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Performance Agreement CFO  
(2017/18)

FINANCIAL YEAR: 1 JULY 2017 TO 30 JUNE 2018

FOR THE

CHIEF FINANCIAL OFFICER

THE EMPLOYEE OF THE MUNICIPALITY

MR S THYS

AND

MR C DU PLESSIS

AS REPRESENTED BY THE MUNICIPAL MANAGER

THE MUNICIPALITY OF KOUGA

MADE AND ENTERED INTO BY AND BETWEEN:

PERFORMANCE AGREEMENT



## PERFORMANCE AGREEMENT

### ENTERED INTO BY AND BETWEEN

The Municipality of Kouga herein represented by Mr C du Plessis in his capacity as Municipal Manager (hereinafter referred to as the Employer)

and

Mr S Thys an Employee of the Municipality of Kouga (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(4B) and 57(5) of the Systems Act.

#### 2. PURPOSE OF THIS AGREEMENT

2.1 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 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance and accountabilities;

2.3 Specify accountabilities as set out in the Performance Plan;

- 2.4 Monitor and measure performance against set targeted outputs;
- 2.5 Use the Performance Agreement and Performance Plan as the basis for assessing whether the Employee has met the performance expectations applicable to his 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. DELIVERY

- 3.1 This Agreement will commence on 1 July 2017 and will remain in force until 30 June 2018, where after a new Performance Agreement and Performance Plan shall be concluded between the parties for the next financial year or any portion thereof.
- 3.2 The parties will review the provisions of this Agreement during June of each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement, at least once a year by not later than 31 July of each successive financial year.
- 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 attached to this Agreement 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 the Performance Plan 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 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 with the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

**6. THE EMPLOYEE AGREES TO PARTICIPATE IN THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM THAT THE EMPLOYER ADOPTS.**

6.1 The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPA's) (including special projects relevant to the employee's responsibilities) within the local government framework.

6.2 The Employee undertakes to submit performance evidence in a format the Employer may require at times and intervals as set out herein in order to enable the Employer to evaluate the performance of the Employee.

6.3 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.

6.3.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competencies Requirements (CCR's) respectively.

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

6.3.3 KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

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

Kpa No	Key Performance Area	Weight
1	Financial Viability and Management	90
2	Municipal Transformation and Institutional Development	10
Total		100

6.4.1 The CCR's as prescribed in terms of the provisions of the Local Government: Regulations on Appointment and Conditions of Employment Senior Managers, Notice 21 dated 17 January 2014 as listed hereunder will make up the other 20% of the Employee's assessment score:

LEADING COMPETENCIES	
<ul style="list-style-type: none"> <li>• Impact and influence</li> <li>• Institutional Performance</li> <li>• Management</li> <li>• Strategic Planning and Management</li> <li>• Organizational awareness</li> </ul>	Strategic Direction and Leadership
<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>	People 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 evaluation</li> </ul>	Program and Project 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>	Financial Management
<ul style="list-style-type: none"> <li>• Change Vision Strategy</li> <li>• Progress design and improvement</li> <li>• Change impact monitoring and evaluation</li> </ul>	Change Leadership
<ul style="list-style-type: none"> <li>• Policy Formulation</li> <li>• Risk and Compliance management</li> <li>• Cooperative governance</li> </ul>	Governance Leadership
CORE COMPETENCIES	
Moral Competence	
Planning and Organising	
Analysis and Innovation	
Knowledge and Information Management	
Communication	
Results and Quality Focus	

6.4.2 Core Competency Descriptions and Achievement Levels

The following defines/describes and sets out achievement levels for the above CCR's:

Cluster	Competency name	Competency Definition	Leading Competencies
		Provide and direct a vision for the institution, and inspire and deploy others to deliver on the strategic institutional mandate.	
			<b>ACHIEVEMENT LEVELS</b>
<b>BASIC</b>	<b>COMPETENT</b>	<ul style="list-style-type: none"> <li>*Understand institutional and departmental strategic objectives, but lacks the ability to inspire others to achieve set mandate</li> <li>*Describe how specific tasks link to institutional strategies but has limited influence in directing strategy</li> <li>*Has a basic understanding of institutional performance management, but lacks the ability to integrate systems into a collective whole</li> <li>*Demonstrate a basic understanding of key-decision makers</li> </ul>	<ul style="list-style-type: none"> <li>*Understand the aim and objectives of the institution and relate it to own work</li> <li>*Provide guidance to all stakeholders in the achievement of the strategic mandate</li> <li>*Effectively communicate barriers to execution to relevant parties</li> <li>*Empower others to follow strategic direction and deal with complex situations</li> <li>*Use understanding of power relationships and dynamic tensions among key players to frame communications and develop strategies, positions and alliances</li> </ul>
<b>ADVANCED</b>	<b>SUPERIOR</b>	<ul style="list-style-type: none"> <li>*Has positive impact and influence on the morale, engagement and participation of team members</li> <li>*Develop action plans to execute and guide strategy implementation</li> <li>*Assist in defining performance measures to monitor the progress and effectiveness of the institution</li> <li>*Displays an awareness of institutional structures and political factors, and consequences of actions</li> <li>*Empower others to follow strategic direction and deal with complex situations</li> <li>*Use understanding of power relationships and dynamic tensions among key players to frame communications and develop strategies, positions and alliances</li> </ul>	<ul style="list-style-type: none"> <li>*Structure and position the institution to local government priorities</li> <li>*Actively use in-depth knowledge and understanding to develop and implement a comprehensive institutional framework</li> <li>*Hold self-accountable for strategy execution and results</li> <li>*Provide impact and influence through building and maintaining strategic relationships</li> <li>*Create an environment that facilitates loyalty and innovation</li> <li>*Display a superior level of self-discipline and integrity actions</li> <li>*Integrate various systems into a collective whole to optimize institutional performance management</li> <li>*Uses understanding of competing interests to manoeuvre successfully to a win/win outcome</li> </ul>

Cluster	Leading Competencies	Competency name	Competency Definition
<b>ACHIEVEMENT LEVELS</b>			
		<b>BASIC</b>	<ul style="list-style-type: none"> <li>*Participate in team goal-setting and problem solving</li> <li>*Interact and collaborate with people of diverse backgrounds</li> <li>*Aware of guidelines for employee development, but requires support in implementing development initiatives</li> </ul>
		<b>COMPETENT</b>	<ul style="list-style-type: none"> <li>*Seek opportunities to increase team contribution and responsibility</li> <li>*Respect and support the diverse nature of others and be aware of the benefits of a diverse approach</li> <li>*Effectively delegate tasks and empower others to increase contribution and execute functions optimally</li> <li>*Apply relevant employee legislation fairly and consistently</li> <li>*Facilitate team goal-setting and problem-solving</li> <li>*Effectively identify capacity requirements to fulfill the strategic mandate</li> </ul>
		<b>ADVANCED</b>	<ul style="list-style-type: none"> <li>*Identify ineffective team and work processes and recommend remedial interventions</li> <li>*Recognise and reward effective and desired behaviour</li> <li>*Provide mentoring and guidance to others in order to increase personal effectiveness</li> <li>*Identify development and learning needs within the team</li> <li>*Build a work environment conducive to sharing, innovation, ethical behaviour and professionalism</li> <li>*Inspire a culture of performance excellence by giving positive and constructive feedback to the team</li> <li>*Achieve agreement or consensus in adversarial environments</li> <li>*Lead and unite diverse teams across divisions to achieve institutional objectives</li> </ul>
		<b>SUPERIOR</b>	<ul style="list-style-type: none"> <li>*Develop and incorporate best practice people management processes, approaches and tools across the institution</li> <li>*Foster a culture of discipline, responsibility and accountability</li> <li>*Understand the impact of diversity in performance and actively incorporate a diversity strategy in the institution</li> <li>*Develop comprehensive integrated strategies and approaches to human capital development and actively identify trends and predict capacity requirements to facilitate unified transition and performance management</li> </ul>



Cluster	Leading Competencies	Competency name	Competency Definition				
		Program and Project Management	<p>able to understand program and project management methodology: plan, manage, monitor and evaluate specific activities in order to deliver on set objectives</p>				
ACHIEVEMENT LEVELS							
BASIC	<ul style="list-style-type: none"> <li>*Understand and initiate projects after approval from higher authorities</li> <li>*Understand procedures of program and project management methodology, implications and stakeholder involvement</li> <li>*Understand the rational of projects in relation to the institution's strategic objectives</li> <li>*Identify appropriate project resources to facilitate the effective completion of the deliverables</li> <li>*Find a balance between project deadline and the quality of deliverables</li> <li>*Define the roles and responsibilities of the project team and create clearly around expectations</li> <li>*Establish broad stakeholder involvement and communication and key project status and milestones</li> <li>*Apply effective risk management strategies through impact assessment and resource requirements</li> <li>*Manage multiple programs and balance priorities and conflicts according to institutional goals</li> </ul>	COMPETENT	<ul style="list-style-type: none"> <li>*Establish broad stakeholder involvement and communication and key project status and milestones</li> <li>*Define the roles and responsibilities of the project team and create clearly around expectations</li> <li>*Find a balance between project deadline and the quality of deliverables</li> <li>*Identify appropriate project resources to facilitate the effective completion of the deliverables</li> <li>*Comply with statutory requirements and apply policies in a consistent manner</li> <li>*Monitor progress and use of resources and make needed adjustments to timelines, steps, and resource allocation</li> </ul>	ADVANCED	<ul style="list-style-type: none"> <li>*Manage multiple programs and balance priorities and conflicts according to institutional goals</li> <li>*Apply effective risk management strategies through impact assessment and resource requirements</li> <li>*Modify project scope and budget when required without compromising the quality and objectives of the project</li> <li>*Involve top-level authorities and relevant stakeholders in seeking project buy-in</li> <li>*Identify and apply contemporary project management methodology</li> <li>*Influence and motivate project team to deliver exceptional results</li> <li>*Monitor policy implementation and apply procedures to manage risks</li> </ul>	SUPERIOR	<ul style="list-style-type: none"> <li>*Understand and conceptualise the long-term implications of desired project outcomes</li> <li>*Direct a comprehensive strategic macro and micro analysts and scope projects accordingly to realise institutional objectives</li> <li>*Consider and initiate projects that focus on achievement of the long-term objectives</li> <li>*Influence people in positions of authority to implement outcomes of projects</li> <li>*Lead and direct translation of policy into workable actions plans</li> <li>*Ensure that programs are monitored to track progress and optimal resource utilisation, and that adjustments are made as needed</li> </ul>

Cluster	Leading Competencies	Competency name	Competency Definition
	Financial Management		
			<p>Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further ensure that all financial transactions are managed in an ethical manner</p>
ACHIEVEMENT LEVELS			
BASIC	ADVANCED	COMPETENT	SUPERIOR
<ul style="list-style-type: none"> <li>*Understand basic financial concepts and methods as they relate to institutional processes and activities</li> <li>*Display awareness into the various sources of financial data, reporting mechanisms, financial governance, processes and systems</li> <li>*Understand the importance of financial accountability</li> <li>*Understand the importance of asset control</li> </ul>	<ul style="list-style-type: none"> <li>*Take active ownership of planning, budgeting, and forecast processes and provides credible answers to queries within own responsibility</li> <li>*Prepare budgets that are aligned to the strategic objectives of the institution</li> <li>*Address complex budgeting and financial management concerns</li> <li>*Put systems and processes in place to enhance the quality and integrity of financial management practices</li> <li>*Advise on policies and asset control procedures regarding</li> <li>*Promote National Treasury's regulatory framework for Financial Management</li> </ul>	<ul style="list-style-type: none"> <li>*Exhibit knowledge of general financial concepts, planning, budgeting, and forecasting and how they interrelate</li> <li>*Assess, identify and manage financial risks</li> <li>*Assume a cost-saving approach to financial management</li> <li>*Prepare financial reports based on specified formats</li> <li>*Consider and understand the financial implications of decisions and suggestions</li> <li>*Ensure that delegation and instructions as required by National Treasury guidelines are reviewed and updated</li> <li>*Identify and implement proper monitoring and evaluation practices to ensure appropriate spending against budget</li> </ul>	<ul style="list-style-type: none"> <li>*Develop planning tools to assist in evaluating and monitoring future expenditure trends</li> <li>*Set budget frameworks for the institution</li> <li>*Set strategic direction for the institution on expenditure and other financial processes</li> <li>*Build and nurture partnerships to improve financial management and achieve financial savings</li> <li>*Actively identify and implement new methods to improve asset control</li> <li>*Display professionalism in dealing with financial data and processes</li> </ul>

Cluster	Leading Competencies	Change Leadership	Competency name	Competency Definition	ACHIEVEMENT LEVELS	
						and quality services to the community initially and deliver professional successfully drive and implement new transformation on all levels in order to Able to direct and initiate institutional
<b>BASIC</b>	<ul style="list-style-type: none"> <li>*Display an awareness of change interventions, and the benefits of transformation initiatives</li> <li>*Able to identify basic needs for change</li> <li>*Identify gaps between the current and desired state</li> <li>*Identify potential risk and challenges to transformation, including resistance to change factors</li> <li>*Participate in change programs and piloting change interventions</li> <li>*Understand the impact of change interventions on the institution within the broader scope of Local government</li> </ul>	<ul style="list-style-type: none"> <li>*Perform an analysis of the change impact on the social, political and economic environment</li> <li>*Maintain calm and focus during change</li> <li>*Able to assist team members during change and keep them focused on the deliverables</li> <li>*Volunteer to lead change efforts outside of own work team</li> <li>*Able to gain buy-in and approval for change from relevant stakeholders</li> <li>*Identify change readiness levels and assist in resolving resistance to change factors</li> <li>*Design change interventions that are aligned with the institution's strategic objectives and goals</li> </ul>	<ul style="list-style-type: none"> <li>*Actively monitor change impact and results and convey progress to relevant stakeholders</li> <li>*Secure buy-in and sponsorship for change initiatives</li> <li>*Continuously evaluate change strategy and design and introduce new approaches to enhance the institution's effectiveness</li> <li>*Build and nurture relationships with various stakeholders to establish strategic alliance in facilitating change</li> <li>*Take the lead in impactful change programs</li> <li>*Benchmark change interventions against best change practices</li> <li>*Understand the impact and psychology of change, and put remedial interventions in place to facilitate effective transformation</li> <li>*Take calculated risk and seek new ideas from best practice scenarios, and identify the potential for implementation</li> </ul>	<ul style="list-style-type: none"> <li>*Sponsor change agents and create a network of change leaders who support the interventions</li> <li>*Actively adapt current structures and processes to incorporate the change interventions</li> <li>*Mentor and guide team members on the effects of change, resistance factors and how to integrate change</li> <li>*Motivate and inspire others around change initiatives</li> </ul>	<b>ADVANCED</b>	<b>SUPERIOR</b>

Cluster	Leading Competencies	Competency name	Competency Definition
<b>ACHIEVEMENT LEVELS</b>			
		<b>BASIC</b>	<p>*Display a basic awareness of risk, compliance and governance factors but require guidance and require guidance but require guidance in implementing such requirements</p> <p>*Understand the structure of cooperative government but requires guidance on fostering workable relationships between stakeholders</p> <p>*Provide input into policy formulation</p>
		<b>COMPETENT</b>	<p>*Display a thorough understanding of governance and risk factors and implement plans to address these</p> <p>*Demonstrate understanding of the techniques and processes for optimising risk taking decisions within the institution</p> <p>*Actively drive policy formulation within the institution to ensure the achievement of objectives</p>
		<b>ADVANCED</b>	<p>*Able to link risk initiatives into key institutional objectives and drivers</p> <p>*Identify, analyse and measure risk, create valid risk forecasts, and map risk profiles</p> <p>*Apply risk control methodology and approaches to prevent and reduce risk that impede on the achievement of institutional objectives</p> <p>*Demonstrate a thorough understanding of risk retention plans</p> <p>*Identify and implement comprehensive risk management systems and processes</p> <p>*Implement and monitor the formulation of policies, identify and analyse constraints and challenges with implementation and provide recommendations for improvement</p>
		<b>SUPERIOR</b>	<p>*Demonstrate a high level of commitment in complying with governance requirements</p> <p>*Implement governance and compliance strategy to ensure achievement of institutional objectives within the legislative framework</p> <p>*Able to advise Local Government on risk management strategies, best practice interventions and compliance management</p> <p>*Able to forge positive relationships on cooperative governance level to enhance the effectiveness of local government</p> <p>*Able to shape, direct and drive the formulation of policies on a macro level</p>

Cluster	Core Competencies	Competency name	Competency Definition
			<p>able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence</p>
<b>ACHIEVEMENT LEVELS</b>			
<b>BASIC</b>	<p>*Realise the impact of acting with integrity, but requires guidance and development in implementing principles</p> <p>*Follow the basic rules and regulations of the institution</p> <p>*Able to identify basic moral situations, but requires guidance and understanding in reasoning with moral intent</p> <p>*Able to identify own mistakes and weaknesses and seek assistance from others when unable to deliver</p> <p>*Actively report fraudulent activity and corruption within local government</p> <p>*Understand and honour the confidential nature of matters without seeking personal gain</p> <p>*Able to deal with situations of conflict of interest promptly and in the best interest of local government</p>	<p>*Conduct self in alignment with the values of Local Government and the institution</p> <p>*Able to openly admit own mistakes and weaknesses and seek assistance from others when unable to deliver</p> <p>*Actively report fraudulent activity and corruption within local government</p> <p>*Understand and honour the confidential nature of matters without seeking personal gain</p> <p>*Able to deal with situations of conflict of interest promptly and in the best interest of local government</p>	<p>*Identify, develop, and apply measures of self-correction</p> <p>*Able to gain trust and respect through aligning actions with commitments</p> <p>*Actively develop and implement measures to combat fraud and corruption</p> <p>*Set integrity standards and shared accountability measures across the institution to support the objectives of local government</p> <p>*Present values, beliefs and ideas that are congruent with the institution's rules and regulations</p> <p>*Takes an active stance against corruption and dishonesty when noted</p> <p>*Actively promote the value of the institution to internal and external stakeholders</p> <p>*Able to work in unity with a team and not seek personal gain</p> <p>* Apply universal moral principles consistently to achieve moral decisions</p>
<b>ADVANCED</b>	<p>*Create an environment conducive of moral practices</p> <p>*Actively develop and implement measures to combat fraud and corruption</p> <p>*Set integrity standards and shared accountability measures across the institution to support the objectives of local government</p> <p>*Take responsibility for own actions and decisions, even if the consequences are unfavourable</p>	<b>COMPETENT</b>	<b>ADVANCED</b>
		<b>SUPERIOR</b>	

Cluster	Competency name	Competency Definition
Core Competencies	Planning and Organising	Able to plan, prioritise and organise information and resources effectively to ensure the quality of service delivery and build efficient contingency plans to manage risk.
<b>ACHIEVEMENT LEVELS</b>		
<b>BASIC</b>	<b>COMPETENT</b>	<b>ADVANCED</b>
<p>*Able to follow basic plans and organise tasks around set objectives</p> <p>*Understand the process of planning and organising but requires guidance and development in providing detailed and comprehensive plans</p> <p>*Able to follow existing plans and ensure that objectives are met</p> <p>*Focus on short-term objectives in developing plans and actions</p> <p>*Arrange information and resources required for a task, but require further structure and organisation</p>	<p>*Actively and appropriately organise information and resources required for a task</p> <p>*Recognise the urgency and importance of tasks</p> <p>*Balance short and long-term plans and goals and incorporate into the team's performance objectives</p> <p>*Schedule tasks to ensure they are performed within budget and with efficient use of time and resources</p> <p>*Measures progress and monitor performance results</p>	<p>*Able to define institutional objectives, develop comprehensive plans, integrate and coordinate activities, and assign appropriate resources for successful implementation</p> <p>*Identify in advance required stages and actions to complete tasks and projects</p> <p>*Schedule realistic timelines, objectives and milestones for tasks and projects</p> <p>*Produce clear, detailed and comprehensive plans to achieve institutional objectives</p> <p>*Identify possible risk factors and design and implement appropriate contingency plans</p> <p>*Adapt plans in light of changing circumstances</p> <p>*Prioritise tasks and projects according to their relevant urgency and importance</p>
	<b>SUPERIOR</b>	
		<p>*Focus on broad strategies and initiatives when developing plans and actions</p> <p>*Able to project and forecast short, medium and long term requirements of the institution and local government</p> <p>*Translate policy into relevant projects to facilitate the achievement of institutional objectives</p>

Cluster	Competency name	Competency Definition
Core Competencies	Analysis and Innovation	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives.
<b>ACHIEVEMENT LEVELS</b>		
<b>BASIC</b>	<b>COMPETENT</b>	<b>ADVANCED</b>
<p>*Understand the basic operation of problem solving or analysis, but lack detail and thoroughness</p> <p>*Able to balance independent analysis with requesting assistance from others</p> <p>*Recommend new ways to perform tasks within own function</p> <p>*Propose simple remedial interventions that marginally challenges the status quo</p> <p>*Listen to the ideas and perspectives of others and explore opportunities to enhance such innovative thinking</p>	<p>*Demonstrate logical techniques and approaches and provide rationale for recommendations</p> <p>*Demonstrate objectivity, insight, and thoroughness when analysing problems</p> <p>*Able to break down complex problems into manageable parts and identify solutions</p> <p>*Consult internal and external stakeholders on opportunities to improve processes and service delivery</p> <p>*Clearly communicate the benefits of new opportunities and innovative solutions to stakeholders</p> <p>*Identify and analyse opportunities to conduct innovative approaches and propose remedial intervention</p>	<p>*Coaches team members on analytical and innovative approaches and techniques</p> <p>*Engage with appropriate individuals in analysing and resolving complex problems</p> <p>*Identify solutions on various areas in the institution</p> <p>*Able to break down complex problems and implement new ideas throughout the institution</p> <p>*Formulate and implement interventions from relevant stakeholders</p> <p>*Identify trends and best practices in process and service delivery and propose institutional application</p> <p>*Continuously engage in research to identify client needs</p>
<b>SUPERIOR</b>		
<p>*Demonstrate complex analytical and problem solving approaches and techniques</p> <p>*Create an environment conducive to analytical and fact-based problem-solving</p> <p>*Analyse, recommend solutions and monitor trends in key challenges to prevent and manage occurrence</p> <p>*Create an environment that fosters innovative thinking and follows a learning organisation approach</p> <p>*Be a thought leader on innovative customer service delivery, and process optimisation</p> <p>*Play an active role in sharing best practice solutions and engage in national and international local government seminars and conferences</p>		

Cluster	Competency name	Competency Definition
Core Competencies	Knowledge and Information Management	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives.
ACHIEVEMENT LEVELS		
BASIC	COMPETENT	ADVANCED
<p>*Collect, categorise and track relevant information required for specific tasks and projects</p> <p>*Analyse and interpret information to draw conclusions</p> <p>*Seek new sources of information to increase the knowledge base</p> <p>*Regularly share information and knowledge with internal stakeholders and team members</p>	<p>*Use appropriate information systems and technology to manage institutional knowledge and information sharing</p> <p>*Evaluate data from various sources and use information effectively to influence decisions and provide solutions</p> <p>*Actively create mechanisms and structures for sharing of information</p> <p>*Use external and internal resources to research and provide relevant and cutting-edge knowledge to enhance institutional efficiency</p>	<p>*Efficiently predict future information and knowledge management requirements and systems</p> <p>*Develop standards and processes to meet future knowledge management needs</p> <p>*Share and promote best-practice knowledge across various institutions</p> <p>*Establish accurate measures and monitoring systems for knowledge and information management</p> <p>*Create a culture conducive of learning and knowledge sharing</p> <p>*Hold regular knowledge sessions to elicit new ideas and share best practice approaches</p>
SUPERIOR	<p>*Create and support a vision and culture where team members are empowered to seek, gain and share knowledge and information</p> <p>*Establish partnerships across local government to facilitate knowledge management</p> <p>*Demonstrate a mature approach to knowledge and information sharing with an abundance and assistance approach</p> <p>*Recognise and exploit knowledge points in internal interactions with internal and external stakeholders</p>	



Cluster	Core Competencies	Competency name	Competency Definition			
			<p>able to share information, knowledge and ideas in a clear, focussed and concise manner appropriate for the audience in order to effectively convey, persuade and influence stakeholders to achieve the desired outcome.</p>			
ACHIEVEMENT LEVELS						
BASIC	<p>*Express ideas to individuals and groups in formal and informal settings in an manner that is interesting and motivating</p> <p>*Able to understand, tolerate and appreciate diverse perspectives, attitudes and beliefs</p> <p>*Adapt communication content and style to suit the audience and facilitate optimal information transfer</p> <p>*Deliver content in a manner that gains support, commitment and agreement from relevant stakeholders</p> <p>*Compile clear, focused, concise and well-structured written documents</p>	COMPETENT	<p>*Effectively communicate high-risk and sensitive matters to relevant stakeholders</p> <p>*Develop a well-defined communication strategy</p> <p>*Balance political perspectives with institutional needs when communicating viewpoints on complex issues</p> <p>*Able to effectively direct negotiations around complex matters and arrive at a win-win situation that promotes Batho Pele principles</p> <p>*Market and promote the institution to external stakeholders and seek to enhance a positive image of the institution</p> <p>*Able to communicate with the media with high levels of moral competence and discipline</p>	ADVANCED	<p>*Regarded as a specialist in negotiations and representing the institution</p> <p>*Able to inspire and motivate others through positive communication that is impactful and relevant</p> <p>*Creates an environment conducive to transparent and productive communication and critical and appreciative conversations</p> <p>*Able to coordinate negotiations at different levels within local government and externally</p>	SUPERIOR

Cluster	Competency name	Competency Definition
Core Competencies	Results and Quality Focus	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage others to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives
<b>ACHIEVEMENT LEVELS</b>		
<b>BASIC</b>	<b>COMPETENT</b>	<b>ADVANCED</b>
<ul style="list-style-type: none"> <li>*Understand quality of work but requires guidance in attending to important matters</li> <li>*Show a basic commitment to achieving the correct results</li> <li>*Produce the minimum level of results required in the role</li> <li>*Produce outcomes that is of a good standard</li> <li>*Focus on the quantity of output but requires development in incorporating the quality of work</li> <li>*Produce quality work in general circumstances, but fails to meet expectation when under pressure</li> </ul>	<ul style="list-style-type: none"> <li>*Focus on high-priority actions does not become distracted by lower-priority activities</li> <li>*Display firm commitment and pride in achieving the correct results</li> <li>*Set quality standards and design processes and tasks around achieving set standards</li> <li>*Produce output of high quality</li> <li>*Able to balance the quantity and quality of results in order to achieve objectives</li> <li>*Monitors progress, quality of work, and use of resources; provide status updates, and make adjustments as needed</li> </ul>	<ul style="list-style-type: none"> <li>*Consistently verify own standards and outcomes to ensure quality output</li> <li>*Focus on the end result and avoids being distracted</li> <li>*Demonstrate a determined and committed approach to achieving results and quality standards</li> <li>*Follow task and projects through to completion</li> <li>*Set challenging goals and objectives to self and team and display commitment to achieving expectations</li> <li>*Maintain a focus on quality outputs when placed under pressure</li> <li>*Establishing institutional systems for managing and assigning work, defining responsibilities, tracking, monitoring and measuring success, evaluating and valuing the work of the institution</li> </ul>
<b>SUPERIOR</b>		
		<ul style="list-style-type: none"> <li>*Coach and guide others to exceed quality standards and results</li> <li>*Develop challenging, client-focused goals and sets high standards for personal performance</li> <li>*Commit to exceed the results and quality standards, monitor own performance and implement remedial interventions when required</li> <li>*Work with team to set ambitious and challenging team goals, long-and short-term expectations</li> <li>*Take appropriate risks to accomplish goals</li> <li>*Overcome setbacks and adjust action plans to realise goals</li> <li>*Focus people on critical activities that yield a high impact</li> </ul>

## 7. PERFORMANCE EVALUATIONS

7.1 The Performance Plan annexed to this Agreement sets out –  
 7.1.1 The standards and procedures for evaluating the Employees' performance; and

7.1.2 The intervals for the evaluation of the Employee's performance.

7.2 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.

7.3 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.

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

7.5 The annual performance appraisal will involve:

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

7.5.1.1. 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.

7.5.1.2. An indicative rating on the five-point scale should be provided for each KPA.

7.5.1.3. The applicable assessment rating calculator (refer to paragraph 7.5.3 below) must then be used to add the scores and calculate a final KPA score.

7.5.2 Assessment of the CCR's

7.5.2.1. Each CCR should be assessed according to the extent to which the specified standards have been met.

Kouga Municipality

7.5.2.2. An indicative rating on the five-point scale should be provided for each CCR.

7.5.2.3. The applicable assessment rating calculator (refer to paragraph 7.5.3) must then be used to add the score and calculate a final CCR score.

7.5.3 Overall rating  
 An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

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

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria					

	and indicators as specified in the PA and Performance Plan.		
	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.	<b>2</b>	<b>Not fully effective</b>
	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.	<b>1</b>	<b>Unacceptable performance</b>

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

7.7.1 Municipal Manager;

7.7.2 Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a performance audit committee;

7.7.3 Member of the Mayoral Committee or Executive Committee or in respect of a plenary type municipality, another member of council; and

7.7.4 Municipal Manager from another Municipality.

**8. SCHEDULE FOR PERFORMANCE REVIEWS**

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

July-September 2017	:	Submission of evidence	:	First Quarter
20 October 2017	:	Review	:	
27 October 2017	:	Submission of evidence	:	Second Quarter
October – December 2017	:	Review	:	
19 January 2018	:	Submission of evidence	:	Third quarter
30 January 2018	:	Review	:	
January-March 2018	:	Submission of evidence	:	Fourth quarter
20 April 2018	:	Review	:	
27 April 2018	:	Submission of evidence	:	
April-June 2018	:	Review	:	
20 July 2018	:	Submission of evidence	:	
27 July 2018	:	Evaluation	:	

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

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

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

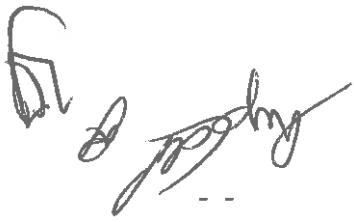
8.5 The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case, the Employee will be fully consulted before any such change is made.

## 9. 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 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, assisting him 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 of the Employer 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 legitimate decision made by the Employer; and
- 10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in clause 10.1 as soon as is practically possible 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 between 5% to 14% of the Employee's inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance subject to the provisions of applicable legislation in this regard.

## 12. DISPUTE RESOLUTION

12.1 Any disputes about the nature of the Employees' 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 Mayor of the Employer within thirty (30) days of receipt of a formal written dispute from the Employee provided that where the dispute relates to the outcome of the performance evaluation the Mayor shall appoint a member of Council to consider submissions on performance whose decision shall be final and binding.

12.2 Any disputes about the outcome of the Performance Evaluations shall within thirty (30) days of receipt of a formal written dispute from the Employee be mediated by a member of the Kouga Municipal Council, provided that such Councilor was not part of the evaluation panel contemplated in paragraph 7 herein, whose decision shall be final and binding on both parties.

12.3 In the event that the mediation process contemplated above fails, clause 16 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 this agreement 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.

**14. PERSONAL DEVELOPMENT PLAN**

- 14.1 The personal development plan of the Employee is captured on the Kouga Electronic PMS System through inputs made by the Employee and the personal development plan is thus not attached to this performance agreement but forms an integral part of this agreement despite it not being attached.

Thus done and signed at STEFFENS BAY on this the 31<sup>st</sup> day of JULY of 2017.

**AS WITNESSES:**

1. [Signature]  
2. [Signature]

[Signature]  
**EMPLOYEE**  
[Signature]  
**MUNICIPAL MANAGER**