

Handwritten marks and scribbles in the top left corner, including a large 'L' shape, a triangle, and various lines and loops.

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

DANIEL JOHANNES DE LANGE
DIRECTOR: FINANCE AND CORPORATE SERVICES
(HEREIN REFERRED TO AS THE 'EMPLOYEE')

AND

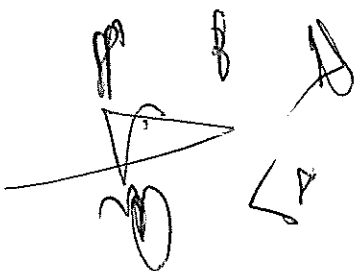
DAYALAN MURUVEN PILLAY
(HEREIN REFERRED TO AS THE 'EMPLOYER')

THE CACADU DISTRICT MUNICIPALITY
AS REPRESENTED BY THE MUNICIPAL MANAGER



MADE AND ENTERED INTO BY AND BETWEEN:

PERFORMANCE AGREEMENT



5.2 The **Employee** accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the **Employer**, management and municipal staff to perform to the standards required.

5.1 The **Employee** agrees to participate in the performance management system that the **Employer** adopts or introduces for the **Employer**, management and municipal staff of the **Employer**.

5 PERFORMANCE MANAGEMENT SYSTEM

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.

4.2.4 The weightings show the relative importance of the key objectives to each other.

4.2.3 The target dates describe the timeframe in which the work must be achieved.

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.

4.2.1 The key objectives describe the main tasks that need to be done.

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.

4.1.2 the time frames within which those performance objectives and targets must be met.

4.1.1 the performance objectives and targets that must be met by the **Employee**; and

4.1 The Performance Plan (Annexure A) sets out-

4 PERFORMANCE OBJECTIVES

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.

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.

3.3 This Agreement will terminate on the termination of the **Employee's** contract of employment for any reason.

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.

- 6.5.1 Assessment of the achievement of results as outlined in the performance plan:
- 6.5 The annual performance appraisal will involve:
 - 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.
 - 6.3 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.
 - 6.2 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.
 - 6.1.2 the intervals for the evaluation of the Employee's performance.
 - 6.1.1 the standards and procedures for evaluating the Employee's performance; and
 - 6.1 The Performance Plan (Annexure A) to this Agreement sets out -

6. EVALUATING PERFORMANCE

CORE COMPETENCY REQUIREMENTS (CCR) FOR EMPLOYEES		
CORE MANAGERIAL COMPETENCIES (CMC)	✓	WEIGHT
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	✓	25
Client Orientation and Customer Focus		
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		
Skills in Mentorship		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

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).

- 6.8.1 Municipal Manager;
- 6.8.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of 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.

6.8 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 -

- 6.7.1 Executive Mayor;
- 6.7.2 Chairperson of the performance audit committee or the Chairperson or designated performance management specialist of 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.

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

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.					

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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.

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

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

That the evaluation period be no less than 6 months
 That the employee be employed on the last day of the financial year and undergo a review during the agreed review period.

11.2.3 A pro rata bonus will be payable to the Employee based on the amount of full months employed, in the event that the evaluation period is not for a full financial year subject to the following: -

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

11.2.1 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%.

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:

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

11. MANAGEMENT OF EVALUATION OUTCOMES

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.

10.1.3 a substantial financial effect on the Employer.

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



CACADU DISTRICT MUNICIPALITY

PERFORMANCE PLAN : Danie de Lange

2014/2015

Director: Finance and Corporate Services
Finance and Corporate Services

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PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)

2014/2015

Targets

Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	Targets			
						September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
General		KPA 1. BASIC SERVICE DELIVERY	4 x checklists	4 x checklists	1.1%	1 checklist	2 checklist	3 checklist	4 checklist
General		Ensure that the Municipality complies with legislation applicable to it	Completion of the OHASA quarterly safety checklist						
General		KPA 2. MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION							
General		Co-ordinate recruitment and selection processes	Recruitment process completed within 12 weeks	100% compliance to Log	3.4%	100% completed	100% completed	100% completed	100% completed
	A legally compliant municipality	100% disciplinary hearings organised within 2 months after service of notice of misconduct.	100%	Log	3.4%	100%	100%	100%	100%
	Training	100% Development and implementation and expenditure skills development plan for FKCS	100% Approved SDF, Implementation and expenditure spent aligned to skills development plan	Proof of completed courses, budget spent aligned to development plan	2.3%	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan	100% Progress and Expenditure in terms of plan
	Exercise financial control over CDM	100% of CDM budget spent on implementing its workplace skills plan	100% recorded as actual	Correspondence (Mayoral, MM, Directors)	2.3%	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual	Reports to Mayoral and % recorded as actual
	Facilitate the development and implementation of budget related policies	Approved budget related policies	Council approved policies	Performance report (all officials) 4th quarter	2.3%	n/a	n/a	revision of budgete related policies	policies approved by council
	To ensure that the PMS is implemented and maintained in accordance with Legislation	100% of indicators met by officials reporting directly to post according to Performance Plans (Shown through review documentation)	Performance review report (all officials) 4th quarter	3.4%	All plans in place, signed and sent to PMS Officer	First quarter reports and reviews sent to PMS Officer	Second quarter reports and reviews sent to PMS Officer	Third and Fourth quarter reports and reviews sent to PMS Officer	
	To maintain harmonious and content labour relations	Existence of a functional LLF	4 Quarterly meetings	Minutes of meetings	2.3%	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF	Ensure 100% functionality of LLF

PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)
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								
To establish an CDM institution offices to its area of jurisdiction by 2013	To ensure implementation of decisions	Department taken at Strategic Planning Sessions	100% Strategic decisions implemented for the Department	Report	5.4%	Progress report on securing of funding and submitted to Council	Progress report on securing of funding and submitted to Council	Progress report on securing of funding and submitted to Council	Progress report on securing of funding and submitted to Council								
To Improve effectiveness in municipal financial management	Improve corporate governance systems both in the district and LMS	Provision of assistance to 5 LMs in respect to GRAP compliance and Improve Audit Outcomes (FIN00103)	Provide assistance through 1 training workshops held in GRAP compliance and new standards by making available financial management support to deal with issues raised in the LMs AGIS management letter	Report	5.4%	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls								
										Preparation of a funded budget	Adopted budget	Adoption by Council	10.8%	NA	Roll-over budgets received	Draft budget tabled	Approved budget by 31 May annually
										Delivery of reviewed financial statements to OAG on or before 31 August annually prepared in terms of the prescribed framework	Delivered on or before 31 August	Proof of delivery	10.8%	Statements delivered on or before 31 August	Response provided to Draft Management letter	Final letter included in annual report	NA
										At least 90% of project budget implemented	90% of project budget implemented	Annual financial statements	3.2%	NA	Projected expenditure within 10%	NA	90% of project budget implemented
Adherence to budgetary matters		Collection of outstanding debt and unconditional grants	90%	Financial statements	2.2%	NA	NA	NA	less than 10%								
										Operating expenditure variance for F&CS not to exceed 10%	<10%	Financial statements	2.2%	NA	NA	NA	less than 10%
To ensure financial sustainability		Achieving a balanced cash flow where the municipality is able to meet all its financial commitments in the financial year	Balanced cash flow for year	Financial statements	3.2%	NA	NA	NA	Balanced cash flow. Meeting financial commitments								
										Lobby for funding	4 Successful submissions to sector	Increased funding or investment as result of	Reports/copies of submissions	5.4%			

PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)

2014/2015

Targets

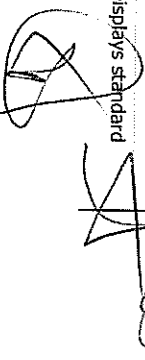
Objective	Strategy	Key Performance Indicator (Project)	Annual Target	Proof	Weighting	September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
To ensure financial sustainability		Achieving a balanced cash flow where the municipality is able to meet all its financial commitments in the financial year	Balanced cash flow for year	Financial statements	3.4% NA	NA	NA	NA	Balanced cash flow, Meeting financial commitments
			Increased funding or investment as result of submissions and presentations	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	1 Successful submission to sector departments/funders
			4 Successful submissions to sector departments / possible funders for Finance and Corporate Services Department	3 Reports (Quarterly) to Capacity Building Manager	Plan and 3 reports	3.4%	Capacity building plan for Finance and Corporate Services Developed	Report to Capacity Building Manager	Report to Capacity Building Manager
Lobby for funding		Ensure that the Municipality complies with Legislation applicable to it	Delivery of consolidated financial statements to OAG on or before 30 September	Proof of delivery	3.4%	Statements delivered on or before 30 September	Response provided to Draft Management letter	Final letter included in annual report	NA
			100% Legal compliance to all key legislation and by-laws	90%	MFMA checklist complete with comments: In-year reporting	2.3%	100% overall legal compliance to all key legislation	100% overall legal compliance to all key legislation	100% overall legal compliance to all key legislation
Risk Management		Ensure that sufficient and effective controls are in place to management risks (Risk Management Register, Meetings held and Annual Risk Management Workshop)	100% controls in place to manage risks	Internal Audit reports	3.4%	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
Exercise financial control over CDM Audit Report	Receipt of a Clean Audit Report	Clean Audit Report from AG	Clean Audit Report from AG	9.1% NA	NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA	NA

PERFORMANCE PLAN : Danie de Lange (Director: Finance and Corporate Services)
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
A legally compliant municipality		No Exceptions raised in Internal and External Audit Reports	100% compliance to internal controls	Internal Audit reports and AG Reports	3.4% NA	Response provided to Draft Management letter	Receipt of a Clean Audit report and inclusion of same in annual report	NA	NA
Exercises budget control in order to prevent over/ unauthorised expenditure. This and Wasteful Includes		100% compliance to SCM and Unauthorised, Irregular, Fruitless Expenditure Policy	100% compliance	Internal and External Audit Reports	3.4% 100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy	100% compliance to policy
To ensure effective Council Meetings and administration		100% Council Resolutions pertaining to the Department	100% Council Resolutions	Report on implementation of Council Resolutions	2.3% 100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented	100% Council Resolutions implemented

CORE COMPETENCY REQUIREMENTS (CCRs) : Danie de Lange (Director: Finance and Corporate Services)
2014/2015

Core Competency Requirement	Annual Target	Proof	Weighting	Targets			
				September 2014/2015	December 2014/2015	March 2014/2015	June 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	Displays standard aligned to that recommended in the MSA competency guidelines
CCR 2. OCCUPATIONAL Financial Management	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	Displays standard aligned to that recommended in the MSA competency guidelines
People Management and Empowerment	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	Displays standard aligned to that recommended in the MSA competency guidelines
Interpretation of and implementation within the legislative and national policy frameworks	Demonstrated evidence accordingly	Evidence of standard achieved as documented in a written report	20% Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly	Demonstrated evidence accordingly
Client orientation and	Displays standard	Evidence of	20% Evidence of achievement /	Evidence of achievement /	Evidence of achievement /	Evidence of achievement /	Displays standard


 Danie de Lange

CORE COMPETENCY REQUIREMENTS (CCRs) : Danie de Lange (Director: Finance and Corporate Services)

Core Competency Requirement	Annual Target	Proof	Weighting	Targets			
				September 2014/2015	December 2014/2015	March 2014/2015	June 2014/2015
Customer Focus	recommended in the MSA competency guidelines	standard achieved as documented in a written report		working towards the standard recommended in the MSA competency guidelines	working towards the standard recommended in the MSA competency guidelines	working towards the standard recommended in the MSA competency guidelines	recommended in the MSA competency guidelines

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