

**PERFORMANCE AGREEMENT**

**MADE AND ENTERED INTO BY AND BETWEEN**



**RAYMOND**

**MHLABA**

**MUNICIPALITY**

\*\*\*\*\*

**UMANYANO KUPHULISO**

**RAYMOND MHLABA LOCAL MUNICIPALITY AS  
REPRESENTED BY THE MUNICIPAL MANAGER,**

**UNATHI THOLEKA MALINZI**

**AND**

**FUNGIWE DANDALA**

**THE EMPLOYEE OF THE MUNICIPALITY**

**FOR THE PERIOD 01 JULY 2019 TO 30 SEPTEMBER 2019**

AT  
u/m  
SF  
RM

# PERFORMANCE AGREEMENT

## ENTERED INTO BY AND BETWEEN:

The **RAYMOND MHLABA** Municipality herein represented by Unathi Tholeka Malinzi in her capacity as **THE MUNICIPAL MANAGER** (hereinafter referred to as the **Employer** or **Supervisor**)

And **Fungiwe Dandala** Employee of the Municipality (hereinafter referred to as the **Employee**).

## WHEREBY IT IS AGREED AS FOLLOWS:

### 1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57 (1) (a) of the Local Government: Municipal Systems Act 32 of 2000 (“the Systems Act”) as amended. The Employer and the Employee are hereinafter referred to as “the Parties”.
- 1.2 Section 57(1) (b) of the Systems Act, read with the Contract of Employment concluded between the Parties; require the Parties to conclude an annual performance agreement.
- 1.3 The Parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the **Employee** to a set of outcomes that will secure local government policy goals.
- 1.4 The Parties wish to ensure that there is compliance with Sections 57(4A), (4B) and (5) of the Systems Act.
- 1.5 In this Agreement the following words will have the meaning ascribed thereto:
  - “this Agreement” - means the performance agreement between the **Employer** and the **Employee** and the annexures thereto.
  - “the Executive Authority” - means the Mayoral Committee of the Municipality constituted in terms of Section 55 of the Local Government: Municipal Structures Act as represented by its chairperson, the Mayor.
  - “the Senior Manager” – means the Head of Department directly accountable to the Municipal Manager in terms of Section 56(a) of the Local Government: Municipal Systems Act, No 32 of 2000.
  - “the Municipal Manager” – means the Municipal Manager appointed in terms of Section 82 of the Local Government: Municipal Structures Act, No. 117 of 1998.
  - “the Municipality” – means the **Raymond Mhlaba Local Municipality**
  - “the Parties” - means the **Employer** and the **Employee**.

um  
SF  
A-E  
RM

## **2. PURPOSE OF THIS AGREEMENT**

- 2.1 The Parties agree that the purposes of this Agreement are to:
- 2.1.1. comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as well as the contract of employment entered into between the Parties;
  - 2.1.2. specify objectives and targets established for the Employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
  - 2.1.3. specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
  - 2.1.4. monitor and measure performance against targeted outputs and outcomes;
  - 2.1.5. use the performance agreement as the basis for assessing whether the employee has met performance expectations applicable to his or her job;
  - 2.1.6. appropriately reward the employee in accordance with the Municipality's performance management policy in the event of outstanding performance;
  - 2.1.7. establish a transparent and accountable working relationship; and
  - 2.1.8. give effect to the Municipality's commitment to a performance-orientated relationship with its Employee in attaining equitable and improved service delivery.

## **3. COMMENCEMENT AND DURATION**

- 3.1 Notwithstanding the date of signature this Agreement will commence on the 1<sup>st</sup> of July 2019 and will remain in force until 30 September 2019 thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between parties for the next financial year or any portion thereof.
- 3.2 The Parties will review the provisions of this Agreement during June each year. The Parties will conclude a new performance agreement including a Performance Plan and Personal Development Plan that replaces this Agreement at least once a year by not later than the 31<sup>st</sup> of July each year.
- 3.3 The payment of the performance bonus is determined by the performance score obtained during the 4<sup>th</sup> quarter annual performance assessment as informed by the quarterly performance assessments. Should the Employee be entitled to a bonus, this will be paid out after approval by Council and not later than sixty (60) days thereafter in the Employee's salary for a month that shall be applicable.
- 3.4 The payment of a performance bonus for the year in which the Employee's contract of employment expires will be done as set out in clause 3.3 and the bonus so determined will be paid to the Employee on the last day of his/her employment or not later than 30 days thereafter.
- 3.5 In the event of the Employee commencing or terminating his services with the Municipality during the validity period of this Agreement, the Employee's performance for the portion of the period

AL Rm SF um

referred to in clause 3.1 during which he was employed, will be evaluated and he will be entitled to a pro rata performance bonus based on his evaluated performance and the period of actual service.

3.6 The content of this Agreement may be revised at any time during the above-mentioned period to determine the applicability of the matters agreed upon by the Parties.

3.7 If at any time during the validity of this Agreement the work environment alters (whether as a result of government or council decisions or otherwise) to the extent that the contents of this Agreement are no longer appropriate, the contents shall immediately be revised.

3.8 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.

#### 4. PERFORMANCE OBJECTIVES

4.1 The Performance Plan in **Annexure A** sets out:

4.1.1 the performance objectives and targets which must be met by the Employee; and

4.1.2 the time frames within which those performance objectives and targets must be met.

4.2 The Personal Development Plan in **Annexure B** sets out the Employee's personal developmental requirements in line with the objectives and targets of the Municipality.

4.3 The Core Management Competencies reflected sets out those management skills regarded as critical to the position held by the Employee.

4.4 The performance objectives and targets reflected in **Annexure A** are set by the Municipality in consultation with the Employee and based on the Integrated Development Plan and the budget of the Municipality, and include key objectives, key performance areas, target dates and weightings.

4.5 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the time frame in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.

4.6 The Employee's performance will, in addition, be measured in terms of contributions to the development objectives and strategies set out in the Municipality's Integrated Development Plan.

#### 5. PERFORMANCE MANAGEMENT SYSTEM

5.1 The Employee agrees to participate in the performance management system that the Municipality adopts or introduces for the municipal management and municipal staff of the Municipality.

5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the municipal management and municipal staff to perform to the standards required.

5.3 The Employer will consult the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

A.E. SF  
W.A. <sup>um</sup>

5.4 The Employee undertakes to actively focus towards the promotion and implementation of his/her Key Performance Areas as set out in **Annexure A** including special projects relevant to the Employee's responsibilities within the local government framework.

## 6. PERFORMANCE ASSESSMENT

6.1 The performance of the Employee will be assessed against the outputs and outcomes achieved in terms of his/her Key Performance Areas (KPA) as fully described in Annexure A and his/her Core Management Competencies (CMCs) determined at the commencement of this Agreement with a weighting of 80:20 allocated to the KPAs and CMCs respectively. Therefore the KPAs that refer to the main tasks of the Employee account for 80% of his/her assessment while the CMCs make up the other 20% of the Employee's assessment score.

6.2 The weightings agreed to in respect of the Employee's KPAs attached as Annexure A are set out in the table below:

<b>KEY PERFORMANCE AREAS (KPAS) (80%)</b>	<b>WEIGHT</b>
<b>KPA 1: Institutional Development and Transformation</b>	
<b>KPA 2: Service Delivery and Infrastructure Provision</b>	<b>60</b>
<b>KPA 3: Local Economic Development</b>	<b>10</b>
<b>KPA 4: Financial Viability and Management</b>	<b>30</b>
<b>KPA 5: Good Governance and Public Participation</b>	
<b>Total</b>	<b>100</b>

um  
SF  
AD

6.3 The weightings agreed to in respect of the CMCs considered most critical for the Employee's position and further defined in Annexure C are set out in the table below:

<b>Core Competency Requirements from Regulations (2014): 20%</b>					
<b>COMPETENCY FRAMEWORK FOR SENIOR MANAGERS</b>					
<b>LEADING COMPETENCIES</b>		<b>Achievement Levels</b>	<b>Weight</b>	<b>HOD's Achievement Level</b>	<b>Municipal Managers Score Level</b>
Strategic Direction and Leadership	• Impact and Influence	Basic	8.4		
	• Institutional Performance Management	Competent			
	• Strategic Planning and Management	Advanced			
	• Organisational Awareness	Superior			
People Management	• Human Capital Planning and Development	Basic	8.4		
	• Diversity Management	Competent			
	• Employee Relations Management	Advanced			
	• Negotiation and Dispute Management	Superior			
Programme and Project Management	• Program and Project Planning and Implementation	Basic	8.4		
	• Service Delivery Management	Competent			
	• Program and Project Monitoring and Evaluation	Advanced			
		Superior			
Financial Management	• Budget Planning and Execution	Basic	8.3		
	• Financial Strategy and Delivery	Competent			
	• Financial Reporting and Monitoring	Advanced			
		Superior			
Change Leadership	• Change Vision and Strategy	Basic	8.3		
	• Process Design and Improvement	Competent			
	• Change Impact Monitoring and	Advanced			

um SF A K

	Evaluation				
	•	Superior			
Governance Leadership	• Policy Formulation	Basic	8.4		
	• Risk and Compliance Management	Competent			
	• Cooperative Governance	Advanced			
		Superior			

**CORE COMPETENCIES:**

	Achievement Levels	Weight	HOD's Achievement Level	Municipal Managers Level	Score
Moral Competence	Basic	8.3			
	Competent				
	Advanced				
	Superior				
Planning and Organising	Basic	8.3			
	Competent				
	Advanced				
	Superior				
Analysis and Innovation	Basic	8.3			
	Competent				
	Advanced				
	Superior				
Knowledge and Information Management	Basic	8.3			
	Competent				
	Advanced				
	Superior				
Communication	Basic	8.3			
	Competent				
	Advanced				
	Superior				
Results and Quality focus	Basic	8.3			
	Competent				
	Advanced				
	Superior				
<b>Total</b>		<b>100%</b>			

SF PM  
 WTM  
 A.K

6.4 The assessment of the performance of the Employee will be based on the following levels for KPAs and CMCs:

LEVEL	TERMINOLOGY	DESCRIPTION
5	<b>Outstanding Performance</b>	Performance far exceeds the standard expected of an employee at this level. The 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	<b>Performance significantly above expectations</b>	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	<b>Fully effective</b>	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	<b>Not fully effective</b>	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
1	<b>Unacceptable performance</b>	Performance does not meet the standard expected for the job. The review / assessment indicate 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.

sf  
um  
AK

6.5 To determine which rating on the five-point scale did the Manager achieve for each KPA the following criteria should be used:

Duration of task	- Was the target achieved within the projected time frame?
Level of complexity	- Required problem solving - Reconciling different perceptions - Innovative alternatives used
Cost	- within budget - saving - overspending
Constraints	- Did envisaged constraints materialise? - If so, were steps taken to manage/reduce the effect of the constraint? - If not, did it beneficially affect the completion of the target? - Any innovative/pro-active steps to manage the constraint

6.6 Annexure “B” may be used as the basis for progress discussions by the Municipality.

## 7. PANEL AND SCHEDULE FOR PERFORMANCE ASSESSMENTS

7.1 An assessment panel consisting of the following persons will be established:

7.1.1 Municipal Manager;

7.1.2 Chairperson of the Performance Audit Committee or the audit committee in the absence of a performance audit committee;

7.1.3 Member of the Mayoral or Executive Committee or in respect of a plenary type municipality, another member of Council; and

7.1.4 Municipal Manager from another municipality

7.2 The performance of the Employee will be assessed in relation to his/her achievement of:

7.2.1 The targets indicated for each KPA in Annexure A; and

7.2.2 The CCRs as defined in clause 6.3 of this agreement

On a date to be determined for each of the following quarterly periods:

1<sup>st</sup> Quarter (July to September):

**October 2019**

7.3 Assessments in the first and third quarter may be verbal if the Employee’s performance is satisfactory.

7.4 The Municipality will keep a record of the mid-year and annual assessment meetings.

7.5 The Municipality may appoint an external facilitator to assist with the annual assessment.

## 8. EVALUATING PERFORMANCE AND MANAGEMENT OF EVALUATION OUTCOMES

8.1 The Employee will submit quarterly performance reports and a comprehensive annual performance report prior to the performance assessment meetings to the Employer

8.2 The Employer will give performance feedback to the Employee after each quarterly and the annual assessment meetings.

8.3 The evaluation of the Employee’s performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

*Am SP A-K*

- 8.4 At the end of the 4<sup>th</sup> quarter, the Executive Authority will determine if the Employee is eligible for a performance bonus as envisaged in his/her contract of employment based on the bonus allocation set out in clause 8.11 of this agreement.
- 8.5 The results of the annual assessment and the scoring report of the Employee for the purposes of bonus allocation, if applicable, will be submitted to the Executive Authority for a recommendation to the full Council.
- 8.6 A fully effective assessment score will render the Employee eligible to be considered for a performance related increase (pay progression) as envisaged in his/her contract of employment provided the Employee has completed at least 12 months continuous service with the Municipality at his/her current remuneration package on the 30<sup>th</sup> of June.
- 8.7 Personal growth and development needs identified during any performance assessment discussion, must be documented in the Employee's Personal Development Plan as well as the action steps and set time frames agreed to.
- 8.8 Despite the establishment of agreed intervals for assessment, the Employer may, in addition, review the Employee's performance at any stage while his/her contract of employment remains in force.
- 8.9 The Employer will be entitled to review and make reasonable changes to the provisions of Annexure "A" from time to time for operational reasons. The Employee will be fully consulted before any such change is made.
- 8.10 The provisions of Annexure "A" may be amended by the Executive Authority when the Municipality's performance management system is adopted, implemented and/or amended as the case may be subject to clause 5.3.
- 8.11 The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 8.11.1** A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -
- (a) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and
  - (b) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

## 9. OBLIGATIONS OF THE MUNICIPALITY

- 9.1 The Municipality will create an enabling environment to facilitate effective performance by the Employee.
- 9.2 The Employee will be provided with access to skills development and capacity building opportunities.

SF  
um  
A.4

- 9.3 The Municipality will work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee.
- 9.4 The Municipality will make available to the Employee such resources including employees as the he/she may reasonably require from time to time to assist him/her to meet the performance objectives and targets established in terms of this Agreement; provided that it will at all times remain the responsibility of the Employee to ensure that he/she complies with those performance obligations and targets.
- 9.5 The Employee will, at his/her request, be delegated such powers by the Municipality as may in the discretion of the Municipality be reasonably required from time to time to enable him to meet the performance objectives and targets established in terms of this Agreement.

## **10. CONSULTATION**

- 10.1 The Employer agrees to consult the Employee within a reasonable time where the exercising of the Employer's powers will –
- 10.1.1 have a direct effect on the performance of any of the Employee's functions;
  - 10.1.2 commit the Employee to implement or to give effect to a decision made by the Employer;
  - 10.1.3 have a substantial financial effect on the Municipality.
- 10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 10.1 as soon as is practicable, to enable the Employee to take any necessary action without delay.

## **11. CONSEQUENCE OF UNACCEPTABLE OR POOR PERFORMANCE**

The management of poor performance should be seen as a corrective process, focusing on addressing issues that led to poor performance related problems. The process to be followed in addressing poor performance of both the municipal manager and section 56 managers is contained in Regulations 16 of the Local Government: Disciplinary Regulations for Senior Managers and shall be adhered to.

- 11.1 Where the Employer is, at any time during the Employee's employment, not satisfied with the Employee's performance with respect to any matter dealt with in this Agreement, the Employer will give notice to the Employee to attend a meeting with the Employer.
- 11.2 The Employee will have the opportunity at the meeting to satisfy the Employer of the measures being taken to ensure that the Employee's performance becomes satisfactory in accordance with a documented programme, including any dates, for implementing these measures.
- 11.3 The Municipality will provide systematic remedial or developmental support to assist the Employee to improve his/her performance.
- 11.4 If, after appropriate performance counselling and having provided the necessary guidance and/or support as well as reasonable time for improvement in performance, the Employer holds the view

WMM SF  
an A.E

that the performance of the Employee is not satisfactory, the Municipal Council will, subject to compliance with applicable labour legislation, be entitled by notice in writing to the Employee, to terminate the Employee's employment in accordance with the notice period set out in the his/her contract of employment.

- 11.5 Where there is a dispute or difference as to the performance of the Employee under this Agreement, the Parties will confer with a view to resolving the dispute or difference.
- 11.6 Nothing contained in this Agreement in any way limits the right of the Municipality to terminate the Employee's contract of employment with or without notice for any other breach by the Employee of his obligations to the Municipality or for any other valid reason in law.

## 12. DISPUTES

- 12.1 Any disputes about the nature of the **Employee's** performance agreement whether it relates to key responsibilities, priorities, methods of assessment and/or any other matter for, shall be mediated by-
- 12.1.1 The MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the **Employee**; or
- 12.1.2 Any other person appointed by the MEC
- 12.1.3 In the case of managers directly accountable to the municipal manager, a member of the municipal council, provided that such member was not part of the evaluation panel provided for in sub-regulation 27 (4) (e) of the Municipal Performance Regulations 2006, within thirty (30) days of receipt of a formal dispute from the employee

**whose decision shall be final on both parties.**

- 12.2 In the event that the mediation process contemplated above fails, clause 20.3 of the Contract of Employment shall apply.

## 13. GENERAL

- 13.1 The contents of this Agreement and the outcome of any review conducted in terms of Annexure "A" will not be confidential, and may be made available to the public by the Municipality, where appropriate.
- 13.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

SF

UTM

A.K

Signed at Fort Beaufort on this 25 day of July 2019

**As Witnesses:**

1.  .....

  
.....  
**Mrs Fungiwe Dandala**  
**Acting Senior Manager Engineering Services**

Signed at Fort Beaufort on this 25 day of July 2019

**As Witnesses:**

1.  .....

  
.....  
**Ms Unathi Tholeka Malinzi**  
**Municipal Manager**

## **ANNEXURE A**

### **ACTING SENIOR MANAGER ENGINEERING SERVICE PERFORMANCE PLAN**

#### **1. Purpose**

The performance plan defines the Council's expectations of the Senior Manager Engineering Service performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and SDBIP, as reviewed annually.

## 2. Objective

### of Local Government

The following objectives of Local Government informed the IDP of the Raymond Mhlaba Local Municipality and will inform the Senior Manager's performance against set performance indicators.

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development
- 2.4 Promote a safe and healthy environment
- 2.5 Encourage the involvement of communities and community organisations in the matters of local government

## 3. Scorecard of the Senior Manager Engineering Services

3.1 The municipality approved the strategic objectives in the IDP of 2017-2022. The targets to achieve the objectives for the financial year 2018/19 were defined in the approved SDBIP of 2018/19. The Senior Manager is required to ensure that all targets, programmes and projects as committed on the IDP and SDBIP are delivered according to the commitments of the Executive Committee

and Council.  
**A key principle is that owner departments must lead all the programmes allocated to them in the SDBIP, and ensure that contributor departments contribute, comply and report.**

The scorecard of the Senior Manager Engineering Services is up of the following:

### The Performance Plan set out:

- a) Key Performance Areas that are employee should focus on, performance objectives, key performance indicators and targets that must be met within a specific timeframe;
- b) Core competencies required from employees prescribed in the Performance Regulation for Municipal Managers and Managers Directly accountable to the Municipal Manager, R805 of 2006.

The employee's assessment will be based on his/ her performance in terms of the outputs/ outcomes (performance indicators) identified as per the performance plan which are linked to the National KPA's, which constitute 80% of the overall assessment result as per the weightings agreed to between the employer and employees.

KPA's covering the main areas of work will account for 80% and CCR's will account for 20% of the final assessment.

Key performance Areas (KPA's)	Weighting	Core Competency Requirements	Weighting
Municipal Transformation & Institutional Development		Strategic Direction and Leadership	
Basic Service Delivery		People Management	
Local Economic Development		Programme and Project Management	
Municipal Financial Viability & Management		Financial Management	
Good Governance & Public Participation		Change Leadership	
		Governance Leadership	
		Moral Competence	
		Planning and Organising	
		Analysis and Innovation	
		Knowledge and Information Management	
		Communication	
		Results and Quality focus	
	Total		Total
			20%

The assessment of the performance of the employee will be based on the following rating scale for KPA's and CCRs

Category	Colour	Explanation
KPI's Not Met/ Unacceptable performance	1	Performance does not meet the standard expected for the job. The review/ assessment indicate that their 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.
KPI's Almost Met/ Not Fully Effective	2	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 indicate that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
KPI's Met/ Fully Effective	3	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.
KPI's Well Met/ Performance significantly above expectations	4	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.
KPI's Extremely Well Met/ Outstanding Performance	5	Performance far exceeds the standard expected of an employee at this level. The 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.

KPI No.	PRIORITY AREA	STRATEGIC OBJECTIVE	Strategic Risk	Outcome Statement	Outcome Based Indicator	Baseline	Budget	KPA 2: BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT				Qtr 1 financial target	Qtr 1 Audit evidence	Qtr 2 financial target	Qtr 2 Audit evidence	Qtr 3 financial target	Qtr 3 Audit evidence	Qtr 4 financial target	Qtr 4 Audit evidence	Indicator	
								2019 - 2020 Annual Target	Qtr 1 target	Qtr 2 target	Qtr 3 target										Qtr 4 target
KPI 11	Electricity	To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Reduced electricity losses and elimination illegal connections	Number of illegal connection audits conducted	New indicator	No Budget	12	3	3	1. Detailed report on number of properties with illegal connections.	3	1. Detailed report on number of properties with illegal connections.	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report on progress on work done on electricity capital projects	1. Detailed quarterly report on progress on work done on electricity capital projects	1. Detailed quarterly report on progress on work done on electricity capital projects	1. Detailed quarterly report on progress on work done on electricity capital projects	Engineering Services	
KPI 12		To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Electrification of all households within RMLM	% of new connections and reconnections completed	New indicator	Operating Budget	100%	100%	100%	100%	1. Quarterly report of new electricity requests connected/reconnected within 20days	100% of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	1. Quarterly report of new electricity requests connected/reconnected within 20days	Engineering Services	
KPI 12.1	Electricity	To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Electrification of all households within RMLM	Number of reports on households with access to free basic electricity	New indicator	R14000000	4	1	1	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	1. Detailed quarterly report reflecting number of households with access to free basic electricity. 2. Quarterly reports detailing the % of reduction on electricity losses	Budget and Treasury	
KPI 12.2		To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Clean governance	Limit electricity by 10% annually	16.58%	No Budget	10%	2.5%	2.5%	2.5%	1. Quarterly reports detailing the % of reduction on electricity losses	2.5%	1. Quarterly reports detailing the % of reduction on electricity losses	1. Quarterly reports detailing the % of reduction on electricity losses	1. Quarterly reports detailing the % of reduction on electricity losses	1. Quarterly reports detailing the % of reduction on electricity losses	1. Quarterly reports detailing the % of reduction on electricity losses	1. Quarterly reports detailing the % of reduction on electricity losses	Engineering Services	
KPI 13	Roads	To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Improved electricity infrastructure	% of INEP projects implemented	New indicator	R12 000 000	100%	10%	15%	1. Quarterly Progress reports on work done on electricity capital projects	15%	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	Engineering Services	
KPI 14		To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Properly maintained internal roads	Number of stormwater drainage maintained	New indicator	Operating	100	25	25	25	1. Detailed report on stormwater drainage	25	1. Detailed report on stormwater drainage	1. Detailed report on stormwater drainage	1. Detailed report on stormwater drainage	1. Detailed report on stormwater drainage	1. Detailed report on stormwater drainage	1. Detailed report on stormwater drainage	Engineering Services	
KPI 15	Project Management	To ensure adequate, efficient, sustainable energy supply and infrastructure by 2022	1. Ailing infrastructure. 2. Inability to implement effective infrastructure projects	Health, social and economic prosperity for communities	% MGC Capital projects implemented	New indicator	R37 271 350.00	100%	10%	15%	1. Quarterly Progress reports on work done on electricity capital projects	15%	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	1. Quarterly Progress reports on work done on electricity capital projects	Engineering Services	
KPI No.	PRIORITY AREA	STRATEGIC OBJECTIVE	Strategic Risk	Outcome Statement	Outcome Based Indicator	Baseline	Budget	2019 - 2020 Annual Target	Qtr 1 target	Qtr 2 target	Qtr 3 target	Qtr 4 target	Qtr 1 Audit evidence	Qtr 2 financial target	Qtr 3 financial target	Qtr 4 financial target	Qtr 1 Audit evidence	Qtr 2 financial target	Qtr 3 financial target	Qtr 4 financial target	Indicator

Mrs F Dandala  
Acting Director: Engineering Services

25/07/19  
Date

Mis U.T Malinzi  
Municipal Manager

KPI No.	PRIORITY AREA	STRATEGIC OBJECTIVE	Strategic Risk	Outcome Statement	Outcome Based Indicator	Unit of Measurement	2019 - 2020 Annual Target	Qtr 1 target	Qtr 2 target	Qtr 3 target	Qtr 4 target	Qtr 1 financial target	Qtr 2 financial target	Qtr 3 financial target	Qtr 4 financial target	Qtr 1 Audit evidence	Qtr 2 Audit evidence	Qtr 3 Audit evidence	Qtr 4 Audit evidence	Indicators
KPI 17	Unemployment	To ensure sustainable Local Economic Development by 2022	Inability to raise additional funding and investment in the area of regional development	Economically active and communities	Number of jobs created through Capital Projects	Quarterly reports with supporting evidence	100	10	30	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Detailed report reflecting number of jobs created through Capital Projects	Engineering Services
<b>KPA 4 - MUNICIPAL FINANCIAL VIABILITY</b>																				
KPI 23	Expenditure Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2022	1. Non-compliance with relevant legislation. 2. Low Revenue Base	Full spent of conditional grants to sustain service delivery	% spent on FMG operating grant	Quarterly reports with supporting evidence	100%	25%	25%	25%	25%	R3 727 135	R5 590 702 50	R18 035 675 00	R9 317 837 50	1. Quarterly report reflection % spent on the Finance Management Grant	1. Quarterly report reflection % spent on the Finance Management Grant	1. Quarterly report reflection % spent on the Finance Management Grant	1. Quarterly report reflection % spent on the Finance Management Grant	Engineering Services
KPI 24		To ensure the financial sustainability in order to fulfil the statutory requirements by 2022	1. Non-compliance with relevant legislation. 2. Low Revenue Base	Full spent of conditional grants to sustain service delivery	% spent on MIG Capital grant	Quarterly reports with supporting evidence	100%	10%	15%	50%	15%	R3 727 135	R5 590 702 50	R18 035 675 00	R9 317 837 50	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	Engineering Services
KPI 25		To ensure the financial sustainability in order to fulfil the statutory requirements by 2022	1. Non-compliance with relevant legislation. 2. Low Revenue Base	Full spent of conditional grants to sustain service delivery	% spent on INEP Capital grant	Quarterly reports with supporting evidence	100%	10%	15%	50%	15%	R1 200 000 00	R1 800 000 00	R6 000 000 00	R3 000 000 00	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	1. Detailed expenditure report reflecting % spent	Engineering Services
KPI 27		To ensure the financial sustainability in order to fulfil the statutory requirements by 2022	1. Non-compliance with relevant legislation. 2. Low Revenue Base	Improved financial management	% of cost containment measures implemented	Quarterly reports with supporting evidence (Base line PY vs CY)	No Budget Required	50%	5%	15%	15%	15%	R12 000 000	R12 000 000	R12 000 000	R12 000 000	Comparison report of PY vs CY quarters on actual expenditure signed by HOD	Comparison report of PY vs CY quarters on actual expenditure signed by HOD	Comparison report of PY vs CY quarters on actual expenditure signed by HOD	Comparison report of PY vs CY quarters on actual expenditure signed by HOD

Mrs F Dandala  
Acting Director: Engineering Services

25/07/19  
Date

  
Ms U.T. Malinzi  
Municipal Manager

I S.F. Dandala..... hereby accept this plan as a basis of monitoring and evaluating my performance during the 2019/20 financial year. I accept that the indicators and targets as presented in the performance plan are accurate and that I have been given the opportunity to provide inputs in their development.

  
\_\_\_\_\_  
**Signature**

25/07/19  
\_\_\_\_\_  
**Date**

I ..... the Municipal Manager of Raymond Mhlaba Local Municipality approve the performance Plan in terms of the requirements of the Local Government: Municipal Planning and Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006.

  
\_\_\_\_\_  
**Signature**

25/07/19  
\_\_\_\_\_  
**Date**