

THE PERFORMANCE AGREEMENT

*Entered into by and between
the City of Ekurhuleni
“the Employer”*

Duly represented by the City Manager of City of Ekurhuleni

and
“the Employee”

HoD: Legislature

*for the Financial Year:
1 July 2026 - 30 June 2027*

Handwritten signature or initials.

PERFORMANCE AGREEMENT

ENTERED INTO BY AND BETWEEN:

The City of Ekurhuleni herein represented by Kagiso Michael Leruitain in her capacity as City Manager (hereinafter referred to as the Employer)

And

Modise Koetle, employee of the City of Ekurhuleni (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

1. The Employer has entered into a contract of employment with the Employee in terms of section 56 of the Local Government: Municipal Systems Act 32 of 2000 as amended ("the Systems Act"). The Employer and the Employee are hereinafter referred to as "the Parties".
2. Section 56 of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance agreement.
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.
4. The parties wish to ensure that there is compliance with the relevant sections of the Systems Act.



2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to -

1. comply with the provisions of Section 57(2)(a),(3A) and (4c) of the Act (as amended) as well as the employment contract entered into between the parties;
- 2.2 specify national and local key performance areas (KPA's), key performance indicators (KPI's) and objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- 2.3 specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- 2.4 monitor and measure performance against set targeted outputs;
- 2.5 use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his job;
6. In the event of outstanding performance, to appropriately reward the employee; and
- 2.7 give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

1. This Agreement will commence on 1 July 2026 and will remain in force until 30 June 2027. 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, if applicable.
2. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than 31 July of each successive financial year.
3. This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
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.
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.

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4. PERFORMANCE OBJECTIVES

- 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.
- 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 (IDP), 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.
 - 4.2.1 The KPA's describe the main tasks that need to be done.
- 2. The KPI's provide the details of the evidence that must be provided to show that a key objective has been achieved.
- 3. The target dates describe the timeframe in which the work must be achieved.
- 4. The weightings show the relative importance of the key objectives to each other.
- 3. 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

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.
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.
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.
4. 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. 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.
 - 5.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Leading and Core Competency requirements (LCCs) respectively.
 - 5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.
 - 5.3 KPAs covering the main areas of work will account for 80% and LCCs will account for 20% of the final assessment.

6. The Employee's assessment will be based on his performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan (Annexure A), which are linked to the KPAs, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

Key Performance Areas (KPAs)	
Municipal Infrastructure Development and Service Delivery	
Municipal Institutional Development and Transformation	
Local Economic Development (LED)	
Municipal Financial Viability and Management	
Good Governance and Public Participation	

7. The Leading and Core Competencies (LCCs) will make up the other 20% of the Employee's assessment score. All LCCs are deemed to be essential and critical for the Employee's job and will therefore form part of the employee's performance agreement. See Annexure A.2 of this agreement for the Leading and Core Competency requirements of the HOD.

6. EVALUATING PERFORMANCE

3.1 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 well 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.

6.5.2 Assessment of the LCCs:

(a) Each applicable competency 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 competency.

(c) This rating is to be multiplied by the weighting given to each competency during the contracting process, to provide a 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 KPAs and CCRs:

Terminology	Description	Rating
Outstanding performance	Performance far exceeds the standard expected of an employee at this level...	5
Performance significantly above expectations	Performance is significantly higher than the standard expected in the job...	4
Fully effective	Performance fully meets the standards expected in all areas of the job...	3

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Turniricology	Description	Rating
Not fully effective	Performance is below the standard required for the job in key areas...	2
Unacceptable performance	Performance does not meet the standard expected for the job...	1

6.7 For purposes of evaluating the annual performance of the HoD, an evaluation panel constituted of the following persons must be established:

1. Municipal Manager;
2. Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
3. MMC for Finance;
4. Municipal manager from another municipality; and
5. Manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulation. (Regulation 27(4)(f) of Regulation 805).

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7. SCHEDULE FOR PERFORMANCE REVIEWS

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 2026

Second quarter : October – December 2026

Third quarter : January – March 2027

Fourth quarter : April – June 2027

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

7.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

7.4 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee will be fully consulted before any such change is made.

7.5 The Employer 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 Employee will be fully consulted before any such change is made.

8. DEVELOPMENTAL REQUIREMENTS

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

9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall –

- 9.1.1 Create an enabling environment to facilitate effective performance by the employee;
- 9.1.2 Provide access to skills development and capacity building opportunities;
- 9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 9.1.4 on the request of the Employee delegate such powers reasonably required by the Employee to enable him to meet the performance objectives and targets established in terms of this Agreement; and
- 9.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him to meet the performance objectives and targets established in terms of this Agreement.

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

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.

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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 of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the **Employee** in recognition of outstanding performance to be constituted as follows:

11.2.1 A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

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

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.

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 agreement, must be mediated by –

In the case of managers directly accountable to the municipal manager, the

executive mayor or mayor within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

12.2 Any disputes about the outcome of the **employee's performance evaluation**, must be mediated by-

In the case of managers directly accountable to the municipal manager, a

member of the municipal council, provided that such member was not part of the

evaluation panel provided for in sub-regulation 27(4)(e), within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

evaluation panel provided for in sub-regulation 27(4)(e), within thirty (30) days of receipt of a formal dispute from the employee; whose decision shall be final and binding on both parties.

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 contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed at Germiston.....on this the 30 day of July.... 2026

AS WITNESSES:

1. [Signature]

EMPLOYEE

[Signature]

2. [Signature] AS WITNESSES:

1. [Signature]

EMPLOYER (CITY MANAGER)

[Signature]

ANNEXURE A

PERFORMANCE PLAN

for

Modise Koetle

HoD: Legislature

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Content

1. Purpose of the Agreement
2. Responsibilities of the HoD: Legislature
3. Appraisal Outcome Summary
4. Performance Plan
 1. Key Performance Areas
 2. Core Competency Requirements/Core Managerial Competencies
5. Declaration Statement for Measurement
6. Signatories
7. Personal Development Plan

Source of Information: Approved 2026/2027 SDBJP and other strategic documents.

1. PURPOSE OF THE AGREEMENT

The performance plan defines the Council's expectations of the HoD: Legislature. The performance plan detailed in Section 4.1 is in response to Section 56 of the Municipal Systems Act, as amended, i.e. the performance plan is based on the municipality's Integrated Development Plan (IDP).

2. RESPONSIBILITIES OF THE HOD: Legislature

The Head of Department in his/her capacity as the head of the department is responsible for the following :

- Effective management of the department which includes human resources management, strategy management, operations management and governance management as it relates to all delegations.
- Political support and advice to political structures and political office bearers.
- Development of monitoring and reporting system for the department.
- Development and implementation of measures to achieve departmental results management of the interface between political offices and department.
- Facilitating participation by the local community in the affairs of the municipality.
- Provide strategic support to the office of the City Manager.
- Law making as it relates to the department and implementation of the municipality's by-laws and other legislation.
- Development and implementation of departmental strategy.

The Head of Department in his/her capacity as the head Accounting Officer of the department is responsible for the following :

- Management of the financial administration of the department, and must for this purpose take all reasonable steps to ensure that the resources of the entity are used effectively, economically and transparently.
- Management of assets and liabilities on behalf of the municipality.
- Management of supply chain as relates to demand management, procurement of goods and services in line with relevant policies and legislation.
- Budget management which includes budget formulation and implementation in line with adopted priorities in the IDP.
- Development and implementation of departmental resource plan.
- Financial governance as related to financial report and accounting.

3. APPRAISAL OUTCOME SUMMARY AS PER THE 2026-2027 SDBIP

Key Results	Key Performance Indicators	Annual Target	Quarter 1	Mid-Year Review/ Appraisal	Quarter 3	Year-End Appraisal
Improved quality of Council Structures	GG 2.11 Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	96	96.0000	96.0000	96.0000	96.0000
Improved quality of Council governance structure	GG 2.12 Percentage of wards that have held a quarterly councillor-convened community meeting	68	68.0000	68.0000	68.0000	68.0000
Improved quality of Council governance structure	GG 3.12 Percentage of councillors who have declared their financial interests	100	20.0000	60.0000	85.0000	100.0000
Improved quality of Council governance structure	LEG 1 Number of functional Section 79 Committees	18	18.0000	18.0000	18.0000	18.0000

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Key Results	Key Performance Indicators	Annual Target	Quarter 1	Mid-Year Review/ Appraisal	Quarter 3	Year-End Appraisal
Improved quality of council governance structures	LEG 2 Percentage functionality of ward committees	95	95.0000	95.0000	95.0000	95.0000
Create a high performing organisation	Percentage conclusion of performance management activities in line with PM policy (All performance agreements (PAs) signed and reviews conducted for all direct reports within stipulated timeframes)	100	100.0000	100.0000	100.0000	100.0000
Improved compliance levels of the department	Percentage of departmental contracts managed in compliance section 115 (3) of MEFSA (Contracts must be in place drafted or vetted by CTS contract performance periodically monitored; variations approved following SAC processes)	100	0.0000	0.0000	0.0000	100.0000
Risk Management	Percentage implementation of Risk Mitigation Strategies.	80	80.0000	80.0000	80.0000	80.0000
An ethical, clean political leadership and administration	Percentage implementation of the AG recommendations specific to the Department	100	100.0000	100.0000	100.0000	100.0000
An ethical, clean political leadership and administration	Percentage implementation of the Internal Audit recommendations specific to the Department	100	100.0000	100.0000	100.0000	100.0000
Improve good governance	Percentage declaration of financial interests by all Senior Managers and higher	100	100.0000	100.0000	100.0000	100.0000

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KPA	Key Result Area	Key Outcomes	Weightings	Activities	KPI	Baseline	Annual Target	5-Point Rating Scale	Portfolio of Evidence	Source of Evidence
GOOD GOVERNANCE AND PUBLIC PARTICIPATION (0.00)	Improve compliance levels of the department	Increased effectiveness on Contract Management	5	Management and monitoring of contracts in the department	Percentage of departmental contracts managed in compliance section 118 (3) of MFMA (Contracts must be in place drafted or vetted by CLS; contract performance periodically monitored; variations approved following EAC processes)	100.00	100	1 = <90% 2 = 90-99% 3 = 100% 4 = 100% + 1 site visit/meeting on any of the contracts 5 = 100% + 2 site visits / meetings on any of the contracts	Compliance Certificate by CLS	1. Summary of Meetings held with service providers. 2. Picture of sites visits (where applicable)
GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15.00)	Risk Management	Management and mitigation of risk exposure in the organisation.	7	Management and mitigation of risk exposure in the organisation.	Percentage Implementation of Risk Mitigation strategies.	100.00	80	1 = <70% 2 = 70 - 79% 3 = 80% 4 = 81 - 90% 5 = 91- 100%	Compliance certificate from the HoD; Risk Management Services.	Quarterly risk mitigation strategies implementation report to risk committee.
GOOD GOVERNANCE AND PUBLIC PARTICIPATION (22.00)	An ethical, clean, political leadership and administration	Alignment of a clean audit report	7	Implementation of the Operation Clean Audit interventions	Percentage Implementation of the AG recommendations specific to the Department	100.00	100	1 = <95% 2 = 95-99% 3 = 100% 4 = 5-	Audit Report approved by Council. Internal Audit compliance certificate.	AG's Management Letter.
GOOD GOVERNANCE AND PUBLIC PARTICIPATION (29.00)	An ethical, clean, political leadership and administration	Alignment of a clean audit report	10	Implementation of the Operation Clean Audit interventions	Percentage Implementation of the Internal Audit recommendations specific to the Department	100.00	100	1 = <95% 2 = 95-99% 3 = 100% 4 = 5-	Audit Report approved by Council. Internal Audit compliance certificate.	Internal Audit Reports.
GOOD GOVERNANCE AND PUBLIC PARTICIPATION (43.00)	Improve good governance	Create a culture of declaration of financial interest	9	Improve good governance	Percentage declaration of financial interests by all Senior Managers and higher	100.00	100	1 = <95% 2 = 95 - 99% 3 = 100% 4 = lower than senior managers 5 = -	Compliance certificate from Risk Management Department	Declaration Register

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ANNEXURE A.2 COMPETENCIES = 20% OF PERFORMANCE AGREEMENT (Regulation 21 of 2014, of the Systems Act, Act No 32 of 2000)

Competency	Total Weighting
Analysis and Innovation	8.00
Bartholomew-Principles (Some already covered under the Competencies)	4.00
Communication	8.00
Financial Management	8.00
Governance Leadership	8.00
Knowledge & Information Management	8.00
Moral Competence	8.00
People Management	8.00
Planning and Organising	8.00
Program and Project Management	8.00
Results and Quality Focus	8.00
Strategic Direction and Leadership	8.00
Change Leadership	8.00

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6. Declaration Statement for Measurement

The Head of Department hereby declares to be aware of the contents of this performance agreement and to do all that is legally possible to achieve the intended results and to be held accountable for work done in the municipality. Where baselines do not exist the second quarter results will be used as a baseline. You will also be held responsible for work done in the departments and in other inter departmental enterprise teams that you form part thereof.

W.K.

1. 6. Signatories

Signature of the Employer: _____

Signed and accepted by (full names) Kagiso Michaeli Leruthoboson
city manager, duly representing the City of Ekurhuleni "the Employer".

Date: 30/07/26

Signature of the Employee: _____

Modise Koetle

Signed and accepted by (full names) Modise Koetle (position)
HOD: Legislative the employee of the City of Ekurhuleni.

Date: 30/07/26

Note: Please initial every page

ANNEXURE B: PERSONAL DEVELOPMENT PLAN

PERSONAL DEVELOPMENT PLAN (PDP)	
NAME & SURNAME:	Modise Koelle
EMPLOYEE NUMBER:	
DEPARTMENT:	Legislature
DESIGNATION:	
DIRECT SUPERVISOR / MANAGER:	Kagiso Michael Leruda
FORMAL QUALIFICATIONS: GRADE 12 CERTIFICATES -- 120 CREDITS DIPLOMAS DEGREES HIGHER DEGREES	
SHORT COURSES AND SKILLS PROGRAMMES FOUND COMPETENT	

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LEARNING AND DEVELOPMENT REQUIRED

SHORT TERM : (Less than 3 Months: 2 Interventions per Financial year)

Financial Year	Identify specific Learning and Development programmes or courses	Type of learning: Formal Training / Skills Programme Short Course Mentoring and / or Coaching Internship/ Learnership / Apprenticeship Guidance and Instruction. Degree/ Bursary/ Exchange Program	Due date (by when)	Duration of Training
2026/2027	public administration	Short Course	30 June 2027	
2026/2027			30 June 2027	

M.k
for

Authentication and agreement:

SIGNED BY SUPERVISOR ON DATE: 30/07/2026 AT: (PLACE): Gerniston



SIGNATURE

SIGNED BY EMPLOYEE ON DATE: 30/07/26 AT: (PLACE): Gerniston



SIGNATURE

Copies to (1) Employee (2) Training Coordinator in the Department and (3) HR Representative (4) PM Practitioner

HOD: Legislature Performance Agreement for the 2026/2027 FY