



## PERFORMANCE AGREEMENT

**KHETHIWE PENELOPE DLAMINI-TSHAZI**

**SENIOR MANAGER:C&CS**

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**2023-2024**

**UPHULISO KUMNTU WONKE**

# PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

UMZIMVUBU LOCAL MUNICIPALITY

Herein represented by **GPT NOTA** in her duly authorized capacity as MUNICIPAL MANAGER of UMZIMVUBU LOCAL MUNICIPALITY

AND

**KHETHIWE PENELOPE DLAMINI-TSHAZI**

Hereinafter referred to as **EMPLOYEE** in her capacity as duly appointed as Senior Manager: citizen and Community Services of the municipality for the period of **01 July 2023 to 30 June 2024**

WHEREAS

- A. The Employer has entered into an Agreement of Employment with the Employee in terms of section 57(1)(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended;
- B. Section 57(2)(a)(i) and (ii) of the amended 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 sixty (60) days of assumption of duty, and renew it annually within one month after the beginning of each financial year of the municipality;
- 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), 57 (c) and 57(5) of the Local Government: Municipal Systems Act, 2000 as amended,

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

UPHUHLISO KUMNTU WONKE

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## 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 *Khethiwe Penelope Dlamini-Tshazi*;

“**KPA**” means Key Performance Area;

“**KPI**” means Key Performance Indicator;

“**KRA**” means Key Responsible Area;

“**MEC**” means the Member of the Eastern Cape Executive Council responsible for local government;

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

“**Municipality**” means UMZIMVUBU LOCAL MUNICIPALITY, established in terms of Structures Act;

“**Parties**” means the Municipality and the Employee;

“**Performance management system**” means a process used by the Municipality to evaluation organizational and its individual performance against goals and objectives set out on the IDP.

“**Regulations**” means the Local Government: Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006, promulgated in the Government Gazette as Regulation Notice 805 on 1 August 2006;

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“**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) as amended, 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), (4C) and (5) of the Systems Act as well as the Contract 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 2023 and will remain in force until 30 June 2024 whereafter a new Agreement, Performance Plan and Personal

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- (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

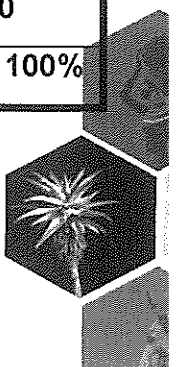
- 5.(1) The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Municipality, and accepts that the purpose of the performance management system is to provide a comprehensive system, with specific performance standards, to assist Municipality 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 or her performance in terms of the performance indicators 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 of which all of them are compulsory and weights must be allocated to each of them according to the scale of core and functional responsibilities:



Key Performance Areas (80% of Total)	Weighting
Municipal Institutional Development and Transformation	5
Local Economic Development	5
Municipal Financial Viability and Management	05
Good Governance and Public Participation	10
Basic Service Delivery	75
Spatial Development	00
<b>Total</b>	<b>100%</b>

- (6) The Core Management Criteria will make up the other 20% of the Employee's assessment score
- (7) The Core Competency Requirements are deemed to be most critical for the Employee's specific job and only ten (12) of them should be selected from the list below including the compulsory CMC s as agreed to between the Employer and Employee.

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (20% of Total)		
CORE MANAGERIAL COMPETENCIES (CMC's)	√	WEIGHT
Strategic Direction and Leadership	√	10
Programme and Project Management	√	10
Financial Management	√	5
Change Management	√	5
People Management	√	10
Governance Leadership	√	10
CORE OCCUPATIONAL COMPETENCIES (COC's)		
Moral Competence	√	10
Planning and Organising	√	5
Analysis and Innovation	√	10
Knowledge and Information Management	√	5
Communication	√	10
Results and quality focus	√	10
<b>Total percentage</b>		<b>100%</b>



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- (8) Final Assessment scores shall be given according to each Key Performance Area either by working out a mean or by giving one final score to each KPA.
- (9) Final Assessment scores shall be awarded according to each Core Managerial Competency either by working out a mean or by giving one final score to each CCR.

## 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.
- (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.



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- (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
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.
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

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



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- (3) In the case of unacceptable performance, the Employer–
- (a) Must provide systematic remedial or developmental support to assist the Employee to improve his or her 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 or her duties.
- (4) The following formula shall be used to calculate total scores for awarding performance bonus: -
- i) (a)  $\text{Weight} \times \text{Final score per KPA} = V \times 80\%$  (for KPA) = score for each KPA  
 (b) Add up all KPA scores to get a total sum = W
- ii) (a)  $\text{Weight} \times \text{Final score per CMC} = Y \times 20\%$  (for CMC) = score for each CCR  
 (b) Add up all CCR scores to get a total sum = Z
- III)  $W + Z = \text{Total score (percentage)}$
- (5) The following formula shall be used to allocate the performance bonus after the total score has been calculated in accordance with section 10 (4) above:

FINAL SCORE	BONUS/REWARD
150 and above	10% to 14% of the annual total remuneration package
130 to 149%	5% to 9% of the annual total remuneration package
100% and below	Compulsory Performance Counselling

- (6) The above mentioned formula in subsection 5 shall be normalised as follows:-

RANGE	SCORE	% Bonus
150 AND ABOVE	164 and above	14
	163	13.705
	162	13.42

RANGE	SCORE	% Bonus
Between 130 and 149	149	9
	148	8.6
	147	8.4

- (4) The employee is required to complete the Financial Disclosure Form as per Item 5 of the Code of Conduct for municipal staff members which is attached to this agreement as Appendix "C".

SIGNED AT 7/7/2023 ON THIS July DAY OF **2023**

AS WITNESSES:

1. [Signature]

2. [Signature]

[Signature]  
SIGNATURE OF THE EMPLOYER REP.

AS WITNESSES:

1. ABUWA INDUEBLE

2. Dive Nongji

[Signature]  
SIGNATURE OF THE EMPLOYEE REP.



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Employee name and surnames	Khethiwe Penelope Dlamini-Ishazi		Authorised signature on behalf of the employer	Date								
Job title	Senior Manager		Employee's signature	Date								
Employee no.	6011		Year under review	2023/2024								
Department	Citizens and Community Services											
Programme/Project	KPI	Baseline	Weight calculation type	Sources of evidence	Budget	Annual Target						
BSD	Emergency Social relief	Percentage of qualifying households assisted in disaster affected areas	100% assistance to all reported disaster incidents	STD	2%	Disaster register, disaster assessment reports on household assisted and distribution forms	R350 000.00	100.00%	100.00%	100.00%	100.00%	
BSD	Domestic waste Collection	Number of households provided with refuse solid waste collection services	835 households provided with solid waste collection services	Accumulative	13%	Household register	R 1 400 000.00	835	835	835	835	
BSD	Library readership	Number of readership in Municipal libraries	10000	STD	30%	15500 library readerships by end June 2024	15500 library readerships by end June 2024	3875 patrons	3875 patrons	3875 patrons	3875 patrons	
BSD	Waste information System: maintenance and calibration of weighbridges	Number of waste Tonnes recorded in both landfill sites	Waste Information System and two (2) weighbridges	Accumulative	15%	Weighbridge waste streams printouts or manual registers	R 200 000.00	1700	425	425	425	
BSD	Planting of 400 tree species, and planting of flowers and seedlings for green public open space	Number of planted tree species, flowers & seedlings towards greening of public open spaces	R 400.00	Standard Alone	15%	Order ,delivery note and Report	R 465 000.00	400	Nil	Planting of 400 tree species, flowers and seedlings for green public open	N/A	N/A
IDT	Council Security	Percentage protection of municipal sites	100% Protection	STD	5%	Security monthly reports	R28,136,040.65	100% protection of council property	100% protection of council property	100% protection of council property	100% protection of council property	
GRP	To develop and maintain a financially viable and sustainable institution that achieves full compliance with legislation	Percentage implementation of risk response strategies	Risk reports	STD	5%	Risk progress reports	R0.00	100% implementation of risk response strategies	100% implementation of risk response strategies	100% implementation of risk response strategies	100% implementation of risk response strategies	

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MPH  
MPS  
MPP  
MPC  
MPO  
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MPC  
MPO  
MPP  
MPC  
MPO

GP	To develop and maintain a financially viable and sustainable institution that achieves full compliance with legislation	Percentage implementation of Audit Action Plans (internal and external)	Audit action plans progress reports	STD	5%	Audit action plans progress reports	R0.00	100% implementation of audit action plans	100% implementation of audit action plans	100% implementation of audit action plans	100% implementation of audit action plans	100% implementation of audit action plans
LED	Food for Waste	Number of beneficiaries employed under food for Waste programme	100 beneficiaries	STD	5%	beneficiary appointment letters/contracts	100 R 5,70000.00	100	100	100	100	100
MFV	Budget monitoring	Conversion of procurement plans for Citizens & Community services	2023/24 financial year budget	ACC	5%	Percentage of procurement plans implemented on Citizens and community services	0%	10.00%	40.00%	75.00%	100.00%	100.00%
					100%							

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APPENDIX B

PERSONAL DEVELOPMENT PLAN 2023/2024

Incumbent	Khethiwe Penelope Dlamini-Tshazi
Employee No.	6011
Job Title	Senior Manager: Citizen and Community Services
Report to	Municipal Manager

1. What are the competencies required for this job (refer to competency profile of job Description)? *(As required per the advert)*
  - a. **Strategic Direction and leadership**
  - b. People Management
  - c. Programme and Project Management
  - d. Change Leadership
  - e. Moral Competence
  - f. Computer Literacy
  - g. Financial Management
  - h. Planning and organization
  - i. Information Management and Communication skills
2. What competencies from the above list, does the job holder already possess?
  - A,B,C,D,E,F, G,H and I
3. What then are the competency gaps? (If the job holder possesses all the necessary competencies, complete No's 5 and 6.)
  - None
4. Actions/Training interventions to address the gaps/needs
  - None
5. Indicate the competencies required for future career progression/development
6. Actions/Training interventions to address future progression
  - Trauma Counselling
  - Programme in Advanced Strategic Management
  - Leading for Innovation,

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7. Comments/Remarks of the Incumbent

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8. Comments/Remarks of the supervisor

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Agreed upon

Signature: 

Supervisor: 10/07/2023 2 PT MBIA

Date: 10/07/2023

Signature: 

Incumbent: K.P. Dlamini-Tshazi

Date: 10-07-2023

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