

Performance Agreement

Made by and entered into between

INGQUZA HILL LOCAL MUNICIPALITY
(“the employer”)

Represented by the Municipal Manager, Velile Castro Makhedama
authorized in terms of Section 57 (2) (c) of the Local Government: Municipal
Systems Act No. 32 of 2000

and

Zamangwane Masumpa
(“Director”)

In her capacity as the Director: Community Services

2024/2025 FINANCIAL YEAR

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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
PDP	-	Personal Development Plan
PA	-	Performance Agreement
PP	-	Performance Plan
OPMS	-	Organizational 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 months period which the organization determines as its budget year.

GENERAL PROVISIONS

1. INTRODUCTION

- 1.1 The Employer has entered into permanent employment with the Director: Community Services, starting from the 1st of July 2024, 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. 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 Director 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 **Zamangwane Masumpa**, the Director: Community Services, and IHLM represented by **Velile Castro Makedma**, the Municipal Manager. It is for the 2024/2025 financial year only. The expected performance reflected in this contract is based on the Integrated Development Plan 2024/2025 reviewed, and the 2024/2025 Service Delivery and Budget Implementation Plan. The two afore-mentioned documents have been

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adopted as the working documents of Ingquza Hill Local Municipality and therefore, shall be the basis of performance assessment.

2. STRATEGIC OBJECTIVE

The Director has the overall responsibility of ensuring that she shall be, subject to the policy directions of the Executive Committee of the Municipality, responsible and accountable for administratively being in charge of the Community Services Office, performing such include provision of social services such as community safety; promotion of access to health services; education; social security; disaster management; pound, parks and cemetery services; and arts, sports and culture promotion, and any other functions as may be delegated to him by the Municipal Manager.

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 quarter 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 Director achieves outstanding performance, she shall qualify for the annual performance bonus in accordance with the contract of employment, entered into between the Municipal

Manager and the Director on **01 July 2024**, as well as the results of the performance evaluation agreed to in this contract. The acceptability of the level of her 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 Director's achievement or otherwise of the KPIs as reflected in clause 4 of this contract.

Annexure A attached has listed Key Performance Areas (KPAs) and Core Competency Requirements (CCRs) that are worth 200 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 a 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 incapacity disciplinary enquiry.

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected 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.

5. EVALUATING PERFORMANCE

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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. 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.					

The performance bonus payment shall be categorised in 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 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:

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- 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 R20 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).

A level of performance achievement of below 50% 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 SUBSTANDARD PERFORMANCE

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

The Director 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.

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 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 Director's employment for any reason.

10. LIMITATIONS OF THE CONTRACT

This contract is an agreement between the employer and the Director about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the Director entered into on accepting his position and to 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 Director's contract of employment with or without notice for any other breach by the Director 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 Directors directly accountable to Municipal Managers 2006, shall be comprised of the Municipal Manager, and his brief will be to assess the performance of the Director 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 Corporate Services Director shall provide secretariat services to the assessment team referred to 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 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.

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 Director with effect from 01 July 2024.

No agreement, varying, adding to, deleting from or canceling this contract, shall be effective unless reduced to writing and signed by both parties. The following annexures and

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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 Lesikisiki this 01 day of July 2024

DIRECTOR

Signature: 

Name Printed: Zamangwane Masumbi

WITNESSES

1. Signature:  Name Printed: MACANIKWA CHUMANA

2. Signature:  Name Printed: WEZO NQALO

2. Signature:  Name Printed: NGWENKANYU NGWENKANYU

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

MUNICIPAL MANAGER

Signature: 

Name Printed: Castro Makedama

WITNESSES

1. Signature:  Name Printed: A.P. Homa

2. Signature: _____ Name Printed: _____

ANNEXURE "A"

PERFORMANCE PLAN

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

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

BASIC SERVICE DELIVERY AND INFRASTRUCTURE (KPA 1) Total Weight 65

KPA	Strategic Objective	Key Performance Indicator (KPI)	Weight	Project	Budget 2024/25	Baseline 2023/24	Annual Targets					Means Verificat
							2024/2025	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Basic Services		6.1.1. Number of traffic fines issued	5	Traffic control, law enforcement and support	R0,00	The National Road Traffic Act 93 of 1996 requires that law transgressors should be fined accordingly. A total number of traffic fines was issued in 2024-23FY	1600	400	400	400	400	Traffic Fine Registers
Basic Services		6.2.1. Number of motor vehicles licensed	5	Vehicle Registration & Licensing	R 60 000,00	The National Road Traffic Act 93 of 1996 requires that motor vehicle licences are renewed annually. A total of licences were issued in 2022-23	9500	2250	2700	2300	2250	RD 329 Re

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Basic Services	6.2.2. Number of learners licences examined	5	Examination of Learners licence	R0,00	A total of learners licences were issued in 2022-23y	1500	375	375	375	375	RD 329 Re
Basic Services	6.3.1. Number of road safety programs developed and implemented	5	Develop and implement road safety programs	R50 000,00	16 Traffic Officers, 8 Traffic Wardens and 3 patrol vehicles in place.	2	0	1	1	0	Report and Attendance register
Basic Services	6.3.2. Number of community safety plan developed	5	Development of community safety plan	R100 000,00	ORTDM Community Safety Plan in place.	1	1	0	0	0	close out re and final completed safety plan
Basic Services	6.3.3. Number of times Integrated Waste Management by-laws gazetted.	5	Gazetting of Integrated Waste Management by-laws	R25 000,00	IWMIP (Integrated Waste Management Plan) in place.	1	0	0	0	1	Report on gazetted b
Basic Services	6.3.4. Number of times Cemetery by-law is reviewed.	5	Review of Cemetery Management by-law.	R25 000,00	Cemetery policy in place.	1	0	0	0	1	Report on reviewed b law.
Basic Services	6.4.1. Number of times CPF equipment is procured and distributed to CPFs	5	Support Community Police Forums (CPF) through CPF equipment and trainings	R120 000,00	Six community policing forums supported	1	0	0	1	0	Distributor register an delivery no and report
Basic Services	6.4.2. Number of crime prevention awareness campaigns conducted	5	Crime prevention awareness campaigns	R 150 000,00	High crime rate in the municipality. No synergy on the implementation of crime prevention initiatives by stakeholders	4	1	1	1	1	Attendance Register ar Report on Awareness Conducted

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Basic Services	6.7.1. Number of waste management workshops conducted	5	Waste management education	R 150 000,00	There is one operating landfill site, and there is a waste management unit with its fleet	4	1	1	1	1	Attendance registers at report
Basic Services	6.8.1. Number of sports events hosted	5	Promotion of sports through sports events	R899 000,00	There is a sports council in the municipality	2	1	0	0	1	Attendance registers at report
Basic Services	6.8.4. Number of Early Childhood Development centres supported with learning material	5	Provision of Early Childhood Development learning material	R47 760,00	Five Early Childhood Development centres supported in previous FY	6	0	0	6	0	Distributor register
Basic Services	6.7.3. Number of times tons of waste is reported to SAWIS	5	Reporting to SAWIS for waste generation by the Municipality	R0,00	There is one operating landfill site, and there is a waste management unit	4	1	1	1	1	SAWIS submission screen

INSTITUTIONAL DEVELOPMENT & TRANSFORMATION (KPA 2) TOTAL WEIGHT 20

Institutional Development	6.7.2. Number of employed casual workers.	5	Employment of EPWP casuals	R 4 000 000,00	The unemployment rate in the area is high	2	1	0	1	0	Report on Employment contracts
Institutional Development	6.5.1. Number of times lifeguards and coastal patrollers are provided with equipment and identifiable clothing.	5	Provision of equipment and identifiable clothing for 26 lifeguards and 12 coastal patrollers	R300 000,00	26 lifeguards and 12 patrollers employed for Mbotyi, Msikaba and Mkhambathi	1	0	1	0	0	Distributor register and report
Institutional Development	6.6.1. Number of LIASA events celebrated	5	Participation in LIASA events	R 150 000,00	High illiteracy rate in the municipality	3	1	0	1	1	Attendance registers at report

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Institutional Development	6.6.2. Number of book launches to be held	5	Book launch Activities	R20 000,00	2 book writers exists within the jurisdiction of the Municipality.	1	0	1	0	0	Report and Attendance register
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LOCAL ECONOMIC DEVELOPMENT (KPA 3) TOTAL WEIGHT 5

LED	6.8.2. Number of federations assisted	2.5	Assistance of federations and players	R899 000,00	There is a sports council in the municipality	5	1	1	1	2	Register for list of federations assisted at request let assistance
LED	6.8.3. Number of arts and culture groups and events supported	2.5	Support of Arts and Culture groups and events	R554 988,00	There is an Arts Council and an Initiation Forum	4	1	1	1	1	Attendance register and report and request let assistance

MUNICIPAL VIABILITY (KPA 4) TOTAL WEIGHT 5

Municipal Financial Viability	Implementation of activities on Community Services Procurement Plan	2.5	Procurement Plan		Procurement plan was implemented on a monthly basis in 2023/24 financial year	4	1	1	1	1	Signed Quarterly progress report on Procurement Plan.
Municipal Financial Viability	Report on revenue generated from Traffic Department	2.5	Revenue Generation			4	1	1	1	1	Signed Quarterly Revenue Reports

GOOD GOVERNANCE (KPA 5) TOTAL WEIGHT 5

Good Governance	Number of Community Services Standing Committee held	5	Siting of section 80 committees		Adopted terms of reference and Council Standing Orders	4	1	1	1	1	Attendance Register and Decision IV
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16. CORE COMPETENCIES REQUIREMENTS (CCRS) SELECTED CORE MANAGERIAL COMPETENCIES REQUIREMENTS

- 1) Financial Management
- 2) People Management and empowerment
- 3) Client Orientation and Customer Focus
- 4) Strategic capability and Leadership
- 5) Change Management

OBJECTIVES	R A T I N G C A L C U L A T O R WEIGHTING %	KPI's	TARGETS		MEANS OF VERIFICATION
			TIME	QUANTITY	
16.1 Financial Management : To ensure efficient, effective, economic financial reporting and management	5.00%	Number of budget submissions prepared.	30 / 06 / 2024	100%	Signed budget submission inputs (during Annual Budget and Adjusted Budget)
16.2 People Management & empowerment – identify capability requirements and enhancement needs	10.00%	Number of training needs assessments conducted	30 / 06 / 2024	MFMA	<ul style="list-style-type: none"> • Approved training request for Community Services Staff • Registers of attended trainings.
16.3 Client orientation and customer focus – Ensure that there are sound customer relations	10.00%	Turnaround time for waste collection and provision of traffic support services	30 / 06 / 2024	100%	<ul style="list-style-type: none"> • Schedule of refuse collection • Awareness Report on the truck schedule
16.4 Strategic Capability & Leadership :ensure proper planning long term planning for departmental Programmes	10.00%	a. Submission towards municipal Integrated Development Plan.	30 / 06 / 2024	100%	<ul style="list-style-type: none"> • An adopted IDP
16.5 Change Management – introduce and manage	10.00%	Number of Programmes with Clearly documented	30 / 06 / 2024	100%	<ul style="list-style-type: none"> • Approved Standard Operating Plan for Traffic

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OBJECTIVES	RATING CALCULATOR WEIGHTING	KPIs	TARGETS			MEANS OF VERIFICATION
			TIMEFRAME	QUALITY	QUANTITY	
16.7. Competence in Self - Management	5.00%	<ul style="list-style-type: none"> Number of quarterly reports submitted within required timelines 	30 / 06 / 2024	100%	4	Proof of submission and acknowledgement from the PMS Office
16.8 Interpretation and implementation within legislative and national policy frameworks	10.00%	<ul style="list-style-type: none"> No of initiatives executed in alignment to the legislative and policy statutes. 	30 / 06 / 2024	100%	4	List of initiatives executed in fulfilment of legislative and national policy frameworks.
16.9 Knowledge of Developmental Local Government	5.00%	<ul style="list-style-type: none"> No of developmental P r o g r a m e s supported in fulfillment of the objects of local government 	30 / 06 / 2024	100%	4	List of funded projects that are executed by the Department
16.10 Knowledge of Performance management and Reporting	10.00%	<ul style="list-style-type: none"> No of performance reports prepared 	30 / 06 / 2024	100%	12	Monthly Performance reports
16.11 Competence in policy conceptualization, analysis and implementation	5.00%	<ul style="list-style-type: none"> No of policies/plans 	30 / 06 / 2024	100%	1	Adopted policies
16.12. Knowledge of more than one functional area in the municipal field	10.00%	<ul style="list-style-type: none"> No of reports with recommendations to Council 	30 / 06 / 2024	100%	2	Signed Council resolutions
TOTAL	100%					

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

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ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME : ZAMANGWANE MASUMPA
JOB TITLE : DIRECTOR COMMUNITY SERVICES
EMPLOYER : INGQUZA HILL LOCAL MUNICIPALITY
FINANCIAL YEAR : 2024 / 2025

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
Reporting & Evaluation	Monitoring & Evaluation	S k i l l s D e v e l o p m e n t F a c i l i t a t o r	30/06/2024	To enhance monitoring and evaluation of departmental programmes impact

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APPENDIX 1

Commitment of Management Team reporting directly to the Director

BABALWA GODO

MANAGER: PUBLIC SAFETY

I, Babalwa Godo (Manager: Public Safety) hereby make this commitment to support the Director: Community Services, Zamangwane Masumpa, to achieve targets as set in this performance contract between her and the employer. As a support manager, I understand that her 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

Babalwa Godo

MANAGER: PUBLIC SAFETY



Commitment of Management Team reporting directly to the Director

SIBONILE DAKWA

MANAGER: COMMUNITY SERVICES

I, Sibonile Dakwa (Manager: Community Services) hereby make this commitment to support the Director: Community Services, Zamangwane Masumpa, to achieve targets as set in this performance contract between her and the employer. As a support manager, I understand that her 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

SIBONILE DAKWA

MANAGER: COMMUNITY SERVICES



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 Director. 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 Director.

1.3 Facilities and Equipment

1.3.1 During the full period of the performance contract, the employer shall avail to the Director all existing facilities and equipment which she will need in executing her 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 failure on the employer's part and the Director 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 Director

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

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2 OBLIGATIONS OF THE DIRECTOR

2.1 Conditions of service

2.1.1 The Director 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 Director shall include but not be restricted to:

2.1.1.1 Setting of specific of targets for managers reporting to her.

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 Community Services 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 Community Services Department, to the Municipal Manager on a monthly and quarterly basis for information purposes.

2.1.1.7 Assessing performance reports for Community Services staff where necessary.

2.1.1.8 Assist in the 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 department.

2.1.2 The Director shall ensure that her staff has access 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 Community Services Department as the need arises.

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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 Director 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 Director shall exercise all her skills, reasonable care, responsibility and diligence in discharge of his duties under this contract. The Director 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 Director in terms of her 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 Director undertakes to supervise personnel in her department. If she 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 Director 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 Director undertakes to achieve the parent targets, which shall be directly related to the expected improvement in the level of services and therefore

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improvement in the quality of life within the municipality. The parent targets are those defined as performance requirements in Section 4 of this contract.

2.5 Reporting

2.5.1 The Director shall submit detailed quarterly reports on the operation of the Community Services 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 Director also undertakes to submit any other report/s as required by the employer.

2.6 Expenditure

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

2.8 Purchases

2.8.1 The Director 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 Director 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 the 1st of August 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 Director 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 Director shall make the necessary submissions to the Community Services Office, reflecting the projected financial needs of his department for the following financial year.

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

2.12 Liability

The Director 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 Director 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 her department in the course of duty or anybody subcontracted by the municipality.

3. OTHER PROVISIONS

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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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