



- (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.

#### **DISPUTE RESOLUTION**

11. (1) Any disputes about the nature or content of the Employee's Performance Agreement, must be mediated by –
- (a) the Executive Mayor, within thirty (30) days of receipt of a formal dispute from the Employee.
  - (b) any person designated by the Executive Mayor
- (2) Any disputes about the outcome of the Employee's performance evaluation, must be mediated by–
- (a) the Executive Mayor within thirty (30) days of receipt of a formal dispute from the Employee.
  - (b) any person designated by the Executive Mayor, provided that the person was not part of the evaluation panel contemplated in regulation 27(4)(e) of the Regulations,
- (3) The decision of the Mediator contemplated in sub-clauses (1) and (2) will be final and binding on both parties.


#### **GENERAL**

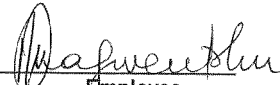
12. (1) The Employer must make the contents of this Agreement and the outcome of any review conducted in terms of the Performance Plan available to the public as contemplated in section 46 of the Systems Act.
- (2) Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his or her Agreement of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.


Handwritten signature and initials, possibly 'AM' and 'W'.

Thus done and signed at EAST LONDON on this  
the 24 day of JUNE 2008.

AS WITNESSES:

1.  .....

  
Employee


2.  .....

Thus done and signed at East London on this  
the 24 day of June 2008.

AS WITNESSES:

1.  .....

  
Municipal Manager

2.  .....



KPI	Service Objective	Key Performance Codes	Indicators	Indicator Type	Measurement Source	Frequency	Baseline	Target 09/09	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Indicator Owner	Weighting	Reasons for Deviation / Barriers	Score		
																1	2	
Municipal Institutions Transformation	Transform organization into a lean organization and performance oriented	I&F6	% of sector peers (Level 1-4) identified by targeted peer group	Outcome	Employment Contracts	Annually	2%	50%	0%	50%	50%	50%						
		I&F7	% reduction in Annual Employee Survey	Process	Bi-Annual Survey	Quarterly	100% (every second year)	50%	10%	10%	20%	25%	50%					
		I&F5	% implementation of training addressing performance gaps	Input	Performance Review Report and Training Report	Half yearly	Half yearly	0%	50%	10%	20%	35%	50%					
		I & F8	% reduction in overtime within acceptable limits	Input	Management report	Quarterly	Quarterly	0%	30%	10%	20%	25%	30%					
		I&F7	% of capacity programs for head of departments	Output	Report to Council	Quarterly	Quarterly	80%	80%	25%	50%	80%	85%					
		I&F8	% of budgetary spend on Work Share Schemes	Output	Financial Management Report	Quarterly	Quarterly	0.2%	1.0%	3.3%	0.5%	0.8%	1.0%					
		I & F6	% implementation of ICT support services	Process	WSP and Implementation Report	Quarterly	Quarterly	80%	85%	30%	50%	75%	80%					
		I & F13	Feedback from Decisions	Management Report	Management Report	Quarterly	Quarterly	4 days response	4	4	4	4	4					

*Paupers* 24/06/08

Am



# PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

THE BUFFALO CITY MUNICIPALITY

Herein represented by

**Mr. G.G. Sharpley**

In his duly authorised capacity as Municipal Manager

AND

**Mr. S.R. PEARD**

In his capacity as the Director: Engineering Services of Buffalo City  
Municipality

*G.G. Sharpley*  
*S.R. Peard*

Buffalo City Municipality  
Engineering Services  
1000 Buffalo City Road  
Buffalo City, 7700



**"Municipality"** means the Buffalo City Municipality, established in terms of Structures Act;

**"parties"** means the Municipality and the Employee;

**"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;

**"Structures Act"** means the Local Government: Municipal Structures Act, 2000 (Act No. 117 of 1998); and

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


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

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

## PURPOSE OF THIS AGREEMENT

2. The purpose of this Agreement is to –

- (a) comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Systems Act as well as the 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 Integrated Development Plan, the Service Delivery and Budget Implementation Plan and the Budget of the municipality;
- (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.

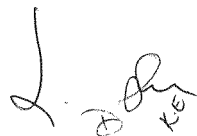
  
M. M.  
D. O.

### COMMENCEMENT AND DURATION

- 3.(1) This Agreement will commence on **1 July 2008** and will remain in force until **31 August 2008**, whereafter a new Agreement, Performance Plan and Personal Development Plan must be concluded between the parties for each of the following financial years or any portion thereof for the duration of the Contract of Employment.
- (2) This Agreement will terminate on the termination of the Employee's employment for any reason whatsoever.
- (3) The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.
- (4) If at any time during the validity of this Agreement the work environment alters, whether as a result of government or council decisions or otherwise, to the extent that the contents of this Agreement are no longer appropriate, the contents must immediately be revised.
- (5) Any significant amendments or deviations must take cognisance of the requirements of sections 34 and 42 of the Systems Act, and regulation 4(5) of the Regulations.

### PERFORMANCE OBJECTIVES

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



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