

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
("Senior Manager Community Services")

In her capacity as the Senior Manager: Community Services

2025/2026 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

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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 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 Senior Manager: Community Services, starting from the 1st of July 2025, 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 Senior Manager: Community Services, and IHLM represented by **Velile Castro Makedma**, the Municipal Manager. It is for the 2025/2026 financial year only. The expected performance reflected in this contract is based on the Integrated Development Plan 2025/2026 reviewed, and the 2025/2026 Service Delivery and Budget Implementation Plan. The two afore-mentioned

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

2. STRATEGIC OBJECTIVE

The Senior Manager 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

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Manager and the Senior on **01 July 2025**, 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 2025/2026 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

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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 2025 and will expire on the 30th of June 2026. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31 July 2026. 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 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 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.

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 Senior Managers directly accountable to Municipal Managers 2006, shall be comprised of the Municipal Manager, and his brief will be to assess the performance of the Senior Manager in

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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 Senior Manager 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 Senior Manager with effect from 01 July 2025.

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 Lusikisiki this 28 day of July 2025

SENIOR MANAGER

Signature: 

Name Printed: Zamangwane Masumba

WITNESSES

1. Signature:  Name Printed: B. Fikani

2. Signature:  Name Printed: C. Mncani Kwa

2. Signature:  Name Printed: N. Phatso

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

MUNICIPAL MANAGER

Signature: 

Name Printed: V. C. MAKODAMA

WITNESSES

1. Signature: [Signature] Name Printed: A. MOKAWA

2. Signature: [Signature] Name Printed: C. MACANILLA

ANNEXURE "A"
PERFORMANCE PLAN

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

KEY PERFORMANCE AREA	WEIGHTING
Basic Service Delivery & Social Service	65%
Municipal Institution Development and Transformation	20%
Local Economic Development	5%
Municipal Financial Viability and Management	5%
Good Governance and Public participation	5%
Total	100%

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

1. Basic Services KPA 65%

PROJECT	BASELINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		TOTAL BUDGET	MEANS OF VERIFICATION	WEIGHTING
				Target		Target		Target		Target				
6.1	Installation of Trafman System at DLTC by March 2026	The National Road Traffic Act 93 of 1996 requires that law transgressors should be fined accordingly	1	N/A	N/A	1	N/A	1	N/A	N/A	N/A	R600 000,00	Delivery note and installation report	5
6.1	Registration of the DLTC for the grading of the centre by department of transport by December 2025	Existence of the Driving Licence testing yard.	1	N/A	1	N/A	1	N/A	N/A	N/A	N/A	R0.00	Registration certificate from Department of Transport	10
6.4	Conduct Crime Prevention Dialogues by December 2025	High crime rate in the municipality. No synergy on the implementation of crime prevention initiatives by stakeholders	1	N/A	1	N/A	1	N/A	N/A	N/A	N/A	R40 000,00	Attendance register and minutes	5

6.4	Development security management plan by September 2025	High crime rate in the municipality. No synergy on the implementation of crime prevention initiatives by stakeholders	6.4.1. Number of security management plan developed by September 2025	1	N/A	1	N/A	N/A	R0.00	Developed Security Plan	5
6.5	Fencing of the 2451.6m2 pound in Flagstaff ward 06 by March 2026	Two pounds exists in both Lusikisiki and Flagstaff towns	6.5.2. Number of pounds to be fenced in Flagstaff ward 06 by March 2026	1	N/A	N/A	1	N/A	R1 350 000	Appointment Letter, Completion certificate and Signed report	5
6.5	Development of Disaster management response plan by December 2025	IHLM is prone to Natural and man made Disasters	6.5.3. Number of times Disaster management plan is developed December 2025	1	N/A	N/A	1	N/A	R50 000.00	Developed Disaster Management Plan	5
6.6	Sitting of social cluster by June 2026	Poor coordination between department rendering social services	6.6.1. Number of Social Cluster meetings by June 2026	4	1	1	1	1	R80 000.00	Attendance register and draft minutes	5
6.6	Integrated Waste Management Plan Implementation for 2024/2025 in terms of	IWMP (Integrated Waste Management Plan) in place.	6.6.1. % implementation of the IWMP for 2024/2025 in terms of waste collection and	4	1	1	1	1	R0.00	Signed Report on Implementation of IWMP	10

	waste collection and waste disposal and clearance of illegal dumping sites by June 2025		waste disposal and clearance of illegal dumping sites by June 2026															
6.7	Review of Cemetery Management by-law.	Cemetery policy in place.	6.7.1. Number of Cemetery By-Laws to be reviewed	1	N/A	N/A	N/A	1	1	1	1	R0.00	Reviewed cemetery bylaw					5
6.10	Reporting waste generated in the municipality to SAWIS by June 2026	There is one operating landfill site, and there is a waste management unit	6.10.1. Number of times waste generated is reported to SAWIS by June 2026	4	1	1	1	1	1	1	1	R0.00	Sawis submission screen					5

2. MUNICIPAL INSTITUTION DEVELOPMENT & TRANSFORMATION 25%

PROJECT	BASELINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		TOTAL BUDGET	MEANS OF VERIFICATION	WEIGHTING
				Target		Target		Target		Target				
6.1	Development of standard operating Procedures for Traffic Management and administration by June 2026	6.1.1 Number of developed standard operating Procedures for Traffic Management and administration by June 2026	1	N/A	1	N/A	N/A	N/A	N/A	N/A	N/A	R0.00	Developed standard operating Procedures for Traffic Management and administration	5

6.4	Pound Management Report by June 2026	Pound Policy in place; Pound rangers	6.4.2. Number of pound management reports tabled to management by June 2026	4	1	1	1	1	1	1	R0.00	Signed report and Duty Roster	5
6.3	Safe guarding of municipal assets on theft and vandalism by June 2026	Security policy in place	6.3.4. % decrease of theft and vandalism of the Municipal assets by June 2026	90%	90%	90%	90%	90%	90%	90%	R0.00	Signed report and duty roster	5
6.5	Development of business plan of Library grant	High illiteracy rate in the municipality	6.8.1. Number of business plans developed for libraries	1	1	N/A	N/A	N/A	N/A	N/A	N/A	Signed Business plan by the Municipal Manager	5
	To Ensure institutional transformation and organizational development	Signing of performance contract	Signing of Performance Agreement	1	1	N/A	N/A	N/A	N/A	N/A	N/A	Signed performance agreement	2.5
													2.5

3. LOCAL ECONOMIC DEVELOPMENT 5%

PROJECT	BASELINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		TOTAL BUDGET	MEANS OF VERIFICATION	WEIGHTING
				Target		Target		Target		Target				

6.11	Provision of container for Port grovener beach by September 2026	4 beaches existing	6.1.1.1. Number of container provided for Port grovener beach by September 2026	1	N/A	1	N/A	N/A	N/A	Delivery note and report	5
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4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT 5%

PROJECT	BASELINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Quarter 1		Quarter 2		Quarter 3		Quarter 4		TOTAL BUDGET	MEANS OF VERIFICATION	WEIGHTING
				Target	85%	Target	85%	Target	85%	Target	85%			
6.11	Increase for revenue collection from traffic fines, VTS, Registering Authority and DTLC by June 2026	The municipality collected R4 248 411 as per Audited Financial statements for 2023/2024 as per 19% of the collections from department of transport	6.2.1. Percentage Increase of revenue from traffic fines, VTS, Registering Authority and DTLC by June 2026	85%	85%	85%	85%	85%	85%	85%	85%	R4 800 000.00	Revenue report	5

5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PROJECT	BASELINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	Quarter				TOTAL BUDGET	MEANS OF VERIFICATION	WEIGHTING
				Quarter 1 Target	Quarter 2 Target	Quarter 3 Target	Quarter 4 Target			
6.11	Implementation of Risk Management Plan by June 2026	5.3.2.1. Percentage Implementation of Risk Management Plan by June 2026	100%	25%	50%	75%	100%	R0.00	Quarterly Risk Management Report	5

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 Leadership	✓	10
People Management	✓	10
Program and Project Management	✓	10
Financial Management	✓	10
Change leadership	✓	10
Governance Leadership	✓	10
CORE OCCUPATIONAL COMPETENCIES (COC)		
Moral competency		
Planning and Organization	✓	5
Analysis and organization	✓	10
Analysis and Innovation	✓	10
Knowledge and Information Management	✓	10
Communication	✓	5
Total		100%

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 : 2025/ 2026

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
Reporting & Evaluation	Monitoring & Evaluation	Skills Development Facilitator	30/06/2026	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 Senior Manager: 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 Senior Manager: 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

SIBINILE DAKWA

MANAGER: COMMUNITY SERVICES



APPENDIX 2

1. OBLIGATIONS OF THE EMPLOYER (KEY ASSUMPTIONS)

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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 Senior Manager 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 Senior Manager

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

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2 OBLIGATIONS OF THE DIRECTOR

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 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 Senior Manager 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 Senior Manager 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 Senior Manager 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 Senior Manager 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 Senior Manager shall do all in his power to achieve the targets and milestones indicated in the municipal IDP and Performance Management System.

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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 4 of this contract.

2.5 Reporting

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

2.9 Books and Records

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The Senior 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 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 Senior 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 Senior Manager 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 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:

2.12.1 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 her

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

3. OTHER PROVISIONS

3.1 Unforeseen conditions

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

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