

PERFORMANCE AGREEMENT

Performance Agreement

Made and entered into by and between:

The Municipal Entity of the Ugu South Coast Development Agency
As Represented by the Caretaker Chief Executive Officer

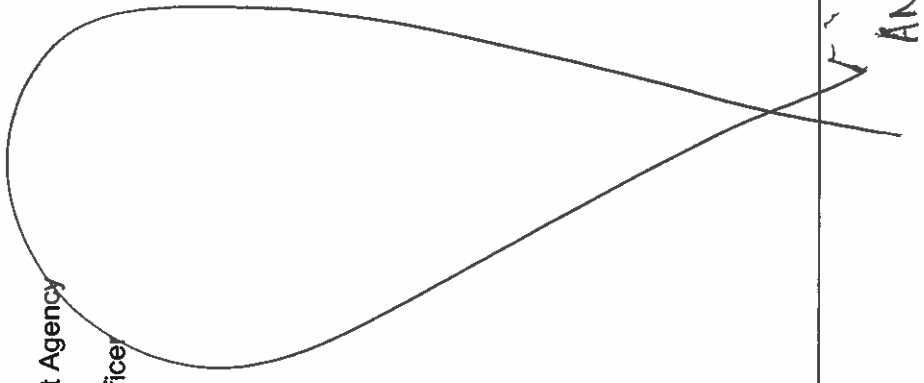
Mr S. Dlomo

and

Ms. Nelisiwe Makhaye
Investment Promotion & Marketing Manager

For the period

1 July 2021 – 31 January 2022



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PERFORMANCE AGREEMENT

Entered into and Between:

The Municipal Entity of the Ugu South Coast Development Agency herein represented by Mr. S. Dromo in his capacity as the Caretaker Chief Executive Officer of Ugu South Coast Development Agency; (hereinafter referred to as The Agency or Reporting Officer)

And

Ms. Nelsiwe Makhayve, duly appointed by the Board as the Investment Promotion & Marketing of the Municipal Entity of the Ugu South Coast Development Agency (hereinafter referred to as The Investment Promotion & Marketing Manager).

Whereby it is agreed as follows:

1. Introduction

- 1.1 The Agency has entered into a contract of employment with The Investment Promotion & Marketing Manager in terms of either section 56 of the Local Government: Municipal Systems Acts 32 of 2000 ("the System Act") or by virtue of being employed as a Manager. The Agency and The Development Manager are hereinafter referred to as "the Parties".
- 1.2 By virtue of having entered into a Contract of Employment between the parties, they are bound by the Individual and Organizational Performance Management System Framework of the Ugu District Municipality and its entity. The Individual Performance Management Framework requires that an annual performance Agreement/Work plan be entered into.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of The Investment Promotion & Marketing Manager 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), 4(A) (4B) and (5) of the Systems Acts, and PMS Framework as well as the Contract of Employment entered into between the parties;

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- 2.2 Specify objectives and targets established for The Investment Promotion & Marketing (IPM) and to communicate to The Investment Promotion & Marketing. The Agency's expectations of The Development Manager'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 for assessing whether The Investment Promotion & Marketing Manager has met the performance expectations applicable to his/her job;
- 2.6 Appropriately reward The Investment Promotion & Marketing Manager in accordance with the Ugu District Municipality's and its entity Individual performance management policy framework in the event of outstanding performance; and
- 2.7 Give effect to The Agency's commitment to a performance-orientated relationship with The Investment Promotion & Marketing in attaining equitable and improved service delivery.

3. Commencement and Duration

- 3.1 This Agreement will commence on the 1 July 2020 and will remain in force until 30 June 2021, thereafter 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 Investment Promotion & Marketing Manager'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 Board 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 Investment Promotion & Marketing Manager; 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 Agency in consultation with The Caretaker Chief Executive Officer and based on the Annual Performance Plan, Service Delivery and Budget Implementation Plan of The Agency, and shall include key objectives; key performance indicators; target dates and weighting.
 - 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.
 - 4.4 The Investment Promotion & Marketing Manager's (IPM) performance will, in addition, be measured in Terms of contributions to the goals and strategies set out in The Agency's Annual Performance Plan.
- #### 5. Performance Management System
- 5.1 The IPM agrees to participate in the Performance Management System that The Agency adopts or introduces for The Agency, management, and the staff of The Agency.
 - 5.2 The IPM accepts that the purpose of the Performance Management System will be to provide a comprehensive system with specific performance standards to assist The Agency, management, and entity staff to perform to the standards required.
 - 5.3 The Agency will consult The Investment Promotion & Marketing Manager about the specific performance standard that will be included in the Performance Management System as applicable to The Chief Executive Officer.
- #### 6. The Investment Promotion & Marketing Manager agrees to participate in the Performance Management and Development System that The Agency adopts
- 6.1 The Investment Promotion & Marketing Manager undertakes to actively focus towards the promotion and implementation of KPA's (including special projects relevant to The Investment Promotion & Marketing Manager's responsibilities) within the local government framework.

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6.2 The criteria upon which the performance of The Investment Promotion & Marketing Manager shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.

- 6.2.1 The Investment Promotion & Marketing Manager must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Managerial Competencies (CMC's) respectively.
- 6.2.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 6.2.3 KPA's covering the main areas of work will account for 80% and CMC's will account 20% of the final assessment.

6.3 The Investment Promotion & Marketing Manager's assessment will be based on her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Annual 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 Agency and Employee.

KEYPERFORMANCE AREAS (KPAS)	STRATEGIC OBJECTIVES	WEIGHTING
Corporate Identity	<p><u>Update USCDA website and maintenance</u></p> <p>4 Quarterly updates to websites</p> <p><u>Ensure all brand & marketing material compliant with USCDA</u></p> <p>Review & produce brand & marketing material</p> <p><u>Investment attraction</u></p> <p>Advertisement on Investment opportunities published</p>	40%
Investment Promotion	<p><u>Facilitate the implementation of high impact projects</u></p> <p><u>Hibberdene Mixed Use</u> Draft Head Lease Signed Head and Sub Lease with the developer</p> <p><u>Coastal Properties</u> Due diligence report - clarifying the mandate and deliverables for all projects listed Due Diligence to determine the feasibility of the projects - Including mandate</p> <p><u>KwaXolo Caves</u> Funding applications for 3rd phase submitted to potential funders Progress Report on the Construction of Phase 2 of KwaXolo Caves</p>	60%

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	<p>To promote economic development within coastal and riverine zones Umzumbwe River Trails Phase 2 - Funding Applications Funds raised for Umzumbwe River Trails Phase 2</p> <p>Facilitate catalytic projects within the Uqu District Ifata Industrial Park Rezoning and EIA Completion of EIA and Rezoning</p> <p>Renewable Energy: To identify, attract, support or assist renewable energy initiatives within the district</p> <p>To support and assist the proposed Bio Fuels initiative at Gunn's Drift Project Steering Committee Appointment to oversee the implementation of the project</p>	
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6.4 The CMCs will make the other 20% of The Investment Promotion & Marketing Manager's assessment score. CMC's that are deemed to be most critical for The Development Manager 's specific job should be selected from the list below as agreed to between The Agency and Employee:

CORE COMPETENCY REQUIREMENT FOR THE EMPLOYEE			
CORE MANAGEMENT CRITERIA (CMC)		✓	WEIGHT
1. Strategic Capability & Leadership		✓	10%
2. Programme & Project Management		✓	10%
3. Financial Management (Compulsory)		✓	10%
4. Change Management		x	0%
5. Knowledge Management		x	0%
6. Service Delivery Innovation		✓	10%
7. Problem Solving & Analysis		x	10%
8. People Management & Empowerment (Compulsory)		✓	15%
9. Client Orientation & Customer Focus (Compulsory)		✓	15%
10. Communication		✓	5%

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11. Honesty & Integrity	x	5%
TOTAL		100%

7. Evaluating Performance

- 7.1 The Performance Plan (Annexure A) to this Agreement sets out:
 - 7.1.1 The standards and procedures for evaluating Employee's performance; and
 - 7.1.2 The intervals for the evaluation of The Investment Promotion & Marketing Manager's performance.
- 7.2 Despite the establishment of intervals for evaluation, The Agency may in addition review The Investment Promotion & Marketing Manager's performance at any stage while the contract of employment remains in force.
- 7.3 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.
- 7.4 The Investment Promotion & Marketing Manager's performance will be measured in terms of contributions to the goals and strategies set out in The Agency's APP.
- 7.5 The annual performance appraisal will involve:
 - 7.5.1 *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 (refer to Paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.
 - 7.5.2 *Assessment of the CMC's*
 - (a) Each CMC 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 CMC.
 - (c) The applicable assessment rating calculator (refer to Paragraph 6.5.1) must then be used to add the scores and calculate a final CMC score.

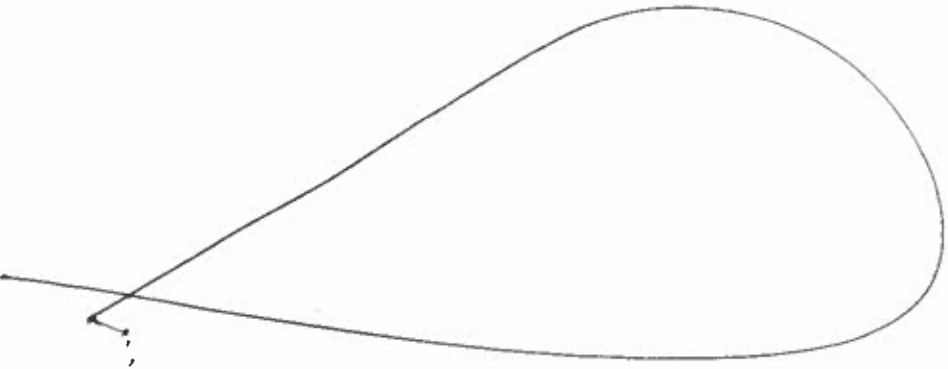
7.5.3 Overall Rating

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

- 7.6 The assessment of the performance of The Investment Promotion & Marketing Manager will be based on the following rating scale for KPAs and CMC's



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LEVEL	TERMINOLOGY	DESTRPTIONS	RATING
5	Outstanding Performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicate that The Development Manager has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Agreement and Performance Plan and maintained this in all areas of responsibility throughout the year.	>150%
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that The Development Manager has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.	130 – 149%
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that The Development Manager has fully achieved effective results against all significant performance criteria and indicators as specified in the Performance Agreement and Performance Plan.	100 -129%
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 indicate that The Development Manager has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the Performance Agreement and Performance Plan.	80 – 99%
1	Unacceptable Performance	Performance does not meet the standard expected for the job. The review / assessment indicates that The Development Manager has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the Performance Agreement and Performance Plan. The Development Manager 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.	>79%

7.7 For purpose of evaluating the performance of the Development Manager Employee, an evaluation panel will be appointed by the Board of Directors.

7. 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:

First quarter	July	-	September (year)
Second quarter	October	-	December (year)
Third quarter	January	-	March (year)
Fourth quarter	April	-	June (year)

8.2 The Agency shall keep a record of the mid-year review and annual assessment meetings.

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8.3 Performance feedback shall be based on The Agency's assessment of The Investment Promotion & Marketing Manager's performance.

8.4 The Agency will be entitled to review and make reasonable changes to the provisions of Annexure 'A' from time to time for operational reasons. The Development Manager will be fully consulted before any such change is made.

8.5 The Agency may amend the provisions of Annexure 'A' whenever the Performance Management System is adopted, implemented, and /or amended as the case may be. In that case, The Investment Promotion & Marketing Manager will be fully consulted before any such change is made.

8. Developmental Requirements

The Personal Development Plan (PDP) for addressing development gaps is attached as Annexure B.

9. Obligations of the Agency

The Agency shall:

10.1 Create an enabling environment to facilitate effective performance by The Investment Promotion & Marketing Manager;

10.2 Provide access to skills development and capacity building opportunities;

10.3 Work collaboratively with The Chief Executive Officer and Executive Board Members to solve problems and generate solutions to common problems that may impact on the performance of The Investment Promotion & Marketing Manager;

10.4 On the request of The Investment Promotion & Marketing Manager delegates such powers reasonably required by The Investment Promotion & Marketing Manager to enable him/ her to meet the performance objectives and targets established in term of this Agreement; and

10.5 Make available to The Development Manager such resources as The Investment Promotion & Marketing Manager may reasonably require to assist her meet the performance objectives and targets established in terms of this Agreement.

10. Consultation

11.1 The Agency agrees to consult The Investment Promotion & Marketing Manager timeously where the exercising of the powers

will have amongst others:

- 11.1.1 A direct effect on the performance of any of the Investment Promotion & Marketing Manager's functions;
 - 11.1.2 Commit the Investment Promotion & Marketing Manager to implement or to give effect to a decision made by The Agency; and
 - 11.1.4 A substantial financial effect on The Agency.
- 11.2 The Agency agrees to inform The Investment Promotion & Marketing Manager 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 Investment Promotion & Marketing Manager to take any necessary action without delay.

11. Management of Evaluation Outcomes

- 12.1 The evaluation of The Investment Promotion & Marketing Manager's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 12.2 A performance bonus of 5% to 14% of inclusive annual remuneration package may be paid to Investment Promotion & Marketing Manager in recognition of outstanding performance.
- 12.3 In the case of unacceptable performance, The Agency shall:
 - 12.3.1 Provide systematic remedial of development support to assist The Investment Promotion & Marketing Manager to improve her performance; and
 - 12.3.2 After appropriate performance and counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, The Agency may consider steps to terminate the contract of employment of The Development Manager on grounds of unfitness or incapacity to carry out his or her duties.

12. General

- 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be available to the public by The Agency.
- 13.2 Nothing in this agreement diminishes the obligations, duties, or accountabilities of The Investment Promotion & Marketing Manager in terms of her contract of employment, or the effects of existing or new regulations, circulars, policies, directives, or other instruments.

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S/O#	National KPA#	UgudM IDP Ref	PROGRAMME	PROJECT	KPI
SO 4.1	1	3.7	Corporate Identity	Update USCDA website and maintenance	4 Quarterly updates to websites
SO 4.2	1	3.7	Corporate Identity	Ensure all brand & marketing material compliant with USCDA	Review & produce brand & marketing material
SO 4.3	1	3.7	Investment attraction	Advertisement on Investment opportunities published	Number of advertisements published
SO 5.1.1	3	3.7.9	Investment promotion	Marketing USCDA to Local and International investors	Leaflets and brochures sent to all SA embassies (Africa and abroad)
SO 5.1.2	3	3.7.9	Investment promotion	Marketing investment opportunities at investment conferences and seminars	Number of exhibitions/conferences/seminars

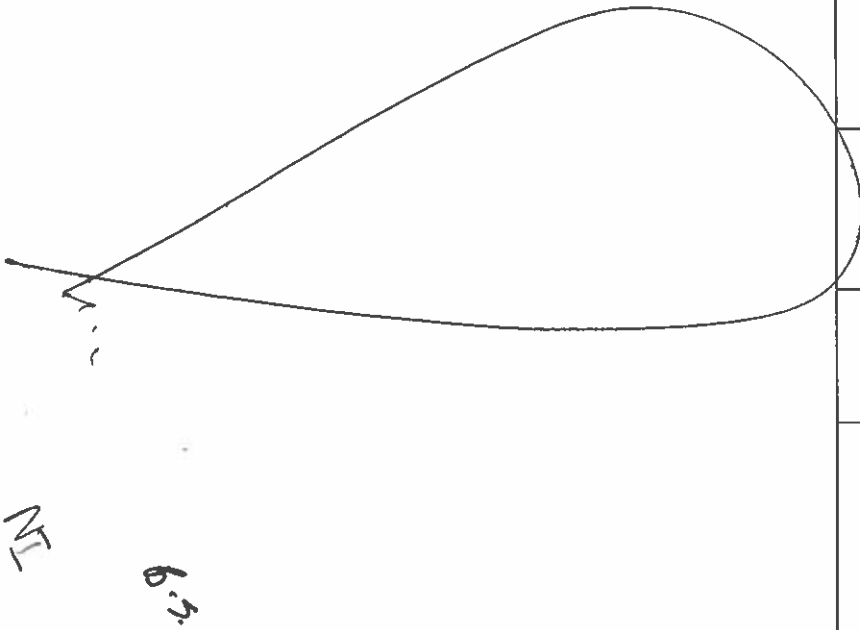
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SO 7.1.2			Coastal Properties Development	Hibberdene Harbour Turton Off-Ramp	Due Diligence to determine the feasibility of the projects - Including mandate
SO 7.2.1		KwaXolo Caves	KwaXolo Caves	Funding applications for 3rd phase submitted to potential funders	Number of funding applications submitted
SO 7.2.2		KwaXolo Caves Phase 2	KwaXolo Caves Phase 2	Construction of Phase 2 of KwaXolo Caves	Progress Report on the Construction of Phase 2 of KwaXolo Caves
SO 8.1.1		Multi Trails Network	Multi Trails Network	Umzumbe River Trails Phase 2 - Funding Applications	Funds raised for Umzumbe River Trails Phase 2
SO 9.1		Catalytic Project	Catalytic Project	Ifafa Industrial Park Rezoning and EIA	Completion of EIA and Rezoning

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SO 10.1		Renewable energy	To support and assist the proposed Bio Fuels Initiative at Gunn's Drift	Project Steering Committee Appointment to oversee the implementation of the project
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Thus, done and signed at Post Shepstone on this the _____ day of _____ 2021.

1. Nelisiwe Makthaye

2. SANDINE DRONO

[Handwritten signature]

EMPLOYEE

[Handwritten signature]

EMPLOYER

AS WITNESSES:

1. Sandee

2. BURRUE FINEAU

ASHNEI NAIDOO

NAME OF WITNESS

[Handwritten signature]

NAME OF WITNESS

[Handwritten initials]

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EVALUATION ON THE CORE MANAGEMENT CRITERIA (CMG)
 CMC's are based on the eleven core competencies - every Manager should be assessed against all those CMC's that are applicable to her/his job. Compulsory CMC's for Managers are highlighted below: (NOTE: Weight should be taken from the signed performance agreement for the year under review)

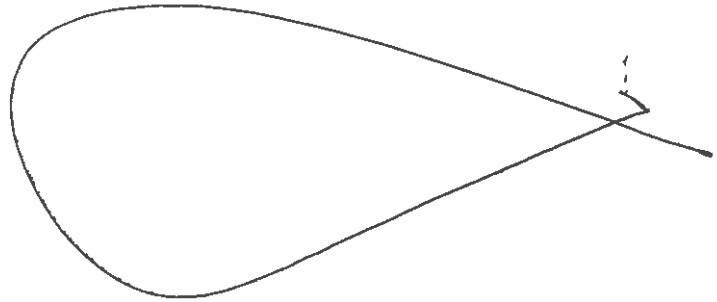
CORE MANAGEMENT CRITERIA (CMC)	WEIGHT	MILESTONES / COMMENTS	OWN RATING BY MANAGER (1-5)	RATING BY ASSESSOR	AGREED RATING
1. Strategic Capability & Leadership	10%				
2. Programme & Project Management	10%				
3. Financial Management (Compulsory)	5%				
4. Change Management	5%				
5. Knowledge Management	10%				
6. Service Delivery Innovation	10%				
7. Problem Solving & Analysis	10%				
8. People Management & Empowerment (Compulsory)	15%				
9. Client Orientation & Customer Focus (Compulsory)	15%				
10. Communication	5%				
11. Honesty & Integrity	5%				
TOTAL	100%				

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ANNEXURE B: PERSONAL DEVELOPMENT PLAN

AREA TO BE DEVELOPED	TYPE OF INTERVENTION	TARGET DATE	PERFORMANCE REVIEW FOR PDP		
			PROGRESS	BARRIERS	ACTIONS TO OVERCOME BARRIERS
Project management	Principles of project management				
International Marketing	Investment Promotion and fundraising				



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