

Ingquza Hill Local Municipality

Performance Agreement

Made by and entered into between

**Ingquza Hill Local Municipality
("the employer")**

**Represented by the Mayor, Councillor Nonkosi Pepping, duly
authorized in terms of Section 57 (2) (c) of the Local Government: Municipal
Systems Act No. 32 of 2000**

and

Velile Castro Makedama

("The Municipal Manager")

**In his capacity as the accounting officer and the municipal administrative head
of Ingquza Hill Local Municipality**

FINANCIAL YEAR: 2024/2025

ACRONYMS

SDBIP	Service Delivery and Budget Implementation Plan
BEE	Black Economic Empowerment
EXCO	Executive Committee
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
PIMS	Planning Implementation and Management Support
PDP	Personal Development Plan
PA	Performance Agreement
PP	Performance Plan
OPMS	Organisational Performance Management System

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.

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GENERAL PROVISIONS

I. INTRODUCTION

1.1 The Council has entered a contract of employment with the Municipal Manager for a Period of five (5) years, ending on **31 October 2027**, in terms of section 57(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 (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. 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 Municipal Manager reporting to the Council represented by the Mayor, to a set of actions that will secure local government policy goals.

1.4 This performance contract is between **Velile Castro Makhedama**, the Municipal Manager, and **Ingquza Hill Local Municipality**, represented by **Councillor Nonkosi Pepping**, the Mayor. It is for the 2024/2025 financial year only. The expected performance reflected in this contract is based on the five-year Integrated Development Plan as reviewed and revised in 2024, and the 2024/2025 Service Delivery and Budget Implementation Plan. The two aforementioned documents have been adopted as the working documents of Ingquza Hill Local Municipality and therefore, shall be the basis of the performance assessment.

2. STRATEGIC OBJECTIVE

Over the period of his employment, the municipal manager shall bear the overall responsibility of driving the Integrated Development Plan, making an assurance that its strategic objectives are achieved. As the accounting officer of the municipality, the municipal manager has a responsibility to ensure that the Municipal Organizational Performance Management System is driving the municipality towards the creation of the community portrayed by the municipality.

3. SCHEDULE FOR PERFORMANCE REVIEWS

3.1 The performance of the Employee in relation to his or her performance agreement must be reviewed on the following dates with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

Quarter	Review Period	Review to be completed by
1	July- Sep	October (informal)
2	Oct- Dec	January- February (Formal)
3	Jan- March	April (informal)
4	April- June	July- August (formal)

3.2 Provided that reviews in the first and third quarters may be verbal if performance is satisfactory.

3.2.1 The Employer must keep a record of the mid-year review and annual assessment meetings, and feedback must be based on the Employer's assessment of the Employee's performance.

3.2.2 The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented or amended, provided that the Employee must be consulted before any such change is made.

3.2.3 The work performance and performance review will not be confined and limited to the performance plan, any incidental work outside the performance plan shall be performed and evaluated accordingly.

4. PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT

If the municipality achieves outstanding performance, he shall qualify for the annual performance bonus in accordance with the contract of employment, as entered into between the mayor (for the Employer) and the Municipal Manager on **01 November 2022**, as well as the results of the performance evaluation agreed to in this contract. The acceptability of the level of 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 Municipal Manager's achievement or otherwise of the KPIs as reflected in clause 3 of this contract.

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Annexure "A" attached has listed Key Performance Areas (KPAs) and Core Competency Requirements (OCRs) that are collectively worth 100 points. Each KPA and CCR consists of Key Performance Indicators that have different weightings. The achievement score of above 160% shall be regarded as a 100% performance bonus warranting, above 130% to 160%, as average and warranting a proportional percentage of performance bonus, above 80% to 130% shall warrant some form of in-kind recognition, and below 50%, shall require the employer to effect remedial measures that may include incapacity disciplinary enquiry.

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 or delegated structure as a reward for outstanding performance or effective performance.

The salary increase 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.

5. 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 consist 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.

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					
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					
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					
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					

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	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. The employee has failed to demonstrate the commitment or ability to bring performance up					
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The performance bonus payment shall be categorized into two bands with some 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 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 129% 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 Mayor;
- II. A score of above 100% to 120%, to receive a recognition certificate from the Mayor;
- III. A score of above 120% to 129%, is to receive an academic/skills development programme grant to a maximum of R20 000.00 only; this is to be paid directly to a learning institution of

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

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

6. DEVELOPMENTAL REQUIREMENTS

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

7. CONSEQUENCE OF SUB-STANDARD PERFORMANCE

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

The Municipal Manager will have the opportunity at the meeting to satisfy the Mayor 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.

8. 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 the English language.

9. TERM OF CONTRACT

This contract shall be deemed to have been entered into on the 1st of 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 Municipal Manager's contract of employment for any reason.

10. LIMITATIONS OF THE CONTRACT

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This contract is an agreement between the employer and the Municipal Manager about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the Municipal Manager entered into upon accepting his position and to the relevant South African legislation. In the case of any ambiguity, the employment contract shall prevail over this performance contract. Nothing contained in this Agreement in any way limits the right of the employer to terminate the Municipal Manager's contract of employment with or without notice for any other breach by the Municipal Manager of his obligations to the Municipality or for any other valid reason in law.

11. 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 Mayor, and his brief will be to assess the performance of the Municipal Manager 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. Mayor,
- II. Chairperson of the performance/audit committee,
- III. A member of the Executive Committee,
- IV. Mayor and/or Municipal Manager from another municipality, and
- V. Member of the ward committee as nominated by the Mayor.

The Manager/Director: Corporate Services must provide secretariat services to the evaluation panel referred to in clause 10 above.

12. 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 MEC who must settle the case within thirty (30) days of receipt of a formal written dispute. The decision of the MEC shall be deemed final and binding on both parties.

13. 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.

14. WHOLE AGREEMENT

The parties to this contract agree that this contract constitutes the whole agreement and arrangement for the performance of the Municipal Manager 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 THE MANAGEMENT TEAM

APPENDIX 2: OBLIGATIONS OF EMPLOYER

Signed at FLACSTRA on this 29 day of JULY 2024

MUNICIPAL MANAGER:

Signature: 

Print name: V.C. MAKEDAMA

WITNESSES:

1. Signature:  Print name: C. MASHABA

2. Signature: _____ Print name: _____

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

MAYOR:

Signature:  _____

Print name: PRUDENCE N. PEPPIN

WITNESSES:

1. Signature:  _____ Print name: ANOBILE MOSHA

2. Signature:  _____ Print name: XOLELWA NJISANE

ANNEXURE "A"

PERFORMANCE PLAN FOR 2024/2025 FINANCIAL YEAR

KEY PERFORMANCE AREA	WEIGHTING
Basic Service Delivery	30%
Municipal Institution Development and Transformation	10%
Planning and Local Economic Development	20%
Municipal Financial Viability and Management	10%
Good Governance and Public participation	10%
Social Service	20%
Total	100%

15.1.1. BASIC SERVICES DELIVERY

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	BASIC SERVICE DELIVERY					PORTFOLIO OF EVIDENCE	WEIGHTING
				01 JULY - SEPT	02 OCT-DEC	03 JAN -MARCH	04 APRIL -JUNE	05 JULY -SEPT		
	No. of km of access roads projects completed by financial year end	45.9km	R33 020 403,05	10	10	10	10	10	Monthly Reports and Practical Completion Certificate	5
	No. of km of rehabilitation of access roads projects completed by financial year end	16.4km	R1 830 000,00	4	2	N/A	N/A	N/A	Monthly report Completion Certificate and Signed Happy Letters	2.5
	No. of rehabilitation of bridge projects completed by financial year end	24m	R3 298 750,00	N/A	Stage 2 (40%) Removal of existing pipes completed	Stage 3 (80%) - Placing of box culverts completed	Stage 4 (100%) Construction of wing walls, bell mouth, retaining wall and completion of works	Monthly report Completion Certificate and Signed Happy Letters	2.5	
	Square meters of rehabilitation of existing surfaced roads projects (pothole patching) completed by financial year end	1530m ²	R0,00	Project at (83%) 500m ² rehabilitated	Project at (77%) Rehabilitation of 1000m ²	Project at (100%) 30m ² rehabilitated	N/a	Monthly Reports	2.5	
	Number of road surfacing roads projects by the financial year end	60% of 10kms to be completed	R10 696 851,00	Projects at (40%)	Projects at (50%)	Projects at (55%)	Projects at (60%)	Monthly progress reports	3	
	Number of multipurpose fields and sports fields completed by the financial year end	3 sports field to be completed at 100%	R15 600 000,00	Project at (70%) First Floor concrete slab complete Project at (100%) (Jikindaba multipurpose)	Project at (80%) Walls for the whole building complete (Mavaleleni Multipurpose)	Project at (90%) Roof completed (Mavaleleni Multipurpose)	-Project at (100%) Project completed (Mavaleleni Multipurpose)	Monthly Reports and Practical Completion Certificates	2.5	

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No. of New electricity infrastructure installed per households by the end of the financial year in 824 at 100%	100 % Completion of installation of electricity infrastructure in 133 hvh in Ward 18 Electrification project by 30 June 2025(ward18, 4,8,20 and 31 at Mikumeni ext phase 2, Zadzungeni Ext Phase 2, Mhlanga ext,Mbodleleni ext,Madamini ext and Cumunge ext villages		Project at 85% - Appointment of the contractor and Site Establishment	Project at 100% - Fixing of defects on 133h/h completed	N/A	N/A	Monthly Reports and Completion certificate	2.5
No of Designs completed by the financial year end.	100% Completion of Approved Designs of landfill site by 30 June 2025	R500 000,00	Project at 10% - Appointment of the contractor and Site Establishment	Project at 40% - Digging holes and planting poles completed	Project at 70% - stringing of LV and MV line completed	Project at 100% - Installation of transformers and electric meters completed	Monthly Report and Practical Completion Certificate	2.5
			Project at 50% - Preliminary Design Report Complete	Project at 100% - Final Design Report complete	N/A	N/A	Approved preliminary and Design Report	2.5

15.2. KEY PERFORMANCE AREA NUMBER TWO (2)

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				PORTFOLIO OF EVIDENCE	WEIGHTING
				01 JULY - SEPT	02 OCT-DEC	03 JAN -MARCH	04 APRIL-JUNE		
2.1.1. % availability of IT systems	90% Availability o IT systems	90%	R0.00	90%	90%	90%	90%	System Monitoring Report.	1
2.1.2. Number of ICT projects completed within deadlines	8 ICT projects completed within deadlines	8	R13 350 000,00	2	2	2	2	Delivery Note.	1
2.1.3. % implementation of audit action plans to address ICT findings	100%	100%	R0.00	25%	50%	75%	100%	Report of the ICT Steering Committee and Attendance Register	1
2.2.1. Number of policies to be developed, reviewed, and adopted	100%	100%	R54 337,50	N/A	N/A	N/A	16	Attendance registers and report for employee consultations Council Resolutions, policies, and proof of upload onto municipal website	1
2.2.2. Number of times organizational structure is	1	1	R0.00	N/A	N/A	N/A	1	Council Resolution and copy of the	0.5

15.3. KEY PERFORMANCE AREA NUMBER THREE

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	PLANNING AND ECONOMIC DEVELOPMENT							PORTFOLIO OF EVIDENCE	WEIGHT
			ANNUAL BUDGET	01 JULY - SEPT	02 OCT-DEC	03 JAN - MARCH	04 APRIL - JUNE				
	3.1.1. Number of crop producers to be supported with inputs	10	R1 500 000.00	N/A	10	N/A	N/A	N/A	N/A	Delivery note. acknowledgement of receipt by recipients and ward councillor and closeout report	0.5
	3.1.2. Number of hectares fenced	12ha	N/A	4ha	N/A	4ha	4ha	4ha	4ha	Completion certificate and closeout report	0.5
	3.1.3. Number of irrigation systems to be provided	4		2	2	N/A	N/A	N/A	N/A	Completion certificate and closeout report	0.5
	3.1.4. Number of farmers supported with piglets, chickens, animal feed and medication	10	R1 000 000.00	N/A	N/A	4	4	6	6	Delivery note. acknowledgement of receipt by beneficiary and ward councillor and report	2
	3.1.7. Number of farmers to be supported with rams	12	R120 000.00	12	n/a	n/a	n/a	n/a	n/a	Delivery note. acknowledgement of receipt by recipients and ward councillor and closeout report	2
	3.1.8. Number of farmers attended royal show	1	R100 000.00	N/A	N/A	N/A	N/A	1	1	Attendance registers and report	0.5
	3.1.9. Number of beekeeping farmers to be supported with equipment	2	R300 000.00	2	N/A	N/A	N/A	N/A	N/A	Delivery note. acknowledgement of receipt by recipients and ward councillor and closeout report	1
	3.2.1. Number of fishing cooperatives to be supported with cold storage	1	R 1 000 000.00	1	N/A	N/A	N/A	N/A	N/A	Delivery note. acknowledgement of receipt by recipients and ward councillor and closeout report	0.5
	3.2.2. Number forestry cooperatives to be supported	2	R300 000.00	2	N/A	N/A	N/A	N/A	N/A	Delivery note. acknowledgement of receipt	0.5

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	after the end of the quarter																	
	1																	
	4.1.5. Number of S72 reports submitted to Mayor and Treasury by 25 January 2025	R0.00																
	4.1.6. Number times AFS are submitted to Auditor General, National Treasury and Provincial Treasury by 31 August 2024	R0.00																
	4.2.1. Percentage of invoices paid within 30 days after receipt and confirmation of invoices	R0.00																
	4.3.1. % increase for revenue collection from the previous financial year	R0.00																
	4.3.2. Number of times BTO Policies are reviewed	R0.00																
	4.5.2. Number of confirmations of Insurance for Municipal Assets	R2 500 000.00																
	4.6.1. % implementation of activities in the Procurement Plan	R0.00																
	4.8.1. Achievement of Unqualified Audit Opinion with matter of emphasis	R0.00																

15.5. KEY RFORMANCE AREA NUMBER FIVE (5)

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	GOOD GOVERNANCE AND PUBLIC PARTICIPATION				ANNUAL BUDGET	01 JULY - SEPT	02 OCT-DEC	03 JAN -MARCH	04 APRIL -JUNE	PORTFOLIO OF EVIDENCE	WEIGHT
	5.1.1. Number of quarterly reports to be reviewed by Management	4				R0.00	1	1	1	1	Attendance registers and minutes	0.4	

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5.1.2. Number of monthly reports to be reviewed by Management	12	R0.00	3	3	3	3	3	Attendance registers and minutes	0.4
5.1.3. Number of reports to be tabled to Council	7	R0.00	1	2	3	1	1	Council attendance register and minutes	0.4
5.2.1. Number of IDP meetings held.	5	R 340 000.00	2	N/A	2	1	1	Attendance registers and minutes	0.4
5.2.3. Number of Departmental Strategic Planning Sessions to be held	6	R321 000.00	N/A	6	N/A	N/A	N/A	Consolidated Strategic Report and Attendance Register	2
5.2.4. Number of Institutional Strategic Planning Sessions to be held	1 strat plan and 1 Exco Lekgotla	R4 000 000.00	N/A	N/A	1 strat plan and 1 Exco Lekgotla	N/A	N/A	Attendance Register and Report	0.4
5.3.1.1. % implementation of Internal Audit Plan	100%	R0.00	25%	50%	75%	100%	100%	Monthly Internal Audit Activity Report	0.4
5.3.2.1. Number of Anti-Fraud Hotlines to be established	1	R350 000.00	1	N/A	N/A	N/A	N/A	Fraud Hotline number and appointment letter	0.4
5.3.2.2. % Implementation of the approved risk management plan	100%	R450 000.00	25%	50%	75%	100%	100%	Risk Management Report	0.4
5.4.1. % implementation of litigation management strategy	100%	R3 212 432	100%	100%	100%	100%	100%	Attendance registers Instruction letter and Report	0.4
5.5.1. Number of section 80 committees held	29	R0.00	9	8	6	6	6	Attendance Register & Minutes	0.4
5.5.2. Number of Section 79 committees held	4	R0.00	1	1	1	1	1	Attendance Register & Minutes	0.4
5.5.3. Number of Council meeting held	12	R1 653 723.90	2	3	3	4	4	Attendance Register & Minutes	0.2
5.5.4. Number of Audit Committee Meetings held	10	R0.00	6	1	2	1	1	Attendance Register & Minutes	0.2

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5.6.1. Number of Language Awareness programmes to be held	2		R48 920,00	1	N/A	N/A	1	Attendance registers and report	0.2
5.6.2. Number of Local Communicators Forums held	4		R100 000,00	1	1	1	1	Meetings & Attendance minutes	0.2
5.6.3. Number of times communication strategy and policy are reviewed	1		R0,00	N/A	N/A	N/A	1	Copy reviewed communication	0.2
5.6.4. Number of IGR Forums held	4		R250 000,00	1	1	1	1	Meetings & Attendance register	0.2
5.7.1. Number of IDP and Budget Roadshows	1		R1 000 000,00	N/A	N/A	1	N/A	Attendance registers and community inputs	0.2
5.7.2. Number of Public consultations through EXCO Outreach.	1 EXCO Outreach		R 250 000,00.	N/A	1 EXCO Outreach	N/A	N/A	Meetings and Attendance Reports	0.2
5.7.3.% on the implementation of public partition activities	100%		R 17000,00	100%	100%	100%	100%	Meetings and Attendance Reports	0.5
5.8.1. Number of sectoral events to be held	4		R3 134 000,00	1	2	N/A	1	Attendance Register and Report	1.2
5.8.2. Number of times support to the elderly and veterans is provided	4		R248, 000,00	1	1	1	1	Copy of request Meetings and Attendance Report	0.5

15.6. KEY PERFORMANCE AREA NUMBER SIX (6)

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SOCIAL SERVICES									
OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	Q1 JULY -SEPT	Q2 OCT-DEC	Q3 JAN -MARCH	Q4 APRIL-JUNE	PORTFOLIO OF EVIDENCE	WEIGHT
	6.1.1. Number of traffic fines issued	1600	R0.00	400	400	400	400	Traffic Fines Registers	1..1
	6.2.1. Number of motor vehicles licensed	9500	R 60 000,00	2250	2700	2300	2250	RD 329 Reports	1.1
	6.2.2. Number of learners licences examined	1500	R0.00	375	375	375	375	RD 329 Reports	1,1
	6.3.1. Number of road safety programs developed and implemented	2	R50 000,00	N/A	1	1	N/A	Report and Attendance register	1.1
	6.3.2. Number of community safety plan developed	1	R100 000,00	1	N/A	N/A	N/A	close out report and final completed safety plan	1.1
	6.3.3. Number of times Integrated Waste Management by-laws gazetted.	1	R25 000,00	N/A	N/A	N/A	1	Report on gazetted by-law	1.1
	6.3.4. Number of times Cemetery by-law is reviewed.	1	R25 000,00	N/A	N/A	N/A	1	Report on reviewed by-law.	1.1
	6.4.1. Number of times CPF equipment is procured and distributed to CPPs	1	R120 000,00	N/A	N/A	1	N/A	Distribution register and delivery note and report	1.1
	6.4.2. Number of crime prevention awareness campaigns conducted	4	R 150 000,00	1	1	1	1	Attendance registers and report	1.1
	6.5.1. Number of times lifeguards and coastal patrollers are provided with equipment and identifiable clothing.	1	R300 000,00	N/A	1	N/A	N/A	Distribution register and delivery note and report	1.1
	6.6.1. Number of LIASA events celebrated	3	R 150 000,00	1	N/A	1	1	Attendance registers and report	1.
	6.6.2. Number of books launches to be held	1	R20 000,00	N/A	1	N/A	N/A	Report and Attendance register	1
	6.7.1. Number of waste management workshops conducted	4	R 150 000,00	1	1	1	1	Attendance registers and report	1.

6.7.2. Number of employed casual workers.	2	R4000 000	1	N/A	1	N/A	1	Employment contracts	1
6.7.3. Number of times tons of waste is reported to SAWIS	4	R0.00	1	1	1	1	1	SAWIS submission screen	1
6.7.4. Number of times invasive trees are removed	1	R 750 000,00	N/A	N/A	1	N/A	1	Completion report from both parties	1
6.8.1. Number of sports events hosted	2	R899 000,00	1	N/A	N/A	1	N/A	Attendance registers and report	1
6.8.2. Number of federations assisted	5	R899 000,00	1	1	1	1	1	Register for the list of federations assisted and request letter for assistance	1.1
6.8.3. Number of arts and culture groups and events supported	4	R554 988,00	1	1	1	1	1	Attendance registers and report and request letter for assistance	1
6.8.4. Number of Early Childhood Development centres supported with learning material	6	R47 760,00	N/A	N/A	6	N/A	6	Distribution register	1

16. CORE COMPETENCIES REQUIREMENTS (CCRs) SELECTED CORE COMPETENCIES REQUIREMENTS

The CCRs will make up the other 20% of the employee's assessment score. CCR's that are deemed to be most critical for Employee's specific job should be selected from the below as agreed to between the **Employer and Employee**.

CORE COMPETENCY REQUIREMENTS (CCR FOR EMPLOYEES)		
CORE MANAGERIAL COMPETENCY (CMC)	✓	WEIGHT
Strategic Capability and	✓	2

V.C.

Leadership			
People Management	✓	2	
Program and Project Management			
Financial Management	✓	2	
Change leadership	✓	2	
Governance Leadership	✓	2	
CORE OCCUPATIONAL COMPETENCIES (COC)			
Moral competency			
Planning and Organization	✓	2	
Analysis and organization	✓	2	
Analysis and Innovation	✓	2	
Knowledge and Information Management	✓	2	
Communication	✓	2	
Total	✓	20%	

V.C.

ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME : VELILE CASTRO MAKEDAMA
JOB TITLE : MUNICIPAL MANAGER
EMPLOYER : INGQUZA HILL LOCAL MUNICIPALITY
FINANCIAL YEAR : 2024 / 2025

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
Reporting and Evaluation			30/06/2025	

V-C-

APPENDIX 1

Commitment of Senior Management Team reporting directly to the Municipal Manager

Buhlebenkosi S. Fikeni
Chief Financial Officer

I, Buhlebenkosi Fikeni (Chief Financial Officer) hereby make this commitment to support the Municipal Manager: Velile Castro Makedama, to achieve targets as set in this performance contract between him and the employer. As a support senior manager, I understand that his targets are impossible to achieve without my full support and co-operation. I, therefore, accept both my individual and collective responsibilities towards the attainment of the set targets.

Signed By



B.S Fikeni

Chief Financial Officer

Commitment of Senior Management Team reporting directly to the Municipal Manager

Zamangwane Masumpa

SENIOR MANAGER: COMMUNITY SERVICES

I, Zamangwane Masumpa (Senior Manager: Community Services) hereby make this commitment to support the Municipal Manager, Velile Castro Makedama, to achieve targets as set in this performance contract between him and the employer. As a support senior manager, I understand that his targets are impossible to achieve without my full support and co-operation. I, therefore, accept both my individual and collective responsibilities towards the attainment of the set targets.

Signed By



Z Masumpa

Senior Manager: Community Services

APPENDIX 2

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 Municipal 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 Municipal Manager.

1.3 Facilities and Equipment

1.3.1 During the full period of the performance contract, the employer shall avail to the Municipal 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) weeks 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 a failure on the employer's part and the Municipal Manager feels that the attainment of the targets of this contract is at stake, the two parties will meet and agree on the way forward.

1.4.3 Substitution of the Municipal Manager

The employer reserves the right to take appropriate action to replace the Municipal Manager as per employment contract of the Municipal Manager.

2 OBLIGATIONS OF THE MUNICIPAL MANAGER

2.1 Conditions of service

2.1.1 The Municipal Manager shall be the Head of the Administration, subject to the conditions of service as stipulated by the employer. The conditions of service of the Municipal 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 Mayor on all matters including progress made in the implementation of the SDBIP.

2.1.1.3 Setting and monitoring performance indicators for the municipality and execute corrective measures as and when necessary.

2.1.1.4 Ensuring that organizational assets are in good working condition.

2.1.1.5 Provision of high-quality service within all the departments in a cost-effective manner within agreed time frames.

2.1.1.6 Completing and submitting performance reports for the municipality, to the Mayor or Executive Committee on a monthly and quarterly basis.

2.1.1.7 Assessing performance reports for departmental staff where necessary.

2.1.1.8 Preparation of the 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 organization.

2.1.2 The Municipal Manager shall ensure that his staff has access and is well informed about the disciplinary procedure of the municipality.

2.1.3 Determining the optimum staff level necessary for the accomplishment of targets and advising the employer on the 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 Municipal 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.

2.2 Standard of Service

2.2.1 The Municipal Manager shall exercise all his skills, reasonable care, responsibility and diligence in the discharge of his duties under this contract. The Municipal Manager 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 Municipal 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 Municipal Manager undertakes to ensure the supervision of personnel in the organization. If he is dissatisfied with the 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 Municipal 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 Municipal Manager undertakes to achieve the organizational 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 organizational targets are those defined as performance requirements in the Performance Plan of this contract.

2.5 Reporting

2.5.1 The Municipal Manager shall submit detailed quarterly reports on the operation of the municipality to the employer. The reports shall include details of the 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 Municipal Manager also undertakes to submit any other report/s as required by the employer.

2.6 Expenditure

The Municipal Manager shall be responsible for the implementation of the approved operational and capital budget of the municipality.

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

The Municipal Manager shall assist the municipality in the maintenance of assets in the departments having authority to enter into service contracts with service providers to carry out such maintenance.

2.8 Purchases

2.8.1 The Municipal 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, and the Municipal Internal Auditor shall ensure that no payments are effected contrary to this arrangement.

2.9 Books and Records

The Municipal Manager shall keep accurate books and records of all finance operations and shall permit the employer to inspect them and make copies where necessary.

2.10 Financial Procedures

2.10.1 Financial year shall commence on 01 July 2023 and end on the 30th of June 2024, such period defined as the financial year shall be used for purposes of budgets, expenditures, cash flows and other operational requirements.

2.10.2 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.

2.10.3 The Municipal Manager must ensure strict adherence of all approved municipal financial policies, including issues of cost effectiveness, cost efficiency and over expenditure.

2.11 Budget

2.11.1 During the budget process the Municipal Manager shall make the necessary submissions to financial services reflecting the projected financial needs of the municipality for the following financial year.

2.11.2 The approval of the municipal budget shall constitute the authority to the Municipal Manager to incur expenditure accordingly and in line with the performance targets indicated in this performance contract.

2.12 Liability

The Municipal 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.

2.12.1 The Municipal 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 the organization 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.