



PERFORMANCE AGREEMENT

**MADE AND ENTERED INTO BY
AND BETWEEN:**

**LEPHALALE LOCAL
MUNICIPALITY**

**AS REPRESENTED BY THE
MUNICIPAL MANAGER
PATRICIA FEZIWE NOGILANA-
RAPHELA**

AND

**LESEGO MARGARET
MATLWA**

THE EMPLOYEE OF THE MUNICIPALITY

**FOR THE
FINANCIAL YEAR:
01 JULY 2026 – 30 JUNE 2027**

ENTERED INTO BY AND BETWEEN:

The Municipality herein represented by Feziwe Nogilana-Raphela in her capacity as the Municipal Manager (hereinafter referred to as the **Employer** or Supervisor)

And

Lesego Margaret Matlwa, Chief Financial Officer, 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"). 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, requires 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), 57 (4B) and 57 (5) of the Systems Act.

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to:

- 2.1. Comply with the provisions of Section 57(1) (b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties.
- 2.2. Specify objectives in terms of the key performance indicators and targets defined and agreed with 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, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality.
- 2.3. Specify accountabilities as set out in a Performance Plan, which forms an Annexure to the Performance Agreement.
- 2.4. Monitor and measure performance against set targeted outputs.
- 2.5. Use the Performance Agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job.
- 2.6. In the event of outstanding performance, to appropriately reward the employee.
- 2.7. Give effect to the employer's commitment to a performance-oriented relationship with its employees in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

- 3.1. This Agreement will commence on **1st July 2026** and will remain in force until **30th June 2027**. Thereafter, a new Performance Agreement, Performance Plan, and Personal Development Plan shall be concluded between the 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 and Performance Plan that replaces this Agreement at least once a year by not later than one month after the beginning of each successive financial year.
- 3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.
- 3.4 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.
- 3.5 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.

4. PERFORMANCE OBJECTIVES

- 4.1. The Performance Plan (Annexure A) sets out-
 - 4.1.1 Key Performance Areas that the employee should focus on.
 - 4.1.2 Core competencies required from employees.
 - 4.1.3 The performance objectives, key performance indicators and targets that must be met by the Employee.
 - 4.1.4 The time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives, key performance indicators and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer and shall include strategic objectives; key performance indicators; targets; projects and activities that may include dates and weightings. A description of these elements follows:
 - 4.2.1 The strategic objectives describe the strategic intent of the organization that needs to be achieved.
 - 4.2.2 The strategic performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved.
 - 4.2.3 The target dates describe the timeframe in which the work must be achieved.
 - 4.2.4 The weightings show the relative importance of the key performance areas, key objectives, and key performance indicators to each other.

5. PERFORMANCE MANAGEMENT SYSTEM

- 5.1. The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employee, management and municipal staff of the Employer.
- 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 Employer, 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 the KPA's (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.5 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, Key Performance Areas and core Competency Requirements, both of which shall be contained in the Performance Agreement.

- 5.5.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPA's) and the Core Competency Requirements (CCRs) respectively.
- 5.5.2 KPA's covering the main areas of work will account for 80% and CCRs will account for 20% of the final assessment.
- 5.5.3 Each area of assessment will be weighted and will contribute a specific part to the total score.
- 5.6 The Employee's assessment will be based on his / her performance in terms of the key performance indicator outputs / outcomes identified as per attached Performance Plan (Annexure A), which are linked to the KPA's, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

Key Performance Areas (KPA's)	Weighting
Municipal Transformation and Organisational Development	N/A
Service Delivery	3%
Local Economic Development	N/A
Financial Viability	85%
Good Governance and Public Participation	12%
Spatial Rationale	N/A
Total	100%

- 5.7 Manager's responsibilities are also directed in terms of the abovementioned key performance areas. In the case of managers directly accountable to the Municipal Manager, other key performance areas related to the functional area of the relevant manager can be added subject to negotiation between the municipal manager and the relevant manager.
- 5.8 The CCRs will make up the other 20% of the Employee's assessment score. CCRs that are deemed to be most critical for the Employee's specific job should be selected (✓) from the list below as agreed to between the Employer and Employee.

This Information is for Internal Use Only

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Competencies		Components	Competency Definition	Weighting % (total 100%)
Leading competencies				
Strategic Direction and Leadership	- Impact and Influence - Institutional Performance Management - Strategic Planning and Management - Organisational Awareness		Provide and direct a vision for the institution, and inspire and deploy others to delivery on the strategic institutional mandate	10
People Management	- Human Capital Planning and Development - Diversity Management - Employee Relations Management - Negotiation and dispute Management		Effectively manage, inspire and encourage people, respect diversity, optimise talent and build and nurture relationships in order to achieve institutional objectives	10
Programme and Project Management	- Programme and Project Planning and Implementation - Service Delivery Management - Programme and Project Monitoring and Evaluation		Able to understand programme and project management methodology; plan, manage, monitor and evaluate specific activities in order to delivery on set objectives.	10
Financial Management	- Budget Planning and Execution - Financial Strategy and Delivery - Financial Reporting and Monitoring		Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner	10
Change Leadership	- Change Vision and Strategy - Process Design and improvement - Change Impact Monitoring and Evaluation		Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and deliver professional and quality services to the community	10
Governance Leadership	- Policy Formulation - Risk and Compliance management - Cooperative Governance		Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualisation of relevant policies and enhance cooperative governance relationships	10
Core Competencies				
Moral competence	- Integrity - Institutional rules and regulations - Identification of moral situations with reasoning intent		Able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence	5
Planning and Organising	- Organising information and resources - Recognising the urgency and importance of tasks - Identifying short and long-term goals and plans - Scheduling of tasks plans and goals		Able to plan, prioritise and organise information and resources effectively to ensure the quality of service delivery and build efficient contingency plans to manage risk	5

Competencies	Components	Competency Definition	Weighting % (total 100%)
Analysis and Innovation	- Measuring and monitoring progress - Problem solving techniques - Objectiveness and thoroughness to problem analysis - Breaking down complex problems - Consultation of stakeholders - Communication of opportunities and innovative solutions to stakeholders - Identification of opportunities to enhance internal processes	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives	10
Knowledge and Information Management	- Utilising information systems and technology - Data evaluation - Development of information sharing mechanisms and structures - Research and provision of cutting-edge knowledge to enhance institutional effectiveness and efficiency	Able to promote the generation and sharing of knowledge and information through various processes and media, in order to enhance the collective knowledge base of local government	5
Communication	- Expressing ideas - Understanding and appreciation of diverse perspectives, attitudes, and beliefs - Communication adaptation - Delivery of clear, focused, concise and well-structured written documents	Able to share information, knowledge and ideas in a clear, focused and concise manner appropriate for the audience in order to effectively convey, persuade and influence stakeholders	10
Results and Quality Focus	- Priority actions - Commitment to achieving results - Quality standards, processes, and tasks - High quality output - Monitoring progress and quality of work - Balancing quality and quantity of results	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage other to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives	5
Core Competencies			100%

6. EVALUATING PERFORMANCE

- 6.1. The Performance Plan (Annexure A) to this Agreement sets out :
 - 6.1.1 The standards and procedures for evaluating the Employee's performance.
 - 6.1.2 The intervals for the evaluation of the Employee's performance.
- 6.2 Despite the establishment of agreed intervals for evaluation, the Employer may in addition review the Employee's performance at any stage while the contract of employment remains in force.
- 6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 6.4 The Employee's performance will be measured in terms of contributions to the strategic objectives and strategies set out in the Employer's IDP
- 6.5 The Annual performance appraisal will involve:
 - 6.5.1 Assessment of the achievement of results as outlined in the Performance Plan:
 - (a) Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
 - (b) Values are supplied for KPI's and Activities under each KPA as part of the Institutional Assessment. Based on the Target for an activity or KPI, over or under performance are calculated and converted to the 1–5-point scale automatically. These scores are carried over to the applicable employee's performance plan. During assessment, the employee has a chance to submit evidence of performance where a disagreement.
 - (c) The applicable assessment ratings and scores will calculate a final KPA score.
 - 6.5.2 Assessment of the CCRs:
 - (a) Each CCR should be assessed according to the extent to which the specified standards have been met.
 - (b) An indicative rating on the five-point scale should be provided for each CCR.
 - (c) This rating should be multiplied by the weighting given to each CCR during the contracting process, to provide a score.
 - (d) The applicable assessment rating calculator (refer to paragraph 6.5.1) must then be used to add the scores and calculate a final CCR score.
 - 6.5.3 Overall rating:

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcomes of the various weighted ratings contained in the performance Plan which represents the outcome of the performance appraisal.
- 6.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCRs:

Rating	Terminology	Description	% Score
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.	167
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.	133 - 166
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.	100 - 132
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 as specified in the PA and Performance Plan.	67 - 99
1	Unacceptable performance	Performance does not meet the standard expected for the job. 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.	0 – 66

6.7 For the purpose of evaluating the performance of the manager reporting to the municipal manager, an evaluation panel constituted of the following persons must be established-

- 6.7.1 Municipal Manager
- 6.7.2 Chairperson of the performance audit committee
- 6.7.3 Member of the executive committee
- 6.7.4 Municipal manager from another municipality

6.8 The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panels referred to in sub-regulations (d) and (e).

7. SCHEDULE FOR PERFORMANCE REVIEWS

- 7.1. The performance of each Employee in relation to his / her Performance Agreement shall be reviewed within the month following the quarters as indicated with the understanding that reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter:	July – September 2026	(October 2026)
Second quarter:	October – December 2026	(January 2027)
Third quarter:	January – March 2027	(April 2027)
Fourth quarter:	April – June 2027	(July 2027)

- 7.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.
- 7.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.
- 7.4 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.
- 7.5 The Employer may amend the provisions of Annexure A whenever the performance management system is adopted, implemented and / or amended as the case may be. In that case the Employee will be fully consulted before any such change is made.

8. DEVELOPMENTAL REQUIREMENTS

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

9. OBLIGATIONS OF THE EMPLOYER

- 9.1. The Employer shall:
- 9.1.1 Create an enabling environment to facilitate effective performance by the employee.
- 9.1.2 Provide access to skills development and capacity building opportunities.
- 9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee.
- 9.1.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable him / her to meet the performance objectives and targets established in terms of this Agreement.
- 9.1.5 Make available to the Employee such resources as the Employee may reasonably require from time to time assisting him / her to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

- 10.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others –
- 10.1.1 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 A substantial financial effect on the Employer.
- 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. MANAGEMENT OF EVALUATION OUTCOMES

- 11.1 The evaluation of the Employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- 11.2 A performance bonus of between 5% to 14% of the all-inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance to be constituted as follows:

% Rating Over Performance	% Bonus
130 - 133.8	5%
133.9 – 137.6	6%
137.7 – 141.4	7%
141.5 - 145.2	8%
145.3 – 149	9%
150 – 153.4	10%
153.5 – 156.8	11%
156.9 – 160.2	12%
160.2 – 163.6	13%
163.7 – 167	14%

- 11.3 In the case of unacceptable performance, the Employer shall:
- 11.3.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance.
- 11.3.2 After appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

12. DISPUTE RESOLUTION

- 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 provided for, shall be mediated by the mayor within thirty (30) days of receipt of a formal dispute from the employee, whose decision shall be final and binding on both parties. The decision of the mediator (Mayor) shall be final and binding on both parties whose decision shall be final and binding on both parties.
- 12.2 Any disputes about the outcome of the employee's performance evaluation, must be mediated by 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, Regulation 805 of 2006, within thirty (30) days of receipt of a formal dispute from the employee. The decision of the mediator shall be final and binding on both parties whose decision shall be final and binding on both parties.

13. GENERAL

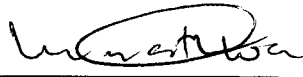
- 13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A may be made available to the public by the Employer.
- 13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/ her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

- 13.3 The performance assessment results of the Municipal Manager must be submitted to the MEC responsible for local government in the relevant province as well as the national minister responsible for local government, within fourteen (14) days after the conclusion of the assessment.

Thus, **done** and **signed** at Lephalale on this the 01 day of July, 2026.

AS WITNESSES:

1. K.P. Molekwa


EMPLOYEE

2. M.P. Maputla

AS WITNESSES:

1. R. Coetzee


MUNICIPAL MANAGER

2. G.T. Motshego

ANNEXURE A

PERSONAL PERFORMANCE PLAN – 2026/ 2027

1. INTRODUCTION

PURPOSE

The performance plan defines the Council's expectations of the employee's 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 the Municipality's Service Delivery and Budget Implementation Plan (SDBIP) and as reviewed annually.

The SDBIP has been revised in terms of S54 (1) (c) of the MFMA, therefore, to ensure alignment of the adjustment SDBIP and Performance Plans, any adjustment to indicators and targets are indicated with footnotes, where it applies.

STRATEGIC ALIGNMENT

The Objects of Local Government as outlined in the Constitution, Key Performance Areas (KPA's) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives per BSC perspective and the ultimate outcomes to be achieved are listed in the table below. The indicators and targets are aligned to contribute to the achievement of the objectives over the longer term, in so far it is relevant to the functions of the employee.

OBJECTS OF LOCAL GOVERNMENT	KPA	STRATEGIC OBJECTIVE
Provide democratic and accountable government for local communities	Financial Viability	Enhance revenue and financial management
	Good Governance and Public Participation	Responsible, accountable, effective and efficient corporate governance
Encourage the involvement of communities and community organisations in the matters of local government	Transformation and Organisational Development	Capacitate disadvantaged groups Provide quality and well-maintained infrastructural services in all municipal areas
Promote a safe and healthy environment	Service Delivery and Infrastructure	Improve functionality, performance and professionalism Protect the environment and improve community well-being
Ensure the provision of services to communities in a sustainable manner.		
	Local Economic Development	Create a conducive environment for businesses to invest and prosper
Promote social and economic development	Spatial Rationale	Rational planning to bridge first and second economies and provide adequate land for development

2. PURPOSE OF THE POSITION

The employee undertakes to be committed to the municipality's strategic intent that follows:

The Municipality's **Vision**:

"A vibrant city and the energy hub"

The Municipality's Mission:

"We are committed to Integrated Development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation"

The **Values** of Lephalale Local Municipality to which the employee subscribes are:

Value	Description
Community orientation	Provide and deliver sustainable services for the whole community.
Transparency	Invite and encourage public sharing and democratic participation in council's activities.
Commitment	Focus and concentrate on council's core activities in a consistent manner.
Business orientation	Subscribe to, and comply with, the best business practices.
Integrity	Conduct council's business in a fair, responsible, flexible, equitable and honest manner.
Accountability	Report regularly to all stakeholders regarding council's actual performance.
Environmental Care	With all the development in Lephalale, the municipality will focus on taking care of the environment.
Empowerment	To be seen to be empowering our people, knowledge is power.
Performance appraisal	Evaluate on the performance of individuals to determine the overall intend of the institutional objective. Continually evaluate and monitor performance against set target.

In the day-to-day activities, the employee is also required to contribute to the achievements of the following operational objectives and strategies:

PROGRAMME	OUTCOME	Programme Objective	Immediate Strategies (1-2 Yrs)	Short Term Strategies (3-5 Yrs)	Medium Term Strategies (5-10 Yrs)	Long Strategies (10 Yrs+)
Budget and reporting	Creditable financial reporting	Continuous compliance with regulatory frameworks.	Prepare, implement, and monitor credible and funded budgets. Implementing effective cost management accounting system /tool (cost reflective tariffs). Timely and accurate capturing, transacting, and reporting of budget in the EMS system. Prepare maintenance budget informed by maintenance plan. Enforce market testing of prices during and specifications for budgeting processes. Prepare and submit Monthly and quarterly reporting and upload of GO Muni Portal and municipal Website. Compile credible AFS and interim financials. Full Implementation of MSCOA (Municipal Standard Chart of Accounts).	Implement proper cost management system. Increase capacity of B&R division to realize effective cost account management.	To redefine and implement credible cost accounting systems.	To have a cost management automated system.
Revenue management	Enhance revenue and financial management.	Increased revenue.	Increase own revenue through full implementation of credit control and debt collection policy Implement revenue enhancement and cost containment strategies to maintain and increase cost coverage and liquidity. Setting of cost reflective tariffs to recover full cost of rendering services Quarterly Reconciliation of valuation roll and take corrective action of exceptions Monthly billing recons to improve on billing accuracy and timeous resolving of customers queries Ensure accessibility to conditional and unconditional grants.	Application of Electricity Licenses at the new areas. Improve on billing accuracy. Creating community awareness. Increase revenue base.	Implement credit control policy and continuously identify additional revenue sources. Development business plans for projects that need funding and submit to WDM donor Implementing signed agency agreements Review valuation roll	Implement credit control policy and continuously identify additional revenue sources. Development business plans for projects that need funding and submit to WDM donor funder to lobby for funding Implementing signed agency agreements
Revenue management	Affordable access to basic services	Free basic services	Update and verify indigent register on a regular basis. Providing indigents with free basic services. Community awareness.	Update and verify indigent register. Providing indigents with free basic services. Community awareness	Update and verify indigent register. Providing indigents with free basic services. Community awareness	Update and verify indigent register. Providing indigents with free basic services.

PROGRAMME	OUTCOME	Programme Objective	Immediate Strategies (1-2 Yrs)	Short Term Strategies (3-5 Yrs)	Medium Term Strategies (5-10 Yrs)	Long Term Strategies (10 Yrs+)
Expenditure Management	Maintenance of sound financial Management and viability.	Clean audit	Implementation of indigent management system. Cash flow management Payment of creditors within 30 days Timely payment of salaries Payment of external loans, interest, and redemption due on time	Implementation of indigent management system. Annual review of indigent management policy. Implementation of a streamlined and integrated creditors payment system.	Extending the capacity of expenditure unit	Community awareness
Supply Chain management	Credible procurement processes	Demand and Acquisition	Ensure compliance with SCM regulatory framework. Timely, cost effective, efficient, equitable, transparent, and fair procurement of goods and services. Creating a healthy working environment that takes diversity into consideration to improve efficiency and effectiveness. Compile deviation registers for report to Council. Do stock reconciliation monthly. Sourcing suppliers through CSD system. Facilitate Supplier development workshop. Compilation and monitoring of the UIFW. reduction strategy register. Compilation and monitoring of credible contact register	Conduct internal workshops on SCM. Conduct awareness on SCM processes during induction of new staff. Utilise CSD for sourcing of suppliers Revision of procurement policy on annual basis. Supplier's performance management. Training of SCM committees. Develop SPI that details the action to be followed in procurement of goods and services for the municipality in line with SCM policy.	Develop policy on procurement of event services Continuous data cleansing of suppliers. Identify recurring procurement that can be outsourced.	Centralization of procurement processes. Updating of database on annual basis Building the capacity in the SCM unit
Asset Management	Enhance revenue and financial management.	Sustainable assets	Continuously ensure that the asset register is compliant with GRAP and other prescriptions. Staff awareness campaign on asset management. Ensuring that municipal assets are adequately insured. Facilitate the development and maintenance of an asset replacement plans.	Develop a register for Work in progress. Annual review of asset management policy. Increase the capacity in asset management unit.	Continuous review and implementation of an infrastructure investment framework and plan Annual review of asset management policy.	Increase the capacity in asset management unit. Annual review of asset management policy.

In terms of Regulation 21 of 2014, Local Government: Regulations on appointment and conditions of employment of senior managers¹, focus should also be on applying the eight Batho Pele Principles².

The Batho Pele principles are as follows:

Consultation

There are many ways to consult users of services including conducting customer surveys, interviews with individual users, consultation with groups, and holding meetings with consumer representative bodies, NGOs and CBOs. Often, more than one method of consultation will be necessary to ensure comprehensiveness and representativeness. Consultation is a powerful tool that enriches and shapes government policies such as the Integrated Development Plans (IDPs) and its implementation in Local Government sphere.

Setting service standards

This principle reinforces the need for benchmarks to constantly measure the extent to which citizens are satisfied with the service or products they receive from departments. It also plays a critical role in the development of service delivery improvement plans to ensure a better life for all South Africans. Citizens should be involved in the development of service standards.

Required are standards that are precise and measurable so that users can judge for themselves whether or not they are receiving what was promised. Some standards will cover processes, such as the length of time taken to authorize a housing claim, to issue a passport or identity document, or even to respond to letters.

To achieve the goal of making South Africa globally competitive, standards should be benchmarked (where applicable) against those used internationally, taking into account South Africa's current level of development.

Increasing access

One of the prime aims of Batho Pele is to provide a framework for making decisions about delivering public services to the many South Africans who do not have access to them. Batho Pele also aims to rectify the inequalities in the distribution of existing services. Examples of initiatives by government to improve access to services include platforms such as the Gateway, Multi-Purpose Community Centers and Call Centers.

Access to information and services empowers citizens and creates value for money, quality services. It reduces unnecessary expenditure for the citizens.

¹ Regulation 21 of 2014, Local Government: Regulations on appointment and conditions of employment of senior managers is available on: www.gpwonline.co.za

² Batho Pele Principles are available on: http://www.ipid.gov.za/about%20us/batho_pele.asp

Ensuring courtesy

This goes beyond a polite smile, 'please' and 'thank you'. It requires service providers to empathize with the citizens and treat them with as much consideration and respect as they would like for themselves.

The public service is committed to continuous, honest and transparent communication with the citizens. This involves communication of services, products, information and problems, which may hamper or delay the efficient delivery of services to promised standards. If applied properly, the principle will help demystify the negative perceptions that the citizens in general have about the attitude of the public servants.

Providing information

As a requirement, available information about services should be at the point of delivery, but for users who are far from the point of delivery, other arrangements will be needed. In line with the definition of customer in this document, managers and employees should regularly seek to make information about the organization, and all other service delivery related matters available to fellow staff members.

Openness and transparency

A key aspect of openness and transparency is that the public should know more about the way national, provincial and local government institutions operate, how well they utilize the resources they consume, and who is in charge. It is anticipated that the public will take advantage of this principle and make suggestions for improvement of service delivery mechanisms, and to even make government employees accountable and responsible by raising queries with them.

Redress

This principle emphasizes a need to identify quickly and accurately when services are falling below the promised standard and to have procedures in place to remedy the situation. This should be done at the individual transactional level with the public, as well as at the organisational level, in relation to the entire service delivery Programme.

Public servants are encouraged to welcome complaints as an opportunity to improve service, and to deal with complaints so that weaknesses can be remedied quickly for the good of the citizens.

Value for money

Many improvements that the public would like to see often require no additional resources and can sometimes even reduce costs. Failure to give a member of the public a simple, satisfactory explanation to an enquiry may, for example, result in an incorrectly completed application form, which will cost time to rectify.

3. SERVICE DELIVERY AND PERFORMANCE INDICATORS

The high-level indicators and targets for the Budget and Treasury Directorate are as follows:

IDP-ID #	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	BUDGET & REPORTING					QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
					U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET					
M 0005	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	Development of Audit Action Plan	Number of Audit Action Plan developed per annum (non-cumulative)	1	#	N/A	N/A	1	N/A			1 Audit Action Plan developed by 31 st January 2027	OPEX	AG Action Plan
M 25	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	Submission of quarterly financial reports to Council	Number of quarterly financial reports submitted to Council per quarter (YTD)	4	#	1	2	3	4			4 quarterly financial reports submitted to Council by 30 th June 2027	OPEX	Financial Quarterly reports submitted to Council, Council resolution
M 281	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	Compilation and submission of the Annual Financial Statements to the office of the Auditor General	Number of AFS compiled and submitted to the Auditor General per annum (non-cumulative)	1	#	1	N/A	N/A	N/A			1 AFS compiled and submitted to the Auditor General by 31 st August 2026	OPEX	Set of Financial Statements (AFS), Acknowledgement of receipt from AG
M 397	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Budget and Reporting	Cost-coverage	Percentage Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R-value monthly fixed operating expenditure per quarter (non-cumulative)	181%	%	200%	200%	200%	200%			200% Cost coverage (R-value all cash at a particular time plus R-value investments, divided by R-value monthly fixed operating expenditure by 30 th June 2027	OPEX	Financial Report
M 630	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial	Liquidity Ratio	Percentage Liquidity ratio (R-value current assets / R-value current liabilities as	204%	%	200%	200%	200%	200%			200% Liquidity ratio (R-value current assets / R-value current	OPEX	Financial report

TOP LAYER SDBIP INDICATORS													
IDP-ID #	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE	
	management\ Asset Management		percentage) per quarter (non-cumulative)							liabilities as percentage by 30 th June 2027			
ASSETS													
M – 17	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Asset Management	Conducting asset verification by the municipality	Number of asset verifications conducted per annum (non-cumulative)	1	#	1	N/A	1	N/A	2 asset verifications conducted by 30 th June 2027	R 4 341 069	SLA of Appointed Service Provider, Updated Asset Registers	
EXPENDITURE													
M – EXP1	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	Capital budget Expenditure progress	Percentage Capital budget spent on capital projects identified for financial year, per quarter (YTD)	82%	%	15%	30%	50%	80%	80% Capital budget spent on capital projects identified for financial year by 30 th June 2027	R 161 695 750	Capital Budget Expenditure report	
M – 205	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	Debt -Coverage, Servicing of Municipal debts	Percentage Debt coverage per quarter (total R-value operating revenue received minus R-value Operating grants, divided by R-value debt service payments (i.e., interest + redemption) due within financial year) (non-cumulative)	1281%	%	200%	200%	200%	200%	200% Debt coverage (total R-value operating revenue received minus R-value Operating grants, divided by R-value debt service payments (i.e., interest + redemption) due within financial year) by 30 th June 2027	OPEX	Financial Report	
SUPPLY CHAIN MANAGEMENT													
M – SCM1	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	Submission of tender reports to Council	Number of tender reports submitted to Council per quarter. (YTD)	4	#	1	2	3	4	4 tender reports submitted to Council by 30 th June 2027	OPEX	Tender Reports submitted to council Council Resolution	

TOP LAYER SDBIP INDICATORS												
IDP-ID #	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
M – SCM2	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	Submission of Deviation reports to Council	Number of deviation reports submitted to council per quarter. (YTD)	4	#	1	2	3	4	4 Deviation Reports submitted to Council by 30 th June 2027	OPEX	Deviation Report submitted to council Council Resolution
M – 285	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	Implementation of procurement Plan	Average number of days between closing of tender and adjudication per quarter. (non-cumulative)	53 days	#	90 days	90 days	90 days	90 days	90 days average number of days between closing of tender and adjudication by 30 th June 2027	OPEX	Tender Report submitted Council
REVENUE												
M – 33	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	Revenue collection	Percentage on calculation of revenue per quarter (R-value total outstanding service debtors divided by R-value annual revenue received for services) (non-cumulative)	88%	%	95%	95%	95%	95%	95% calculation of revenue (R-value total outstanding service debtors divided by R-value annual revenue received for services) by 30 th June 2027	OPEX	Revenue collection report
M – 650	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	Attaining and Maintaining Unqualified Audit Opinion without material findings	Number of Unqualified Audit Opinion without material findings Attained and Maintained per annum (non-cumulative)	Unqualified audit opinion	#	N/A	1 Unqualified Audit Opinion without material findings Attained and Maintained	N/A	N/A	1 Unqualified Audit Opinion without material findings Attained and Maintained by 31 st December 2026	OPEX	Audit report

The lower-level indicators and targets for the Budget & Treasury Office are as follows:

LOWER LAYER SDBIP INDICATORS												
IDP-ID #	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
BUDGET & REPORTING												
M 11	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	Provision of internship programs and maintenance of ICT equipment	Percentage of Municipal Financial Management Grant spent per quarter (YTD)	100%	%	25%	50%	75%	100%	100% Municipal Financial Management Grant spent by 30 th June 2027	R 2 000 000	Financial Report
EXPENDITURE												
M EXP	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	Processing of Payroll payments	Number of reports on payroll payments processed by 25 th of every month (YTD)	12	#	3	6	9	12	12 payroll reports on payments processed by 25 th of every month by 30 th June 2027	OPEX	Pay roll summary, Bank statements
SUPPLY CHAIN MANAGEMENT												
M SCM3	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Supply Chain management	Counting stock taking and reconciliation	Number of Stock taking, and reconciliation counted per annum. (non-cumulative)	1	#	N/A	1	N/A	1	2 Stock takings and reconciliation counted by 30 th June 2027	OPEX	Stock taking report signed by SCM Manager
REVENUE												
M 636	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	Issuing Notices/ reminders on awareness to customers for payments	Number of notices/ reminders on awareness to customers for payments of services issued per quarter (YTD)	3	#	1	2	3	4	4 notices/ reminders on awareness to customers for payments of services issued by 30 th June 2027	OPEX	Monthly billing statements to consumers.
M 638	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Revenue Management	Updating of indigent register	Number of indigent registers updated per annum (non-cumulative)	1	#	N/A	1	N/A	N/A	1 Indigent register updated by 30 th June 2027	OPEX	Updated Indigent register

IDP-ID #	LOWER LAYER SDBIP INDICATORS										ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027		
M - 740	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Auditor General	Operation Clean Audit (non-cumulative)	Number of material audit findings against the municipality regarding financial statements per annum (non-cumulative)	0 material findings on AFS	#	N/A	0	N/A	N/A	0 material findings on AFS by 31 st December 2026	OPEX	Audit report
COMPLIANCE KPI'S												
M - 23	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	Complaints received on the Electronic System	Percentage of complaints received on the electronic system by customer care and successfully attended to by Budget and Treasury Office per quarter (non-cumulative)	100%	%	100%	100%	100%	100%	100% complaints received on the electronic system by customer care and successfully attended to by Treasury Office by 30 th June 2027	OPEX	System generated quarterly Report signed by Manager Admin and Director CSS
M - 26	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	AG queries resolved	Percentage of AG queries resolved by Budget and Treasury Office per quarter (YTD)	100%	%	N/A	N/A	50%	100%	100% AG queries resolved by Budget and Treasury Office by 30 th June 2027	OPEX	Summary of AG queries resolved signed by CAE and CFO
M - 27	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	Internal Audit findings resolved	Percentage of Internal audit findings resolved by Budget and Treasury Office per quarter (YTD)	58%	%	30%	50%	80%	100%	100% Internal audit findings resolved by Budget and Treasury Office by 30 th June 2027	OPEX	Summary of IA queries resolved signed by CAE and CFO
M - 28	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective,	Implementation of AC resolutions	Percentage of AC's resolutions implemented by Budget and Treasury	100%	%	100%	100%	100%	100%	100% AC's resolutions implemented by Budget and	OPEX	Summary of AC Resolutions Implemented, Signed by CAE and CFO

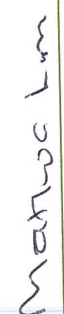
LOWER LAYER SDBIP INDICATORS												
IDP-ID #	HIERARCHY (KPA/ STRATEGIC OBJECTIVE/ PROGRAMME)	PROJECT NAME/ DESCRIPTION	KEY PERFORMANCE INDICATOR	BASELINE	U O M	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	ANNUAL TARGET 2026/ 2027	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
	and efficient corporate governance\ IT and Support		Office per quarter (non-cumulative)							Treasury Office by 30 th June 2027		
M – 348	KPA 5: Financial Viability and Financial Management\ Enhance revenue and financial management\ Expenditure Management	Payment of Creditors	Percentage of creditors paid within 30 days by Budget and Treasury Office per quarter (non-cumulative)	100%	%	100%	100%	100%	100%	100% Creditors paid within 30 days by Budget and Treasury Office by 30 th June 2027	OPEX	Payment Report signed by Manager Expenditure
M – 654	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	Updating of Municipal website	Percentage on updating Municipal Website as per Sec 75 of the MFMA by Budget and Treasury Office per quarter (non-cumulative)	100%	%	100%	100%	100%	100%	100% Updating of Municipal Website as per Sec 75 of the MFMA by Budget and Treasury Office by 30 th June 2027	OPEX	Calendar of Legislated Publications, Screenshots of Reports Published.
M – 667	KPA 4: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ IT and Support	Risk mitigations implemented	Percentage of Risks mitigations implemented by Budget and Treasury Office per quarter (YTD)	90%	%	30%	50%	80%	100%	100% Risk mitigations implemented by Budget and Treasury Office by 30 th June 2027	OPEX	Summary of Risks Mitigations Implemented by CRO
M – 691	KPA 6: Good Governance and Public Participation\ Responsible, accountable, effective, and efficient corporate governance\ Audit Committee	Implementation of Council resolutions	Percentage of Council resolutions implemented by Budget and Treasury Office per quarter (non-cumulative)	100%	%	100%	100%	100%	100%	100% Council resolutions implemented by Budget and Treasury Office by 30 th June 2027	OPEX	Council Resolution Register

4. ANNEXURE B PERSONAL DEVELOPMENT PLAN 2026/ 2027 FOR CHIEF FINANCIAL OFFICER

Personal Development Action Plan				
1. Skills Performance Gap	2. Suggested training and development area	3. Work opportunity created to practice skill / development area	4. Suggested Time Frames	5. Expected outcome
MISO Training	Technical	development		
Afs				
Crab Training	Technical	development		
Training Leadership	Skill Leadership	development		

5. APPROVAL

The process followed ensures individual alignment to the strategic intent of the institution and gives clear direction on what needs to be achieved through a self-directed approach to execute on the objectives, to build sound relationships, to develop human capital and to strengthen the organization through excellent performance. This plan has derived from intense work shopping to ensure integration, motivation and self-direction. The employer and employee both have responsibilities and accountabilities in getting value from this plan. Neither party can succeed without the support of the other.

Undertaking of the employer	Undertaking of the employee
On behalf of my organisation, I undertake to ensure that a work environment conducive for excellent employee performance is established and maintained. As such, I undertake to lead to the best of my ability, communicate comprehensively, and empower managers and employees. Employees will have access to on-going learning, will be coached, and will clearly understand what is expected of them. I herewith approve this Performance Plan.	I herewith confirm that I understand the strategic importance of my position within the broader organisation. I furthermore confirm that I understand the purpose of my position, as well as the criteria on which my performance will be evaluated twice annually. As such, I therefore commit to do my utmost to live up to these expectations and to serve the organisation, my superiors, my colleagues and the community with loyalty, integrity and enthusiasm at all times. I hereby confirm and accept the conditions to this plan.
Signed and accepted on behalf of Council:	Signed and accepted by the Employee:
	
DATE: 01/07/2026	DATE: 01/07/2026

