




Level	Terminology	Description	Rating				
			1	2	3	4	5
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 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.					

6.5 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established:

- 6.5.1 The Municipal Manager;
- 6.5.2 Chairperson of the Audit Committee;
- 6.5.3 Member of the Executive Committee; and
- 6.5.4 Municipal Manager from another Municipality.
- 6.5.5 Ward Committee Member as nominated by the Mayor
- 6.5.6 Head of Unit: Performance Management System (as secretary).



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7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each **Employee** in relation to his / her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

7.1.1	First quarter:	July – September
7.1.2	Second quarter :	October – December
7.1.3	Third quarter:	January – March
7.1.4	Fourth quarter:	April – June

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

7.3 Performance feedback shall be based on the Employer’s assessment of the Employee’s performance.

7.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure “A” from time to time for operational reasons. The Employee will be fully consulted before any such change is made.

7.5 The Employer may amend the provisions of Annexure A 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.

7.6 Record/results of quarterly, mid-year and annual assessment/reviews and changes made to the performance agreement as a result of such evaluations will be documented and form part of the annual performance evaluation report.

8. DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as **Annexure B**.

9. OBLIGATIONS OF THE EMPLOYER

The Employer shall –

9.2 create enabling environment for effective performance by the employee;

9.3 provide access to skills development and capacity building opportunities;

9.4 work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on his/her performance;



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- 9.5 on the request of the Employee delegate such powers reasonably required by the Employee to enable him/ her to meet the performance objectives and targets established in terms of this Agreement; and
- 9.6 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

- 10.2 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others:
- 10.2.1 a direct effect on the performance of any of the Employee's functions, performance objectives and targets;
- 10.2.2 commit the Employee to implement or to give effect to a decision made by the Employer; and
- 10.2.3 a substantial financial effect on the Employer.
- 10.3 The Employer agrees to inform the Employee of the outcome of any decisions taken when exercising powers contemplated in 10.1 above to enable the Employee to take any necessary action without delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

- 11.2 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 11.3 After the annual performance evaluation in terms of this performance agreement has been completed, the performance bonus ranging from 7% to 14% of the all-inclusive remuneration package may be paid to the Employee in recognition of outstanding performance.
- 11.4 In determining the performance bonus the relevant percentage will be based on the overall rating, calculated by using the applicable assessment rating calculator: provided that:
- 11.4.1 a score of 130% to 149% will be awarded a performance bonus in the range between 5% to 9%); and

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11.4.2 a score of 150% and above will be awarded a performance bonus in range between 10% to 14%.

11.5 The above mentioned performance bonus will be awarded based on the following scheme:

Level of performance	Description	Allocated Total Score	Bonus % of the Total Package
5.0	Outstanding Performance	Above 150%	10% - 14%
4.0	Performance significantly above expectations	130 – 149%	5% - 9%
3.0	Fully effective (meets the standard)	100 – 129%	0%
2.0	Performance not fully effective	50 – 99%	0%
1.0	Unacceptable Performance	1 – 49%	

11.6 In the case of unacceptable performance, the Employer shall –

11.6.1 give notice to the Employee to attend a meeting with the Employer and the Employee will have the opportunity to satisfy the Employer of the measures being taken to ensure that the Employee's performance becomes satisfactory by a particular date.

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

11.6.3 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 or her duties.

12. DISPUTE RESOLUTION


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12.2 If the Employee is dissatisfied with any decision or action of the Employer in terms of this Agreement, or where a dispute arises about the nature of this performance agreement, whether it relates to key responsibilities, priorities, methods of assessment or as to the extent to which the Employee has achieved the performance objectives and targets established in terms of this Agreement:

12.2.1 the Employee may meet with the Employer with a view to resolving the issue. The Employer will record the outcome of the meeting in writing.

12.2.2 In the event the employee remains dissatisfied with the outcome of the meeting, the dispute shall be mediated by the MEC for Local Government and Traditional Affairs or any other person designated by him within thirty (30) days of receipt of a formal dispute from the Employee.

12.2.3 In the case of manager directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27 (4) (e) of the Municipal Performance Regulations, 2006, within thirty (30) days of receipt of a formal dispute the employee;

12.2.4 Whose decision shall be final and binding on both parties.

12.3 The outcome of any meeting and the decisions of the Employer, mediation or arbitration with regard to any dispute in terms of the performance agreement must form part of the report of the annual review to Council.

13. GENERAL

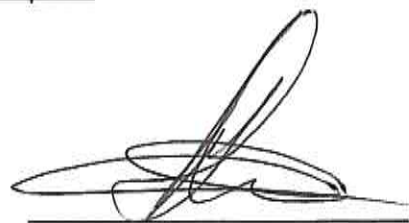
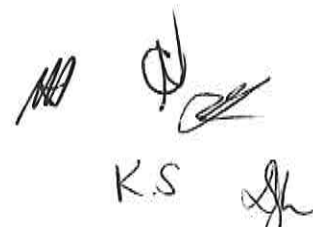
13.2 The contents of this agreement and the outcome of any review conducted thereof in terms of Annexure A will not be confidential and may be made available to the public by the Employer as part of the municipal annual report in terms of the Municipal Finance Management Act 56 of 2003 and Municipal Systems Act 32 of 2000.

13.3 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.

THUS SIGNED AT WILLISTON ON THIS 09 DAY OF JULY 2019

As witnesses:

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