

WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY



PERFORMANCE AGREEMENT: 2024/2025

Entered into by and between

Winnie Madikizela Mandela 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	-	Local Economic Development
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 2024/2025 financial year only. The expected performance reflected in this contract is based on the Council approved Integrated Development Plan 2022 to 2027 and the 2024/2025 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 2024/2025 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 2024 and will expire on the 30th of June 2025. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31 July 2025. 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 2024.

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

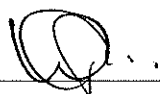
SIGNED at ___Mbizana___ this 25th day of _July_ 2024.


SENIOR MANAGER: COMMUNITY SERVICES

Signature:  _____

Name Printed: _____

WITNESSES

1. Signature:  _____ Name Printed: W.D. Mhlekembane

2. Signature:  _____ Name Printed: N. XOKO


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FOR AND ON BEHALF OF WINNIE MADIKIZELA – MANDELA LOCAL MUNICIPALITY

MUNICIPAL MANAGER

Signature: _____

Name Printed: _____


Luyiso Makhaka

WITNESSES

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Signature: _____

Name Printed: _____

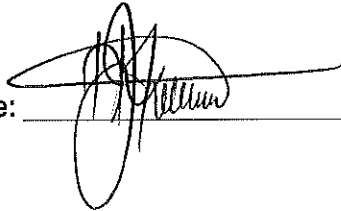


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Signature: _____

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ANNEXURE "A"

PERFORMANCE PLAN

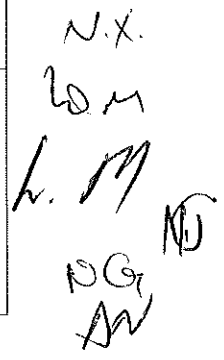
14. KEY PERFORMANCE AREAS (KPAS) FOR 2024/2025

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 2025	1.12	6	7.5%	a) % of subsidized beneficiaries that claimed free grid electricity	Quarterly	Compliance with indigent policy	Subsidized 100% of beneficiaries that claimed grid electricity.	R 6 865 420.00	12 months reports and invoices
					30/06/2025	Compliance with indigent policy	100% of subsidized beneficiaries that claimed free FBAE	R524 496,00	12 Monthly reports. Adopted credible indigent register & Council resolution.
					Quarterly	Compliance with indigent policy	8 indigent awareness campaigns conducted.	R358 596,00	Awareness campaigns reports & 8 attendance registers.
						Compliance with indigent policy	Provided 743 qualifying beneficiaries with free removal	R0.00	12 Monthly reports

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To establish a uniform approach in monitoring disaster risks by June 2025	1.13	4	5%	a) Assessed & responded to reported & recorded disaster incidences within 72 hours b) Conduct 8 disaster awareness campaigns and 4 Local Disaster Advisory Forum by June 2025	Quarterly	Disaster management Act Framework	Respond within 72 hours from the time each incident has been reported and recorded	R1 258 788,00	Disaster incidences register
To provide sustainable services of municipal facilities to the communities by June 2027	1.14	4	5%	Number of municipal public facilities operated, maintained & equipped Number of employees provided with Protective Clothing	Quarterly Annual	Compliance with NEMA standards Compliance with Occupational Health & Safety Act	Operated, Maintained & Equipped 36 municipal public facilities Provided PPE to 70 beneficiaries	R337 512,00 R337 512,00	12 Monthly progress reports and 12 monthly checklist, 2 Order form, 2 appointment letters/2 issue registers Appointment letter/order number, Issue registers.
To facilitate provision of library services to Mbizana Communities by June 2027	1.15	3	3.75%	Number of public facilities Paved and landscaped Number of library awareness campaigns conducted. Number of libraries maintained and equipped	Quarterly Quarterly 30 June 2025	Compliance with NEMA standards SAC CRA	1 x Recreational facility Paved and landscaped Amos Nogxina in Ward 20 by June 2025 Conduct 08 library awareness campaigns Maintain 4 Libraries (Monwabisi, Mbizana, Mbhongweni, Nkantolo and Ebenezer) and equip 1	R885 849,00 R497 412,00 R871 752,00	Appointment letter, progress / completion certificate. 08 Awareness campaigns report & 08 attendance registers. Appointment letter, Progress report/completion certificate



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								Library (Mbhongweni) by June 2025				
				Number of periodicals supplied	Quarterly	LDA		Supply 2800 periodicals by June 2025	R104 904.00		Periodical register	
To ensure conservation and management of natural resources for sustainable use by June 2025			3.75%	Number of programs towards implementation of climate change strategy	Quarterly	NEMA		4 climate change programmes conducted by June 2025	R120 864.00		4 Reports and 4 Attendance Register	
				Number of coastal committee meetings conducted	Quarterly	NEMA		4 coastal committee meetings conducted by June 2025	R54 912.00		4 Attendance Registers and 4 Reports	
				Number of environmental awareness campaigns conducted.	Quarterly	NEMA		8 environmental awareness campaigns conducted by June 2025	R401 328.00		4 Attendance Registers and 4 Reports	
				Number of pilot blue flag beaches applied for and provision of beach material	30 June 2025	NEMA		Collect 100 water samples, provide 2 waste bins & install 3 sign boards by June 2025	R223 572.00		Application for Blue Flag Beach/ Confirmation of receipt of Water Samples/Delivery note	
To provide sustainable services of Parks, Cemeteries and municipal facilities			2.5%	Number of municipal facilities managed and maintained.	30 June 2025	NEMA		Maintain & Manage 28 Municipal facilities by June 2025	R554 580.00		Appointment letter/order and 12 Maintenance Reports	
				Number of grass cutting machines purchased	30 June 2025	NEMA		Purchase 5 grass cutting machines by June 2025	R381 084.00		Delivery note.	

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To collect, manage and dispose waste in an acceptable and responsible manner by June 2025.	1.18	5	6.25%			30 June 2025	NEMA	Maintain 100% of damage garden power tools by June 2025	R166 716.00	12 Progress Reports and Delivery notes
				Number of Developed EMPr and submitted site plan and design	30 June 2025	NEMA	Approved and Submitted Environmental Management Programme Report (EMPr) with 1 site plan & design for construction of burial facility by June 2025	R500 004,00	Signed EMPr, design & site plan, proof of submission	
				Number of routine rehabilitation & maintenance of EXT3 dumping site	Quarterly	NEMA	12 routine rehabilitation & maintenance of EXT 3 dumping site by June 2025	R3 269 592,00	12 Progress Reports	
				Number of landfill site constructed	30 June 2025	NEMA	Construction of 1 Ext 3 landfill site by June 2025.	R8 695 656.00	12 Monthly reports	
				Number of waste resources provided and issued.	30 June 2025	NEMA	Provide working resources to 190 employees, 1438 households at Ext 1, 2,3 & 4, 50 waste receptacles in CBD by June 2025.	R1 752 144,00	Delivery note & Issue Registers.	
				Number of waste education programmes conducted and waste management committee meetings conducted	30 June 2025	NEMA	Conducted 8 waste education programmes and 4 waste management	R544 156.00	8 reports and 8 attendance registers, 4 progress reports & 4 attendance registers.	

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Limited understanding amongst communities about the concept of recycling by June 2027.				30 June 2025	NEMA	Number of waste compactor trucks purchased	Purchased 1 compactor truck by June 2025	R3 300 007,00	Delivery note	
To ensure that more remote areas receive waste service by June 2027				Quarterly	NEMA	Number of rural areas provided for waste management services	Provide waste management services to 30 rural areas by June 2024.	R1 100 004,00	12 Monthly reports	
To ensure proper collection and storage of waste by June 2027.					NEMA		9 Skip Bins to be Provided by June 2025.	R347 832,00	Delivery note, reports	
				30 June 2025	NEMA	Number of employees provided with Protective Clothing	Provide PPE to 190 employees by June 2025	R1 049 004,00	Appointment letter, Delivery note, Issue registers	
				30 June 2024	NEMA	Number of employees provided with Protective Clothing	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.	1.19	4	5%	Quarterly	Security policy	Number of security personnel safeguarding municipal sites	15 Municipal sites guarded by 48 security personnel by June 2025	R11 413 711,50	Appointment letter, Monthly reports	

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					number of CCTV cameras installed	30 June 2025	Security policy	Install 30 CCTV cameras at cultural village, stadium and civic centre by June 2025	R525 996,00	Appointment letter & Completion Certificate
				Number of security equipment provided	30 June 2025	Security policy	Security policy	Provided security equipment (6 fire arm safes and 2-wheel clamps) by June 2025	R182 436,00	Delivery note and issues Register
				Number of CCTV cameras installed	30 June 2025	Security policy	Security policy	Installed 30 CCTV cameras at cultural village, stadium and civic centre by June 2025	R182 436,00	Completion certificate
				Number of employees provided with protective clothing	30 June 2024	Occupational Health & Safety policy	Occupational Health & Safety policy	48 Employees with protective clothing by June 2025	R551 772,00	Delivery note & Issue Registers.
				Number of integrated by-law enforcement activities coordinated, Number of roadblocks conducted, Number of road signs erected and Number of kilometres of road marking renewed.	30 June 2025	NRTA	NRTA	08 By law integrated enforcement activities, 20 road blocks conducted, 12 traffic signs erected and renewed 33 kilometres of road markings by June 2025	R5243 77,15	Attendance register, traffic fines issued, roadblock authorisation form, appointment letter/order, delivery note and progress report
				Number of community safety awareness campaigns conducted	30 June 2025	NRTA	NRTA	4 Community safety awareness campaigns conducted by June 2025	R377 436,00	Reports & Attendance register

To ensure consistent safety of road users and improve by law enforcement by June 2027.

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To ensure consistent safety of road users by June 2027	1.21	3	3.75%	% of registration of motor vehicles and licensing customers attended	30 June 2025	NRTA	100% registration of motor vehicles and licensing customers attended by June 2025	N/A	List of registered and licenced motor vehicles from Natis system (RD 323)
To control of stray animals within CBD; communities and public roads by June 2027	1.22	3	3.75%	Number of learner's licence, driving licence and PrDPs issued	30 June 2024	NRTA	240 learners' licence, issued 500 learners license 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)
				% of required stationery supplied	30 June 2025	NRTA	100% of stationery supplied	R600 000,00	Delivery note & issue Registers.
				Number of upgraded and maintained pound	30 June 2025	Pound policy	1 Upgraded and maintained pound by June 2025	R163 644,00	Appointment letter, Completion Certificate
To construct and maintain roads and related storm water	1.3	2	2.5%	number of animals collected	30 June 2025	Pound policy	300 Animals collected by June 2025	N/A	Entry register of impounded animals
				Percentage of required feed & remedies purchased	30 June 2025	Pound policy	100% Required feed & remedies purchased by June 2025	R524 496,00	Completion Certificate and Delivery note
To ensure that all citizens in MLM have access to well-	1.4	2	2.5%	CBD infrastructure upgraded	30 June 2025	MFMA	Upgraded 4,4km of surfaced roads by June 2025	R14 356 153,80	Monthly Progress Report, Practical Completion Certificate
				Number of public amenities constructed	30 June 2025	MFMA	3 Public Amenities constructed by June 2025	R18 400 000,00	Monthly Progress Report, Practical Completion Certificate

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maintained public amenities;													
To ensure that all households have access to a reliable electricity network	1.8	2	2.5%	Number of Households Connected as part of INEP programme	30 June 2025	MFMA	647 Households connected by end June 2025	R25 399 093,20	Monthly Progress Report, Practical Completion Certificate				

14.2 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING G	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS	Financial Implications			MEANS OF VERIFICATION	
						TIME	QUALITY	QUANTITY		
Review of Institutional Policies by June 2027	3.5	2	2.5%	Number of HR policies translated into isixhosa	30 June 2025	LRA	18 HR policies translated into isixhosa by June 2025	R839 191,61	18 translated policies, concept document and advert	
To intergrade institutional development with organisational structure and workforce principles by June 2027	3.6	2	2.5%	Number of drafted and signed job descriptions per department.	30 June 2025	LRA	Drafted and signed forty (40) job descriptions by June 2025	n/a	Signed job descriptions	

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14.3 LOCAL ECONOMIC DEVELOPMENT (LED)

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To revive structures to contribute to local economic development initiatives by June 2027	2.11	2	2.5%	Number of Business Conferences hosted	30 June 2025	MFMA	1 Hosted Business Conference by June 2025	R 320335.23	Attendance registers and approved concept document
To promote sustainable use of marine resources to contribute in the local economy by June 2027	2.14	2	2.5%	Number of Small-Scale Fishers supported	30 June 2025	MFMA	Supported 2 Small Scale fishers with material and equipment by June 2025	R400 008,00	Delivery note, Distribution register, Reports
To promote enterprise development to contribute 10% by June 2027	2.15	2	2.5%	Number of SMME's capacitated	30 June 2025	MFMA	30 Capacitated SMMEs by June 2025	R1 344 931.64	Attendance registers and training reports

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14.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATION OR 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	4.1.6	2	2.5%	Percentage of billing of active customer accounts.	30 June 2024	MFMA	100% of consumer accounts data updated on municipal billing system by June 2025	R300 000,00	01 Consumer Master file extract report with complete consumer contact and personal information from municipal billing system.
To timely produce budgets in line with the National Treasury guidelines and	4.6.1	2	2.5%	Number of Approved budgets	30 June 2025	MFMA	1 Approved adjusted budget, 1 Draft Budget and 1 Approved budget for 2025/26 by 30 June 2025	N/A	Signed Adjustment budget 24/24/25; Signed Draft budget 25/26; Signed Approved 25/26 Final Budget and

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regulations by June 2027											Signed Council resolutions
To achieve a clean audit by June 2027	4.5.2	2	2.5%	Number of milestones taken to manage external audit and ensure audit readiness to achieve clean audit opinion	30/06/2025	MFMA	04 Milestones taken to manage the external audit and ensure audit readiness to achieve clean audit opinion as at 30 June 2025	N/A	Proof of submission to AG, COAF register, Audit Action Plan, updated Audit Action Plan		

14.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
"To ensure development of credible (accredited by MEC, NT) IDP reviews- aligned with PMS & Budget by June 2027 Achieved through IDP process plan by June 2027"	5.1.	2	2.5%	2024/25 IDP review adopted by Council	30/06/2025	MSA	2025/26 IDP review adopted by Council by end June 2025	R1 336 848,00	Council resolution on adoption of IDP Process Plan for 2025/26 review. Mayoral Imbizo Comments & attendance registers. Council resolution on adoption of draft IDP review for 2025/2026. Council resolution on Adoption of final IDP review for 2025 / 2026

To improve Risk Management to an acceptable level by June 2027	5.4	2	2.5%	Number of risk management reports and number of risk management workshop conducted	30/06/2025	MSA	2 Risk Management Reports developed, 1 Risk management workshop conducted by 30 June 2025	n/a	Final Risk Management for 2024/25, Draft Risk Management report for 2025/26, Attendance register
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 OF VERIFICATION
					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%	% of active consumer accounts for property rates, refuse and electricity billed	Monthly	MFMA	100% billing of active consumer accounts for Property rates, Refuse and Electricity by 30 June 2025	100%	12 monthly Billing Report
3.2 People Management and Empowerment:	3.2.2	4	20%	Number of PMDS agreements signed and workplans formulated for employees below senior management,	30 June 2025	LRA	Signed PMDS agreements and formulated work plans for Seventy	N/A	Signed PMDS Agreements and plans

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OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
To implement and sustain a functional and effective Performance Management System (PMS) by June 2027									
5.10 Client Orientation and Customer Focus:	5.10.1	3	15%	Number of Customer care programmes conducted	30 June 2025	Customer care policy. MFMA	8 Customer Care Programs conducted by June 2025.	N/A	concept document, attendance register, updated customer care complaints register, progress report
To minimize customer care related complaints and create a customer friendly environment by June 2027									
4.2 Change management:	4.2.1	2	10%	Percentage of Creditors paid within 30 days of receipt of a valid invoice	30 June 2025	MSA Cost-Containment Policy	100% payment of presented acceptable invoices within 30 days from receipt of invoice by June 2025	N/A	Invoice register and age analysis report
To pay creditors within 30 days in compliance with the MFMA by June 2027									
4.3 Supply Chain management:	4.3.1	4	20%	Number of compiled monthly reports on the monitoring of the procurement plan.	30 June 2025	MFMA, SCM regulations and SCM policy Procurement policy.	12 Reports Compiled on the monitoring of the procurement plan by June 2025	N/A	Signed SCM reports reporting on procurement plan
To have fully capacitated Supply Chain Management Personnel and effective procurement system by June 2027									

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OBJECTIVES	OBJECTIVE NUMBER	WEIGHTING	RATING CALCULATOR WEIGHTING %	KPI's	TARGETS			Financial Implications	MEANS OF VERIFICATION
					TIME	QUALITY	QUANTITY		
5.2 Accountability and ethical conduct 5.6 To implement and sustain a functional and effective Performance Management System (PMS) by June 2027	5.2.1	3	15%	a. Number of Quarterly performance reports tabled to council and its structures for consideration.	Quarterly	MFMA	4 Quarterly Performance Reports tabled to Council and its structures for consideration for the 2024/25 Financial Year by June 2025	N/A	Council resolution on adoption of IDP Process Plan for 2025/26 review. Mayoral Imbizo Comments & attendance registers. Council resolution on adoption of draft IDP review for 2025/2026. Council resolution on Adoption of final IDP review for 2025 / 2026
	5.6.1			b. Number of awareness campaigns conducted	Yearly	King Report 3.	4 Ethics and Values awareness campaigns conducted by 30 June 2025	n/a	Attendance registers and report
TOTAL		20	100%						

NB: All performance requirements have a deadline of 30 June 2025, unless stated otherwise in the requirements.

ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME: Sinothando Lawrence Mtshengu

JOB TITLE: Senior Manager: Community Services

EMPLOYER: WINNIE MADIKIZELA - MANDELA LOCAL MUNICIPALITY

FINANCIAL YEAR: 2024/2025

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
1. Project Management Program	Receive appropriate broader knowledge on contract management	Senior manager Corporate Services and Municipal Manager.	By 30 June 2025	Achieving advance knowledge in contract /project management and program management.

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APPENDIX 1

Commitment of Management Team reporting directly to the Senior Manager

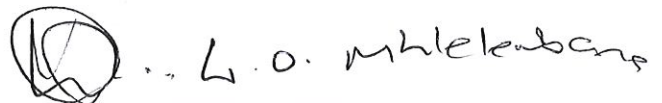
We, Ms Ncumisa Xoko (Manager: Social and Environmental Services), Ms Lungelwa Mhlelebana

(Manager: Social and Indigent Support Service) Mr. Dalikhaya Lumphoko (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



2. Signed by



3. Signed by



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.

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

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.

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.

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.