## 10. CONSULTATION

### 10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others:-

- 10.1.1 a direct effect on the performance of any of the Employee's functions;
- 10.1.2 commit the Employee to implement or to give effect to a decision made by the Employer; and
- 10.1.3 a substantial financial effect on the Employer.

### 10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

## 11. MANAGEMENT OF EVALUATION OUTCOMES

- 11.1 The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 11.2 A performance bonus of between 5% and 14% of all-inclusive annual remuneration package may be paid to the employee in recognition of outstanding performance to be constituted as follows:

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**11.2.1** 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%.

**11.2.2** 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.

**11.3** The performance achievement ranging between 100% and 129% shall be regarded as performance that 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. This will imply that 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. **This category of performance shall not be rewarded.**

**11.4** In the case of unacceptable performance, the Employer shall –

11.4.1 provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

11.4.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

## **12. DISPUTE RESOLUTION**

**12.1** Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by:

12.1.1 the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the Employee; or

12.1.2 any other person appointed by the MEC.

12.2 In the event that the mediation process contemplated above fails, clause 19.3 of the Contract of Employment shall apply.

### 13. GENERAL

13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Employer.

13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed at Polys this 26<sup>th</sup> day of March 25

#### EMPLOYEE:

Signature: Morokoro Name Print: MOROKORO M. Patricia

#### WITNESSES

1. Signature: [Signature] Name Print: SANDILE FAKU

2. Signature: S. Sosane Name Print: Seipati Belina

#### FOR AND ON BEHALF OF NGWATHE LOCAL MUNICIPALITY

Signature: [Signature] Name Print: Justine Mntemahle

#### WITNESSES

1. Signature: [Signature] Name Print: Tholwana Msika

2. Signature: \_\_\_\_\_ Name Print: \_\_\_\_\_

## **ANNEXURE A:**

### **PERFORMANCE PLAN OF THE DIRECTOR: TECHNICAL SERVICES OF NGWATHE LOCAL MUNICIPALITY**

#### **1. Purpose**

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

#### **2. Key responsibilities**

The following objects of local government will inform Employee's performance against set performance indicators:

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development.
- 2.4 Promote a safe and healthy environment.
- 2.5 Encourage the involvement of communities and community organisations in the matters of local government.

#### **3. Key Performance Areas**

The following Key Performance Areas (KPA's) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

- 3.1 Municipal Transformation and Organisational Development.
- 3.2 Infrastructure Development and Service Delivery.
- 3.3 Local Economic Development (LED).
- 3.4 Municipal Financial Viability and Management.

### 3.5 Good Governance and Public Participation.

This plan consists of the following 4 parts:

- 1) Key Performance Areas (KPA)s schedule, detailing key objectives and their related performance indicators, weightings and target dates
- 2) A Competency Requirements (CR) schedule, setting out selected leading and core competencies
- 3) Personal Development Plan (PDP), for addressing developmental gaps
- 4) Record of assessment meetings (Control Sheet)

1. Key Performance Areas (KPA) schedule, detail key objective and their related performance indicators, weightings and target dates

									Time frames			
									Time frames	Quality	Quantity	
Basic Service Delivery and Infrastructure Development	2	To ensure sustainable provision of electricity.	KPI 01	60 additional households in municipal supply area connected to electricity grid by 30 June 2025	KPI 01	25794 households in municipal supply area connected to electricity grid at 30 June 2024	New KPI	1 July 2024 – 30 June 2025	Safe and compliant electricity connections to 60 additional households in municipal supply area	60		
		To ensure sustainable provision of electricity.	KPI 02	799 of new household electricity connections completed by 30 June 2025	KPI 02	New KPI	1 July 2024 – 30 June 2025	Safe and compliant electricity new household electricity connections	799			
	4	To ensure the provision of trafficable roads and storm-water infrastructure.	KPI 03	60% Reduction in electricity distribution losses by 30 June 2025	KPI 03	New KPI	1 July 2024 – 30 June 2025	Technically verified reduction in electricity distribution losses	60%			
	4	To ensure the provision of trafficable roads and storm-water infrastructure.	KPI 06	40 000 m <sup>2</sup> of potholes patched by 30 June 2025	KPI 06	New KPI	1 July 2024 – 30 June 2025	Asphalt patched potholes	40 000 m <sup>2</sup>			
	4	To ensure the provision of trafficable roads and storm-water infrastructure.	KPI 07	3.2 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2025	KPI 07	1.8 Kms of storm water drainages built, rehabilitated, or replaced by 30 June 2024	Engineer designed and approved storm water drainages built	3.2 Kms				
	3	To ensure the provision of sustainable sanitation to the community.	KPI 08	1 (One) Credible Sanitation Master Plan developed by 30 June 2025	KPI 08	N/A	Computer typed Sanitation Master Plan	1				

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									Time frames			
									Time frames	Quality	Quantity	
Basic Service Delivery and Infrastructure Development	3	To ensure the provision of sustainable sanitation to the community.	KPI 09	60 additional households in municipal supply area with access to basic sanitation service by 30 June 2025	34 713 households in municipal supply area with access to basic sanitation at 30 June 2024	New KPI	1 July 2024 – 30 June 2025	Engineer designed and approved household sanitation service to 60 additional households	60			
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 10	96% Wastewater quality compliance rate according to the water use license by 30 June 2025	New KPI		1 July 2024 – 30 June 2025	Laboratory tested quality compliance rate.	96%			
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 12	25% Reduction in water distribution losses by 30 June 2025	New KPI		1 July 2024 – 30 June 2025	Technically verified reduction in water distribution losses	25%			
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 13	50 additional households in formal settlements including plots and small holdings that meet the minimum water services standard by 30 June 2025	New KPI		1 July 2024 – 30 June 2025	Safe and compliant connections to 50 additional households in formal settlements including plots and small holdings	50			
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 14	2 new household water connections completed by 30 June 2025	New KPI		1 July 2024 – 30 June 2025	Safe and compliant new connections to 2 households	2			
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 15	60 sample tests conducted to measure water quality by 30 June	New KPI		1 July 2024 – 30 June 2025	Laboratory tested quality compliance.	60			

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									KPIs		
									Time frames	Quality	Quantity
Basic Service Delivery and Infrastructure Development								community.	2025		
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 16	95% Compliance rate of drinking water to SANS241 by 30 June 2025	New KPI				1 July 2024 – 30 June 2025	Laboratory tested quality compliance rate.	95%
	1	To ensure sustainable provision of safe, reliable and quality water to the community.	KPI 17	15 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi by 30 June 2025	5 Kms of secondary new bulk water supply infrastructure / line constructed in Koppies and Kwakwatsi at 30 June 2024				1 July 2024 – 30 June 2025	Engineer designed and approved secondary new bulk water supply infrastructure / line	15 Kms
	11	To ensure effective management of municipal expenditure.	KPI 30	100% expenditure of the annual MIG allocation in line with the grant conditions by 30 June 2025	New KPI				1 July 2024 – 30 June 2025	Computer generated MIG expenditure reports confirming expenditure rate and compliance conditions	10
	5	To ensure provision of social services to communities.	KPI 38	1 (one) Hall and facilities (i.e Mosepedi hall) upgraded by 30 June 2025	1 Hall and facilities upgraded at 30 June 2024				1 July 2024 – 30 June 2025	Engineer designed and approved upgraded hall and facilities	1

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#### 4. Record of assessment meetings (Control Sheet)

Employee's Name: Morokoto M. Patricia Employee Number: 046057  
Job Title: Director Technical services Department: Technical services  
Manager / Immediate Superior: \_\_\_\_\_ Date: 26/03/25

Q1:			
Q2:			
Q3:			
Q4:			
Additional review:			

Thus done and signed at Parys this 26<sup>th</sup> day of March

#### EMPLOYEE:

Signature:  Name Print: Morokoto M. Patricia

#### WITNESSES

1. Signature:  Name Print: SANYALE FAKU

2. Signature:  Name Print: Seipati Tsosane

#### FOR AND ON BEHALF OF NGWATHE LOCAL MUNICIPALITY

Signature:  Name Print: Thabani Mafumole

#### WITNESSES

1. Signature:  Name Print: Thawana Majib

2. Signature: \_\_\_\_\_ Name Print: \_\_\_\_\_