

PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

**THE MUNICIPALITY OF STELLENBOSCH,
AS REPRESENTED BY THE ACTING MUNICIPAL MANAGER**

**ADV HANLIE LINDE
(700411 008 2083)**

AND

**LUVUYO ZANTSI
(710406 5335 088)**

CORPORATE STRATEGY EXECUTIVE

FOR THE

PERIOD: 1 JULY 2010 - 30 JUNE 2011



PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The Municipality of Stellenbosch herein represented by **Adv Hanlie Linde** in her capacity as Acting Municipal Manager (hereinafter referred to as the Employer or Supervisor) and **Luvuyo Zantsi**, Corporate Strategy Executive an employee of the Municipality of Stellenbosch.

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
- 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 Employee to a set of outcomes that will secure local government policy goals.
- 1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to -

- 2.1 comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- 2.2 specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3 specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.4 monitor and measure performance against set targeted outputs;



- 2.5 use the Performance Agreement and Performance Plan as the basis to assess whether the Employee has met the performance expectations applicable to his/her job;
- 2.6 appropriately reward the Employee in accordance with the Municipal performance Regulations 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. COMMENCEMENTS AND DURATION

- 3.1 This Agreement will commence on the 01 July 2010 and will remain in force until 30 June 2011 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 Annexure A are set by the Employer in consultation with the Employee and set in the framework of the performance regulations having regard to the Integrated Development Plan and the Budget of the Employer, and shall include key objectives; key performance indicators; target dates and weightings.



- 4.3 The key objectives describe the main tasks that need to be done. The key performance indicators 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.

5. PERFORMANCE MANAGEMENT REGULATIONS AND PERFORMANCE MANAGEMENT SYSTEM

- 5.1 The Employee agrees to participate in the performance management system as regulated by the Municipal Performance Regulations and should the Employer adopt or introduce a new/unique performance management system, to participate fully therein. The employee will also ensure that he/she and all management and staff under his control, participates therein.
- 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.
- 5.3 The Employer will consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

6. Implementation and participation in the performance management system

- 6.1 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the Employee's responsibilities) within the local government framework.
- 6.2 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.
- 6.2.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competencies Requirements (CCRs) respectively.
- 6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 6.2.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 6.3 The Employee's assessment will be based on his/ her performance in terms of the outputs/ outcomes (performance indicators) identified as per attached Performance Plan (Annexure A), which are linked to the KPA's,



