

Kgatelopele Local Municipality



PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN:

**KGATELOPELE LOCAL MUNICIPALITY
AS REPRESENTED BY:**

MUNICIPAL MANAGER

Adv. WILLIE BLUNDEN

.....
(FULL NAMES)

AND

Mr. LEONARD COACKLEY

.....
(FULL NAMES)

**DIRECTOR FINANCE : CHIEF FINANCIAL OFFICER
FOR THE PERIOD
OF**

01 JULY 2025 - 30 JUNE 2026

W.B.

PERFORMANCE AGREEMENT ENTERED INTO BY AND BETWEEN:

The **KGATELOPELE LOCAL MUNICIPALITY** herein represented by **Adv. Willie Blunden** in his capacity as **MUNICIPAL MANAGER** (hereinafter referred to as the Employer)

And

Mr. **LEONARD COACKLEY** in his capacity as **DIRECTOR FINANCE : CHIEF FINANCIAL OFFICER** OF THE **KGATELOPELE LOCAL MUNICIPALITY** (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

Chapter 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 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.

1.3 The parties wish to ensure that there is compliance with Sections 57 (1) (b) Sections 67(1) (d) of the Systems Act.

Chapter 2: PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to -

2.1 Comply with Section 67(1) (d) of the Systems Act;

2.2 Specify objectives and targets established for the employee and to communicate the employer's expectations of the employee's performances 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 employer's performance management policy in the event of outstanding performance in relation with the employee attaining equitable and improved service delivery.

Chapter 3: COMMENCEMENT AND DURATION OF AGREEMENT

3.1 This agreement will commence on the 01 JULY 2025 and will remain in force until the 30th JUNE 2026 whereupon a new Performance Agreement, Performance Plan (Annexure A & B) and Personal Development Plan (Annexure C) 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 "May /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.

Chapter 4: PERFORMANCE OBJECTIVES

4.1 The Performance Plan (Annexure A) sets out-

The performance objectives and targets that must be met by the employee; and

4.2 The time frames within which those performance objectives and targets must be met.

4.3 The performance objectives and targets reflected in “Annexure A” would be set by the employer in consultation with the employee and based on the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the employer for a particular financial year, and shall include key objectives; key performance indicators; target dates and weightings.

4.4 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 within which the work must be achieved. The weightings show the relative importance of the key objectives in relation to each other.

4.5 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 (IDP).

Chapter 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 required standards.

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.

Chapter 6: PERFORMANCE AGREEMENT

6.1 The employee agrees to sign and adhere to the performance conditions and criteria set out in the Performance Agreement and the Performance Plan (Annexure A, B and C) of the municipality.

6.2 The employee undertakes to actively focus towards the promotion and implementation of the KPA's and KPI's (including special projects relevant to the employee's responsibilities) within the local government framework.

6.3 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 Plan of the Employee (Annexure A and B).

6.4 The employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Managerial Requirements (CCR's), respectively.

6.5 Each area of assessment will be weighted and will contribute a specific part to the total score.

6.6 The KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

6.7 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:

APPENDIX A: KEY PERFORMANCE AREAS:	Weighting
Municipal Financial Stability	90
Local Economic Development	5
Good Governance and Public Participation	5
TOTAL:	100

6.4 The CCR's will constitute the other 20% of the employee's assessment score. CCR's 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:

APPENDIX B: CORE COMPETENCY REQUIREMENTS (CCR's)		
1. Core Managerial Competencies (CMC's)		Weight
Financial Management		10
Change Management		
Knowledge Management		
Honesty and Integrity		10
Problem Solving and Analytical Thinking		5
People and Diversity Management		
Client Orientation and Customer Focus		5
Communication		25
2. Core Occupational Competencies (COC's)		
Competence in policy conceptualisation, Analysis and implementation		10
Exceptional and dynamic creativity to improve municipality Policy conceptualisation		5
Interpretation of legislative and policy framework		10
Mediation skills		5
Advanced negotiation skills		5
Advanced influencing skills		5
Knowledge of functional municipal fields / disciplines		5
TOTAL		100

Chapter 7: EVALUATING PERFORMANCE

7.1 The Performance Plan (Annexure A and B) to this Agreement sets out –

7.2 The standards and procedures for evaluating the employee's performance; and

7.3 The intervals for the evaluation of the employee's performance.

7.4 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.

7.5 Personal growth and development needs to be identified during any performance review discussion and must be documented in a "Personal Development Plan" (Annexure C) as well as the actions agreed upon and implementation must take place within set time frames.

7.6 The employee's performance will be measured in terms of contributions to the goals and strategies set out in the employer's IDP and SDBIP.

7.7 The annual performance appraisal/assessment will involve:

7.8 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 a five-point scale should be provided for each KPA.

(c) The applicable assessment rating calculator (refer to paragraph 7.10 below) will then be used to add the scores and to calculate a final KPA score.

7.9 Assessment of the CCR's (CMC's and COC's)

(a) Each CCR should be assessed according to the extent to which the specified standards have been met.

(b) An indicative rating on a five-point scale should be provided for each CCR.

(c) The applicable assessment rating calculator will then be used to add the scores and to calculate a final CCR score.

7.10 Overall rating

An overall average rating is calculated by using the applicable assessment-rating calculator which in turn will constitute the final outcome of the performance appraisal/assessment.

7.11 The assessment of the performance of the employee will be based on the following rate scale for KPA's and CCR's:

Level	Terminology	Description	Rating: 1- 5
5.0	Outstanding performance	Performance exceeds by far the standard expected of the employee at this level. The appraisal indicates that the employee has achieved <u>above fully effective results against all performance criteria and indicators as specified in the Performance Plan and maintained this in all areas of responsibility throughout the year.</u>	
4.0 to 4.9	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved <u>above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.</u>	

Level	Terminology	Description	Rating: 1 - 5
3.0 to 3.9	Fully effective	Fully effective Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has <u>fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan.</u>	



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2.0 to 2.9	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. <u>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.</u>	
1.0 to 1.9	Unacceptable performance	Performance does not meet the standards expected for the job. <u>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 all efforts to encourage improvement.</u>	

Chapter 8: SCHEDULE FOR PERFORMANCE REVIEWS

8.1 The performance of each employee in relation to his/her performance agreement shall be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

Appraisals/Assessments will be done during the first two weeks of the new quarter.

First quarter (July – September)

Second quarter (October – December)

Third quarter (January – March)

Fourth quarter (April – June)

8.2 The employer shall keep record of the mid-year review and annual assessments.

8.3 Performance feedback shall be based on the employer's assessment of the employee's performance.

8.4 The employer will be entitled to review and make reasonable changes to the provisions of “Annexure A and B” from time to time for operational reasons. The employee will be fully consulted before any such change is made.

8.5 The employer may amend the provisions of “Annexure A and B” or any other part of the performance plan and performance agreement whenever the performance management system has been changed or amended in which instances the employee will be fully consulted before any such changes are being made.

Chapter 9: DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure C.

Chapter 10: OBLIGATIONS OF THE EMPLOYER

10.1 The employer shall –

10.2 Create an enabling environment to facilitate effective performance by the employee;

10.3 Provide access to skills development and capacity building opportunities

10.4 Work collaboratively with the employee to solve problems and generate solutions to common problems that may impact on the performance of the employee;

10.5 On the request of the employee delegate such powers reasonably required by the employee to enable him/her to meet the performance objectives and targets established in terms of this agreement; and

10.6 Make available to the employee such resources as the employee may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this agreement.

Chapter 11: CONSULTATION

11.1 The employer agrees to consult the employee timeously where the exercising of the powers will have amongst others –

11.2 A direct effect on the performance of any of the employee's functions;

11.3 Commit the employee to implement or to give effect to a decision made by the employer; and

11.4 A substantial financial effect on the employer.

11.5 The employer agrees to inform the employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the employee to take any necessary action without delay.

Chapter 12: MANAGEMENT OF EVALUATION OUTCOMES

12.1 The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance as per the approved performance management policy of the municipality.

12.2 In the case of unacceptable performance, the employer shall –

12.3 Provide systematic remedial or developmental support to assist the employee to improve his or her performance; and

12.4 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.

Chapter 13: GRIEVANCE PROCEDURE

13.1 Any grievance about the nature of the Director Finance : Chief Financial Officer performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provided for, shall be mediated by

13.2 The Municipal Manager of Kgatelopele Local Municipality within thirty (30) days of receipt of a formal dispute from the; or

13.3 The mayor (in case whether the grievance is against the Municipal Manager) shall within thirty (30) days of receipt of a formal dispute from the.

13.4 Any other person appointed by the Municipal Manager.

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

Chapter 14: GENERAL

14.1 The contents of this agreement and the outcome of any review conducted in terms of "Annexure A and B" may be made available to the public by the employer.

14.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the employee as the Director Finance Chief Financial Officer community services of Kgatelopele Local Municipality.

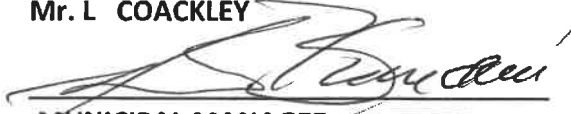
Thus, done and signed at Daniëlskuil on this 31
Day of July 2025

AS WITNESSES:

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2. _____


DIRECTOR FINANCE: CHIEF FINANCIAL OFFICER
Mr. L. COACKLEY


MUNICIPAL MANAGER
Adv. W Blunden