

PERFORMANCE AGREEMENT

Made and entered into by and between:

A Botes
Deputy Director: Roads and Storm Water

and

ITUMELENG N. MOKATE
("the Municipal Manager")

1. INTRODUCTION

1.1. The Municipality has entered into a contract of employment with the Municipal Manager for a period of 5 years, ending on 31 August 2008, in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 (“the Systems Act”).

1.2. Section 57(1)(b) of the Systems Act, read with the contract of employment concluded between the parties, 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 Deputy Director Roads and Storm Water reporting to the Municipal Manager, to a set of actions that will secure local government policy goals.

2. PURPOSE OF THIS AGREEMENT

2.1. The parties agree that the purposes of this Agreement are to:

2.1.1. comply with the provisions of Section 57(1)(b) of the Systems Act;

2.1.2. state objectives and targets established for the Roads and Storm Water;

2.1.3. specify accountabilities;

2.1.4. monitor and measure performance;

2.1.5. establish a transparent and accountable working relationship; and

2.1.6. give effect to the Municipality’s commitment to a performance-orientated relationship with its Municipal Manager in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

3.1. This Agreement will commence on the date of signature by both parties, which will be as soon as reasonably possible after 1 July 2005, and, subject to paragraph 3.3, will continue in force until a new performance agreement is concluded between the parties as contemplated in paragraph 3.2.

3.2. The parties will review the provisions of this Agreement during June each year. The parties will conclude a new performance agreement that replaces this Agreement at least once a year by not later than May of each year .

3.3. This Agreement will terminate on the termination of the Deputy Director Roads and Storm Water contract of employment or for any other reason as may apply.

4. PERFORMANCE OBJECTIVES

4.1. Performance Score Card:

4.1.1. The performance objectives and targets that must be met by the Deputy Director Roads and Storm Water; 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 the agreement are set by the Municipal Manager in consultation with the Deputy Director Roads and Storm

Water, and include key objectives; key performance areas, key objectives, weighting, measurable performance targets and performance targets per quarter.

- 4.3. The key objectives describe the main tasks that need to be done. The key measurable performance targets provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 4.4. Deputy Director Roads and Storm Water's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Municipality's Integrated Development Plan, Medium Term Expenditure Framework and the Service Delivery and Budget Implementation Plans
- 4.5. The Municipality will make available to the Deputy Director Roads and Storm Water such employees as the Deputy Director Roads and Storm Water may reasonably require from time to time to assist him to meet the performance objectives and targets established in terms of this Agreement; provided that it will at all times remain the responsibility of the Deputy Director Roads and Storm Water to comply with those performance obligations and targets. This will done within the resource constraints of the Municipality
- 4.6. The Deputy Director Roads and Storm Water will at his/her request be delegated such powers by the Municipality as may in the discretion of the Municipality be reasonably required from time to time to enable her to meet the performance objectives and targets established in terms of this Agreement.

4.7. The Municipal Manager will be entitled to review and make reasonable changes to the provisions of “ Performance Contract ” from time to time for operational reasons. The Deputy Director Roads and Storm Water will be fully consulted before any such change is made.

4.8. The provisions of Performance Score Card may be amended by the Municipal Manager when the Municipality’s performance management system is adopted, implemented and/or amended as the case may be.

5. EVALUATING PERFORMANCE

5.1. Procedures sets out:

5.1.1. the standards and procedures for evaluating the Deputy Director Roads and Storm Water performance; and

5.1.2. the intervals for the evaluation of the Deputy Director Roads and Storm Water performance.

5.2. Despite the establishment of agreed intervals for evaluation, the Municipal Manager may, in addition, review the Deputy Director Roads and Storm Water’s performance at any stage while the contract of employment remains in force.

5.3. Personal growth and development needs identified during any performance review discussion must be documented and, where possible, actions agreed.

6. PERFORMANCE MANAGEMENT SYSTEM

- 6.1. The Deputy Director Roads and Storm Water agrees to participate in the performance management system that the Municipality adopts or introduces for the Municipality, management and municipal staff of the Municipality.
- 6.2. The Deputy Director Roads and Storm Water accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Municipality, management and municipal staff to perform to the standards required. In addition, ensure the development of staff.
- 6.3. The Municipal Manager will consult the Deputy Director Roads and Storm Water about the specific performance standards that will be included in the performance management system as applicable to the Deputy Director Roads and Storm Water.

7. CONSULTATION

- 7.1. The Municipal Manager agrees to consult the Deputy Director Roads and Storm Water timeously where the exercising of the Deputy Director Roads and Storm Water's powers will –
- 7.1.1. have a direct effect on the performance of any of the Deputy Director Roads and Storm Water functions;
 - 7.1.2. commit the Deputy Director Roads and Storm Water to implement or to give effect to a decision made by the Municipal Manager;
 - 7.1.3. have a substantial financial effect on the Municipality.

7.2. Municipal Manager agrees to inform the Deputy Director Roads and Storm Water of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 7.1 as soon as is practicable to enable the Deputy Director Roads and Storm Water to take any necessary action without delay.

8. CONSEQUENCE OF SUBSTANDARD PERFORMANCE

8.1. Where the Municipal Manager is, at any time during the Deputy Director Roads and Storm Water's employment, not satisfied with the Deputy Director Roads and Storm Water's performance with respect to any matter dealt with in this Agreement, the Municipal Manager will give notice to the Deputy Director Roads and Storm Water to attend a meeting with the Municipal Manager.

8.2. The Deputy Director Roads and Storm Water will have the opportunity at the meeting to satisfy the Municipal Manager of the measures being taken to ensure that the Deputy Director Roads and Storm Water's performance becomes satisfactory and any programme, including any dates, for implementing these measures.

8.3. Where there is a dispute or difference as to the performance of the Deputy Director Roads and Storm Water under this Agreement, the parties will confer with a view to resolving the dispute or difference.

8.4. If at any stage thereafter the Municipal Manager holds the view that the performance of the Deputy Director Roads and Storm Water is not satisfactory, the Municipality will, subject to compliance with applicable labour legislation, be entitled by notice in writing to the Deputy Director Roads and Storm Water to terminate the Deputy Director Roads and Storm Water's employment in

accordance with the notice period set out in the Deputy Director Roads and Storm Water's contract of employment.

8.5. Nothing contained in this Agreement in any way limits the right of the Municipality to terminate the Deputy Director Roads and Storm Water's contract of employment with or without notice for any other breach by the Deputy Director Roads and Storm Water of his obligations to the Municipality or for any other valid reason in law.

9. DISPUTES

9.1. In the event that the Deputy Director Roads and Storm Water is dissatisfied with any decision or action of the Municipal Manager or of the Municipality in terms of this Agreement, or where a dispute or difference arises as to the extent to which the Deputy Director Roads and Storm Water has achieved the performance objectives and targets established in terms of this Agreement, the Deputy Director Roads and Storm Water may meet with the Municipal Manager with a view to resolving the issue. At the Deputy Director Roads and Storm Water's request the Municipal Manager will record the outcome of the meeting in writing.

9.2. In the event that the Deputy Director Roads and Storm Water remains dissatisfied with the outcome of that meeting, he/she may raise the issue in writing with the Municipality's Council by requesting that the issue be placed on the agenda of an appropriate meeting of the Council. The Council will determine a process for resolving the issue, which will involve at least providing the Deputy Director Roads and Storm Water with an opportunity to state his case orally or in writing. At the Deputy Director Roads and Storm Water's request the Council will record its decision on the issue in writing. The decision of the Council on the issue will be

made within 2 weeks of the issue being raised, or as soon thereafter as possible, and will be final.

10. GENERAL

10.1. The contents of the Agreement and the outcome of any review conducted in terms of the contract will not be confidential, and may be made available to the public by the Municipality, where appropriate.

10.2. Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Deputy Director Roads and Storm Water in terms of his contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Signed at: Mogale City on this 25th day of July 2005.

AS WITNESSES:

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2.

Municipal Manager, MCLM

Deputy Director: Roads and Storm