PERFORMANCE AGREEMENT

MADE AND ENTERED INTO BY AND BETWEEN

RAYMOND
MHLABA
MUNICIPALITY

UMANYANO KUPHUHLISO

RAYMOND MHLABA LOCAL MUNICIPALITY AS REPRESENTED BY THE MUNICIPAL MANAGER,

UNATHI THOLEKA MALINZI

AND

MVELELI NGXOWA

THE EMPLOYEE OF THE MUNICIPALITY

FOR THE PERIOD 1 JULY 2025 TO 30 JUNE 2026

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 **Mveleli Ngxowa** 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/ Executive 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 Director" – 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**.

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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 1st of July 2025 and will remain in force until 30 June 2026 thereafter a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between parties for the next period or any portion thereof.

3.2 The Parties will review the provisions of this Agreement during every year. The Parties will conclude a new performance agreement including a Performance Plan and Personal Development Plan that replaces this Agreement after at least once a year or by not later than July 31, each year.

3.3 The payment of the performance bonus is determined by the performance score obtained during the 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.

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3.5 In the event of the Employee commencing or terminating her services with the Municipality during the validity period of this Agreement, the Employee's performance for the portion of the period 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.

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 (KPAs) 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:

KEY PERFORMANCE AREAS (KPAS) (80%)	WEIGHT
KPA 1: Institutional Development and Transformation	**10 %**
KPA 2: Service Delivery and Infrastructure Provision	**5 %**
KPA 3: Local Economic Development	**25 %**
KPA 4: Financial Viability and Management	**40 %**
KPA 5: Good Governance and Public Participation	**20%**
Total	**100 %**

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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:

Core Competency Requirements from Regulations (2014): 20%					
COMPETENCY FRAMEWORK FOR SENIOR MANAGERS					
LEADING COMPETENCIES		Achievement Levels	Weight	HOD's Achievement Level	Municipal Managers Score Level
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 ad 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 Evaluation	Advanced			

	•	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 Score Level
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			
Total		**100%**		

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	**Outstanding Performance**	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	**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	**Not fully effective**	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
1	**Unacceptable performance**	Performance does not meet the standard expected for the job. The review / assessment 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.

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6.5 To determine which rating on the five-point scale did the Director 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 QUARTERLY PERFORMANCE ASSESSMENTS:

7.1.1 Quarterly performance of the Employee will be assessed by the Municipal Manager in relation to his/her achievement of:

1) The targets indicated for each KPA in Annexure A; and
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:

1st Quarter (July to September):	**October 2025**
2nd Quarter (October to December):	**January 2026**
3rd Quarter (January to March):	**April 2026**
4th Quarter (April to June):	**July 2026**

7.2 ANNUAL PERFORMANCE ASSESSMENT:

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

7.2.1.1 Municipal Manager;

7.2.1.2 Chairperson of the Performance Audit Committee or the audit committee in the absence of a performance audit committee.

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

7.2.1.4 Municipal Manager from another municipality

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

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

7.3.2 The CCRs as defined in clause 6.3 of this agreement

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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.

8.4 At the end of the 4th 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 30th 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.

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.

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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 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.

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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.

Signed at ...KwaMaqoma......... on this ....17....... day of ....July......... 20.25

<u>As Witnesses</u>:

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Mr Mveleli Ngxowa
Chief Financial Officer

Signed at .KwaMaqoma........ on this ...17........... day of ....July.......... 20.25

<u>As Witnesses</u>:

1. ....

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Ms Unathi Tholeka Malinzi
Municipal Manager

ANNEXURE A

CHIEF FINANCIAL OFFICER PERFORMANCE PLAN

1. Purpose

The performance plan defines the Council's expectations of the Chief Financial Officer 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 Chief Financial Officer'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 maters of local government

3. Scorecard of the Chief Financial Officer

3.1 The municipality approved the strategic objectives in the IDP of 2025-2026. The targets to achieve the objectives for the financial year 2025/ 2026 were defined in the approved SDBIP. The Chief Financial Officer 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 Chief Financial Officer 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.

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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	10 %	Strategic Direction and Leadership	8.4
Basic Service Delivery	5 %	People Management	8.4
Local Economic Development	25 %	Programme and Project Management	8.4
Municipal Financial Viability & Management	40 %	Financial Management	8.3
Good Governance & Public Participation	20%	Change Leadership	8.3
		Governance Leadership	8.4
		Moral Competence	8.3
		Planning and Organising	8.3
		Analysis and Innovation	8.3
		Knowledge and Information Management	8.3
		Communication	8.3
		Results and Quality focus	8.3
Total	100 %	Total	100 %

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.

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REF	Priority Area	Strategic Objective	Key Performance Indicator	Baseline	Measurement Unit	Means of Verification	Accumulative Annual Target (2022-2027)	2025 - 2026	Budget	Qtr. 1 target	Qtr. 1 financial target	Qtr. 1 audit evidence	Qtr. 2 target	Qtr. 2 financial target	Qtr 2 audit evidence	Qtr. 3 target	Qtr. 3 financial target	Qtr. 3 audit evidence	Qtr. 4 target	Qtr. 4 financial target	Qtr. 4 audit evidence
KPA 1: INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT																					
KPI 11	Financial Reporting	To ensure effective and efficient workforce by 2027	Number of reviewed budget related policies	New Indicator	Number	Quarterly Reports . 12 Budget Related Policies Council Resolution	12	12	No Budget Required	n/a	n/a	n/a	n/a	n/a	n/a	Draft 12 budget related policies	n/a	1,Quarterly Reports. 2, Draft 12 Budget Related Policies. 3,Council Resolution	Final12 budget related policies	n/a	1,Quarterly Reports. 2, Final 12 Budget Related Policies. 3,Council Resolution

REF	Priority Area	Strategic Objective	Key Performance Indicator	Baseline	Frequency	Means of Verification	Accumulative Annual Target (2022-2027)	2025 - 2026	Budget	Qtr. 1 target	Qtr. 1 financial target	Qtr. 1 audit evidence	Qtr. 2 target	Qtr. 2 financial target	Qtr 2 audit evidence	Qtr. 3 target	Qtr. 3 financial target	Qtr. 3 audit evidence	Qtr. 4 target	Qtr. 4 financial target	Qtr. 4 audit evidence
KPA 2: BASIC SERVICES DELIVERY AND INFRASTRUCTURE																					
KPI 43	Free Basic Services	To ensure adequate access to free basic services by 2027	Percentage of qualifying indigents benefiting	90%	Percentage	Updated indigent register; List on beneficiaries from the system	90%	90%	No Budget Required	90%	0	Updated indigent register; List on beneficiaries from the system	90%	0	Updated indigent register; List on beneficiaries from the system	90%	0	Updated indigent register; List on beneficiaries from the system	90%	0	Updated indigent register; List on beneficiaries from the system

	Priority Area	Strategic Objective	Key Performance Indicator	Baseline	Frequency	Means of Verification	Accumulative Annual Target (2022-2027)	2025 - 2026	Budget	Qtr. 1 target	Qtr. 1 financial target	Qtr. 1 audit evidence	Qtr. 2 target	Qtr. 2 financial target	Qtr 2 audit evidence	Qtr. 3 target	Qtr. 3 financial target	Qtr. 3 audit evidence	Qtr. 4 target	Qtr. 4 financial target	Qtr. 4 audit evidence
KPA 3: LOCAL ECONOMIC DEVELOPMENT																					
KPI 53	Supply Chain Management	To ensure the sustainable Local Economic Development by 2027	Percentage of tenders below R300 000 awarded to local SMME's and Vulnerable groups	90%	Percentage	Quarterly reports; List of tenders awarded;	90%	90%	No Budget Required	80%	n/a	List of Awarded Bids, Quarterly report	80%	n/a	List of Awarded Bids, Quarterly report	80%	n/a	List of Awarded Bids, Quarterly report	80%	n/a	List of Awarded Bids, Quarterly report
KPI 54	Supply Chain Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage of tenders above R300 000 awarded to local SMME's and Vulnerable groups	70%	Percentage	Quarterly reports; List of tenders awarded with vulnerable catergories;	40%	40%	No Budget Required	45%	n/a	List of Awarded Bids, Quarterly report	45%	n/a	List of Awarded Bids, Quarterly report	45%	n/a	List of Awarded Bids, Quarterly report	45%	n/a	List of Awarded Bids, Quarterly report

REF	Priority Area	Strategic Objective	Key Performance Indicator	Baseline	Frequency	Means of Verification	Accumulative Annual Target (2022-2027)	2025 - 2026	Budget	Qtr. 1 target	Qtr. 1 financial target	Qtr. 1 audit evidence	Qtr. 2 target	Qtr. 2 financial target	Qtr 2 audit evidence	Qtr. 3 target	Qtr. 3 financial target	Qtr. 3 audit evidence	Qtr. 4 target	Qtr. 4 financial target	Qtr. 4 audit evidence
KPA 4: MUNICIPAL FINANCIAL VIABILITY																					
KPI 56	Integrated Development Plan and Budget	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of MTREF Budget developed	2	Number	Draft Budget. Final Budget. Budget Adjustment	4	1	No Budget Required	n/a	n/a	n/a	n/a	n/a	n/a	Draft Budget	n/a	1, Draft Budget. 2, Council Resolution.	Final Budget	n/a	1, Final Budget. 2, Council Resolution.
KPI 56,1	Integrated Development Plan and Budget	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of reports on the implementation and monitoring of the final approved budget	3	Number	Monthly budget consumption reports (Expenditure vs budget amounts)	48	12	No Budget Required	3	n/a	Monthly budget consumption reports (Expenditure vs budget amounts)	3	n/a	Monthly budget consumption reports (Expenditure vs budget amounts)	3	n/a	Monthly budget consumption reports (Expenditure vs budget amounts)	3	n/a	Monthly budget consumption reports (Expenditure vs budget amounts)
KPI 57	Revenue Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage of total collection on outstanding debts	70%	Percentage	Quarterly report encapsulating billing vs cash collected	70%	80%	No Budget Required	20%	n/a	Quarterly report encapsulating billing vs cash collected	40%	n/a	Quarterly report encapsulating billing vs cash collected	55%	n/a	Quarterly report encapsulating billing vs cash collected	80%	n/a	Quarterly report encapsulating billing vs cash collected
KPI 59	Expenditure Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage spent on FMG operating grant	100%	Percentage	Quarterly reports . System Generated Report	100%	100%		20%		Quarterly reports . System Generated Report on expenditure	45%		Quarterly reports . System Generated Report on expenditure	70%		Quarterly reports . System Generated Report on expenditure	100%		Quarterly reports . System Generated Report on expenditure

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KPI 64	Financial Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage of valid invoices paid within 30 days of invoice date	90%	Percentage	Quarterly reports; List of invoices paid; Creditors age Analysis from the system	100%	100%		100%	n/a	Quarterly report, Age analysis	100%	n/a	Quarterly report, Age analysis	100%	n/a	Quarterly report, Age analysis	100%	n/a	Quarterly report, Age analysis
KPI 65		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of procurement plans developed and approved	8	Number	Developed procurement plan; Proof of approval by the MM	5	1	No Budget Required	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1 procurement plan for 2026/ 2027 FY	n/a	Developed and approved procurement plan
KPI 65,1		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of reports on the procurement plan	4	Number	Quarterly report on the procurement plan	20	4	No Budget Required	1	n/a	Quarterly report on the procurement plan	1	n/a	Quarterly report on the procurement plan	1	n/a	Quarterly report on the procurement plan	1	n/a	Quarterly report on the procurement plan
KPI 66		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage of savings achieved on implementation of cost containment measures	New indicator	Percentage	Quarterly reports; List of Cost containement measures; system generated report.	25%	25%	No Budget Required	25%	n/a	Quarterly reports; List of Cost containement measures; system generated report.	25%	n/a	Quarterly reports; List of Cost containement measures; system generated report.	25%	n/a	Quarterly reports; List of Cost containement measures; system generated report.	25%	n/a	Quarterly reports; List of Cost containement measures; system generated report.
KPI 67		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage of procurment transactions compliant with SCM regulations	New indicator	Percentage	Quarterly Report; List of transactions; Compliance report with the listing; complaince register	100%	100%	No Budget Required	100%	n/a	Quarterly Report; List of transactions; Compliance report with the listing; complaince register	100%	n/a	Quarterly Report; List of transactions; Compliance report with the listing; complaince register	100%	n/a	Quarterly Report; List of transactions; Compliance report with the listing; complaince register	100%	n/a	Quarterly Report; List of transactions; Compliance report with the listing; complaince register
KPI 68		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Percentage reduction on irregular expenditure	New indicator	Percentage	Quartely Report; Register on Irregular; Report submitted council and Council Resolution	100%	100%	No Budget Required	100%	n/a	Quartely Report; Register on Irregular; Report submitted council and Council Resolution	100%	n/a	Quartely Report; Register on Irregular; Report submitted council and Council Resolution	100%	n/a	Quartely Report; Register on Irregular; Report submitted council and Council Resolution	100%	n/a	Quartely Report; Register on Irregular; Report submitted council and Council Resolution
KPI 69		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of submitted Annual Financial Stements	2	Number	Submitted Annual Financial Statements; Proof of sumission to AG	4	1	BUDGET???	AFS approved and submitted by 31 August 2024	n/a	Approved AFS, council Resolution, proof of submission to AG	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
KPI 69,1		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of interim financial statements	1	Number	Interim financial statements, accounting file	6	2		n/a	n/a	n/a	n/a	n/a	n/a	1	n/a	Interim financial statements, accounting file	1	n/a	Interim financial statements, accounting file
KPI 69,2		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of revenue management interim AFS inputs developed	114	Number	Accounting file	342	114		n/a	n/a	n/a	38	n/a	Accounting file	38	n/a	Accounting file	38	n/a	Accounting file
KPI 69,3		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of expenditure management interim AFS inputs developed	63	Number	Accounting file	189	63		n/a	n/a	n/a	21	n/a	Accounting file	21	n/a	Accounting file	21	n/a	Accounting file
KPI 69,4		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of supply chain management interim AFS inputs developed	12	Number	Accounting file	36	12		n/a	n/a	n/a	4	n/a	Accounting file	4	n/a	Accounting file	4	n/a	Accounting file
KPI 69,5		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of asset management interim AFS inputs developed	27	Number	Accounting file	81	27		n/a	n/a	n/a	9	n/a	Accounting file	9	n/a	Accounting file	9	n/a	Accounting file
KPI 69,6		To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of budget related interim AFS inputs developed	9	Number	Accounting file	27	9		n/a	n/a	n/a	3	n/a	Accounting file	3	n/a	Accounting file	3	n/a	Accounting file

KPI 70	Asset Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of approved Annual Asset Management Plan	2	Number	Approved Annual Asset Management Plan. Quarterly reports; Proof of approval by the MM	5	1	No Budget Required		n/a	Quarterly progress report on the implementation of asset plan.	1	n/a	Quarterly progress report on the implementation of asset plan.	1	n/a	Quarterly progress report on the implementation of asset plan.	1	n/a	Quarterly progress report on the implementation of asset plan.
KPI 71	Asset Management	To ensure the financial sustainability in order to fulfil the statutory requirements by 2027	Number of GRAP Compliant Asset Registers	1	Number	Quarterly Reports; Loss register and new acquisitions register and Updated Assets register	5	1	No Budget Required		n/a	Updated GRAP asset register	1	n/a	Updated GRAP asset register	1	n/a	Updated GRAP asset register	1	n/a	Updated GRAP asset register

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

REF	Priority Area	Strategic Objective	Key Performance Indicator	Baseline	Frequency	Means of Verification	Accumulative Annual Target (2022-2027)	2025 - 2026	Budget	Qtr. 1 target	Qtr. 1 financial target	Qtr. 1 audit evidence	Qtr. 2 target	Qtr. 2 financial target	Qtr 2 audit evidence	Qtr. 3 target	Qtr. 3 financial target	Qtr. 3 audit evidence	Qtr. 4 target	Qtr. 4 financial target	Qtr. 4 audit evidence
KPI 75	Governance	To entrench the culture of good governance by 2027	Percentage of actions implemented on the audit action plan (Institutional)	2024/ 2025 Management letter	Percentage	Qaurtley Report; Progress report on the Implementation of Audit Action; Internal Audit report on the audit action plan.	100%	100%		n/a	n/a	n/a	n/a	n/a	n/a	50%	n/a	Progress report on the Implementation of Audit Action. Plan verified by Internal Audit.	100%	n/a	Progress report on the Implementation of Audit Action. Report verified and by Internal Audit.
KPI 75,1	Governance	To entrench the culture of good governance by 2027	Percentage of actions implemented on the audit action plan (Departmental)	2024/ 2025 Management letter	Percentage	Qaurtley Report; Progress report on the Implementation of Audit Action; Internal Audit report on the audit action plan.	100%	100%		n/a	n/a	n/a	n/a	n/a	n/a	50%	n/a	Progress report on the Implementation of Audit Action. Plan verified by Internal Audit.	100%	n/a	Progress report on the Implementation of Audit Action. Report verified and by Internal Audit.
KPI 76	Governance	To entrench the culture of good governance by 2027	Number of unqualified audit opinions obtained from the Auditor General	2	Number	Audit Report	5	1		n/a	n/a	n/a	1	n/a	Unqualified audit report	n/a	n/a	n/a	n/a	n/a	n/a
KPI 78	Governance	To entrench the culture of good governance by 2027	Percentage of internal audit recommendations implemented	100%	Percentage	Quarterly Report. Internal Audit Report Matrix. Internal Audit Assessment Report	100%	100%	No Budget Required	100%	n/a	Quarterly Report. Internal Audit Report Matrix. Internal Audit Assessment Report	100%	n/a	Quarterly Report. Internal Audit Report Matrix. Internal Audit Assessment Report	100%	n/a	Quarterly Report. Internal Audit Report Matrix. Internal Audit Assessment Report	100%	n/a	Quarterly Report. Internal Audit Report Matrix. Internal Audit Assessment Report
KPI 79	Governance	To entrench the culture of good governance by 2027	Percentage of AC resolutions implemented	100%	Percentage	Quarterly Reports. AC resolution matrix.	100%	100%	No Budget Required	100%	n/a	Quarterly Reports. AC resolution matrix.	100%	n/a	Quarterly Reports. AC resolution matrix.	100%	n/a	Quarterly Reports. AC resolution matrix.	100%	n/a	Quarterly Reports. AC resolution matrix.
KPI 80	Governance	To ensure proper governance, accountability and public participation	Number of risk assessment conducted (Departmental)	8	Number	Quarterly report. Risk assessment report. Attendance Register.	20	4	No Budget Required		n/a	Quarterly report. Risk assessment report. Attendance Register.	1	n/a	Quarterly report. Risk assessment report. Attendance Register.	1	n/a	Quarterly report. Risk assessment report. Attendance Register.	1	n/a	Quarterly report. Risk assessment report. Attendance Register.
KPI 81	General Valuation	To ensure proper governance, accountability and public participation	Developed and approved general valuation	New indicator	Number	Quarterly reports. General valuation roll	1	1		Developed and approved general valuation	n/a	Quarterly reports. General valuation roll	n/a	n/a	n/a	n/a	n/a	n/a	1 Supplementary Valuation Roll	n/a	Supplementary Valuation Roll

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KPI 83	Public Participation	Improve the municipal responsiveness to service delivery breakdowns	Number of average days in responding to complaints received	3	Number	Quarterly Reports. System Generated report on number of days taken to respond.	3	3	No Budget Required	3 days	n/a	Quarterly Reports. System Generated report on number of days taken to respond.	3 days	n/a	Quarterly Reports. System Generated report on number of days taken to respond	3 days	n/a	Quarterly Reports. System Generated report on number of days taken to respond.	3 days	n/a	Quarterly Reports. System Generated report on number of days taken to respond.
KPI 84		To improve community participation by 2027	Number of community consultations conducted	16	Number	Quarterly reports. Attendance Register.	20	4		1	n/a	Quarterly reports. Attendance Register.	1	n/a	Quarterly reports. Attendance Register.	1	n/a	Quarterly reports. Attendance Register.	1	n/a	Quarterly reports. Attendance Register.

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I ...Mveleli Mathew Ngxowa... hereby accept this plan as a basis of monitoring and evaluating my performance during the 2025/2026 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

17 July 2025

Date

I ..UNATHI.......MALINZI.......... 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

17 July 2025

Date

ANNEXURE B

PERSONAL DEVELOPMENT PLAN

Skills Performance Gap	Outcomes Expected	Suggested training and/or development activity	Suggested mode of delivery	Suggested Time Frames	Work opportunity created to practice skill/development area	Support Person
1.						
2. N/A						
3.						

Signed and accepted by the Employee

17 July 2025

Date

Signed by the Municipal Manager on behalf of the Municipality

17 July 2025

Date