Performance Agreement

Made by and entered between

INGQUZA HILL LOCAL MUNICIPALITY
("The employer")

Represented by the Municipal Manager, Velile Castro Makedama
Authorized in terms of Section 57 (2) (c) of the Local Government: Municipal Systems Act

No. 32 of 2000

And

Avela Mashaba

In his capacity as the Senior Manager: Planning & Economic Development

2026/2027 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 permanent employment with the Senior Manager Planning and Development, starting from the 4th of November 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 Senior Manager 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 **Avela Mashaba,** the Senior Manager: Planning and Economic Development, and IHLM represented by **Velile Castro Makedama**, the Municipal Manager. It is for the 2026/2027 financial year only. The expected performance reflected in this contract is based on the Integrated Development Plan 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

1.5 and therefore, shall be the basis of performance assessment.

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2. STRATEGIC OBJECTIVE

The Senior Manager has the overall responsibility of ensuring that he shall be, subject to the policy directions of the Executive Committee of the Municipality, responsible and accountable for administratively being in charge of the Planning and Development Department, performing key function areas such as Administration of Local Economic Development, Building and Planning Function, 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 quarters may be verbal if performance is satisfactory.

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

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

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

4. PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT

If the Senior Manager achieves outstanding performance, he shall qualify for the annual performance bonus in accordance with the contract of employment, entered between the Municipal Manager and the Senior Manager on **04 November 2024**, as well as the results of the performance evaluation agreed to in this contract. The acceptability of the level of his performance or otherwise shall be determined and declared by the performance evaluation team in accordance with the provision of this agreement, following the receipt of a report on the Senior Manager's achievement or otherwise of the KPIs as reflected in clause 4 of this contract.

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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 affected after,

I. The annual report for the financial year under review has been tabled and adopted by the Municipal Council;

II. An evaluation of performance in accordance with the provisions of regulation 23, and this contract; and

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

The increment for 2026/2027 shall be based on the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers directly accountable to Municipal Managers, 2006. The employer shall grant an annual salary adjustment linked to a cost-of-living adjustment based on market indicators, which is not performance based.

5. EVALUATING PERFORMANCE

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

The annual performance appraisal will involve:

I. Assessment of the achievement of results as outlined in the performance plan;

II. Assessing the extent to which the specified standards or KPIs have been met with due regard to ad-hoc tasks that had to be performed under the KPAs and CCRs.

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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 weighed and will contribute a specific part to the total score.

A five-point rating scale to be used for both KPAs and CCRs, is as d VU7NMepicted 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 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 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 categorized 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;

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III. A score of above 142% to 149%, to qualify for a 9% bonus.

The second performance bonus (cash rewards) payment band ranges between 10% and 14% of the all-inclusive remuneration package, as follows:

I. A score of 150% to 155%, to qualify for a 10% bonus;
II. A score of above 155% to 160%, to qualify for a 13% bonus;
III. A score of above 160%, to qualify for a 14% bonus.

A performance bonus may not be paid on a pro-rata basis as the bonus is paid annually after complying with the legal requirements captured in this contract and the applicable laws.

The performance achievement ranging from 80% to 130% shall be regarded as fully effective and therefore warranting the employer to acknowledge and or recognize the employee, whichever is necessary. This category of performance acknowledgement and recognition is a non-financial rewards system. It will apply as follows:

i. A score of 80% to 100%, to receive a letter of acknowledgement and recognition issued by the Municipal Manager;
ii. A score of above 100% to 120%, to receive a recognition certificate from the Mayor;
iii. A score of above 120% to 130%, to receive an academic/skills development programme grant to a maximum of 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 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 z **Annexure "B".**

7. CONSEQUENCE OF SUBSTANDARD PERFORMANCE

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

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

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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 4th of November 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 2025. This Agreement will terminate on the termination of the Senior Manager'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 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 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.

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The Human Resources 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 should 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 04 November 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 appendices attached to this contract will have the same force and effect as if they were written in this section of the contract:

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ANNEXURE A: PERFORMANCE PLAN
ANNEXURE B: PERSONAL DEVELOPMENT PLAN
APPENDIX 1: COMMITMENT OF MANAGEMENT TEAM
APPENDIX 2: OBLIGATIONS OF THE EMPLOYER

SIGNED at Flagstaff this 23 day of July 2026

SENIOR MANAGER

Signature: _____

Name Printed: Avela Mashaba

WITNESSES

1. Signature: _____ Name Printed: Andisiwe Jordaan

2. Signature: _____ Name Printed: Azabaza Ikanyo Mvovo

3. Signature: _____ Name Printed: Zola Matoradabazo

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

MUNICIPAL MANAGER

Signature: _____

Name Printed: VELILE CASTRO MAKEDAMA

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WITNESSES

1. **Signature:** _____ Name Printed: A. Hlomo

2. **Signature:** _____ Name Printed: N. MBHUNGELWA

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ANNEXURE "A"

PERFORMANCE PLAN

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

KEY PERFORMANCE AREA	WEIGHTING
Basic Service Delivery & Social Service	10%
Municipal Institution Development and Transformation	10%
Local Economic Development	70%
Municipal Financial Viability and Management	5%
Good Governance and Public participation	5%
Total	**100%**

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

1. BASIC SERVICES DELIVERY AND SOCIAL SERVICES 10%

INDICATOR CODE	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			
3.14.32	Provision of support for ploughing mechanization to identify crop producers in ward (1 , 2 , 3, 4 , 6 , 7 , 8 , 9 , 9 , 12 , 14 , 17 , 18 , 19 , 20 , 23 , 28 , 29 , 30 , 31, and 32) by 31 December 2026.	LED strategy and the identified wards are those that have been already supported with either Agric input or fencing	Number of identified crop producers supported with ploughing mechanization in ward (1, 2, 3 , 4 , 6 , 7, 8 , 9 , 12 , 14 , 17 , 18 , 19 , 20 , 23 , 28 , 29 , 30 , 31 ,and 32) by 31 December 2026.	20	N/A	20	N/A	N/A	R700,000.00	Signed Reports and happy letter by beneficiary	1.5%
3.14.33	Provision of support for Agricultural inputs to crop producers within IHLM wards by 30September 2026	Led Strategy and Agricultural Sector Plan	Number of crop producers supported with Agricultural inputs (Maize and Vegetables) within IHLM wards by 30 September 2026	30	30	N/A	N/A	N/A	R2,300,000.00	Signed Reports, Delivery Notes and Distribution register	2.5%
3.50.42	Provision of fencing support to IHLM Agricultural farmers in both Flagstaff and Lusikisiki municipal wards by 31 March 2027	LED Strategy and 4 Agricultural projects have been supported in the last financial year.	Number of farmers supported fencing in both Lusikisiki and flagstaff municipal wards by 31 March 2027.	4	N/A	2	2	N/A	R1,500,000.00	Signed report and completion certificate	2.5%
3.49.37	Provide support to IHLM farmers with water source investigation and costing for boreholes and irrigation systems in both Lusikisiki and	LED Strategy, Agricultural Sector Plan and one borehole that has been constructed at ward 20.	Number of IHLM farmers supported boreholes and water source investigation in both Lusikisiki and Flagstaff wards by 31 March 2027	20	N/A	N/A	20	N/A	R650,000.00	Signed Reports and Delivery Notes, Distribution register and Completion Certificate.	2%

	flagstaff wards by 31 March 2027.										
3.49.38	Provide support to IHLM farmers with boreholes and irrigation systems in ward 2, 26 and 28 by 30 June 2027	LED Strategy, one borehole has been installed at ward 20 and water source investigation has been conducted in the 3 mentioned wards.	Number of IHLM farmers supported with boreholes and irrigation systems in ward 2, 26 and 28 by end June 2027	3	1	N/A	N/A	2	R1,000,000.00	Signed report and completion certificate	1.5%

2. MUNICIPAL INSTITUTION DEVELOPMENT & TRANSFORMATION 10%

INDICATOR CODE	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			
	To Ensure institutional transformation and organizational development	Performance Management Policy	Signing of Performance Agreement	1	1	N/A	N/A	N/A	N/A	Signed performance agreement	5%
	To ensure institutional transformation and organizational development	Work Skill Program in 202627	Percentage of Trained Planning & Development Staff	100%	N/A	N/A	N/A	100%	N/A	Attendance registers for training attended or workshop	5%

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

3. LOCAL ECONOMIC DEVELOPMENT 70%

INDICATOR CODE	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			
3.52.01	Provision of support to forestry growers for harvesting equipment within Ingquza hill municipal wards by 31 December 2026	LED Strategy and 2 Forestry Cooperatives have been supported with Harvesting Equipment.	Number of forestry growers supported with harvesting equipment within Ingquza Hill municipal wards by 31 December 2026	4	N/A	4	N/A	N/A	R500 000.00	Signed Reports, Delivery Notes and Distribution register	5%
3.52.02	Provision of support of fire-fighting equipment for IHLM forestry cooperatives within the municipal wards by end 31 December 2026	LED Strategy and 2 Forestry Cooperatives have been supported with firefighting equipment.	Number of IHLM forestry cooperatives supported with firefighting equipment within the municipal wards by 31 December 2026	5	N/A	5	N/A	N/A	R500 000.00	Signed Reports and Delivery Notes and Distribution register	5%
3.14.36	Provision of support for Agriculture equipment to IHLM apiculture cooperatives within the municipal wards by 31 December 2026	18 Apiculture cooperatives supported with apiculture equipment	Number of apiculture cooperatives supported with equipment within the municipal wards by 31 December 2026	20	N/A	20	N/A	N/A	R450,000.00	Signed Reports and Delivery Notes and Distribution register	5%
3.50.10	Annual Tourism Event for IHLM in Ward 6 and Ward 15 by 30 September 2026	LED Strategy and Tourism Sector Plan	Number of Annual Tourism Events hosted in Ward 6 and Ward 15. by 30 September 2026	1	1	N/A	N/A	N/A	R1 300 000.00	Attendance Register and Signed Report	5%
3.29.75	Annual Tourism Tradeshows (Africa Travel Indaba in Durban and National Arts Festival in Makhanda) by 30 June 2027	Tourism Marketing and Promotion	Number of annual tourism trade shows to be attended (Africa Travel Indaba in Durban and National Arts Festival) in Makhanda) by end June 2027	2	N/A	N/A	N/A	2	R600,000.00	Attendance Register and signed Report.	5%

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3.34.47	Provision of support for tools of trade to IHLM informal business trading in ward 6 and ward 15.by 31 December 2026	LED Strategy and 10 enterprises were supported in previous years	Number of enterprises supported with tools of trade within the municipal wards by 31 December 2026	12	N/A	12	N/A	N/A	R2,000,000.00	Delivery Notes, Close out report, Confirmation Letters from Councilors	5%
3.14.37	Provision of support for tools of trade to IHLM informal business trading in ward 6 and ward 15.by 30September 2026	LED Strategy and the hawkers' stalls and tables which were provided before.	Number of Informal traders supported with tools of trade in ward 6 and 15 by 30 September 2026	50	50	N/A	N/A	N/A	R500,000.00	Delivery notes, confirmation letters from beneficiaries	5%
3.56.62.1	Conduct Environmental Impact Assessment for 3 Townships (New Town, Extension 20 Lusikisiki and Extension 4, Flagstaff) by 30 June 2027	Environmental Mnagagement Plan	Completion of Environmental Impact Assessment for 3 Townships (New Town, Extension 20 Lusikisiki and Extension 4, Flagstaff) by 30 June 2027	100%	25%	50%	75%	100%	R2,600,000.00	Signed terms of reference, draft scoping, basic assessment report, public engagement report and attendance register, Final EIA Scoping report/ Basic assessment and EMP Report and Environmental Authorisation	5%
3.56.62.2	To conduct Environmental Impact Assessment for Coastal Infrastructure project for Mbotyi and Mkhambathi by 30 June 2027	Environmental Mnagagement Plan	Completion of Environmental Impact Assessment for Coastal Infrastructure project in Mbotyi and Mkhambathi by 30 June 2027	100%	25%	45%	75%	100%	R1,200,000.00	Signed Terns of reference and inception reportment , Draft Scoping/Basic assessment Report, Public engagement Report and attendance register, Final EIA Scoping report/ Basic assessment and EMPr Report Environmental Authorisation	5%
3.56.62.3	Conduct Environmental Impact Assessment for 10 Industrial sites, Erven 3886 to 3895 by 30 June 2027	Environmental Management Plan	Completion of Environmental Impact Assessment for 10 Industrial sites, Erven 3886 to 3895 by 30 June 2027	100%	25%	45%	75%	100%	R900,000.00	Signed Terns of reference and inception deportment, Draft Scoping/Basic assessment Report, Public engagement Report and attendance register, Final EIA Scoping report/ Basic assessment and EMPr Report Environmental Authorisation	5%
3.16.01	Planning and Survey of Malizole, Unity Park and Zwelitsha	IHLM Land Audit Report 2019	Completion of Planning and Survey of Malizole, Unity Park and Zwelitsha	100%	25%	50%	75%	100%	R2 400 000.00	Signed Terms of Reference and Public Participation Report, Inceptions and Attendance	5%

	Township in Lusikisiki by 30 June 2027		Township in Lusikisiki by 30 June 2027							Register, Topo Survey and Draft Layout Plan, pegging of sites and Final Layout Plan Approved Layout Plan	
3.55.01	Development of Lambasi Precinct Plan by 30 June 2027	IHLM Spatial Development Framework	Completion of the Lambasi Precinct Plan by 30 June 2027	100%	25%	50%	75%	100%	R400,000.00	Inception Report and attendance Register, Situational Analysis Report, Draft Proposals Report, Final Report of the Flagstaff Precinct Plan and Approved Lambasi Precinct	5%
3.55.02	Development of Lusikisiki Town Precinct Plan by 30 June 2027	IHLM Spatial Development Framework	Completion of the Lusikisiki Precinct Plan by 30 June 2027	100%	25%	50%	75%	100%	R400,000.00	Inception Report and attendance Register, Situational Analysis Report, Draft Proposals Report, Final Report of the Flagstaff Precinct Plan and Approved Lusikisiki Precinct	2.5%
3.55.03	Development Flagstaff Town Precinct Plan by 30 June 2027	IHLM Spatial Development Framework	Completion of the Flagstaff Precinct Plan by 30 June 2027	100%	25%	50%	75%	100%	R400,000.00	Inception Report and attendance Register, Situational Analysis Report, Draft Proposals Report, Final Report of the Flagstaff Precinct Plan and Approved Flagstaff Precinct	2.5%
3.15.07	Review of IHLM Integrated Land Use Scheme by 30 June 2027	IHLM Spatial Development Framework	Completion of IHLM Integrated Land Use Scheme by 30 June 2027	100%	25%	50%	75%	100%	R600,000.00	Signed Terms of Reference and Inception Report, Status Quo Analysis Report, Draft IHLM Integrated Land Use Scheme Report, Final IHLM Integrated Land Use Scheme Approved IHLM Integrated Land Use Scheme.	2.5%
3.02.09	Development Ingquza Hill Local Municipality Housing Sector Plan by 30 June 2027	Human Settlements Plan	Completion of the Housing Sector Plan by 30 June 2027	100%	25%	50%	75%	100%	R300 000.00	Inception Report and attendance Register, Situational Analysis Report and attendance Register, Draft Housing Sector, Final Housing Sector Plan IHLM Approved Housing Sector Plan	2.5%

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4. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT 5%

INDICATOR CODE	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			
3.15.08	Registration and Transfer for 300 low-income properties in 100 Thabo Mbeki, 100 Nkululekweni in Flagstaff, and 100 Slovo Park in Lusikisiki by 30 June 2027	IHLM Land Audit Report 2019	Completion of registration and transfers for 300 low-income properties In Thabo Mbeki, Nkululekweni in Flagstaff, and Slovo Park in Lusikisiki by 30 June 2027	100%	25%	50%	75%	100%	R2,500,000.00	Signed Terms of Reference, 300 title deeds registered and transferred to property owners in Thabo Mbeki, Nkululekweni and Slovo Park and Proof of lodgment of 300 properties at the Deeds registry	3%
3.19.01	Review of lease agreements for Municipal properties that are generating revenue in Lusikisiki and Flagstaff by 30 June 2027	IHLM Land Audit Report 2019	Number of reports on reviewed municipal property leases that are generating revenue in Lusikisiki and Flagstaff by 30 June 2027	4	1	1	1	1	R1 269 288.00	Signed Report and updated Lease register	2%

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5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION 5%

INDICATOR CODE	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			
	Seating of Standing committee meetings	Council Calendar; Standing Rules and Orders of Council; Terms of References	Number of Portfolio Committee meetings to be held	12	3	3	3	3	N/A	Signed report	1.5%
	Implementation of risk management plan	Risk Management implementation Plan	Number of Risk Monitoring tools submitted	4	1	1	1	1	N/A	Risk Management Report	1.5%
	Implementation of procurement plan	Number of projects awarded	Percentage implementation of procurement plan	100%	25%	25%	25%	25%	N/A	Signed Reports for procured projects	2%

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

The CCRs will make up the other 20% of the employees' 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	✓	**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 2026, unless stated otherwise in the requirements.

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ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

NAME : AVELA MASHABA
JOB TITLE : SENIOR MANAGER PLANNING AND DEVELOPMENT
EMPLOYER : INGQUZA HILL LOCAL MUNICIPALITY
FINANCIAL YEAR : 2026 / 2027

Competency area to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome
Reporting & Evaluation	Monitoring & Evaluation	Skills Development Facilitator	30/06/2027	To enhance monitoring and evaluation of departmental programmes impact

APPENDIX 1

Commitment of Management Team reporting directly to the Director

DUMISANI MJOKOVANA

MANAGER: LOCAL ECONOMIC DEVELOPMENT

I, Dumisani Mjokovana (Manager: Local Economic Development) hereby make this commitment to support the Senior Manager: Avela Mashaba, to achieve targets as set in this performance contract between him and the employer. As a support manager, I understand that his targets are impossible to achieve without my full support and co-operation. I, therefore, accept both my individual and collective responsibilities towards the attainment of the targets set.

Signed By _____

DUMISANI MJOKOVANA

MANAGER: LOCAL ECONOMIC DEVELOPMENT

Commitment of Management Team reporting directly to the Director

ANDISIWE JORDAAN

MANAGER: DEVELOPMENT PLANNING AND BUILDING CONTROL

I, Andisiwe Jordaan (Manager: Development Planning and Building Control) hereby make this commitment to support the Senior Manager: Planning and Development, Avela Mashaba, to achieve targets as set in this performance contract between him and the employer. As a support manager, I understand that his targets are impossible to achieve without my full support and co-operation. I, therefore, accept both my individual and collective responsibilities towards the attainment of the targets set.

Signed By A. Jordaan

ANDISIWE JORDAAN

MANAGER: PLANNING AND DEVELOPMENT

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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 Senor Manager. The occupational cost including the attendant ground rent obligations will be borne by the Employer.

1.2 Personnel

The employer shall be required to hire managers reporting directly to the Senior Manager.

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 his duties.

1.4 Other provisions

1.4.1 Approvals

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

1.4.2 Tasks to the Employer

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

1.4.3 Substitution of the Senior Manager

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

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2 OBLIGATIONS OF THE SENIOR MANAGER

2.1 Conditions of service

2.1.1 The Senior Manager shall be the Head of Planning and Development, subject to the conditions of service as stipulated by the employer. The conditions of service of the Senior Manager shall include but not be restricted to:

2.1.1.1 Setting specific targets for managers reporting to him.

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

2.1.1.3 Setting and monitoring performance indicators for Planning and Development and execute corrective measures as and when necessary.

2.1.1.4 Ensuring that the departmental assets are in 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 Planning and Development Department, to the Municipal Manager on a monthly and quarterly basis for information purposes.

2.1.1.7 Assessing performance reports for Planning and Development 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 Planning and Development Department as the need arises.

2.1.4 Determining the optimum staff level necessary for the accomplishment of targets and advising the employer on reduction or increase of staff in the department. Staff restructuring or reduction will utilize the existing municipal 'staff pool's as will be mutually agreed between the employer and the Senior Manager in fulfillment of the current staff reduction policy. If such staff is to be laid off due to the staff reduction policy, the cost of severance and other terminal benefits shall be borne by the employer as required by the Labour Laws of RSA.

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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 Senior Manager shall do so with sound professional conduct in accordance with generally accepted standards.

2.2.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Senior Manager in terms of his contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

2.3 Supervision of Personnel in the Municipality

The Senior Manager undertakes to supervise personnel in her department. If He is dissatisfied with performance of any staff, provisions of the relevant internal policy and legislative framework of RSA shall apply.

2.4 Targets and Milestones

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

2.4.2 The Senior Manager undertakes to achieve the parents' 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 Planning and Development 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.

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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 Planning and Development 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 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 affected contrary to this arrangement.

2.9 Books and Records

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 4st of November 2024 and end on the 30th of June 2025, 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.

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2.11 Budget

2.11.1 During the budget process the Senior Manager shall make the necessary submissions to the Planning and Development Department, 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 of the Senior Manager 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 for the municipality for the Performance of services in accordance with the provisions of this contract, subject to the following limitations:

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

3. OTHER PROVISIONS

3.1 Unforeseen conditions

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