

PERFORMANCE AGREEMENT

2024/2025



Made and entered into by and between:

BOJANALA PLATINUM DISTRICT MUNICIPALITY

As represented by the **Acting Municipal Manager**

Dr AJ Mothupi

and

Mr M Mokgatsi

(in his capacity as the **Acting Director: Economic Development, Tourism, Mining, Agriculture and Rural Development** and Employee of Bojanala Platinum District Municipality)

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PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The **BOJANALA PLATINUM DISTRICT MUNICIPALITY** herein represented by Dr AJ Mothupi in his capacity as the **Acting Municipal Manager** (hereinafter referred to as the **Accounting Officer**)

and

Mr M Mokgatsi in his capacity as **Director: Economic Development, Tourism, Agriculture, Mining and Rural Development** and an Employee of the **BOJANALA PLATINUM DISTRICT MUNICIPALITY** (hereinafter referred to as the Employee).

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.

The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

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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 comply with the provisions of Section 78(1)(a), (b), (c), (d), (e), (f) and (g) of the Municipal Finance Management Act 56 of 2003 as well as S78(2);
- 2.3 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;
- 2.4 specify accountabilities as set out in the Performance Plan (Annexure A);
- 2.5 monitor and measure performance against set targeted outputs;
- 2.6 use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the Employee has met the performance expectations applicable to his/her job;
- 2.7 appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.8 give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on 03 October 2024 and will remain in force until 30 June 2025 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

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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 and the Budget of the Employer, and shall include corporate objectives; key performance indicators; targets and weightings.
- 4.3 The corporate objectives describe the main tasks that need to be achieved by council. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The targets describe the timeframe, quality or quantity in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- 4.4 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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5. PERFORMANCE MANAGEMENT SYSTEM

- 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.
- 5.2 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.
- 5.4 The Employee agrees to participate in the performance management and development system that the Employer adopts.
- 5.5 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.
- 5.6 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.
- 5.6.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs) respectively.
- 5.6.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

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5.6.3 KPAs covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.

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

Table 1: KPAs and weightings

KEY PERFORMANCE AREAS (KPA's)	WEIGHTING
Basic Service Delivery	0%
Municipal Institutional Development and Transformation	10%
Local Economic Development (LED)	60%
Municipal Financial Viability and Management	10%
Good Governance and Public Participation	20%
Total	100%

5.8 The CCRs will make up the other 20% of the Employee's assessment score. CCRs that are deemed to be most critical for the Employee's specific job should be selected (✓) from the list below as agreed to between the Employer and Employee:

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Table 2: CCRs and weightings

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
CORE MANAGERIAL AND CCUPATIONAL COMPETENCIES	INDICATE CHOICE	WEIGHT
Core Managerial Competencies		
Strategic Capability and Leadership	✓	5
Programme and Project Management	✓	5
Financial Management (compulsory)	✓	5
Change Management	✓	5
Knowledge Management	✓	5
Service Delivery Innovation	✓	4
Problem Solving and Analysis	✓	4
People Management and Empowerment (compulsory)	✓	4
Client Orientation and Customer Focus	✓	5
Communication	✓	5
Honesty and Integrity	✓	5
Core Occupational Competencies		
Competency in Self Management	✓	5
Interpretation of and implementation within the legislative and national policy frameworks	✓	4
Knowledge of developmental Local Government	✓	5
Knowledge of Performance Management and Reporting	✓	5
Knowledge of global and South African specific political, social and economic contexts	✓	4
Competency in policy conceptualization, analysis and implementation	✓	4
Knowledge of more than one functional municipal field/discipline	✓	4
Skills in mediation	✓	4
Skills in Governance	✓	5
Competency as required by other national line sector departments	✓	4
Exceptional and dynamic creativity to improve the functioning of the municipality	✓	4
Total percentage		100%

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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 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:

6.5.1 **Assessment of the achievement of results as outlined in the performance plan:**

- (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- (b) An indicative rating on the five-point scale should be provided for each KPA.
- (c) The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score

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6.5.2 Assessment of the CCRs

- (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
- (b) An indicative rating on the five-point scale should be provided for each CCR.
- (c) The applicable assessment rating calculator must then be used to add the scores and calculate a final CCR score.

6.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

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

Table 3: Performance Ratings

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
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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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 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 ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that:

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Table 4: 2006 Regulations score ratings & bonus applicable

Overall Score	Possible Performance Bonus Award
>129%	0 %
130% to 149%	5% to 9%
150%	10% to 14%

11.3 The Employee will be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least twelve months (12) service at the current remuneration package on 30 June (end of financial year) subject to a fully effective assessment.

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

11.4.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

11.4.2 After appropriate performance counseling 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 salary increment in the must be mediated by

12.1.1 The MEC for Developmental Local Government and Traditional Affairs within thirty (30) days of receipt of a formal dispute from the Employee; or

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12.1.2 Any other person designated by the MEC for Developmental Local Government and Traditional Affairs

12.2 In the event that the mediation process contemplated above fails, clause 19.3 of the Contract of Employment shall apply.

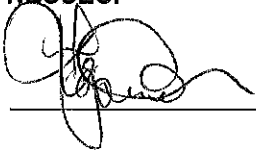
13. GENERAL

13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A 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.

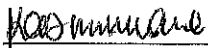
Thus done and signed at Rustenburg on this the 23 day of October 2024

AS WITNESSES:

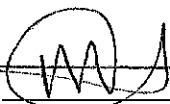
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EMPLOYEE

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AS WITNESSES:

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ACTING MUNICIPAL MANAGER

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Annexure A: 2024/25 Performance Plan for Director: Economic Development, Tourism, Mining, Agriculture and Rural Development

Key Performance Area	Strategic Objective	Key Performance Indicator	Baseline	Annual Target	Budget	Quarterly Targets				Portfolio of Evidence
						Q 1	Q 2	Q 3	Q 4	
Local Economic Development	To promote District Tourism development	Number of reports on District marketing programmes	4 reports on District Marketing & promotions in 23/24FY	2 Reports on District Marketing programmes by 30 June 2025	R 200 000	Target applicable	1 Report on District marketing programmes	Target applicable	1 Report on District marketing programmes	Q1; Target not applicable Q2; Report Q3; Target not applicable Q4 – Report
		Number of reports on District Tourism Support	4 reports on District Tourism support in 23/24FY	3 Reports on District Tourism Support developed by 30 June 2025	R 350 000	1 Report on district tourism support	Target applicable	1 Report on district tourism support	1 Report on district tourism support	Q1; Report Q2; Target not applicable Q3; Q4 Reports
		Development of District Destination Marketing Strategy	New	1 District Destination Marketing Strategy developed by 30 June 2025	Operational	Stakeholder consultation	Target applicable	Draft Destination Marketing Strategy developed	Draft Destination Marketing Strategy tabled to Council	Final Destination Marketing Strategy tabled to Council
Local Economic Development	To provide and promote enterprise development initiatives	Number of District Tourism building programmes conducted.	District Tourism capacity building in 2023/24FY	1 District Tourism Capacity building program by 30 June 2025	R 75 000	Stakeholder consultations	1 Tourism capacity building programme conducted	Target applicable	1 Target applicable	Q1, Q2, Report Q3; Q4 – Target not applicable
		Number of Enterprise Development Capacity building programmes conducted.	Enterprise Development Capacity building programmes in 2023/24FY	1 Enterprise Development Capacity building program by 30 June 2025	R 75 000	Stakeholder consultations	1 Enterprise Development capacity building program conducted	Target applicable	1 Target applicable	Q1, Q2, Report Q3; Q4 – Target not applicable

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Key Performance Area	Strategic Objective	Key Performance Indicator	Baseline	Annual Target	Budget	Quarterly Targets				Portfolio of Evidence
						Q 1	Q 2	Q 3	Q 4	
Local Economic Development	To provide and promote enterprise development initiatives	Number of reports on the SMME Cooperative support initiatives	4 reports on SMME Cooperatives support 23/24FY	4 reports on the SMME Cooperative support by 30 June 2025	R 700 000	1 Report on the SMME Cooperative support	1 Report on the SMME Cooperative support	1 Report on the SMME Cooperative support	1 Report on the SMME Cooperative support	Q1; Q2; Q3; Q4 – Reports
						1 report on Agricultural farmers' support	1 report on Agricultural farmers' support	1 report on Agricultural farmers' support	1 report on Agricultural farmers' support	Q1; Q2; Q3; Q4 Reports
						1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	Q1; Q2; Q3; Q4 – Reports
Municipal Institutional Development & Transformation	To enhance organizational performance	Number of reports on District Farmers' market initiatives	New	4 reports on District Farmers' market by 30 June 2025	R 500 000	1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	1 report on District Farmers' market initiatives	Q1; Q2; Q3; Q4 – Reports
						2 departmental meeting held	2 departmental meeting held	2 departmental meetings held	2 departmental meetings held	Q1, Q2, Q3, Q4 – Minutes, Attendance register and Agenda
						8 departmental meetings in 2023/24	8 departmental meetings by 30 June 2025	8 departmental meetings by 30 June 2025	8 departmental meetings held	Q1, Q2, Q3, Q4 – Minutes, Attendance register and Agenda
Municipal Institutional Development & Transformation	To enhance organizational performance	Number of Progress reports on the post audit action plan	New	2 Progress reports on the audit action plan submitted to the Accounting Officer by 30 June 2025	Operational	Target applicable	Target applicable	not applicable	not applicable	Audit Q1; Q2; Target plan progress submitted to the Accounting Officer
						1 departmental meeting held	1 departmental meeting held	1 departmental meeting held	1 departmental meeting held	Q1; Q2; Q3; Q4 – Reports

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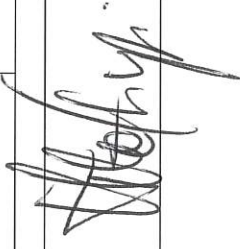
Key Performance Area	Strategic Objective	Key Performance Indicator	Baseline	Annual Target	Budget	Quarterly Targets				Portfolio of Evidence
						Q 1	Q 2	Q 3	Q 4	
Municipal institutional development and transformation	To protect the municipality from potential risk	Number of Departmental management risks	4 reports in 23/24FY	4 Departmental reports submitted to Risk Unit by 30 June 2025	Operational	1 risk report submitted to the Risk Unit	1 risk report submitted to the Risk Unit	1 risk report submitted to the Risk Unit	1 risk report submitted to the Risk Unit	Q1, Q2, Q3, Q4 Departmental risk register & report acknowledged
		Number of reports on implementation of council resolutions submitted to the Accounting Officer (AO)	4 reports in 23/24FY	4 reports on the implementation of council resolutions submitted to the Accounting Officer by 30 June 2025	Operational	1 report on the implementation of council resolutions submitted to the AO	1 report on the implementation of council resolutions submitted to the AO	1 report on the implementation of council resolutions submitted to the AO	1 report on the implementation of council resolutions submitted to the AO	Q1; Q2; Q3; Q4 Signed Report
Good governance and public participation	To promote District Tourism development	Number of District Tourism meetings held	4 meetings held in 23/24FY	2 District Tourism Association meetings held by 30 June 2025	Operational	1 District Tourism Association meeting held	1 District Tourism Association meeting held	1 District Tourism Association meeting held	1 District Tourism Association meeting held	Q1; Q2; Target not applicable Q3; Report Q4; Target not applicable
		Number of LED Forum meetings held	4 LED Forum meetings in 23/24FY	2 reports on LED Forum meetings held by 30 June 2025	Operational	1 LED Forum meeting held	1 LED Forum meeting held	1 LED Forum meeting held	1 LED Forum meeting held	Q1; Q2; Target not applicable Q3; Report Q4; Target not applicable
	To provide Enterprise development and mining support and capacity building through collaborations in the District	Number of District Mining Forum meetings held	4 District Mining Forum meetings in 23/24FY	2 reports on Mining Forum meetings held by 30 June 2025	Operational	1 Mining Forum meeting held	1 Mining Forum meeting held	1 Mining Forum meeting held	1 Mining Forum meeting held	Q1; Q2; Target not applicable Q3; Report Q4; Target not applicable
		Number of reports on District Mining Forum meetings held	4 District Mining Forum meetings in 23/24FY	2 reports on Mining Forum meetings held by 30 June 2025	Operational	1 Mining Forum meeting held	1 Mining Forum meeting held	1 Mining Forum meeting held	1 Mining Forum meeting held	Q1; Q2; Target not applicable Q3; Report Q4; Target not applicable

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Annexure B: INDIVIDUAL LEARNING PLAN (Include Skills Gap)

Director: EDTAR	Mr Mike Mkgatsi	Employee No	1113
Job Title:	Acting Director	Department:	Economic Development, Tourism, Mining, Agriculture and Rural Development
Accounting Officer:	Dr AJ Mthupi	Date:	23/10/24

Skills / Performance Gap	Outcomes Expected	Suggested training and / or development activity	Suggested mode of delivery	Suggested Time Frames	Work opportunity created to practise skill / development area	Support Person

Director's Signature:		Date	23/10/2024	Accounting Officer's Signature:		Date	23/10/24
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