PERFORMANCE AGREEMENT

Made by and entered into between

Senior Manager: Infrastructure Development and Municipal Services

Bavuyise Tshitshi

And

PMU Manager : Solomzi Thando Njekeni

2026/2027 FINANCIAL YEAR

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	-	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 months period which the organization determines as its budget year.

GENERAL PROVISIONS

1. INTRODUCTION

1.1 The Employer has entered into a performance agreement with the **PMU Manager**: for a period of (Twelve) 12 months, from 01 July 206, ending on 30 June 2027.

1.2 The parties wish to ensure that they are clear about the goals to be achieved and secure the commitment of the **PMU Manager** reporting to the Municipal Manager representing the municipality, to a set of actions that will secure local government policy goals.

1.3 This performance agreement is between Solomzi Thando Njekeni, the **PMU Manager,** and the **Senior Manager: IDMS; B Tshitshi** It is for the 2026/2027 financial year only. The expected performance reflected in this agreement is based on the Integrated Development Plan of 2026/2027 reviewed, and the 2026/2027 Service Delivery and Budget Implementation Plan. The two afore-mentioned 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 **PMU Manager** reports to the **Senior Manager** and is accountable for administrative functions performed by:

Civil Technician : **Ncebakazi Mgoduka**

PMU Administrator : **Ongezwa Ngqase**

ISD Officer : **Ntombizandile Ntlangano**

And any other functions as may be delegated by the **Senior Manager.**

3. PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT

If the **PMU Manager** achieves outstanding performance *in line with the ratings as contained in this agreement*, he shall qualify for the annual performance bonus in accordance with the performance management policy, budget availability and formulae, as well as the results of the performance evaluation agreed to in this agreement. The acceptability of the level of his performance or otherwise shall be determined and declared by the performance evaluation team in accordance with the provision of this agreement, following the receipt of a report on the **PMU Manager** achievement or otherwise of the KPIs as reflected in this agreement.

Annexure A attached has listed Key Performance Areas (KPAs). These will be evaluated on a straight line bases. These performance areas will be worth 100%. The key performance indicators 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 95 to 100% percent shall be regarded as 100% bonus warranting, above 80 percent to 94 percent, as average and warranting 80% of performance bonus, above 50 percent to 79 percent shall warrant 50% of the performance bonus, and below 50 percent, shall require the employer to effect remedial measures that may include incapacity or disciplinary enquiry.

The above performance thresholds 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 agreement; and

III. Approval of such evaluation by the Municipal Council as a reward for outstanding performance or effective performance.

4. EVALUATING PERFORMANCE

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

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)

Most importantly, the municipality will develop a tool to measure performance on the five point rating system:

The ratings are explained as follows:

Rating	Terminology	Description
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 stand required for the job in the 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 accountability contract 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 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 agreement and the applicable laws. The calculation of the bonus will be 14% of the total package of the negotiated package of the employee assessed (e.g. if the employee gets R100 000 total cost to the employer, R14 000 will constitute 100% of the performance bonus)

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

4.1. The Employee must be assessed on his performance in terms of the performance indicators identified in the attached Performance Plan and include–

(a) the Key Performance Areas; and

(b) Core Managerial Competencies.

4.2. The Key Performance Areas will make up 80% of the Employee's assessment score, and will contain the following areas of which all of them are compulsory and weights must be allocated to each of them according to the scale of core and functional responsibilities:

Key Performance Areas (100% of Total)	**Weighting**
Basic Service Delivery	85
Municipal Institution Development and Transformation	**5**
Planning and Local Economic Development	0
Municipal Financial Viability and Management	**5**
Good Governance and Public participation	5
Total	**100%**

4.3. The **Core Management Criteria** will make up the other 20% of the Employee's assessment scores

4.4. The **Core Competency Requirements** are deemed to be most critical for the Employee's specific job and only ten (10) of them should be selected from the list below including the compulsory CMC s as agreed to between the Employer and Employee:

No	Competency Required	Category	✓	Weight
1	Financial Management - Compulsory	Core Managerial Competency	X	5
2	People Management - Compulsory		X	5
3	Client orientation and Customer Care - Compulsory		X	5
4	Strategic Capability		X	5
5	Programme and Project Management		X	5

6	Change Management		X	5
7	Knowledge Management		X	5
8	Service Delivery Innovation			5
9	Problem Solving and Analytical Thinking		X	5
10	Communication		X	5
11	Honesty and Integrity		X	5
12	Competence in Self-Management		X	5
13	Interpretation of and implementation within the legislative and national policy frameworks		X	5
14	Knowledge of developmental local government			
15	Knowledge of Performance Management and Reporting		X	5
16	Knowledge of global and South African specific political, social and economic contexts			5
17	Competence in policy conceptualization, analysis and Implementation	Core Occupational Competencies	X	5
18	Knowledge of more than one functional municipal field/ Discipline			5
19	Skills in Mediation			
20	Skills in Governance		x	5
21	Competence as required by other national line sector Departments		x	5
22	Exceptional and dynamic creativity to improve the functioning of the municipality			5
	TOTAL			100%

5. DEVELOPMENTAL REQUIREMENTS

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

6. CONSEQUENCE OF SUBSTANDARD PERFORMANCE

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

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

7. RULING LANGUAGE

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

8. TERM OF AGREEMENT

This agreement shall be deemed to have been entered into on the **1st of July 2026** and will expire on the **30 of June 2027**.The parties will conclude a new performance agreement that replaces this agreement contract by no later than **31 July 2027**. This Agreement will terminate on the termination of the **PMU Manager** contract of employment.

9. LIMITATIONS OF THE CONTRACT

This contract is an agreement between the employer and the **PMU Manager** about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the PMU Manager entered into on accepting his position and to the South African legislation. In the case of any ambiguity, the employment contract shall prevail over this performance agreement. Nothing contained in this Agreement in any way limits the right of the employer to terminate the **PMU Manager** contract of employment for any other breach by the **PMU Manager** of his obligations to the Municipality or for any other valid reason in law.

10. MONITORING AND EVALUATION

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. Senior Manager Corporate Services/ Manager Human Resources
II. Senior Manager Technical Servies .
III. OD & IPMS Office

11. DISPUTE RESOLUTION

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

12. JURISDICTION

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

13. WHOLE AGREEMENT

The parties to this contract agree that this contract constitutes the whole agreement and arrangement for the performance of the **PMU Manager** with effect from **01 July 2026.**

No agreement, varying, adding to, deleting from or canceling this contract, shall be effective unless reduced in 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**
ANNEXURE C:	**FINANCIAL DISCLOSURES**
APPENDIX 1 :	**COMMITMENT OF SUPPORT TEAM**
APPENDIX 2 :	**OBLIGATIONS OF THE EMPLOYER**

SIGNED at Flagstaff this day 23 of **July 2026**

PMU MANAGER

Signature: _____

Name Printed: Solomzi Thando Njekeni

WITNESSES

1. **Signature:** _____ Name Printed: MAJOZINI SINAWO

2. **Signature:** _____ Name Printed: Letshane Siphosethu

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

SENIOR MANAGER: INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES

Signature: _____ 23/07/2026

Name Printed: DANIEL ISHITSHI

WITNESSES

1. **Signature:** _____ Name Printed: YONELA SIGCAU

2. **Signature:** _____ NamePrinted: ONELE NGCINI

ANNEXURE "A"

PERFORMANCE PLAN 2026/2027

PERFORMANCE PLAN

KEY PERFORMANCE AREAS (KPAs) OR 2026/27

KEY PERFORMANCE AREA	WEIGHTING
Basic Service Delivery	85
Municipal Institution Development and Transformation	5
Planning and Local Economic Development	0
Municipal Financial Viability and Management	5
Good Governance and Public participation	5
Total	**100%**

14. KEY PERFORMANCE AREAS (KPAS) FOR 2026/2027)

14.1. BASIC SERVICE DELIVERY: 85%

INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES															
IDP NO.	PROJECT	BASE LINE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	QUARTERLY TARGET								TOTAL BUDGET	Means of verification	Weighting
					Quarter 1 Target	Means of verification	Quarter 2 Target	Means of verification	Quarter 3 Target	Means of verification	Quarter 4 Target	Means of verification			
Objective: To provide basic services through infrastructure development in an environmental friendly manner															
1.81	Construction of 5km Chwechwela Access road in ward 22 by 30 June 2027	Designs in place	1.81.19.1 % Completion of 5km Chwechwela Access road in ward 22 by 30 June 2027	100 %	**Stage 2 (20%) Clear and grub by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 4(60%)tipping of gravel, processing of gravel by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of headwalls and installation of road signs by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports and Practical Completion Certificate	**R6,393,122.00**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5

1.87	Construction of Chwechwela 10m Bridge in ward 22 by 30 June 2027	Designs in place	1.87.66 .1 % Completion of Chwechwela 10m bridge in ward 22 by 30 June 2027	100 %	**Stage 2 (40%) Base foundation slab complete by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 3 (60%) Columns and top slab complete by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of wingwalls by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports Practical Completion Certificate	**R3,217,934.76**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5
1.81	Construction of 4km Ngibe Access road in ward 21 by 30 June 2027	Designs in place	1.81.19.2 % Completion of 4km Ngibe Access road in ward 21 by 30 June 2027	100 %	**Stage 2 (20%) Clear and grub by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 4(60%)tipping of gravel, processing of gravel by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of headwalls and installation of road signs by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports Practical Completion Certificate	**R6,408,105.04**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5
1.87	Construction of 12m Ngibe Bridge in ward 21 by 30 June 2027	Designs in place	1.87.66 .2 % Completion of 12m Ngibe Bridge in ward 21 by 30 June 2027	100 %	**Stage 2 (40%) Base foundation slab complete by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 3 (60%) Columns and top slab complete by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of wingwalls by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports Practical Completion Certificate	**R2,363,242.02**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5

1.81	Construction of 5km New Rest to Khonjwayo via France Access road in ward 19 by 30 June 2027	Designs in place	1.81.19.3 % Completion of 5km New Rest to Khonjwayo via France Access road in ward 19 by 30 June 2027	100 %	**Stage 2 (20%) Clear and grub by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 4(60%)tipping of gravel, processing of gravel by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of headwalls and installation of road signs by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports Practical Completion Certificate	**R6,408,105.05**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5
1.81	Construction of 5km Mkhamela to Makolonini Access road in ward 25 by 30 June 2027	Designs in place	1.81.19.4 % Completion of 5km Mkhamela to Makolinini Access road in ward 25 by 30 June 2027	100 %	**Stage 2 (20%) Clear and grub by 30 September 2026**	Signed Monthly Reports and appointment Letter	**Stage 4(60%)tipping of gravel, processing of gravel by 31 December 2026**	Signed Monthly Reports	**Stage 5(80%) Construction of headwalls and installation of road signs by 31 March 2027**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 30 June 2027**	Signed Monthly Reports Practical Completion Certificate	**R5,631,667.93**	Appointment Letter, Signed Monthly Reports Practical Completion Certificate	5

1.81	Designs of 4 km access road and 2 bridges (8m long) at Bantini to Mangweni Access Road in Ward 14 by 31 March 2027	Registered in MIG-MIS System	1.81.20.1 % Completion of approved for designs of 4 km access road and 2 bridges (8m long) at Bantini to Mangweni Access Road in Ward 14 by 31 March 2027	100 %	**No Target**	N/A	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approved Preliminary design Report and appointment letter	**Project at 100%- Final designs completed by 31 March 2027**	Approved Final design Report	**No Target**	N/A	**R300,000.00**	Appointment letter, Approved Final design Report	2.5
1.81	Designs of 5km Njombela via Ntlavukazi Access Road in ward 24 by 31 March 2027	Registered in MIG-MIS System	1.81.20.2 % Completion of approved Designs for 5km Njombela via Ntlavukazi Access Road in ward 24 by 31 March 2027	100 %	**No Target**	N/A	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approved Preliminary design Report and appointment letter	**Project at 100%- Final designs completed by 31 March 2027**	Approved Final design Report	**No Target**	N/A	**R300,000.00**	Appointment letter, Approved Final design Report	2.5

1.81	Designs of 5km Mxhopho Access Road in ward 29 by end 31 March 2027	Registered in MIG-MIS System	1.81.20.3 % Completion of approved Designs for 5km Mxhopho Access Road in ward 29 by 31 March 2027	100 %	**No Target**	N/A	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approved Preliminary design Report and appointment letter	**Project at 100%- Final designs completed by 31 March 2027**	Approved Final design Report	**No Target**	N/A	**R300,000.00**	Appointment letter, Approved Final design Report	5
1.81	Designs of 5km Khathazweni to Lujecweni Access Road in ward 30 by 31 March 2027	Registered in MIG-MIS System	1.81.20.4 % Completion of approved Designs for 5km Khathazweni to Lujecweni Access Road in ward 30 by 31 March 2027	100 %	**No Target**	Approved Preliminary design Report	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approved Preliminary design Report and appointment letter	**Project at 100%- Final designs completed by 31 March 2027**	Approved Final design Report	**No Target**	Approved Final design Report	**R300,000.00**	Appointment letter, Approved Final design Report	5
1.81	Designs of 5km Access Road and 2 bridges (12m long) at Mavaleleni in ward 32 by 31 March 2027	Registered in MIG-MIS System	1.81.20.5 % Completion of approved designs for 5km Access Road	100 %	**No Target**	N/A	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approved Preliminary design Report and appointment	**Project at 100%- Final designs completed by 31 March 2027**	Approved Final design Report	**No Target**	N/A	**R300,000.00**	Appointment letter, Approved Final design Report	5

			and 2 bridges (12m long) at Mavalele ni in ward 32 by 31 March 2027					letter								
1.75	% Designs of Landfill Site in Flagstaff in ward 6 by end 31 March 2027	New Projec t	1.75.64.1 % Completi on of Designs of Landfill Site in Flagstaff by 31 March 2027	100 %	No Target	N/A	**Project at 50% - Preliminery Design Report Complete by 31 December 2026**	Approv ed Prelimi nary design Report and appoint ment letter	**Project at 100%- Final designs completed by 31 March 2027**	Approv ed Final design Report	**No Target**	Signed Monthl y Report s	**R1,500,00 0.00**	Appoint ment letter, Approve d Final design Report	5
1.04	Construction of 4km Surfacing of Flagstaff Internal Streets- Phase 2 in Ward 06 Flagstaff Town by 31 December 2026	Phase 1 compl eted	1.04.2 % completio n of 4km Surfacing of Flagstaff Internal Streets- Phase 2 in Ward 06 Flagstaff Town by 31 Decembe r 2026	100 %	**Stage 6 (95%) Snag list by 30 Septemb er 2026**	Signed Monthly Reports	**Stage 6 (100%) Completion of works by 31 December 2026**	Signed Monthl y Report s Practic al Compl etion Certific ate	**No Target**	N/A	**No Target**	N/A	**R5,300,00 0.00**	Signed Monthly Reports Practical Completion Certifica te	5

1.03	Construction of 6km Surfacing of Lusikisiki Internal Streets-Phase 3 in Ward 15, Lusikisiki Town by 30 September 2026	Phase 2 compl eted	1.03.3. % completio n of 6km Surfacing of Lusikisiki Internal Streets-Phase 3 in ward 15 by 30 Septemb er 2026	100 %	**Stage 7 (100%) Practical Completi on by 30 Septemb er 2026**	Signed Monthly Reports Practical Complet ion Certifica te	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**R12,000,0 00.00**	Signed Monthly Reports Practical Complet ion Certifica te	5
1.81	Construction of 4km Bantini to Mangweni Access road in ward 14 by 30 June 2027	Regist ered in MIG-MIS Syste m	1.81.20 .1 .1 % Completi on of 4km Bantini to Mangwe ni Access road in ward 14 by 30 June 2027	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**Stage 1 (10%) - Appoi ntment of contra ctor and Site Establi shmen t by 30 June 2027**	Signed Monthl y Report s and appoint ment Letter	**R100,000. 00**	Signed Monthly Reports and appoint ment Letter	5
1.81	% Constructions of 2 bridges(8m long) at Bantini to Mangweni in ward 14 by 30 June 2027	Regist ered in MIG-MIS Syste m	1.81.3.1 % Construct ions of 2 bridges(8m long) at Bantini to Mangwe ni in ward 14 by 30	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**Stage 1 (10%) - Appoi ntment of contra ctor and Site Establi**	Signed Monthl y Report s and appoint ment Letter	**R100,000. 00**	Signed Monthly Reports and appoint ment of Letter	2.5

			June 2027									**shmen t by 30 June 2027**				
1.81	Construction of 5km Njombela via Ntlavukazi Access Road in ward 24 by 30 June 2027	Regist ered in MIG-MIS Syste m	1.81.20 .1.2 % Completi on of 5km Njombela via Ntlavuka zi Access Road in ward 24 by 30 June 2027	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**Stage 1 (10%) - Appoi ntment of contra ctor and Site Establi shmen t by 30 June 2027**	Signed Monthl y Report s and appoint ment Letter	**R200,000. 00**	Signed Monthly Reports and appoint ment of Letter	2.5
1.81	Construction of 5km Mxhopho Access Road in ward 29 by 30 June 2027	Regist ered in MIG-MIS Syste m	1.81.20 .1.3 % Completi on of 5km Mxhopho Access Road in ward 29 by 30 June 2027	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**Stage 1 (10%) - Appoi ntment of contra ctor and Site Establi shmen t by 30 June 2027**	Signed Monthl y Report s and appoint ment Letter	**R200,000. 00**	Signed Monthly Reports and appoint ment Letter	2.5

1.81	Construction of 5km Khathazweni to Lujecweni Access Road in ward 30 by 30 June 2027	Registered in MIG-MIS System	1.81.20 .1.4 % Completion of 5km Khathazweni to Lujecweni Access Road in ward 30 by 30 June 2027	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	N/A	**Stage 1 (10%) - Appointment of contractor and Site Establishment by 30 June 2027**	Signed Monthly Reports and appointment Letter	**R200,000.00**	Signed Monthly Reports and appointment Letter	2.5
1.81	Construction of 5km Mavaleleni Access Road in ward 32 by 30 June 2027	Registered in MIG-MIS System	1.81.20 .1.5 % Completion of 5km Mavaleleni Access Road in ward 32 by 30 June 2027	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	Signed Monthly Reports	**Stage 1 (10%) - Appointment of contractor and Site Establishment by 30 June 2027**	Signed Monthly Reports and appointment Letter	**R100,000.00**	Signed Monthly Reports and appointment Letter	2.5
1.81	% Construction of 2 bridges (12m long) Mavaleleni in ward 32 by 30 June 2027	Registered in MIG-MIS System	1.81.3.2 % Construction of 2 bridges (12m long) Mavaleleni in	10%	**No Target**	N/A	**No Target**	N/A	**No Target**	Signed Monthly Reports	**Stage 1 (10%) - Appointment of contractor and**	Signed Monthly Reports and appointment Letter	**R100,000.00**	Signed Monthly Reports and appointment Letter	2.5

			ward 32 by 30 June 2027								Site Establishment by 30 June 2027		

14.2 INSTITUTIONAL DEVELOPMENT & TRANSFORMATION 5%

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	Q1 JULY -SEPT	Q2 OCT-DEC	Q3 JAN -MARCH	Q4 APRIL-JUNE	PORTFOLIO OF EVIDENCE	WEIGHTING
	Signing Performance Agreement by Practitioners and admin support staff	1	N/A	N/A	N/A	1	N/A	Signed performance plans	5%

14.3 GOOD GOVERNANCE 5%

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	Q1 JULY -SEPT	Q2 OCT-DEC	Q3 JAN -MARCH	Q4 APRIL-JUNE	PORTFOLIO OF EVIDENCE	WEIGHTING
Promote Good governance	Number Policies Reviewed and Developed	1	N/A	N/A	N/A	N/A	1	Signed policy	5%

14.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT 5%

OBJECTIVE	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ANNUAL BUDGET	Q1 JULY -SEPT	Q2 OCT-DEC	Q3 JAN -MARCH	Q4 APRIL-JUNE	PORTFOLIO OF EVIDENCE	WEIGHTING
	Reporting on MIG MIS	1	R68 111 000.00	30%	60%	85%	100%	F	5%

15. 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 Employe'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	x	10
People Management	x	10
Program and Project Management	x	10
Financial Management	x	10
Change leadership	x	10
Governance Leadership	x	10
CORE OCCUPATIONAL COMPETENCIES (COC)		
Moral competency	x	05
Planning and Organization	x	10
Analysis and Innovation	x	10
Knowledge and Information Management	x	10
Communication	x	05
Total	**x**	**100%**

ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME: SOLOMZI THANDO NJEKENI

JOB TITLE: PMU MANAGER

EMPLOYER: INGQUZA HILL LOCAL MUNICIPALITY

FINANCIAL YEAR: 2026/2027 FY

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
1. Strategic leadership and management.	Receive the appropriate knowledge and training and thereafter be assessed by an Assessor accredited by the Local Government Sector Education Training Authority (LGSETA) in terms of the SAQA guidelines and NQF registered unit standards and criteria.	Skills Development Facilitator.	By 30/06/2027	Achieving the minimum competency requirements, as prescribed in the Municipal Regulations on Minimum Competency Levels, issued in terms of the MFMA, No. 56 of 2003.
2. Strategic financial management.	Receive the appropriate knowledge and training and thereafter be assessed by an Assessor accredited by the Local Government Sector Education Training Authority (LGSETA) in terms of the SAQA guidelines and NQF registered unit standards and criteria.	Skills Development Facilitator.	By 30/06/2027	Achieving the minimum competency requirements, as prescribed in the Municipal Regulations on Minimum Competency Levels, issued in terms of the MFMA, No. 56 of 2003.

3. Risk and change management.	Receive the appropriate knowledge and training and thereafter be assessed by an Assessor accredited by the Local Government Sector Education Training Authority (LGSETA) in terms of the SAQA guidelines and NQF registered unit standards and criteria.	Skills Development Facilitator.	By 30/06/2027	Achieving the minimum competency requirements, as prescribed in the Municipal Regulations on Minimum Competency Levels, issued in terms of the MFMA, No. 56 of 2003.

ANNEXURE "C"

APPENDIX 1

Commitment of Support Team reporting directly to the PMU Manager

We hereby make this commitment to support the **PMU Manager**, to achieve targets as set in this performance agreement between him and the employer. As support staff, we understand that his targets are impossible to achieve without our full support and co-operation. We, therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.

1. **Signed by** _____
   NAME Ncebakazi Mgoduka
   POSITION Civil Technician

2. **Signed by** _____
   NAME Ongezwa Magxaba
   POSITION PMU Administrator

3. **Signed by** _____
   NAME Ntombizandile Ntlangano
   POSITION ISD Officer

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 Manager Human Resources. 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 support staff reporting directly to the Manager: PMU.

1.3 Facilities and Equipment

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

1.4 Other provisions

1.4.1 Approvals

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

1.4.2 Tasks to the Employer

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

1.4.3 Substitution of the **PMU Manager**

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

2 OBLIGATIONS OF THE MANAGER-PMU

2.1. Conditions of service

The **PMU Manager** shall report to the **Senior Manager**, subject to the conditions of service as stipulated by the employer. The conditions of service of the Manager: PMU shall include but not be restricted to:

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

2.1.1.2 Advise **Senior Manager** on all matters including progress made in the implementation of the SDBIP.

2.1.1.3 Assist in setting and monitoring of performance indicators for the Acting Senior Manager and execute corrective measures as and when necessary.

2.1.1.4 Assist in 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 Assist in assessing performance reports for Acting Senior Manager staff where necessary.

2.1.1.7 Assist in the preparation of the annual budget and once approved, adhering to it.

2.1.1.8 Assist in implementing strategies to improve the morale of staff.

2.1.1.9 Attending meetings and other occasions on behalf of the department as delegated by the **Senor Manager.**

2.1.2 The PMU Manager shall ensure that staff have access and are well informed about the disciplinary procedure of the municipality.

2.1.3 Making recommendations to the Acting Senior Manager to hire staff in the PMU Office as the need arises.

2.1.4 Assist in 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 PMU Manager in fulfillment of the current staff reduction policy. If such staff is to be laid off due to the staff reduction policy, the cost of severance and other terminal benefits shall be borne by the employer as required by the Labour Laws of RSA.

2.1.5 Assist in 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 Manager PMU shall exercise all his skills, reasonable care, responsibility and diligence in discharge of his duties under this agreement. The Manager PMU 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 PMU 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 PMU Manager undertakes to supervise personnel in her division. 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 PMU Manager shall do all in her power to achieve the targets and milestones indicated in the municipal IDP and SDBIP.

2.4.2 The PMU 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 agreement.

2.5 Reporting

2.5.1 The PMU Manager shall submit detailed monthly, quarterly, midterm and annual reports on the operation of the **Project Management Division** to the Acting Senior Manager Technical Services. The reports shall include details of achievement of targets and milestones for that quarter for information purposes including portfolio of evidence. The quarterly report should reach the employer within one month after the quarter in question has lapsed.

2.5.2 The PMU Manager also undertakes to submit any other report/s as required by the **Senior Manager**

2.6 Expenditure

The PMU Manager shall be responsible for the implementation of the approved operational and capital budget of the Technical Services Office as delegated by the **Senior Manager**

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

The PMU Manager shall assist the **Senior 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 PMU 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 agreement. 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 PMU 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 July 2026 and end on the 30th June 2027, 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 IHLM policies and can utilize the services of an Auditor in this regard.

2.10.3 The PMU 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 PMU Manager shall make the necessary submissions to the Senior Manager 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 PMU Manager

2.11.3 To incur expenditure accordingly and in line with the performance targets indicated in this performance contract.

2.12 Liability

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

3. OTHER PROVISIONS

3.1 Unforeseen conditions

There may be some unforeseen conditions necessary for the success of this performance agreement. If either party discovers such circumstances, during the course of operation of this agreement, 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.