



UGU DISTRICT MUNICIPALITY
PERFORMANCE AGREEMENT

Entered into by and between:

UGU DISTRICT MUNICIPALITY

AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER

MR VO MAZIBUKO

AND

THE EMPLOYEE OF THE MUNICIPALITY

MR KUSHI AUDAN

CHIEF FINANCIAL OFFICER

FOR THE

FINANCIAL YEAR: 01 JULY 2023 - 30 JUNE 2024

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2024

UGU District Municipality

- 2.6 Appropriately 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. DELIVERY

- 3.1 This Agreement will commence on the 01 July 2023 and will remain in force until 30 June 2024 where after 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 abovementioned 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 the Performance Plan (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.

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and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

No	Key Performance Area	Weight
1	Municipal Financial Viability and Management	85
2	Municipal Institutional Development and Transformation	-
3	Local Economic Development	-
4	Basic service delivery	-
5	Good Governance and Public Participation	-
6	Cross-cutting Interventions	15
Total		100%

- 5.7 The CFSs will make up the other 20% of the Employee's assessment score. CFSs that are deemed to be most critical for the Employee's specific job are reflected in the list below as agreed to between the Employer and Employee:

CCR No	Competency Framework Structure	Weight
Leadership and core Competencies		
1	Strategic Direction and leadership	10
2	People management	5
3	Programme and Project Management	10
4	Financial Management	15
5	Change Leadership	5
6	Government leadership	10
7	Moral competence	5
8	Planning and organising	10
9	Analysis And innovation	5
10	Knowledge and information management	5
11	Communication	10
12	Results and quality focus	10
Total (Cannot exceed 100%)		100%

6. PERFORMANCE ASSESSMENTS

- 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.

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- 6.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA s and CFS s:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Superior	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods					
4	Advanced	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in-depth analyses					
3	Competent	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses					
2	Basic	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention					
1	Basic	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention					

- 6.7 For purposes of evaluating the performance of the Employee, an evaluation panel constituted of the following persons will be established –

6.7.1 Municipal Manager

6.7.2 Chairperson of the Audit Committee in the absence of a performance audit committee;

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

6.7.4 Municipal manager from another Municipality.

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 reviews in the first and third quarter may be verbal if performance is satisfactory:

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meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

- 10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others-
 - 10.1.1 A direct effect on the performance of any of the Employee's functions;
 - 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 clause 11.1 as soon as is practicable to enable the Employee to take any necessary action with 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 may be paid to the Employee in recognition of outstanding performance. Such bonus will be determined in terms of this agreement.
- 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.

Performance Bonus criteria

The regulations provide that a performance bonus between 5% and 14% of the inclusive annual remuneration package may be paid to the employee after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the Municipal Council, as a reward for excellent performance. In determining the bonus payment, the regulations specify that the relevant percentage depends on the overall rating, calculated by using the applicable assessment rating calculator:

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13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A (Performance Plan) may be made available to the public by the Employer.

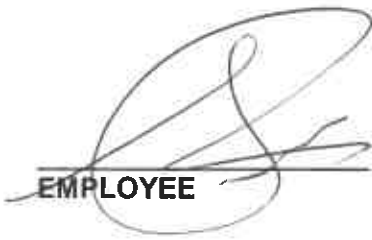
13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed at UGU DM (PORT SHEPSTONE) on this the 3RD day of JULY of 2023

AS WITNESSES:

1. _____

2. _____


EMPLOYEE

Thus done and signed at Port Shepstone on this the 3rd day of JULY 2023

AS WITNESSES:

1. _____

2. _____


ACTING MUNICIPAL MANAGER



PERFORMANCE PLAN

Entered into by and between

UGU DISTRICT MUNICIPALITY

AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER

MR VO MAZIBUKO

AND

MR KUSHI AUDAN

CHIEF FINANCIAL OFFICER

THE EMPLOYEE OF THE MUNICIPALITY

PERIOD: 01 JULY 2023 – 30 JUNE 2024

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3. KEY PERFORMANCE AREAS AND COMPETENCY FRAMEWORK STRUCTURE

The following Key Performance Areas (KPA's) and Competency framework Structure as set in consultation with the employee, inform the strategic objectives listed in the table below:

No	Key Performance Area	Weighting	Competency Framework Structure	Weighting
1	Municipal Financial Viability and Management	85	Strategic Direction and leadership	10
2	Municipal Institutional Development and Transformation	-	People management	5
3	Local Economic Development	-	Programme and Project Management	10
4	Basic service delivery	-	Financial Management	15
5	Good Governance and Public Participation	-	Change Leadership	5
6	Cross-cutting Interventions	15	Government leadership	10
			Moral competence	5
			Planning and organising	10
			Analysis And innovation	5
			Knowledge and information management	5
			Communication	10
			Results and quality focus	10
		100%		100%

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Signed and accepted by the Employee



Date: 03/07/2023

Signed by the Acting Municipal Manager on behalf of the Municipality



Date: 03/07/2023

MP/MS	15% Completion rate of new regulations	Ensuring all transactions accurately and completely	Number of Daily reconciliations	12 Daily reconciliations	Bank reconciliations	Bank reconciliations	Bank reconciliations	ALL WAGES	BTD - CASH MANAGEMENT
MP/MS 10	To ensure completeness and accuracy of all transactions recorded	Processing all transactions accurately and completely	Number of Creditors Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 11	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Debtors Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE
MP/MS 12	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 13	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE
MP/MS 14	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 15	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE
MP/MS 16	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 17	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE
MP/MS 18	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 19	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE
MP/MS 20	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - EXPENDITURE
MP/MS 21	To ensure that the company's financial statements are accurate and complete	Reconciling all transactions accurately and completely	Number of Suppliers Reconciliations	12	12	12	12	ALL WAGES	BTD - REVENUE

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PERSONAL DEVELOPMENT PLAN (PDP)

Entered into by and between

**THE MUNICIPALITY OF UGU
AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER**

MR VO MAZIBUKO

[THE EMPLOYER]

AND

MR KUSHI AUDAN

[THE EMPLOYEE]

PERIOD: 1 JULY 2023 - 30 JUNE 2024

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Personal Development Plan

- 1.1.1 UGU District Municipality is committed to –
- (a) the continuous training and development of its employees to achieve its vision, mission and strategic objectives and empower employees; and
 - (b) managing training and development within the ambit of relevant national policies and legislation.
- 1.1.2 The municipality shall follow an integrated approach to Human Resource Management, that is:
- (a) Human resource development forms an integral part of human resource planning and management.
 - (b) In order for training and development strategy and plans to be successful it shall be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals and career pathing.
 - (c) To ensure the necessary linkage with performance management, the Performance Management and Development System provides for the Personal Development Plans of employees to be included in their annual performance agreements. Such approach will also ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs can be identified through performance management and appraisal.
 - (d) Career-pathing ensures that employees are placed and developed in jobs according to aptitude and identified potential. Through training and development they can acquire the necessary competencies to prepare them for future positions. A comprehensive competency framework and profile for Municipal Managers are attached and these shall be linked to relevant registered unit standards to specifically assist them in compiling Personal Development Plans in consultation with their managers.
 - (e) Personal Development Plans are compiled for individual employees and the data collated from all employees in the municipality forms the basis for the prescribed Workplace Skills Plan, which municipalities are required to compile as a basis for all training and education activities in the municipality in a specific financial year and report on progress made to the Local Government Sector Education and Training Authority.
- 1.1.3 The aim of the compilation of Personal Development Plans is to identify, prioritise and implement training needs.
- 1.1.4 Compiling the Personal Development Plan attached as Appendix.
- (a) Competency assessment instruments, which are dealt with more specifically in Appendix 1 and 2, shall be established to assist with the objective assessment of employees' actual competencies against their job specific competency profiles and managerial competencies at a given period in time with the purpose of identifying training needs or skills gaps.
 - (b) The competency framework and profiles and relevant competency assessment results will enable a manager, in consultation with his / her employee, to compile a Personal Development Plan. The identified training needs shall be entered into column 1 of Appendix 1, entitled Skills / Performance Gap. The following shall be carefully determined during such a process:
 - (i) Organisational needs, which include the following:
 - o Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.

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- The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description shall be compared to the current competency profile of the employee to determine the individual's competency gaps.
 - Specific competency gaps as identified during the probation period and performance appraisal of the employee.
- (ii) Individual training needs that are job / career related.
- (c) Next, the prioritisation of the training needs shall be listed since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs shall be prioritized for purposes of accommodating critical / strategic training and development needs in the HR Plan, Personal Development Plans and the Workplace Skills Plan.
- (d) Consideration must then be given to the expected outcomes, to be listed in column 2 of Appendix 1, so that once the intervention is completed the impact it had can be measured against relevant output indicators.
- (d) An appropriate intervention shall be identified to address training needs / skills gaps and the outcome to be achieved but with due regard to cost effectiveness. These shall be listed in column 3 of Appendix 1, entitled: Suggested training and / or development activity in line with the National Qualifications Framework, which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Development / Skills Development Unit within the municipality whether unit standards have been developed and registered with the South African Qualifications Authority that are in line with the skills gap and expected outcomes identified. Unit standards usually have measurable assessment criteria to determine achieved competency.
- (e) Guidelines regarding the number of training days per employee and the nominations of employees: An employee shall on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions.
- (f) Column 4 of Appendix 1: The suggested mode of delivery refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. The training / development activity shall impact on delivery back in the workplace. Mode of delivery consists of, amongst others, self-study [The official takes it upon him / her to read e.g. legislation]; internal or external training provision; coaching and / or mentoring and exchange programmes, etc.
- (g) The suggested time frames (column 5 of Appendix 1) enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.
- (h) Work opportunity created to practice skill / development areas, in column 6 of Appendix 1, further ensures internalisation of information gained as well as return on investment (not just a nice to have skill but a necessary to have skill that is used in the workplace).
- (i) The final column, column 7 of Appendix 1, provides the employee with a support person that could act as coach or mentor with regard to the area of learning.

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Personal Development Plan of:

MR KUSHI AUDAN

Appendix A

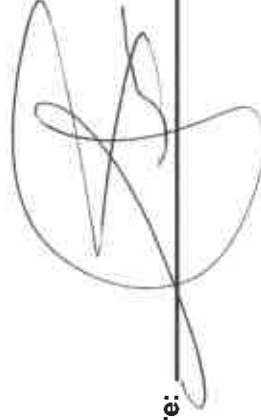
Compiled on (Date): July 2023

1. Skills / Performance Gap (in order of priority)	2. Outcomes Expected (measurable indicators: quantity, quality and time frames)	3. Suggested training and / or development activity	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportunity created to practice skill / development area	7. Support Person
1. Maintaining continuing professional development as a Chartered Accountant (CA).	Knowledge and application of: Financial management principles, Strategic capability & Leadership, Performance management & Reporting, Interpretation & implementation within the legislation and national policy, People management & empowerment, Client orientation & customer focus.	Membership with SAICA renewed by ensuring that the municipality pays for my annual membership fees to SAICA. By attendance of training courses, workshops, seminars and conferences for continuous application of skills.	Payment of annual membership fees to SAICA. External Service Provider - attendance of lectures, training courses, workshops, seminars and conferences	1 July 2023 to 30 June 2027	Keeping up to date with financial standards and the application thereof within the municipality.	Municipal Manager and the GM: Corporate Services.

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2.Executive Leadership	To sharpen and broaden Master's in the scope of managing commerce (MCom) the municipality as a business model.	Approved tertiary institution - attendance of lectures.	1 July to 30 June 2027	Management of the finance and operations within the municipality.	GM: Corporate Services
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HOD's signature: _____



Acting Municipal Manager _____