

Performance Agreement

Made by and entered into between

**INGQUZA HILL LOCAL MUNICIPALITY
("the employer")**

**Represented by the
Senior Manager: Planning and Economic Development, Avela Mashaba**

and

**Andisiwe Jordaan
Manager: Development Planning and Building Control**

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

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 contract employment with the Manager: Development Planning and systems, starting from the 1st of July 2026, ending on 30 June 2027.
- 1.2 The parties wish to ensure that they are clear about the goals to be achieve and secure the commitment of the Manager reporting to the Senior Manager Corporate Servies representing the municipality, to a set of actions that will secure local government policy goals.
- 1.3 This performance contract is between **Andisiwe Jordaan** Manager Development Planning represented by **Avela Mashaba**, the Senior Manager Planning and Economic 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 and therefore, shall be the basis of performance assessment.

2. STRATEGIC OBJECTIVE

The Manger Development Planning and Building Control reports to the Senior Manager: Planning Economic and Development and is accountable for administrative functions performed namely:

Environmental Management	: Hombakazi Tshumana
Building Inspector	: Vacant
Human Settlements	: Vacant
Town Planning:	: Wandile Mayeza
Property and Land Management	: Wanga Vundla

Practitioner

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 Manager Admin & ICT Systems achieves outstanding performance, he shall qualify for the annual performance bonus in accordance with the contract of employment, entered into between the Manager and the Senior Manager on **01 July 2026**, 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 Manager'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 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.

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 depicted hereunder

Level		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 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 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;
- 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).

Performance below 50% may result in the Employer implementing corrective measures, including disciplinary action for incapacity.

6. CONSEQUENCE OF SUBSTANDARD PERFORMANCE

Where the employer, at any time during the Manager's employment, is not satisfied with the Manager's performance with respect to his/her this Agreement, the employer will give notice to the Manager to attend a monitoring and review meeting after dealt

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

7. 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.

8. TERM OF CONTRACT

This contract shall be deemed to have been entered into on the 1st of July 2026 and will expire on the 30th of June 2027. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31 July 2027. This Agreement will terminate on the termination of the Manager's employment for any reason.

9. LIMITATIONS OF THE CONTRACT

This contract is an agreement between the employer and the Manager about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the 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 Managers contract of employment with or without notice for any other breach by the Manager of his obligations to the Municipality or for any other valid reason in law.

10. MONITORING AND EVALUATION

The monitoring and performance reviews for each quarter as determined by the Local Government: Municipal Performance Regulations will be to assess the performance

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requirements as outlined in Annexure A of this contract. Monitoring and Evaluation for Middle Managers is as per our reviewed PMS Policy

Head of Department

Senior Manager Corporate Services

Senior Manager Planning and Economic Development

Manager IDP & PMS

The Manager Human Resources shall provide secretariat services to the assessment team referred to above.

11. DISPUTE RESOLUTION

In the 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 Manager Development Planning and Building Control with effect from 01 July 2026.

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:

ANNEXURE A: PERFORMANCE PLAN

ANNEXURE B: PERSONAL DEVELOPMENT PLAN

APPENDIX 1: COMMITMENT OF MANAGEMENT TEAM

APPENDIX 2: OBLIGATIONS OF THE EMPLOYER

SIGNED at Ingquza Hill on this 30 day of July 2026

MANAGER: DEVELOPMENT PLANNING AND BUILDING CONTROL

Signature: A. Jordaan

Name Printed: Andisine Jordaan

WITNESSES

Signature: [Signature] Name Printed: ANDILE MOSHA

Signature: [Signature] Name Printed: Azabano kanyo Mvoro

Signature: [Signature] Name Printed: Lwando Nankonyana

FOR AND ON BEHALF OF INGQUZA HILL LOCAL MUNICIPALITY

SENIOR MANAGER: PLANNING AND ECONOMIC DEVELOPMENT

Signature: [Signature]

Name Printed: Arola Mashaba

WITNESSES

1. Signature: [Signature] Name Printed: L. Lande-fikeni

2. Signature: [Signature] Name Printed: V. MNGUNI

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

KEY PERFORMANCE AREA	WEIGHTING
Planning and Economic Development	80%
Municipal Financial Viability and Management	10%
Municipal Transformation and Institutional Development	10%
Total	100%

ANNEXURE “A”

PERFORMANCE PLAN

LOCAL ECONOMIC DEVELOPMENT 80%														
Strategic objective	Project Name	Baseline	Weight	Indicator Name	Annual Target	Annual Budget	Quarter 1 target	Means of verification	Quarter 2 target	Means of verification	Quarter 3 target	Means of verification	Quarter 4 target	Means of verification
	To conduct Environmental Impact Assessment for Coastal Infrastructure project for Mbotyi and Mkhambat hi by 30 June 2027	Environmental Management Plan	10%	3.56.62.2 Manage the facilitation of completion of Environmental Impact Assessment for Coastal Infrastructure project in Mbotyi and Mkhambat hi by 30 June 2027	100%	R1 200 000, 00	25%	Signed Terms of reference and inception report	45%	Draft Scoping/Basic assessment Report	75%	Public engagement Report and attendance register	100%	Final EIA Scoping report/ Basic assessment and EMP Report
	Conduct Environmental Impact Assessment for 10 Industrial sites, Erven 3886 to 3895 by 30 June 2027	Environmental Management Plan	10%	3.56.62.3 Manage the facilitation of completion of Environmental Impact Assessment for 10 Industrial	100%	R90 0000	25%	Signed Terms of reference and inception report	45%	Draft Scoping/Basic assessment Report	75%	Public engagement Report and attendance register	100%	Final EIA Scoping report/ Basic assessment and EMP Report

	Development of Lusikisiki Town Precinct Plan by 30 June 2027	IHLM Spatial Development Framework	5 %	3.55.02 Manage the development and completion of the Lusikisiki Precinct Plan by 30 June 2027	100 %	25 %	R80 000,00	Inception Report and attendance Register	50 %	Situational Analysis Report	75 %	Draft Proposals Report	100 %	Final Report of the Lusikisiki Precinct Plan
	Development of Flagstaff Town Precinct Plan by 30 June 2027	IHLM Spatial Development Framework	5 %	3.55.03 completion of the Flagstaff Precinct Plan by 30 June 2027	100 %	25 %	R80 000,00	Inception Report and attendance Register	50 %	Situational Analysis Report	75 %	Draft Proposals Report	100 %	Final Report of the Flagstaff Precinct Plan
	Planning and Survey of Malizole, Unity Park and Zwelitsha Township in Lusikisiki by 30 June 2027	IHLM Land Audit Report 2019	10 %	3.16.01 Manage the development and completion of Planning and Survey of Malizole, Unity Park and Zwelitsha Township in Lusikisiki by 30 June 2027	100 %	25 %	R2 400 000,00	Signed Terms of Reference and Public Participation Report	50 %	Inception and Attendance Register	75 %	Topo Survey and Draft Layout Plan	100 %	Pegging of sites and Final Layout Plan

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	Review of IHLM Integrated Land Use Scheme by 30 June 2027	IHLM Spatial Development Framework	10%	3.15.07 Management development completion of IHLM Integrated Land Use Scheme by 30 June 2027	100%	25%	R600 000	Signed Terms of Reference and Inception Report	50%	Status Quo Analysis Report	75%	Draft IHLM Integrated Land Use Scheme Report	100%	Final IHLM Integrated Land Use Scheme
	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	10%	3.15.08 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%	R1269 288.00	Signed Terms of Reference	50%	50 Deed of Sales signed in Thabo Mbeki, 50 Deed of Sales signed in Nkululekweni and 50 Deed of Sales signed in Slovo Park in Lusikisiki	75%	50 Deed of Sales signed in Thabo Mbeki, 50 Deed of Sales signed in Nkululekweni and 50 Deed of Sales signed in Slovo Park in Lusikisiki	100%	Proof of lodgement of 300 properties at the Deeds registry

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Review of lease agreements for Municipal properties that are generating revenue in Lusikisiki and Flagstaff by 30 June 2027	IHLM Land Audit Report 2019	10%	3.19.01 Number of reports on reviewed municipal property leases that are generating revenue in Lusikisiki and Flagstaff by 30 June 2027	4	1	R317 322,00	Signed Report and updated Lease register	1	Signed Report and updated Lease register	1	Signed Report and updated Lease register
Municipal Transformation and institutional development											
Implementation of the operational risk register for 2026/2027		10%	Number of reports produced on the operational risk register	4	1	R0	Report submitted on Q1 operational risk	1	Report submitted on Q2 operational risk	1	Report submitted on Q 4 operational risk
Financial Viability											
Processing and approval of Building Plans submitted and reports	Ingquza Hill Building Regulations	10%	Number of reports written on received and approved building plans	4	1	1	Report submitted on building plans processed for Q1	1	Report submitted on building plans processed for Q2	1	Report submitted on building plans processed for Q4

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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

CORE COMPETENCY REQUIREMENTS (CCR FOR EMPLOYEES)		WEIGHT
CORE MANAGERIAL COMPETENCY (CMC)		
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		5
Planning and Organization	✓	5
Analysis and organization	✓	5
Analysis and Innovation	✓	10
Knowledge and Information Management	✓	10
Communication	✓	5
Total		100%

Employee's specific job should be selected from the below as agreed to between the Employer and Employee.

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ANNEXURE "B"

PERSONAL DEVELOPMENT PLAN

PERSONAL DEVELOPMENT PLAN

NAME: A JORDAAN

JOB TITLE: MANAGER DEVELOPMENT PLANNING AND BUILDING CONTROL

EMPLOYER: INGQUZA HILL LOCAL MUNICIPALITY

FINANCIAL YEAR: 2026/2027

Competency area to be addressed	Proposed actions	Responsibility	Timeframe	Expected outcome
Municipal Executives Management Program	CPMD	M.MATUBATUBA	30/06/2027	Achievement of the minimum competency requirement for management level and financial officials in terms of the prescription of the regulations.
Enforcement Areas	Peace officer training	M.MATUBATUBA	30/06/2027	Enforcement and regulation of municipal policies

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APPENDIX 1

Commitment of Officers Team reporting directly to the Manager

Hombakazi Tshumane (Environmental Officer), Lwandile Thaba (Building Control Officer) and Wandile Mayeza (Town Planner) hereby make this commitment to support the Manager Development Planner and Building Control, to achieve targets as set in this performance contract between her and the employer. As a support Officer, I understand that his targets are impossible to achieve without my full support and co-operation. I, therefore, accept both my individual and collective responsibilities towards the attainment of the set targets.

Hombakazi Tshumane
Environmental Officer

Signature: _____

Name Printed: _____

H. TSHUMANE

Wandile Mayeza
Town Planner

Signature: _____

Name Printed: _____

W. MAYEZA

Wanga Vundla
Property and Land Management Practitioner

Signature: _____

Name Printed: _____

WANGA Vundla

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. 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 Building Inspector X2, Human Settlements Practitioner and Town Planner reporting directly to the Manager.

1.3 Facilities and Equipment

1.3.1 During the full period of the performance contract, the employer shall avail to the Manager all existing facilities and equipment which he will need in executing his/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 /her 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 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 Manager

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

2 OBLIGATIONS OF THE MANAGER

2.1 Conditions of service

- 2.1.1 The Manager shall be the Head of Development Planning and Building Control, Section subject to the conditions of service as stipulated by the employer. The conditions of service of the Manager shall include but not be restricted to:
 - 2.1.1.1 Setting specific targets for Officers reporting to her.
 - 2.1.1.2 Advise Senior Manager Planning and Economic Development on all matters including progress made in the implementation of the SDBIP and back-office projects.
 - 2.1.1.3 Setting and monitor performance indicators for the Development Planning and Building Control Division and executing corrective measures as and when necessary.
 - 2.1.1.4 Ensuring that the Division assets are in a good working condition.
 - 2.1.1.5 Provision of high-quality service within the division in a cost-effective manner within agreed time frames.
 - 2.1.1.6 Completing and submitting performance reports for the Development Planning and Building to the Senior Manager Planning and Development on a monthly and quarterly basis for information purposes.
 - 2.1.1.7 Assessing performance reports for Local Economic 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 Manager shall ensure that his staff has access and is well informed about the disciplinary procedure of the municipality.
- 2.1.3 Making recommendations to the Senior Manager Planning and Development to hire staff in the Development Planning and Building Control division when 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' as will be mutually agreed between the employer and the 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 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 shall exercise all his skills, reasonable care, responsibility and diligence in discharge of his duties under this contract. The 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 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 Manager undertakes to supervise personnel in her division. If he is dissatisfied with the performance of any staff, provisions of the relevant internal policy and legislative framework of RSA shall apply.

2.4 Targets and Milestones

2.4.1 The 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 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 Manager shall submit detailed quarterly reports on the operation of Development Planning and Building Control to the employer. The report should include details of the achievement of targets and milestones for that quarter for information purposes. The quarterly report should reach the employer within one month after the quarter in question has lapsed.

2.5.2 The Manager also undertakes to submit any other report/s as required by the employer.

2.6 Expenditure

The Manager shall be responsible for the implementation of the approved operational and capital budget of the Development Planning and Building Control Section.

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

The Manager shall assist the Senior Manager Planning and Development 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 Manager undertakes to utilize the most recently approved Municipal Supply Chain Management Policy (SCM) to handle all procurement within the municipality, according to the provisions of this contract. No procurement shall be allowed to proceed outside of the approved SCM policy, and the Municipal Internal Auditor shall ensure that no payments are effected contrary to this arrangement.

2.9 Books and Records

The 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 of 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 can utilize the services of an Auditor in this regard.

2.10.3 The 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 Manager shall make the necessary submissions to the Budget and treasury office, reflecting the projected financial needs of his division for the following financial year.

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

2.12 Liability

The Manager shall be responsible towards the municipality for the performance of services in accordance with the provisions of this contract, subject to the following limitations:

2.12.1 The 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/her division 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.