

WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY



PERFORMANCE AGREEMENT: 2023/2024

Entered into by and between

MBIZANA LOCAL MUNICIPALITY

("the Employer ")

Represented by the Municipal Manager: Mr. L. Mahlaka

Duly authorized by the Council

AND

Mr. SL Mtshengu

["The Employee"]

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ACRONYMS

SDBIP	-	Service Delivery and Budget Implementation Plan
BEE	-	Black Economic Empowerment
BIGM	-	Building Inclusive Green Municipalities
MM	-	Municipal Manager
EXCO	-	Executive Committee
SM	-	Senior Manager
HoD	-	Head of Department
IDP	-	Integrated Development Plan
LED	-	<i>Local Economic Development</i>
MFMA	-	Municipal Finance Management Act, No. 56 of 2003
KPA	-	Key Performance Area
KPI	-	Key Performance Indicators
CCR	-	Core Competency Requirements
RSA	-	Republic of South Africa
SCM	-	Supply Chain Management
NEDLAC	-	National Economic Development and Labour Council
PDP	-	Personal Development Plan
PA	-	Performance Agreement
PP	-	Performance Plan
OPMS	-	Organisational Performance Management System

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DEFINITIONS

Ruling Language - Refers to the language parties to the contract choose to use as a medium for formal communication between themselves.

Financial Year- Refers to the 12-month period which the organization determines as its budget year.

GENERAL PROVISIONS

1. INTRODUCTION

- 1.1 The Employer has entered into a permanent contract of employment with the Senior Manager: Community Services, in terms of section 57(4) (g) of the Act No. 3 of 2022: Local Government: Municipal Systems Amendment Act, 2022 ("the Systems Act").
- 1.2 Section 57(1) (b) of the Municipal Systems Act, read with the contract of employment concluded between the parties, requires the parties to conclude an annual performance agreement. That the parties hereby agree to have this contract developed in terms of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Senior Manager: Community Services reporting to the Municipal Manager representing the municipality, to a set of actions that will secure local government policy goals.
- 1.4 This performance contract is between **Sinothando Lawrence Mtshengu**, the Senior Manager: Community Services, and **Luvuyo Mahlaka**, the Municipal Manager. It is for the 2023/2024 financial year only. The expected performance reflected in this contract is based on the Council approved Integrated Development Plan 2022 to 2027 and the 2023/2024 Service Delivery and Budget Implementation Plan. The two afore-mentioned documents have been adopted as the working documents of Winnie Madikizela - Mandela Local Municipality and therefore, shall be the basis of performance assessment.

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2. **STRATEGIC OBJECTIVE**

The Senior Manager: Community Services has the overall responsibility of ensuring that he shall be, subject to the policy directions of the Municipality, responsible and accountable for administratively being in charge of the Community Services department, performing such as environmental services, protection services, development and management of indigent register, and any other functions as may be delegated to him by the Municipal Manager.

In addition to above, he shall be responsible for ensuring that the municipality has and maintains -

- (i) effective, efficient and transparent systems of financial and risk management and internal control; and
- (ii) an appropriate supply chain management and provisioning system which is fair, equitable, transparent, competitive and cost-effective.

3. **PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT**

If the Senior Manager: Community Services achieves outstanding performance, he shall qualify for the annual performance bonus in accordance with clause 6 of the contract of employment, as amended, entered into between the Municipal Manager and the Senior Manager on 01 December 2022, as well as the results of the performance evaluation agreed to in this contract. The acceptability of the level of his performance or otherwise shall be determined and declared by the performance evaluation team in accordance with the provision of this agreement, following the receipt of a report on the Senior Manager: Community Services achievement or otherwise of the KPIs as reflected in clause 4 of this contract.

Annexure A as attached has listed Key Performance Areas (KPAs) and Core Competency Requirements (CCRs) that are worth 100 points in total. Each KPA and CCR consists of Key Performance Indicators that have different weightings; which weightings are then converted by the adopted rating calculator into the final weightings; which final weightings are to be assessed. The achievement of above 160 percent shall be regarded as 100% bonus warranting, above 130 percent to 160 percent, as average and warranting a proportional percentage of performance bonus, above 80 percent to 130 percent shall warrant some form of in-kind recognition, and below 50 percent, shall require the employer to effect remedial measures that may include an incapacity disciplinary enquiry.

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A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be affected after,

- I. The Annual Report for the financial year under review has been tabled and adopted by the Municipal Council;
- II. An evaluation of performance in accordance with the provisions of regulation 23, and this contract; and
- III. Approval of such evaluation by the Municipal Council as a reward for outstanding performance or effective performance.

The increment for 2023/2024 shall be based on the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers directly accountable to Municipal Managers, 2006. The employer shall grant an annual salary adjustment linked to a cost-of-living adjustment based on market indicators, which is not performance based.

4. EVALUATING PERFORMANCE

The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

The annual performance appraisal will involve:

- I. Assessment of the achievement of results as outlined in the performance plan;
- II. Assessing the extent to which the specified standards or KPIs have been met with due regard to ad-hoc tasks that had to be performed under the KPAs and CCRs.

The criteria upon which the performance of the employee shall be assessed consists of two components, both of which shall be contained in the performance plan: -

- I. The employee must be assessed against both components, with a weighting of 80:20 allocated to the KPAs and the CCRs respectively;
- II. Each area of assessment will be weighted and will contribute a specific part to the total score.

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A five-point rating scale to be used for both KPAs and CCRs, is as depicted hereunder:

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 key 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	Performance 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.					

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		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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The performance bonus payment shall be categorised into two bands with multiple ranges per band.

The first performance bonus (cash rewards) payment band ranges between 5% and 9% of the all-inclusive remuneration package, as follows:

- I. A score of above 130% to 136%, to qualify for a 5% bonus;
- II. A score of above 136% to 142%, to qualify for a 7% bonus;
- III. A score of above 142% to 149%, to qualify for a 9% bonus.

The second performance bonus (cash rewards) payment band ranges between 10% and 14% of the all-inclusive remuneration package, as follows:

- I. A score of 150% to 155%, to qualify for a 10% bonus;
- II. A score of above 155% to 160%, to qualify for a 13% bonus;
- III. A score of above 160%, to qualify for a 14% bonus.

A performance bonus may not be paid on a pro-rata basis as the bonus is paid annually after complying with the legal requirements captured in this contract and the applicable laws.

The performance achievement ranging from 80% to 130% shall be regarded as fully effective and therefore warranting the employer to acknowledge and or recognize the employee, whichever is necessary. This category of performance acknowledgement and recognition is a non-financial rewards system. It will apply as follows:

- i. A score of 80% to 100%, to receive a letter of acknowledgement and recognition issued by the Municipal Manager;
- ii. A score of above 100% to 120%, to receive a recognition certificate from the Mayor;
- iii. A score of above 120% to 130%, to receive an academic/skills development programme grant to a maximum of R25 000.00 only; this to be paid directly to a learning institution of choice.

The selected programme must be linked to the personal development plan (Annexure B).

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A level of performance achievement of below 50% shall warrant the employer to execute corrective measures that may include disciplinary measures due to incapacity.

5. **DEVELOPMENTAL REQUIREMENTS**

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

6. **CONSEQUENCE OF SUBSTANDARD PERFORMANCE**

Where the employer, at any time during the Senior Manager: Community Services' employment, is not satisfied with the Senior Manager's performance with respect to any matter dealt with in this Agreement, the employer will give notice to the Senior Manager: Community Services to attend a monitoring and review meeting.

The Senior Manager will have the opportunity at the meeting to satisfy the Municipal Manager or the monitoring and evaluation team of the measures being taken to ensure that his performance becomes satisfactory and any program, including any dates, for implementing these measures.

7. **RULING LANGUAGE**

The contract is made out in the English language, which shall be the ruling language. All correspondence between the parties to this contract and all reports and documents pertaining to this contract shall be in English language.

8. **TERM OF CONTRACT**

This contract shall be deemed to have been entered into on the 1st July 2023 and will expire on the 30th of June 2024. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31 July 2024. This Agreement will terminate on the termination of the Senior Manager Community Services' contract of employment for any reason.

9. **LIMITATIONS OF THE CONTRACT**

This contract is an agreement between the employer and the Senior Manager about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the Senior Manager entered into on accepting his position and to South African legislation. In the case of any ambiguity, the employment contract shall prevail

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over this performance contract. Nothing contained in this Agreement in any way limits the right of the employer to terminate the Senior Manager's contract of employment with or without notice for any other breach by the Senior Manager of his obligations to the Municipality or for any other valid reason in law.

10. MONITORING AND EVALUATION

The monitoring and performance reviews for each quarter as determined in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers 2006, shall be comprised of the Municipal Manager, and their brief will be to assess the performance of the Senior Manager: Community Services in line with the performance requirements as outlined in Annexure A of this contract. Despite the in-year reviews, the employer shall establish an assessment team to conduct an annual performance review; the team shall be composed as follows:

- I. Municipal Manager,
- II. Chairperson of the Audit Committee,
- III. A member of the Executive Committee, and
- IV. Municipal Manager from another municipality.

The Senior Manager: Community Services shall provide secretariat services to the assessment team referred to above.

11. DISPUTE RESOLUTION

In case of disputes, which cannot be resolved through negotiations and mediation, the employee has a right to refer the case to the Mayor who must settle the case within thirty (30) days of receipt of a formal written dispute. The decision of the Mayor shall be deemed final and binding on both parties.

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12. JURISDICTION

Regardless of the place of execution, performance or domicile of the parties, this contract and all modifications and amendments hereof shall be governed by and construed under and in accordance with the laws of the Republic of South Africa.

13. WHOLE AGREEMENT

The parties to this contract agree that this contract constitutes the whole agreement and arrangement for the performance of the Senior Manager: Community Services with effect from 01 July 2023.

No agreement, varying, adding to, deleting from or cancelling this contract, shall be effective unless reduced to writing and signed by both parties. The following annexures and appendices attached to this contract will have the same force and effect as if they were written in this section of the contract:

ANNEXURE A: PERFORMANCE PLAN

ANNEXURE B: PERSONAL DEVELOPMENT PLAN

APPENDIX 1: COMMITMENT OF MANAGEMENT TEAM

APPENDIX 2: OBLIGATIONS OF THE EMPLOYER


SIGNED at BIZANA this 03 day of JULY 2023.

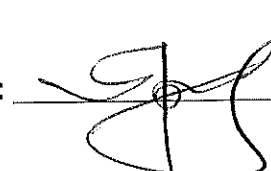
SENIOR MANAGER: COMMUNITY SERVICES

Signature: 

Name Printed: SINOHANDO L. MTSHENGU

WITNESSES

1. Signature:  Name Printed: KALIPA HINTSU

2. Signature:  Name Printed: NTOMBIWE MANKWENDE

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FOR AND ON BEHALF OF WINNIE MADIKIZELA – MANDELA LOCAL MUNICIPALITY

MUNICIPAL MANAGER

Signature: _____

Name Printed: _____

LUNISO MATHEKA

WITNESSES

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Signature: _____

Name Printed: _____

NINABISA JOKWENI

2.

Signature: _____

Name Printed: _____

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ANNEXURE "A"

PERFORMANCE PLAN

14. KEY PERFORMANCE AREAS (KPAS) FOR 2023/2024

14.1 BASIC SERVICE DELIVERY

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATED OR WEIGHTING %	KPI's	TARGETS			FINANCIAL IMPLICATIONS	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To ensure subsidization of poor households in order to receive basic services by June 2024	1.1	6	7.5%	a) % of subsidised beneficiaries that claimed free grid electricity	Quarterly	Compliance with Indigent policy	Subsidized 100% of beneficiaries that claimed grid electricity.	R9 213 600.00	12 months reports and invoices
				b) Reviewed and adopted credible indigent register	30/06/2024	Compliance with Indigent policy	100% of subsidized beneficiaries that claimed free FBAE	R499 992.00	12 Monthly reports, Adopted credible indigent register & Council resolution.
				c) Number of indigent awareness campaigns conducted.	Quarterly	Compliance with Indigent policy	8 indigent awareness campaigns conducted.	R663 622.00	Awareness campaigns reports & 8 attendance registers.

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					d) Number of beneficiaries qualifying for free refuse removal.		Compliance with Indigent policy	Provided 743 qualifying beneficiaries with free refuse removal	R0.00	12 Monthly reports
To establish a uniform approach in monitoring disaster risks by June 2024	1.11	4	5%		a) Assessed & responded to reported & recorded disaster incidences within 72 hours	Quarterly	Disaster management Act and Framework	Respond within 72 hours from the time each incident has been reported and recorded	R499 992,00	Disaster incidences register
					b) Conduct 8 disaster awareness campaigns and 4 Local Disaster Advisory Forum by June 2024	Quarterly	Disaster management Act and Framework	8 Disaster Awareness campaigns and 4 Local Disaster Advisory Forum	R578 460,00	8 Awareness campaigns report; 8 attendance registers and 4 attendance registers for Local Disaster Advisory Forum
To provide sustainable services of municipal facilities to the communities by June 2027	1.12	4	5%		Number of municipal public facilities operated, maintained & equipped	Quarterly	Compliance with NEMA standards	Operated, Maintained & Equipped 36 municipal public facilities	R575 844.00	12 Monthly progress reports and 12 monthly checklist, 2 Order form, 2 appointment letters/2 issue registers
					Number of employees provided with Protective Clothing	Annual	Compliance with Occupational Health & Safety Act	Provided PPE to 70 beneficiaries	R199 992,00	Appointment letter/order number, Issue registers.
					Number of public facilities Paved and landscaped	Quarterly	Compliance with NEMA standards	Paving of 1 public facilities at Ward 4 community hall	R770 304,00	Appointment letter, progress / completion certificate.

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To facilitate provision of library services to Mbizana Communities by June 2027	1.13	3	3.75%	Number of library awareness campaigns conducted.	Quarterly	SAC	Conduct 08 library awareness campaigns	R440 532.00	08 Awareness campaigns report & 08 attendance registers.
				Number of libraries maintained and equipped	30 June 2024	CRA	Maintain 5 Libraries (Monwabisi, Mbizana, Mbhongweni, Nkantolo and Ebenezer) and equip 1 Library (Mbhongweni) by June 2024	R349 992.00	Appointment letter, Progress report/completion certificate
To ensure conservation and management of natural resources for sustainable use by June 2023.	1.14	3	3.75%	Number of periodicals supplied	Quarterly	LDA	Supply 2800 periodicals by June 2024	R99 996.00	Periodical register
				Number of programs towards implementation of climate change strategy	Quarterly	NEMA	4 climate change programmes conducted by June 2024	R84 804.00	4 Reports and 4 Attendance Register
				Number of coastal committee meetings conducted	Quarterly	NEMA	4 coastal committee meetings conducted by June 2024	R52 344.00	4 Attendance Registers and 4 Reports
				Number of environmental awareness campaigns conducted.	Quarterly	NEMA	8 environmental awareness campaigns conducted by June 2024	R382 560.00	4 Attendance Registers and 4 Reports
				Number of pilot blue flag beaches applied for and	30 June 2024	NEMA	Application for 1 pilot Blue Flag Beach and provide 2 picnic table set with	R154 884.00	Application for Blue Flag Beach/ Confirmation of receipt of Water Samples/Delivery note

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To provide sustainable services of Parks, Cemeteries and municipal facilities	1.15	2	2.5%	provision of beach material	30 June 2024	NEMA	Maintain & manage 2 Cemeteries, 4 Parks, 2 nurseries and maintain 20 Municipal facilities by June 2024	R312 605,00	Appointment letter/Order & Delivery Note /maintenance Report/s
				Number of cemeteries, nurseries, parks and municipal facilities maintained and managed	30 June 2024	NEMA	Purchase 5 grass cutting machines and accessories, maintain 30 garden power tools by June 2024	R335 484,00	12 Progress Reports and Delivery notes
To collect, manage and dispose waste in an acceptable and responsible manner by June 2023.	1.16	5	6.25%	Number of routine rehabilitation & maintenance of EXT3 dumping site	Quarterly	NEMA	12 routine rehabilitation & maintenance of EXT 3 dumping site by June 2024	R1 500 000,00	12 Progress Reports
				Number of financial projections & rehabilitation plan reports compiled	30 June 2024	NEMA	1 Financial projections & rehabilitation plan report compiled by June 2024	R400 000,00	1 Appointment letter 1 Approved financial projections & rehabilitation plan Report
				Number of EIA conducted	Quarterly	NEMA	Conduct Environmental Impact Assessment for Disposal site by June 2024.	R500 000,00	12 Monthly reports

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To establish effective compliance with Waste Act by June 2027				Number of landfill site constructed	30 June 2024	NEMA	Constructed Majazi landfill site with 1 functional cell by June 2024.	R16 271 040,00	12 Monthly reports
To ensure proper collection and disposal of environmental threatening obstacles by June 2027	2	2.5%		% of environmental threatening obstacles attended to within 24hrs.	30 June 2024	NEMA	Attend to 100% and reported recorded environmental threatening obstacles within 24hours by June 2024.	R104 700,00	12 Monthly reports
To ensure effective and efficient delivery of waste service by June 2027.	6	7.5%		Number of resources provided and issued	Quarterly	OSH Act	Provide working resources to 175 employees and 1438 households.	R1 497 600,00	Delivery note
				Number of awareness campaigns conducted	Quarterly	NEMA	conduct 8 waste management awareness campaigns by June 2024	R428 641,00	8 Awareness campaigns report & 8 attendance registers
				Number of waste management committee meetings conducted	Quarterly	NEMA	Conduct 4 waste management committee meetings by June 2024.	R100 000,00	4 progress Reports and 4 attendance Registers
To ensure that there is enough fleet to achieve an integrated waste management by June 2027.	2	2.5%		Number of equipment purchased	30 June 2024	NEMA	Purchase 1 waste management truck and 1 skip loader truck by June 2024	R 3 478 261.00	Delivery Note

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To ensure that more remote areas receive waste service by June 2027				Number of rural areas provided for waste management services	Quarterly	NEMA	Provide waste management services to 30 rural areas by June 2024.	R1 276 874,00	12 monthly reports
To ensure proper collection and storage of waste by June 2027.		2	2.5%	Number of skip bins provided and serviced.	30 June 2024	NEMA	Purchased 10 skip bins by June 2024.	R304 348,00	Delivery note.
				Number of employees provided with Protective Clothing	30 June 2024	NEMA	Provided PPE to 227 employees by June 2024	R999 996,00	Appointment letter, Delivery Note, Issue registers
To ensure all Municipal key points, assets and resources are safe by June 2027.		4	5%	Number of security personnel safeguarding municipal sites	Quarterly	Security policy	48 Security personnel to safeguard 15 municipal sites.	R471 150,00	Signed SLA & Attendance register, Monthly monitoring reports
		1.17		number of CCTV cameras installed	30 June 2024	Security policy	Installation of 15 CCTV cameras by June 2024	R525 996,00	Appointment letter & Completion Certificate
				security equipment and consumables provided	30 June 2024	Security policy	Purchase of security equipment by June 2024	N/A	Delivery note
				Percentage of maintenances done for robots, CCTV Cameras and calibration of machine,	30 June 2024	NRTA & Security policy	Maintained 100% robots, CCTV cameras and calibration of machine by June 2024	N/A	Appointment letter & Completion Certificate

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To ensure consistent safety of road users and improve by law enforcement by June 2023.				Number of employees supplied with protective clothing.	30 June 2024	Occupational Health & Safety policy	Supply employees with protective clothing by June 2024	R465 915,00	Issue register & Completion certificate
	1.18	5	6.25%	Number of traffic fines issued,	30 June 2024	NRTA	1500 traffic fines issued by June 2024	N/A	List of traffic issued
				Number of Road blocks conducted	30 June 2024	NRTA	20 road blocks conducted by June 2024	N/A	Road block authorisation from SAPS
				Number of traffic signs erected, no of renewed kms of road markings	30 June 2024	NRTA	8 traffic signs erected, road marking accessories purchased, renewals of 33 kilometres of road markings by June 2024	R465 915,00	Appointment letter & Delivery note, order form
				Purchase of equipment & consumables	30 June 2024	NRTA	Purchase of equipment and consumables by June 2024	R167 520,00	Appointment letter & Delivery note
				Number of community safety awareness campaigns conducted.	30 June 2024	NRTA	4 community safety awareness campaigns conducted by June 2024	R358 932,00	Community safety Awareness campaign reports & attendance registers.

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To ensure consistent safety of road users by June 2027	1.19	3	3.75%	Number of registration and licencing of vehicles	30 June 2024	NRTA	3000 vehicles registered and licenced by June 2024	N/A	List of registered and licenced motor vehicles from Natis system (RD 323)
				Number of learner's licence, driving licence and PrDPs issued	30 June 2024	NRTA	240 learners' licence, issued 500 learners licence application, 2500 driving licence and 500 PrDPs by June 2024	N/A	List of learner's licenses, Application learners license application, driving licence and PrDPs from Natis system (RD 323)
				DLTC stationery supplied	30 June 2024	NRTA	DLTC stationery supplied by June 2024	R600 000,00	Delivery note
To control of stray animals within CBD; communities and public roads by June 2027	1.2	3	3.75%	Number of upgraded and maintained pound	30 June 2024	Pound policy	1 upgraded and maintained pound by June 2024	R156 000,00	Appointment letter, Completion Certificate
				number of animals collected	30 June 2024	Pound policy	240 animals collected by June 2024	N/A	Entry register of impounded animals
				Number of feed & remedies acquired.	30 June 2024	Pound policy	Number of feed & remedies acquired by June 2024.	R533027,7	Completion Certificate and Delivery note
To construct 1 Early Childhood Development Centre (ECDC) in the villages	1.2	2	2.5%	Number of Early Childhood Development Centre constructed	30 June 2024	MFMA	Ward 13 ECDC constructed by June 2024	R607 404	progress reports, Practical Completion Certificate

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14.2 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
Review of Institutional Policies by June 2027	3.5.1	2	2.5%	Number of employees workshopped on HR reviewed policies	30 June 2024	LRA	Workshop 100 municipal employees on HR reviewed policies by June 2024.	R799 992,00	Signed concept document, attendance register
To intergrade institutional development with organisational structure and workforce principles by June 2027	3.6.1	2	2.5%	Number of drafted and signed job descriptions	30 June 2024	LRA	46 job descriptions drafted, signed and submitted to DJEC by June 2024.	n/a	Signed Job Descriptions

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14.3 LOCAL ECONOMIC DEVELOPMENT (LED)

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING [CALCULATED OR WEIGHTING %]	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To Reduce informal Trading in the CDB by June 2027	2.14	2	2.5%	Construction of Bizana Mini-Market Phase 2	30 June 2024	MFMA	Constructed Bizana Mini-Market Phase 2 by June 2024	R1 939 124,00	TOR, progress report, completion certificate
To promote sustainable use of marine resources to contribute in the local economy by June 2027	2.15	2	2.5 %	Development of plans for construction of phase 1 (slip way and ablation facilities)	30 June 2023	MFMA	Developed plans of phase 1 and phase 2 construction (slip	R637 296,00	developed plans, TOR, closeout report
				Number of Small-Scale Fishers supported	30 June 2024	MFMA	5 Supported Small Scale Fishers by June 2024	R414 192,00	TOR, Delivery note, distribution register and closeout report
To promote enterprise development to contribute 10% by June 2027	2.16	2	2.5%	Number of SMME's supported and capacitated	June 2024	MFMA	Supported and capacitated 30 SMMEs by June 2024	R2 528 923,8	Delivery note, distribution register, assessment report, attendance register, closeout report
				Number of Supported and capacitated Incubates	June 2024	MFMA	20 Supported & Capacitated Incubates by June 2024		Terms of reference, Delivery note, distribution register, reports and attendance register

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14.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To achieve 100% billing for all services that are to be billed by June 2027	4.1.2	2	2.5%	Percentage of billing of active customer accounts.	Quarterly	MFMA	Billing 100% of active consumer accounts for Property rates, refuse and electricity by June 2024	100%	12 monthly Billing Report
To timely produce budgets in line with the National Treasury guidelines and regulations by June 2024	4.6.2	2	2.5%	Adjustments budget approved by 28 February 2024 and draft budget approved by 31 March 2024; final budget approved 31 May 2024	Adjustment budget 23/24; Draft budget 24/25; Approved 24/25 Final Budget and Council resolutions	MFMA	Approved Adjustment, Draft and Final Budget by June 2024	N/A	Adjustment budget 23/24; Draft budget 24/25; Approved 24/25 Final Budget and Council resolutions
To compile Annual Financial Statements that comply with all	4.5.1	2	2.5%	Managed external audit and ensure audit readiness to achieve clean audit opinion	30/06/2024	MFMA	1 Letter.1 Audit report.1	N/A	Proof of submission to AG, COAF register, Audit Action

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OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING %	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
							developed for 2024-2025, and 1 Final Risk Management report for 2023-2024 developed and submitted to Audit Committee by June 2024		
TOTAL		80	100%						

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15. CORE COMPETENCIES REQUIREMENTS (CCRs)

SELECTED CORE COMPETENCIES REQUIREMENTS

- 1) Financial Management (Objective 4.1)
- 2) People Management and Empowerment (Objective 3.2)
- 3) Client Orientation and Customer Focus (Objective 5.10)
- 4) Change Management (Objective 4.2)
- 5) Supply Chain Management (Objective 4.3)
- 6) Accountability and Ethical Conduct (Objective 5.2 & 5.6)

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS VERIFICATION	OF
					TIME	QUALITY	QUANTITY			
4.1 Financial Management: To achieve 100% billing for all services that are to be billed by June 2027	4.1.2	4	20%	Percentage of billing of active customer accounts.	Quarterly	MFMA	Billing 100% of active consumer accounts for Property rates, refuse and	100%	12 monthly Billing Report	

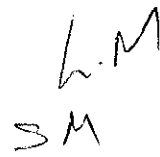
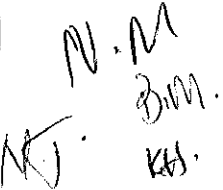
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OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
							electricity by June 2024		
3.2 People Management and Empowerment: To implement and sustain a functional and effective Performance Management System (PMS) by June 2027	3.2.2	4	20%	Number of PMS agreements signed and workplans formulated for employees below senior management	30 June 2024	LRA	Signed PMS agreements and formulated work plans for fifty (50) employees below senior management by June 2024.	N/A	Signed IPMS Agreements and plans
5.10 Client Orientation and Customer Focus: To minimize customer care related complaints and create a customer friendly environment by June 2027	5.10.1	3	15%	Number of Customer care programmes conducted	30 June 2024	Customer care policy. MFMA	8 Customer Care Programs conducted by June 2024.	N/A	concept document, attendance register, updated customer care complaints register, progress report
4.2 Change management: To pay creditors within 30 days in compliance with the MFMA by June 2027	4.2.1	2	10%	Percentage of Creditors paid within 30 days of receipt of a valid invoice	30 June 2024	MSA Cost-Containment Policy	100% Creditors paid within 30 days of receipt of a valid invoice by June 2024	N/A	Invoice register and age analysis report
4.3 Supply Chain management:	4.3.1	4	20%	Number of monthly reports on the monitoring of the procurement plan	30 June 2024	MFMA, SCM regulations	12 monthly reports on the monitoring of	N/A	Signed report by the SCM Manager and CFO

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OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To have fully capacitated Supply Chain Management Personnel and effective procurement system by June 2027						and SCM policy Procurement policy.	the procurement plan by June 2024		
5.2 Accountability 5.6 and ethical conduct a) To implement and sustain a functional and effective Performance Management System (PMS) by June 2027 b) To instill the moral regeneration within the councillors and employees of the Municipality	5.2.1 5.6.1	3	15%	a. PMS Accountability Reports submitted. b. % of good ethical conduct.	Quarterly Yearly	MFMA King Report 3.	12, 4; 2; 1 100%	N/A	<ul style="list-style-type: none"> PMS Management reports. Audits reports.
TOTAL		20	100%						

NB: All performance requirements have a deadline of 30 June 2024, unless stated otherwise in the requirements.

ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME: Sinothando Lawrence Mithengu
JOB TITLE: Senior Manager: Community Services
EMPLOYER: WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY
FINANCIAL YEAR: 2023/2024

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
1. Contract Management Program	Receive appropriate broader knowledge on contract management	Senior manager Corporate Services and Municipal Manager.	By 30 June 2024	Achieving advance knowledge in contract management and program management.

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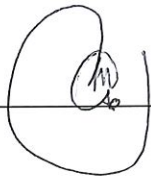
APPENDIX 1

Commitment of Management Team reporting directly to the Senior Manager

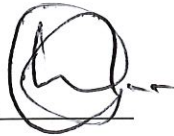
We, Ms Ncumisa Xoko (Manager: Social and Environmental Services), Ms Lungelwa Mhlembana

(Manager: Social and Indigent Support Service) Mr. Dalikhaya Laphoko (Manager: Protection Services), hereby make this commitment to support the Senior Manager, Sinothando Lawrence Mtshengu, to achieve targets as set in this performance contract between him and the employer. As support managers, we understand that his *targets are impossible to achieve without our full support and co-operation. We, therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.*

1. Signed by

N. Xoko 

2. Signed by

L. Mhlembana 

3. Signed by

D.N. Laphoko 

APPENDIX 2

1. OBLIGATIONS OF THE EMPLOYER (KEY ASSUMPTIONS)

1.1 Office Accommodation

During the full period of the performance agreement the employer shall provide adequate office accommodation for the Senior Manager. The occupational cost including the attendant ground rent obligations will be borne by the Employer.

1.2 Personnel

The employer shall be required to hire managers reporting directly to the Senior Manager: Community Services.

1.3 Facilities and Equipment

1.3.1 During the full period of the performance contract, the employer shall avail to the Senior Manager all existing facilities and equipment which he will need in executing his duties.

1.4 Other provisions

1.4.1 Approvals

The Employer shall make a decision/comment on items submitted for approval/comment within two (2) week of receipt of the items.

1.4.2 Tasks to the Employer

The employer undertakes to execute all crucial activities that fall under his responsibility as required by this contract in order not to derail the continuity of department operations. If there is failure on the employer's part and the Senior Manager feels that the attainment of targets of this contract is at stake, the two parties will meet and agree on the way forward.

1.4.3 Substitution of the Senior Manager

The employer reserves the right to take appropriate action to replace the Senior Manager: Community Services as per employment contract of the Senior Manager.

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2 OBLIGATIONS OF THE SENIOR MANAGER

2.1 Conditions of service

- 2.1.1 The Senior Manager shall be the Head of the Community Services Department, subject to the conditions of service as stipulated by the employer. The conditions of service of the Senior Manager shall include but not be restricted to:
 - 2.1.1.1 Setting of specific targets for managers reporting to him.
 - 2.1.1.2 Advise Municipal Manager on all matters including progress made in the implementation of the SDBIP.
 - 2.1.1.3 Setting and monitoring of performance indicators for the Department and execute corrective measures as and when necessary.
 - 2.1.1.4 Ensuring that the departmental assets are in a good working condition.
 - 2.1.1.5 Provision of high-quality service within the department in a cost-effective manner within agreed time frames.
 - 2.1.1.6 Completing and submitting performance reports for the Department, to the Municipal Manager on a quarterly basis for information purposes.
 - 2.1.1.7 Assessing performance reports for departmental staff where necessary.
 - 2.1.1.8 Preparation of the departmental annual budget and once approved, adhering to it.
 - 2.1.1.9 Implementing strategies to improve the morale of staff.
 - 2.1.1.10 Attending meetings and other occasions on behalf of the department and the municipality.
- 2.1.2 The Senior Manager shall ensure that his staff has access to and is well informed about the disciplinary procedure of the municipality.
- 2.1.3 Making recommendations to the Municipal Manager to hire staff in the Department as the need arises.
- 2.1.4 Determining the optimum staff level necessary for the accomplishment of targets and advising the employer on reduction or increase of staff in the department. Staff restructuring or reduction will utilize the existing municipal 'staff pool' as will be mutually agreed between the employer and the *Senior Manager* in fulfillment of the current staff reduction policy. If such staff is to be laid off due to the staff reduction policy, the cost

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S.M. N.T.
B.M. K.H.

of severance and other terminal benefits shall be borne by the employer as required by the Labour Laws of RSA.

- 2.1.5 Carrying out all the necessary departmental staff training as shall be mutually agreed with the employer.

2.2 Standard of Service

- 2.2.1 The Senior Manager shall exercise all his skills, reasonable care, responsibility and diligence in discharge of his duties under this contract. The Senior Manager Officer shall do so with sound professional conduct in accordance with generally accepted standards.

- 2.2.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Senior Manager in terms of his contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

2.3 Supervision of Personnel in the Municipality

The Senior Manager undertakes to supervise personnel in his department. If he is dissatisfied with performance of any staff, provisions of the relevant internal policy and legislative framework of RSA shall apply.

2.4 Targets and Milestones

- 2.4.1 The Senior Manager shall do all in his power to achieve the targets and milestones indicated in the municipal IDP and Performance Management System.
- 2.4.2 The Senior Manager undertakes to achieve the parent targets, which shall be directly related to the expected improvement in the level of services and therefore improvement in the quality of life within the municipality. The parent targets are those defined as performance requirements in Section 14 of this contract.

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2.5 Reporting

- 2.5.1 The Senior Manager shall submit detailed quarterly reports on the operation of the Department to the employer. The reports shall include details of achievement of targets and milestones for that quarter for information purposes. The quarterly report should reach the employer within one month after the quarter in question has lapsed.
- 2.5.2 The Senior Manager also undertakes to submit any other report/s as required by the employer.

2.6 Expenditure

The Senior Manager shall be responsible for the implementation of the approved operational and capital budget of the Community Services Department.

2.7 Maintenance of Assets (fixed and movable) in the Municipality

The Senior Manager shall assist the Municipal Manager in the maintenance of assets in the department with the Municipal Manager having no authority to enter into service contracts with service providers to carry out such maintenance.

2.8 Purchases

- 2.8.1 The Senior Manager undertakes to utilize the most recently approved Municipal Supply Chain Management Policy (SCM) to handle all procurement within the municipality, according to the provisions of this contract. No procurement shall be allowed to proceed outside of the approved SCM policy.

2.9 Financial Procedures

- 2.9.1 Financial year shall commence on the 1st of July and end on the 30th of June each year; such period defined as the financial year shall be used for purposes of budgets, expenditures, cash flows and other operational requirements.
- 2.9.2 The employer reserves the right to ensure that finances are operated in accordance with the government's financial regulations and can utilize the services of an Auditor in this regard.
- 2.9.3 The Senior Manager must ensure strict adherence of all approved municipal financial policies, including issues of cost effectiveness, cost efficiency and over expenditure.

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B.M. K.H.

2.10 Budget

2.10.1 During the budget process the Senior Manager shall make the necessary submissions to the Budget Office, reflecting the projected financial needs of his department for the following financial year.

2.10.2 The approval of the departmental budget shall constitute the authority to the Senior Manager to incur expenditure accordingly and in line with the performance targets indicated in this performance contract.

2.11 Liability

The Senior Manager shall be responsible towards the municipality for the performance of services in accordance with the provisions of this contract, subject to the following limitation:

2.11.1 The Senior Manager shall not be liable for any damage or injury caused by or arising out of the act, neglect, default or omission, of any personnel in his department in the course of duty or anybody subcontracted by the municipality.

3. OTHER PROVISIONS

3.1 Unforeseen conditions

There may be some unforeseen conditions necessary for the success of this performance contract. If either party discovers such circumstances, during the course of operation of this performance contract, the matter shall be brought to the attention of the other, in writing. A meeting, whose timing shall be mutually agreed upon, shall then be convened to discuss the outstanding issues. The minutes of such a meeting shall form an addendum to this contract.

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