

Buffalo City Metropolitan Municipality

Performance Agreement

**ACTING DIRECTOR: DEVELOPMENT
PLANNING AND ECONOMIC
DEVELOPMENT 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

MS NONCEBA MBALI-MAJENG

In her capacity as

Acting Director: Planning & Economic Development

FOR THE

FINANCIAL YEAR 1 JULY 2014 – 30 JUNE 2015

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

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

And

Ms Nonceba Mbali-Majeng, in her capacity as Acting Director: Planning and economic Development 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

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

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.

- 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	45
Municipal Institutional Development and Transformation	15
Local Economic Development	35
Municipal Financial Viability and Management	5
Good Governance and Public Participation	0
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
TOTAL		100%

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.

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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.					

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 day of June 2014.

AS WITNESSES:

1. 

2. 



Employee

Thus done and signed at East London on the 25 day of June 2014.

AS WITNESSES:

1. 

2. 



Municipal Manager

Level	Description
5	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 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.
3	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.
2	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 PA and Performance Plan.
1	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.

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

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 September 2014	Portfolio of evidence	Quarter 2 Target - Ending December 2014	Portfolio of evidence	Quarter 3 Target - Ending March 2015	Portfolio of evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio of evidence
To develop a balanced multi modal safe and integrated transport system that promotes mobility and accessibility	Develop and review a Comprehensive Integrated Transport Plan (ITP) that is aligned to the SDF and IDP	BSDID32	Progress in development and review of ITP	Input	2005 Council Approved Arterial Road Network Development Plan (ARNDP)	Complete Arterial Road Network Development Plan	Tender procurement process	Bid Evaluation Committee Report	Appointment consultants and inception meeting	Award letter and minutes	Inception Report data collection and analysis	Draft Report	Complete ARNDP Report	ARNDP Report
Roll-out of 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 systems from City Manager to Task Grade 15	Progress report	Signed performance Agreements for Planning Phase in place	Assessment of all staff from City Manager to Task Grade 15	Letter of appointments of EPMDS 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
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 timeously	Process	4	4	1	Directorate institutional scorecard and Service Delivery Targets and Performance Indicators	2	Directorate institutional scorecard and Service Delivery Targets and Performance Indicators	3	Directorate institutional scorecard and Service Delivery Targets and Performance Indicators	4	Directorate institutional scorecard and Service Delivery Targets and Performance Indicators

KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

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 September 2014	Portfolio of evidence	Quarter 2 Target - Ending December 2014	Portfolio of evidence	Quarter 3 Target - Ending March 2015	Portfolio of evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio of evidence
To improve the quality of human life through integrated sustainable human settlements	Prepare township establishment plans	BSDID14	Number of informal settlements with upgrading plans	BEPP	10	32 informal settlements with upgrading plans	Commencement of Social Survey/Community consultation and Environmental assessment of the informal settlements	Copy of the draft report of the Social Survey/Community consultation and Environmental assessment of the informal settlements	Draft concepts of in-situ upgrading plans for the informal settlements	Copiers of draft concepts of in-situ upgrading plans for the informal settlements	Internal circulation of draft in-situ upgrading plans for informal settlements	Copiers of circulation lists for the draft in-situ upgrading plans for informal settlements	Submission of report to Council for the consideration of the upgrading plans for 32 informal settlements	Copy of report submitted to Council for the consideration of the upgrading plans for 32 informal settlements
To promote access to land for development of sustainable human settlements and other land related projects in the Metro	Implement and release programme	BSDID17	Number of hectares of land required for human settlements development	BEPP	0	62.4ha	19.5ha	Copy of Council Resolution and layout for Establishment of Township for Duncan Village D-Hostel and DV Proper	42.9ha (Total of 62.4 ha)	Copy of Council Resolution for Establishment of Township and layout for N2 Road Reserve (Haven Hills) Cambridge West 1&2 (Kai Road) and Ford Msimango 1&2	N/A as target has been achieved	0	0	0

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 September 2014	Portfolio of evidence	Quarter 2 Target - Ending December 2014	Portfolio of evidence	Quarter 3 Target - Ending March 2015	Portfolio of evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio of evidence	
To improve the quality of human life through integrated sustainable human settlements	Prepare township establishment plans	BSD D13	Number of layout plans completed	Output	4	5	2	Council Resolution for Establishment of Township for Duncan Village D-Hostel and DV Proper	3 (5)	Council Resolution for Establishment of Township for N2 Road Reserve (Haven Hills) Cambridge West 1&2 (Kei Road) and Ford Msimango 1&2	Not applicable as target has been achieved	0	Not applicable as target has been achieved	0	
							Preliminary design	Completed prelim design	Detail Design	Completed Detail Design	Commence construction	Works Order for Annual contractor	Photographic, invoices and payment		
							Preliminary design	Completed prelim design	Detail Design	Completed Detail Design	Commence construction	Works Order for Annual contractor	Photographic, invoices and payment		
							1km	Photographic, invoices and payment	1km (2km)	Photographic, invoices and payment	Not applicable as target has been achieved	Not applicable as target has been achieved	Not applicable as target has been achieved		
Provide integrated and suitable transport system by implementing programmes and projects emanating from ITP	Implement the Integrated transport Plan (ITP)	BSDID33	Number of bus / taxi stops constructed	BEPP	0	1	Procurement and contracting	Bid Reports and SLA	Implementation of grazing land (Fencing Projects)	Photos	1 Piggery structure	Photos	Construction of 2 Dipping Tanks	Completion Certificate	
							400	2	(Dipping tanks and fencing of grazing land)	4	(2 Dipping tanks grazing land and piggery structure)	200	List of employees and Project name	List of employees and Project name	List of employees and Project name
							1891	500	9900	0	0	0	0	9900	0
Create an enabling economic environment with focus on key growth sectors	Facilitate rural economic development	LED1	Number of jobs created through LED initiatives including implementation of capital projects	Output	400	500	100	List of employees and Project name	200	List of employees and Project name	100	List of employees and Project name	100	List of employees and Project name	
							0	0	0	0	0	0	0		
							0	0	0	0	0	0	0		
Provide integrated and suitable transport system by implementing programmes and projects emanating from ITP	Implement the Integrated transport Plan (ITP)	BSDID33	Number of ITP projects implemented	Input	5	8	1	Photographic, invoices and payment	3 (4)	Photographic, invoices and payment	2 (6)	Photographic, invoices and payment	2 (5)	Photographic, invoices and payment	
							Application letter for sale / lease	Submit report to Council	Issue of public notices and reports to BID Committees	Copy of lease Agreement / Deed of sale	Copy of transfer and registration (Title Deed)				
							2	2	2	2	2				
To promote access to land for devolvement of sustainable human settlements and other land related projects in the Metro	Implement land released programmes	BSDID17	Number of land parcels released	Output	2	2	Application letter for sale / lease	Copy of application letter for sale / lease	Submit report to Council	Copy of council resolution	Issue of public notices and reports to BID Committees	Copy of lease Agreement / Deed of sale	Copy of transfer and registration (Title Deed)		
							Confirmation of ownership (Gistext / Windeed search)	Copy of confirmation of ownership	Submit report to Council	Copy of council resolution	Negotiations and letter of offer and acceptance Deed of Sale	Deed of Sale	Copy of transfer and registration (Title Deed)		
							2	2	2	2	2	2	2		

KPA3: LOCAL ECONOMIC DEVELOPMENT

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 September 2014	Portfolio of evidence	Quarter 2 Target - Ending December 2014	Portfolio of evidence	Quarter 3 Target - Ending March 2015	Portfolio of evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio of evidence
To create an enabling economic environment with focus on key growth sectors	Develop and implement economic development programmes to promote and support growth both the 1st and 2nd economies	LED1	Number of marketing initiatives undertaken to market the City (Destination Marketing Programme)	Input	16 (Participation in domestic tourism events: CPT Tourism Getaway, JHB Tourism Getaway, JHB Tourism Outdoor, Advertising in 6 Tourism Publications, Participation in 6 SA Tourism International Roadshows)	18 (Participation in domestic tourism events: CPT Tourism Getaway, JHB Tourism Outdoor, Advertising in 8 Tourism Publications, Participation in 6 SA Tourism International Roadshows)	Participation in the JHB Tourism Getaway Show, Tourism Advertising Campaign in 6 media platforms	Photos Closeout report for the event Copies of the 6 media platforms	Participation in the World Travel Market Trade Show, CPT Outdoor, Zimbabwe Shangai Tourism Trade Advertising Tourism Campaign in 4 Tourism Media	Photos Closeout report for the event Copies of the 6 media platforms	Participation in the CPT Getaway Tourism Show, Bee'd Tourism Show Meetings Africa SA India Travel Trade and SA-Netherlands Trade Show	Photos Closeout report on participation in the Trade Shows	Participation in the Rand Easter Tourism Consumer Show Tourism (DABA) 2015 Namibian Expo	Photos Closeout report for the events
	Create an enabling economic environment with focus on key growth sector	LED1	Number of economic strategic Partnerships formalised	Input	3 (Eastern Cape Tourism Parks ECDC, SEDA)	1 (Signed partnership agreement with Private Sector Organisation)	Facilitation Meeting	Minutes and agenda of facilitation meetings	Approved Partnership Agreement	Copy of partnership agreement	0	0	0	0
Create an enabling economic environment with focus on key growth sector	Tourism promotion	LED1	Number of Events Hosted by the City	Outcome	7 (National Tourism Month National Tourism Career Expo, SATMA Summer Season Programme, Port Festival Iron Man, Africa Open Golf Challenge BCMIM Business Expo)	1 (Summer Season Programme)	No activity	No activity	Summer Season Programme	Photos closeout report of the events	No activity	No activity	No activity	No activity
	Implement Economic Infrastructure and Capacitation Programmes	LED1	Number of SMME businesses supported in line with the SMME support programmes	Output	15 (Business registration Business Plan development and Capacity Building Business Information Services Business Mentoring)	25 (Business registration, Business Plan development and Capacity Building Services Business Mentoring)	Procurement and Training Needs Analysis	Bid Report and Needs Analysis Report	Implementation of SMME Training	Photos closeout report of the Training	Implementation of SMME Training	Photos closeout report of the Training	Implementation of SMME Training	Photos closeout report of the Training

4.KPA: MUNICIPAL FINANCIAL VIABILITY

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 September 2014	Portfolio of evidence	Quarter 2 Target - Ending December 2014	Portfolio of evidence	Quarter 3 Target - Ending March 2015	Portfolio of evidence	Quarter 4 Target - Ending 30 June 2015	Portfolio of evidence
To ensure that BCMIM is financially viable	Accelerate implementation of grant / capital projects	LED1	% of municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	Output	38%	>75%	>15%	Section 71 Report	>30%	Section 71 Report	>57%	Section 71 Report	>75%	Section 71 Report

MUNICIPAL MANAGER: A. FANE

SIGNATURE:

SIGNATURE:

DATE:

DATE: 24 JUNE 2014