

**Buffalo City Metropolitan Municipality**

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# **Performance Agreement**

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**ACTING DIRECTOR: HEALTH AND PUBLIC  
SAFETY SERVICES**



**2014/15**

# PERFORMANCE AGREEMENT

**MADE AND ENTERED INTO BY AND BETWEEN:**

**MR ANDILE FANI**

In his capacity as City Manager of the Buffalo City Metropolitan Municipality

**AND**

**MR STEVE TERWIN**

In his capacity as

**Acting Director: Health and Public Safety Services**

**FOR THE**

**FINANCIAL YEAR 1 JULY 2014 – 30 JUNE 2015**

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## PERFORMANCE AGREEMENT

### ENTERED INTO BY AND BETWEEN:

**Mr Andile Fani** in his capacity as City Manager (hereinafter referred to as the Employer)

And

**Mr Steve Terwin**, in his capacity as Acting Director: Health and Public Safety Services, an Employee of the Buffalo City Metropolitan 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. The Employer and the Employee are hereinafter referred to as "the Parties."
- 1.2. Section 57(1) (b) of the Systems Act, 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;
- 2.2. Specify objectives and targets established for the Employee and 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);
- 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

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expectations applicable to the position;

- 2.6. 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 **1 July 2014** and will remain in force until a new official appointment is made or another incumbent is appointed to act where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between parties for the next financial year or any portion thereof.
- 3.2. The parties will review the provisions of this Agreement during June 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 the beginning of each successive financial year.
- 3.3. This Agreement will terminate on the termination of the Employee's employment for any reason or period of acting as the case may be.
- 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, the Service Delivery and Budget

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Implementation Plan and the Budget of the Employer; and include key objectives, key performance indicators, target dates and weightings.

- 4.3 The key objectives i.e. the main tasks that need to be done, the key performance indicators i.e. the evidence that must be provided to show that a key objective has been achieved, the target dates i.e. the timeframe in which the work must be achieved and the weightings i.e. 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 hereby agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer and to actively focus on the promotion and implementation of the KPAs (including special projects relevant to the Employee's responsibilities) within the local government framework.
- 5.2 The Employee hereby accepts that the purpose of the performance management system is 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 hereby agrees to consult the Employee about the specific performance standards that are included in the performance management system as applicable to the Employee.

**6 APPLICATION OF THE PERFORMANCE MANAGEMENT SYSTEM**

- 6.1 The criteria upon which the performance of the Employee is assessed consists of two components, both of which are contained in this Performance Agreement.
  - 6.1.1 The Employee will be assessed against both components, with a weighting of 80 allocated to the Key Performance Areas (KPAs) and 20 to Core Competency Requirements (CCR's).
  - 6.1.2 Each area of assessment will be weighted and contribute a specific value to the total score.
  - 6.1.3 KPAs covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

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- 6.2 The Employee's assessment will be based on his performance in terms of the outputs / outcomes (performance indicators) identified in the Performance Plan (Annexure A), which are linked to the KPAs, and constitute 80% of the overall assessment result in accordance with the weightings agreed to between the Employer and the Employee and set out hereunder:

Key Performance Areas (KPA's)	Weighting
Basic Service Delivery	70
Municipal Institutional Development and Transformation	15
Local Economic Development	0
Municipal Financial Viability and Management	5
Good Governance and Public Participation	10
Total	100%

- 6.3 The CCR's make up the remaining 20% of the Employee's assessment score and those CCR's deemed to be most critical for the Employee's specific job are selected (√) hereunder and agreed to between the Employer and Employee:

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (20% of Total)		
CORE MANAGERIAL COMPETENCIES (CMC)	√ (Indicate choice)	WEIGHT
Strategic Capability and leadership	essential	10
Programme and Project Management	essential	5
Financial Management	compulsory	10
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analytical Thinking	essential	5
People Management and Empowerment	compulsory	10
Client Orientation and Customer Focus	compulsory	10
Communication	essential	10
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES		
Competence in Self Management	essential	10
Interpretation of and implementation within the legislative and national policy frameworks	essential	10
Knowledge of developmental local government		
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts	essential	10
Competence in policy conceptualization, analysis and		

implementation		
Knowledge of more than one functional municipal field discipline		
Skills in Mediation		
Skills in Governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality	essential	10
<b>TOTAL</b>		<b>100%</b>

## 7 EVALUATING PERFORMANCE

7.1 The Performance Plan (Annexure A) attached to this Agreement sets out-

7.1.1 the standards and procedures for evaluating the Employee's performance; and

7.1.2 The intervals at which an evaluation of the Employee's performance will be performed.

7.2 Notwithstanding the agreed intervals for evaluation, the Employer may, in addition, review the Employee's performance at any reasonable time, while the contract of employment remains in force.

7.3 Personal growth and development needs identified during a performance review will be documented in a Personal Development Plan which shall also set out the actions and time frames agreed to relate thereto.

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

7.5 The annual performance appraisal will involve:

7.5.1 An assessment of the achievement of results as outlined in the performance plan as indicated hereunder;

(a) Each KPA will 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 will be provided for each KPA based on the assessment rating calculator set out in the scorecard used whereafter the scores will be summated to calculate a final KPA score.

7.5.2. Assessment of the CCR's

- (a) Each CCR's will be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale will be provided for each CCR's.
- (c) Based on the assessment rating calculator set out in the scorecard used whereafter the scores will be summated to calculate a final CCR's score.

7.5.3. An 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 Employee will be based on the following rating scale for KPA's and CCRs:

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.					

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2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.	
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	

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

- 7.1. Municipal Manager
- 7.2. Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- 7.3. Ward Committee member (on a rotational basis), where applicable;
- 7.4. A member of the Mayoral Committee; and
- 7.5. A Municipal Manager from another municipality.

## 8. SCHEDULE FOR PERFORMANCE REVIEWS

8.1. The performance of the Employee will be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter	:	July - September 2014
Second quarter	:	October - December 2014
Third quarter	:	January - March 2015
Fourth quarter	:	April - June 2015

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

- 8.3. Performance feedback based on the Employer's assessment of the Employee's performance will be provided to the Employee.
- 8.4. The Employer or the Employee will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons subject to consultation and agreement between the parties before any such change is concluded.

## 9. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) addressing development gaps is attached as Annexure "B".

## 10. OBLIGATIONS OF THE EMPLOYER

- 10.1. The Employer shall and agrees to –
- 10.1.1. Create an enabling environment to facilitate effective performance by the Employee;
- 10.1.2. Provide access to skills development and capacity building opportunities;
- 10.1.3. Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 10.1.4. 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
- 10.1.5. make available to the Employee such resources as the Employee may reasonably require from time to time to meet the performance objectives and targets established in this Agreement.

## 11. CONSULTATION

- 11.1. The Employer agrees to consult the Employee timeously where the exercising of any of the powers or decisions of the Council will have or result in, amongst others, –
- 11.1.1. A direct impact on the performance of any of the Employee's functions;

11.1.2. Commit the Employee to implement or to give effect to a decision made by the Employer; and

11.1.3. A substantial financial impact on the Employee or on the budget under the control of the Employee.

11.2. The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

## 12. MANAGEMENT OF EVALUATION OUTCOMES

12.1. The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

12.2. A performance bonus of between 5% to 14% of the inclusive annual remuneration package for the year under consideration may be paid to the Employee in recognition of outstanding performance.

12.4. In the case of unacceptable performance, the Employer shall-

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

12.4.2. 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 / her duties.

## 13. DISPUTE RESOLUTION

13.1 Any disputes about the nature or content of the Employee's Performance Agreement, whether it relates to key responsibilities, priorities, methods, assessments and / or any other matter provided for, shall be mediated by -

13.1.1. The Executive Mayor, within thirty (30) days of receipt of a formal dispute from the Employee; or

13.1.2. Any other person appointed by the Executive Mayor.


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

**14. GENERAL**

- 14.1. The contents of this Agreement and the outcome of any review conducted in terms of Annexure A (Performance Plan) will be made available to the public by the Employer.
- 14.2. Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his / her Agreement of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed at East London on the 24<sup>th</sup> day of June 2014.

**AS WITNESSES:**

1.  .....

  
\_\_\_\_\_  
Employee

2.  .....

Thus done and signed at East London on the 25<sup>th</sup> day of June 2014.

**AS WITNESSES:**

1.  .....

  
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Municipal Manager

2.  .....

PERFORMANCE PLANS 14/15		Description												
Level	Description	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.	Performance is significantly higher than the 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.											
Level	Description	Performance fully meets 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 and fully achieved all others throughout the year.	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 almost all of the performance criteria and indicators as specified in the PA and Performance Plan.											
Level	Description	Performance does not meet the standard expected for the job. The review/assessment indicates 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.	Performance does not meet the standard expected for the job. The review/assessment indicates 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.											
<b>ACTING DIRECTOR: HEALTH AND PUBLIC SAFETY</b>														
<b>MIR STEVE TERWIN</b>														
Specific Objective	Strategies	Strategy Code	Key Performance Indicator	Indicator Type	Baseline 2013/14 (To be confirmed at the end of financial year 2013/14)	2014/15 Target	Quarter 1 Target - Ending 30 September 2014	Portfolio Evidence	Quarter 2 Target - Ending 31 December 2014	Portfolio Evidence	Quarter 3 Target - Ending 30 March 2015	Portfolio Evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio Evidence
<b>1. KPA: MUNICIPAL TRANSFORMATION ORGANISATIONAL DEVELOPMENT</b>														
Capacitated and structured to enable effective and sustainable service delivery	Capacitated and structured to enable effective and sustainable service delivery	NFR	Verify sign off and submit performance reports together with POE Files	Process	4	4	1	Directorate institutional scorecard and service target and performance indicators	2	Directorate institutional scorecard and service target and performance indicators	3	Directorate institutional scorecard and service target and performance indicators	4	Directorate institutional scorecard and service target and performance indicators
Roll-out performance management to all task grades	Signed Performance Management Scorecard between staff & Supervisors up to Task Grade 15	NFR	6 Monthly assessment of staff	Process	Applicable only to section 57 employees	Implement system from city manager to task grade 15	Progress Report	Signed performance agreement for planning phase in place	Assessment of all staff from city manager to task grade 15	Letter of appointments of EP/IDs steering committees and directorates moderating committees	Progress Report	Signed performance Scorecards for the first review	Assessment of all staff from city manager to task grade 15	Reports to council and attendance reports for workshops
<b>2. KPA: MUNICIPAL BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT</b>														
To ensure a safe and secure environment within BCMIA	Implement the BCMIA Crime Prevention Strategy	BSDID1	Establishment of the BCMIA Metro Police	Input	MEC approval for Metro Police	BCMIA Metro Police established	Submit revised Application to MEC for Establishment of Metro Police	Appointment Letter	MEC Approval for Metro Police	Provincial Gazette	Report to Council on Metro Police	Report to Council	BCMIA Metro Police established	Council Resolution
To ensure a safe traffic environment within BCMIA	Implement the BCMIA Traffic Safety Plan	BSDID3	Number of Closed Circuit TV surveillance systems installed	Output	1 (Beachfront Esplanade)	1 (East London CBD)	Appointment of Consulting Engineering Services for the design and installation monitoring of CCTV system CBD	Appointment Letter	4% reduction of 2013/14 accident stats	Accbase accident stats	Contractor on Site	Minutes of Site meetings	1 (East London CBD)	Completion Certificate
To provide effective and efficient Municipal Health Services to all BCMIA communities	Implement Municipal Health Services Delivery Plan	BSDID4	Number of projects implemented in line with the Municipal Health Services Plan	Input	2 (Municipal database installation of NHS software)	2 (Food Sampling project Water Quality project)	Food & Water samples taken	Laboratory sample results	Food & Water samples taken	Laboratory sample results	Food & Water samples taken	Laboratory sample results	2 (Food Sampling project Water Quality project)	Laboratory sample results
To improve Air Quality within BCMIA	Develop & implement Air Quality Management Plan	BSDID5	Number of days when air pollution exceeds National Ambient Standards	Output	0	< 25 days	Continuous monitoring of Ambient Air	Print out from the Air Monitoring Stations	Continuous monitoring of Ambient Air	Print out from the Air Monitoring Stations	Continuous monitoring of Ambient Air	Print out from the Air Monitoring Stations	< 25 days	Print out from the Air Monitoring Stations

Specific Objective	Strategies	Strategy Code	Key Performance Indicator	Indicator Type	Baseline 2013/14 (To be confirmed at the end of financial year 2013/14)	2014/15 Target	Quarter 1 Target - Ending 30 September 2014	Portfolio Evidence	Quarter 2 Target - Ending 31 December 2014	Portfolio Evidence	Quarter 3 Target - Ending 30 March 2015	Portfolio Evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio Evidence	
To ensure a safe and secure environment within BCM/M	Implement the Disaster Management Policy Framework	BSDID6	Number of disaster management structures established	Output	(2) Disaster Management Forums and (1) Task Team established	1 Events Safety Technical Task Team	Prepare for Inaugural meeting	Notes/correspondence etc relating to preparation of setting of meeting	Send out notice to hold Inaugural meeting	Notice/Agenda	Convene Inaugural meeting	Attendance register and minutes	1 Events Safety Technical Task Team	Nothing further as project will be completed in 3rd Quarter	
			Number of Community Based Risk Reduction interventions implemented	Input	Finalisation of high level Risk and Vulnerability Assessment	1 Pilot community risk assessment wards 1 & 2	Prepare for field work assessments meet with Councillors	Minutes of meeting with Councillors	Prepare for field work	Copies of documentation, minutes and attendance registers of meetings and training	Conduct field work	Copies of work produced	Risk assessment reports for Ward 1 and 2	1 Pilot community risk assessment wards 1 & 2	Risk assessment reports for Ward 1 and 2
To provide effective and responsive Fire & Rescue facilities to all BCM/M communities	Provision of adequate fire & rescue facilities in BCM/M	BSDID7	Number of fire & rescue facilities built	Output	7 Fire and Rescue fire stations	Assessment of services completed	Assess availability of services for site in Berlin - internal circulation	Internal correspondence	Assess availability of services for site in Berlin - internal circulation	Internal correspondence	Council approval for land in Berlin to be used for Fire Station	Council Resolution	1 (Assessment of services & Council Resolution) Proceed with construction status of the building at 50% No Funding)	Internal correspondence Council Resolution	
			Response time to fire incidents in line with SANS requirement	Output	0	3 mins (High risk)	3 mins (High risk)	Control Room printouts	3 mins (High risk)	Control Room printouts	3 mins (High risk)	Control Room printouts	Control Room printouts	3 mins (High risk)	Control Room printouts
						14 mins (Medium risk)	14 mins (Medium risk)	Control Room printouts	14 mins (Medium risk)	Control Room printouts	14 mins (Medium risk)	Control Room printouts	Control Room printouts	14 mins (Medium risk)	Control Room printouts
			25 mins (Low risk)	25 mins (Low risk)	Control Room printouts	25 mins (Low risk)	Control Room printouts	25 mins (Low risk)	Control Room printouts	Control Room printouts	25 mins (Low risk)	Control Room printouts	25 mins (Low risk)	Control Room printouts	

4.KPA:MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Specific Objective	Strategies	Strategy Code	Key Performance Indicator	Indicator Type	Baseline 2013/14	2014/15 Target	Quarter 1 Target - Ending 30 September 2014	Portfolio Evidence	Quarter 2 Target - Ending 31 December 2014	Portfolio Evidence	Quarter 3 Target - Ending 30 March 2015	Portfolio Evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio Evidence
To ensure that BCM/M is financially viable	Accelerate implementation of grant capital projects	MFVIDM	% of a municipalities of capital budget actual spent on capital projects identified to a particular financial year in terms of the municipalities integrated development plan	Output	0.38	>75%	>15%	Section 71 report	>30%	Section 71 report	0	Section 71 report	>75%	Section 71 report

5.KPA:GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Specific Objective	Strategies	Strategy Code	Key Performance Indicator	Indicator Type	Baseline 2013/14	2014/15 Target	Quarter 1 Target - Ending 30 September 2014	Portfolio Evidence	Quarter 2 Target - Ending 31 December 2014	Portfolio Evidence	Quarter 3 Target - Ending 30 March 2015	Portfolio Evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio Evidence
To ensure a safe and secure environment within BCM/M	Implement the BCM/M Crime Prevention Strategy	BSD D1	A community safety forum established		0	BCM/M community safety	Mobilisation of communities towards establishment of CSF	Documentary evidence(programmes)	Nominations and elections of members to serve on the CSF	Documentary evidence(minutes of meeting)	Report to council for the adoption of the members serving on the CSF	Documentary evidence/ Resolution minutes number of the council)	Establishment and launch of CSF	Documentary evidence(programmes)

MUNICIPAL MANAGER: R. A. FANI

SIGNATURE:



DATE:

25/06/14