

PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:



**THE CACADU DISTRICT MUNICIPALITY
AS REPRESENTED BY THE EXECUTIVE MAYOR**

KHUNJUJWA KEKANA
(HEREIN REFERED TO AS THE 'EMPLOYER')

AND

DAYALAN MURUVEN PILLAY
MUNICIPAL MANAGER
(HEREIN REFERED TO AS THE 'EMPLOYEE')

FOR THE FINANCIAL YEAR:
1 JULY 2014 - 30 JUNE 2015

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A
K. S. Pillay
CMB

3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **1st July 2014** and will remain in force until **30th June 2015** thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the 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** contract of employment for any reason.
- 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, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the **Employer**, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.2.1 The key objectives describe the main tasks that need to be done.
- 4.2.2 The key performance indicators and means of verification provide the details of the evidence that must be provided to show that a key objective has been achieved.
- 4.2.3 The target dates describe the timeframe in which the work must be achieved.
- 4.2.4 The weightings show the relative importance of the key objectives to each other.
- 4.3 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.

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CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	√	WEIGHT
Strategic Capability and Leadership		
Programme and Project Management		
Financial Management	compulsory	25
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	compulsory	25
Client Orientation and Customer Focus	compulsory	25
Communication		
Honesty and Integrity		
CORE OCCUPATIONAL COMPETENCIES (COC)		
Competence in Self Management		
Interpretation of and implementation within the legislative an national policy frameworks	√	25
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, 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		
Total percentage	-	100%

6. EVALUATING PERFORMANCE

- 6.1 The Performance Plan (Annexure A) to this Agreement sets out -
- 6.1.1 the standards and procedures for evaluating the **Employee's** performance; and
- 6.1.2 the intervals for the evaluation of the **Employee's** performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the **Employer** may in addition review the **Employee's** performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The **Employee's** performance will be measured in terms of contributions to the goals and strategies set out in the **Employer's** IDP.
- 6.5 The annual performance appraisal will involve:



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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.					

6.7 For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established -

6.7.1 Executive Mayor or Mayor;

6.7.2 Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

6.7.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;

6.7.4 Mayor and/or municipal manager from another municipality; and

6.7.5 Member of a ward committee as nominated by the Executive Mayor or Mayor.

6.8 For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established -

6.8.1 Municipal Manager;

6.8.2 Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

6.8.3 Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council; and

6.8.4 Municipal manager from another municipality.

6.9 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (6.7) and (6.8).

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10.1.2 commit the **Employee** to implement or to give effect to a decision made by the **Employer**; and

10.1.3 a substantial financial effect on the **Employer**.

10.2 The **Employer** agrees to inform the **Employee** of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable to enable the **Employee** to take any necessary action without delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

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

11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

SCORE	BONUS %
130 - 133	5
134 - 137	6
138 - 141	7
142 - 145	8
146 - 149	9
150 - 153	10
154 - 157	11
158 - 161	12
162 - 165	13
166 - 167	14

11.3 In the case of unacceptable performance, the **Employer** shall –

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

11.3.2 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 or her duties.

12. DISPUTE RESOLUTION

12.1 Any disputes about the nature of the **Employee's** performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by –

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CACADU DISTRICT MUNICIPALITY

PERFORMANCE PLAN : Ted Pillay

2014/2015

Municipal Manager

Municipal Managers Office

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PERFORMANCE PLAN : Ted Pillay (Municipal Manager)
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets			
						September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
KPA 1. BASIC SERVICE DELIVERY									
General	100% of SDBIP (operational and capital projects) implemented.	Ensure 100% implementation and spending of SDBIP projects in Infrastructure and Planning Services Department	100% implementation	SDBIP quarter report and Annual Performance Report	4.8%	1st Q SDBIP REPORT submitted to MAYCO and COUNCIL	2nd Q SDBIP REPORT submitted to MAYCO and COUNCIL	3rd Q SDBIP REPORT submitted to MAYCO and COUNCIL	100% implementation
		Ensure 100% implementation and spending of SDBIP projects in Economic Development Department	100% implementation	SDBIP quarter report and Annual Performance Report	4.8%	1st Q SDBIP REPORT submitted to MAYCO and COUNCIL	2nd Q SDBIP REPORT submitted to MAYCO and COUNCIL	3rd Q SDBIP REPORT submitted to MAYCO and COUNCIL	100% implementation
	Improving connectivity infrastructure in all nine local municipalities	Rural connectivity infrastructure particularly broadband and mobile phones access	To ensure the operations of the Connect with Cacadu programme	100% operations of CwC	Report to Municipal Manager	2.4%	100% of CwC at LM's	100% of CwC at LM's	100% of CwC at LM's
KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION									
General	Co-ordinate recruitment and selection processes	Oversee the development, implementation and monitoring of the CDM's EE plan and ensure compliance of the EE Act in the institution	100% implementation of CDM's equity plan as per the target for 12/13	CDM EE Plan	1.4%	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14	Full compliance to EE Plan targets for 13/14
	Training	Ensuring implementation to CDM's workplace skills plan	100% implementation of employee workplace skills plan in place	Employee workplace skills plan	1.9%	NA	Report against plan	NA	3,300,000 spent and recorded as a figure and %
	Render administration support to training and development	To ensure training and development of staff takes place in the Office of the MM	90% T&D needs addressed	Record of training in accordance with the needs through reviews	1%	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed	Training needs identified at the previous performance review addressed
	Compliance to National Treasury Competency Requirements	To ensure 100% compliance to National Treasury Competency Requirements	100% compliance of unit standards achieved	Reports on unit standards achieved	1.9%	25% of unit standards achieved	50% of unit standards achieved	75% of unit standards achieved	100% of unit standards achieved

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PERFORMANCE PLAN : Ted Pillay (Municipal Manager)
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
To establish an CDM institution to its area of jurisdiction by 2013	Ensure that capacity support to LMs is given priority	Review and implementation of the CDM Capacity Building Strategy	Evidence of reviewed strategy and implementation report	Report	3.8%	Capacity Building Strategy reviewed and implemented	Capacity Building Strategy implemented	Capacity Building Strategy implemented	Capacity Building Strategy implemented
	To ensure implementation of decisions	100% implementation of decisions taken at Strategic Planning Sessions	100% Strategic decisions implemented	Report	2.9%	NA	NA	50% Strategic decisions implemented	100% Strategic decisions implemented
	Relocation CDM offices to Kirkwood	Securing of a building (office block) for the relocation to Kirkwood	Securing of a office block in Kirkwood for CDM relocation	Report	4.8%	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Progress report on securing of building and submitted to Council	Building for CDM secured in Kirkwood
KPA 3. LOCAL ECONOMIC DEVELOPMENT (LED)									
General	To implement CDM's marketing strategy	Ensure annual marketing plan is in place	100 % progress reporting against plan	Report on implementation of plan	2.9%	Branding and communication plan in place	Report against plan	Report against plan	Report against plan
	Establishment of District Development Agency	Board of Directors of CDA appointed, SLA signed and MFMA and relevant legislation complied with by CDM	Board of Directors of CDA appointed and SLA signed ito of all relevant legislation	Report to Mayoral Committee	4.8%	Board of Directors of CDA appointed and SLA signed ito of all relevant legislation	NA	NA	NA
KPA 4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT									
General	Exercise financial control over CDM	Annual approved budget	Approved budget by 31 May	Council minutes	6.7%	NA	Roll-over budgets received	Draft budget approved by 31 March	Budget approved by 31 May
		Operating Expenditure variance not to exceed 10%	Within 10% of actual expenditure	Annual financial statements	1%	NA	Projected expenditure within 10%	NA	Actual expenditure within 10%
		Control of Financial Resources to meet Council Commitments	Balanced Cash Flow	Financial Records	2.4%	Quarterly Financial Report	Quarterly Financial Report	Quarterly Financial Report	Quarterly Financial Report
		Timely completion of Financial Statements ito of legislation	Delivery of financial statements to OAG on or before 31 August	Proof of delivery	6.7%	Financial Statements delivered	NA	NA	NA
	100% of SDBIP (operational and capital projects) implemented.	Ensure 100% implementation and spending of SDEIP projects in Finance	100% implementation	Quarterly SDBIP Report and Annual Performance	1.9%	NA	NA	NA	100%

PERFORMANCE PLAN : Ted Pillay (Municipal Manager)
2014/2015

Objective	Strategy	Key Performance Indicator (Project) and Corporate Services Department	Annual Target	Proof	Weighting	Targets														
						September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015											
To ensure financial sustainability	Lobby for funding	Submission of an annual mid-year Financial Sustainability Report to Council	Submission of an annual mid-year Financial Sustainability Report to Council	FSR to Council	2.9% NA	NA	NA	NA	NA											
										Increased funding or investment as result of submissions	Reports/copies of submissions	5.7%	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders	1 Successful submission to sector departments/funders					
																100% of employees under PMS and reviewed	Plans available for inspection	1.9%	100% employees with plans signed and reviewed	100% employees with plans signed and reviewed
Ensure that the Municipality complies with Legislation applicable to it	Full compliance with OHASA	4 x checklists	4 x quarterly meetings	Partnership agreement in place and end-year report	2.4% NA	NA	1% 1st checklist completed and quarterly meeting held	2nd checklist completed and quarterly meeting held	3rd checklist completed and quarterly meeting held	4th checklist completed and quarterly meeting held										
											Ensure the ongoing partnership agreements with other municipalities	Implementation of the partnership agreement with other municipalities	Report to Council on the success of partnership agreements	Partnership agreement in place and end-year report	Report on progress w/rt partnership	Report on progress w/rt partnership				
																	An approved SDF and IDP	IDP approved by 31 May annually	Council minutes	6.7% Analysis phase commenced
To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Arranging and organising HCT Campaigns in partnership with the department of health	Full Implementation of the HIV/AIDS Plan (MM000124)	HIV/AIDS Plan implemented through, HCT and TB Campaigns and Household surveys	Report	1.9% Admin and Preparation phase	Engagement with LM's and Field work	50% of implementation of HIV/AIDS Plan	100% of implementation of HIV/AIDS Plan												
General	Spatial Development Framework Compliance of 9 Local Municipalities	To ensure that the PMS is implemented and maintained in accordance with Legislation	100% of employees under the PMS and reviewed	Plans available for inspection	1.9%	100% employees with plans signed and reviewed	100% employees with plans signed and reviewed													
Exercise financial control over CDM	Receipt of a Clean Audit Report	Clean Audit Report	Clean Audit Report	Clean Audit Report from AG	4.8% NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA												

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PERFORMANCE PLAN : Ted Pillay (Municipal Manager)
2014/2015

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets				
						September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015	
other municipalities and continuous improvement strategy	Communication and continuous improvement strategy	Ensure conformance to CDIM's communication strategy plan	100% implementation of CDIM's communication strategy plan	Quarterly report on implementation	1.9%	Report against plan	Report against plan	Report against plan	Report against plan	
			100% implementation of all relevant legislation and regulations	Legislation and Regulations Checklist	3.8%	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	100% implementation of all relevant legislation and regulations	
			No Exceptions raised in Internal and External Audit Reports	Internal Audit reports and AG Reports	2.9%	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA	NA
			100% controls in place to manage risks	Internal Audit reports	2.9%	100% control in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks	100% controls in place to counter risks
To ensure effective Council Meetings administration	Exercises budget control in order to prevent over/ unauthorized expenditure. This includes	100% compliance to SCM and Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	100% compliance	Internal and External Audit Reports	2.9%	100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy	
			100% Council Resolutions Implemented	Report on implementation of Council Resolutions	2.9%	100% Council Resolutions Implemented	100% Council Resolutions Implemented	100% Council Resolutions Implemented	100% Council Resolutions Implemented	

CORE COMPETENCY REQUIREMENTS (CCR's) : Ted Pillay (Municipal Manager)
2014/2015

Core Competency Requirement	Annual Target	Proof	Weighting	Targets		
				September 2014/2015	December 2014/2015	March 2014/2015
CCR 1. MANAGERIAL Strategic Capability and Leadership	Displays standard aligned to that recommended in the MSA competency guidelines	Evidence of standard achieved as documented in a written report	20%	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard
				Evidence of achievement / working towards the standard	Evidence of achievement / working towards the standard	Displays standard aligned to that recommended in the MSA competency guidelines

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