

ALFRED NZO DISTRICT MUNICIPALITY



**ALFRED NZO**  
DISTRICT MUNICIPALITY

**PERFORMANCE AGREEMENT**

**2020/21 FINANCIAL YEAR**

**Designation**

**BETWEEN**

**ZAMILE HERBERT SIKHUNDLA**  
**MUNICIPAL MANAGER**

**And**

**SIXOLILE MEHLOMAKHULU**  
**EXECUTIVE MAYOR**

**PERIOD OF AGREEMENT:**

**(JULY 2020 TO JUNE 2021)**

Herein represented by **SIXOLILE MEHLOMAKHULU**, in his duly authorized capacity as the **EXECUTIVE MAYOR** of the **ALFRED NZO DISTRICT MUNICIPALITY**

AND

**ZAMILE SIKHUNDLA**

Hereinafter referred to as the **EMPLOYEE** in his/her capacity as duly appointed as your **MUNICIPAL MANAGER**: of the municipality for the period of 01 July 2020 to 30 June 2021.

WHERE AS:

- a) The Employer has entered into an Agreement of Employment with the Employee;
- b) Agreement of Employment concluded between the parties, requires the parties to conclude an annual Performance Agreement within ninety days of assumption of duty, and renew it annually within one month of the beginning of each financial year of the municipality;
- c) The parties must 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 as defined in the municipal Integrated Development Plan; and
- d) The parties must ensure that there is compliance with Sections 8 and 10 of the Municipal Performance Management Policy; 38, 39, 40 and 41 of the Local Government: Municipal System Act, 2000.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

### INTERPRETATION AND DEFINITIONS

In this Agreement, unless the context indicates otherwise—

- 1.1. An expression, which denotes any gender, includes the other genders, a neutral person includes an judicial person and vice versa, and the singular includes the plural and vice versa;
- 1.2. Clause headings are for convenience only and will not be used in its interpretation, and the following expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings –

<b>"Agreement"</b>	means this Performance Agreement and all the Appendices hereto;
<b>"Employee"</b>	<b>Zamile Herbert Sikhundla</b>
<b>"MEC"</b>	means the Member of the <b>EASTERN CAPE</b> Executive Council responsible for local Government;
<b>"MFMA"</b>	means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
<b>"Municipality"</b>	means <b>ALFRED NZO DISTRICT MUNICIPALITY</b> , established in terms of Structures Act;
<b>"Parties"</b>	means the Municipality and the Employee;
<b>"Regulations"</b>	means the Local Government: Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006, promulgated in the Government Gazette as Regulation Notice 805 on 1 August 2006;
<b>"Structures Act"</b>	means the Local Government: Municipal Structures Act, 2000 (Act No. 117 of 1998); and
<b>"Systems Act"</b>	means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended, and the Regulations promulgated in terms of the Act;
<b>MSCOA</b>	Means -is a multi-dimensional recording and reporting system across seven segments. Function or sub-function (GFS votes structure) Item (asset, liability, revenue, expenditure, etcetera) Funding source (rates, services charges, grants, loans, etcetera)

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- 1.3. Words and expressions defined in any sub-clause, for the purpose of the clause of which that sub-clause forms part, bear the meaning assigned to such words and expressions in that sub clause; and
- 1.4. This agreement is governed by and construed in accordance with the laws of the Republic of South Africa.

### PURPOSE OF THIS AGREEMENT

#### The purpose of this Agreement is to –

- 2.1. Comply with the provisions of Section 57(1) (b), (4A), (4B), (4C) and (5) of the Systems Act as well as the Memorandum of Agreement of Employment entered into between the parties;
- 2.2. Communicate the Employer's performance expectations and accountabilities to the Employee, by specifying objectives and targets as defined in the IDP;
- 2.3. Specify accountabilities as set out in the Performance Plan, which must be in a format Substantially compliant with Appendix "A";
- 2.4. Monitor and measure performance against set targeted outputs;
- 2.5. Use this Agreement and the Performance Plan as the basis for assessing the performance of the Employee and to establish whether the Employee has met the performance expectations applicable to the position; and
- 2.6. Appropriately reward the Employee in accordance with the Employer's performance Management policy in the event of outstanding performance.
- 2.7. Entered into by parties in compliance with Circular No 2 MSCOA.

### COMMENCEMENT AND DURATION

- 3.1. This Agreement will commence on **01 July 2020** and will remain in force until **30 June 2021**, where after a new Agreement, Performance Plan and Personal Development Plan must be concluded between the parties for each of the following financial years or any portion thereof for the duration of the Agreement of Employment.
- 3.2. This Agreement will terminate on the termination of the Employee's employment for any reason whatsoever or when the Acting Appointment is terminated.
- 3.3. The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.
- 3.4. 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 must immediately be revised.
- 3.5. Any significant amendments or deviations must take cognizance of the requirements of sections 34 and 42 of the Systems Act, and regulation 4(5) of the Regulation

### PERFORMANCE OBJECTIVES

- 4.1. The Performance Plan must set out the–
  - 4.1.1. The performance objectives and targets that 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 performance objectives and targets reflected in the Performance Plan must–

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- 4.2.1. Be set by the Employer in consultation with the Employee;
- 4.2.2. Be based on the Integrated Development Plan and Budget of the Employer; and
- 4.2.3. Include key objectives, performance indicators, target dates and weightings.
- 4.3. It is agreed that–
  - 4.3.1. The key objectives must describe the main tasks that must be performed by the Employee;
  - 4.3.2. The key performance indicators provide the details of the evidence that must be provided to indicate that a key objective has been achieved;
  - 4.3.3. The target dates describe the timeframe in which the work must be achieved; and
  - 4.3.4. The weightings indicate the relative importance of the key objectives to each other.
- 4.4. The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan.

## PERFORMANCE MANAGEMENT SYSTEM


- 5.1. The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Municipality, and accepts that the purpose of the performance management system is to provide a comprehensive system, with specific performance standards, to assist Municipality to perform to the standards required.
- 5.2. The Employer must consult the Employee about the specific performance standards that are included in the performance management system that are applicable to the Employee.
- 5.3. The Employee undertakes to actively focus on the promotion and implementation of the Key Performance Areas, including special projects relevant to the Employee's responsibilities, within the local government framework.
- 5.4. The Employee must be assessed on his or her performance in terms of the performance indicators identified in the attached Performance Plan and include–
  - 5.4.1. The Key Performance Areas; and
  - 5.4.2. Core Managerial Competencies,

**With a weighting of 80:20 allocated to sub-clause (a) and (b) respectively.**

- 5.5. The Key Performance Areas will make up 80% of the Employee's assessment score, and will contain the following areas of which all of them are compulsory and weights must be allocated to each of them according to the scale of core and functional responsibilities:

	National KPA	✓	Weight
1	Municipal transformation and Institutional Development		10%
2	Basic Service Delivery		60%
3	Local Economic Development		10%
4	Financial Viability & Management		10%
5	Good Governance and Public Participation		5%
6	Cross Cutting Issues		5%
Total			100%

- 5.6. The Core Management Criteria will make up the other 20% of the Employee's assessment score

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## 2020\_21 Performance Agreement

5.7. The Core Competency Requirements are deemed to be most critical for the Employee's specific job and only ten (10) of them should be selected from the list below including the compulsory CMCs as agreed to between the Employer and Employee:

No	Competency Required	Category	✓	Weight
1	Financial Management - Compulsory	Core Managerial Competency		10%
2	People Management - Compulsory			10%
3	Client orientation and Customer Care - Compulsory			10%
4	Strategic Capability			10%
5	Programme and Project Management			15%
6	Change Management			
7	Knowledge Management			10%
8	Service Delivery Innovation			10%
9	Problem Solving and Analytical Thinking			10%
10	Communication			
11	Honesty and Integrity	Core Occupational Competencies		
12	Competence in Self-Management			
13	Interpretation of and implementation within the legislative and national policy frameworks			10%
14	Knowledge of developmental local government			
15	Knowledge of Performance Management and Reporting			
16	Knowledge of global and South African specific political, social and economic contexts			
17	Competence in policy conceptualization, analysis and Implementation			5%
18	Knowledge of more than one functional municipal field/ Discipline			
19	Skills in Mediation			
20	Skills in Governance			
21	Competence as required by other national line sector Departments			
22	Exceptional and dynamic creativity to improve the functioning of the municipality			

5.8. Final Assessment scores shall be given according to each Key Performance Area either by working out a mean or by giving one final score to each KPA.

5.9. Final Assessment scores shall be awarded according to each Core Competency requirements either by working out a mean or by giving one final score to each CCR.

## EVALUATING PERFORMANCE

**6.1. The Performance Plan, attached hereto as Appendix "A", must set out the: -**

- 6.1.1. The standards and procedures for evaluating the Employee's performance; and
- 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 during the validity of the Agreement of Employment.
- 6.3.** Personal growth and development needs identified during any performance review discussion, as well as the actions and time frames agreed to, must be documented in a Personal Development Plan, which must be in a format substantially compliant with Appendix "B".

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6.4. The Employee's performance will be measured in terms of contributions to the goals and strategies contemplated in the Employer's Integrated Development Plan.

**6.5. The annual performance appraisal must involve –**

- 6.5.1. An assessment of the achievement of results as outlined in the performance plan;
- 6.5.2. An assessment of each Key Performance Area according to the extent to which the Specified standards or performance indicators have been met and with due regard to
- 6.5.3. Ad hoc tasks that had to be performed;
- 6.5.4. A rating on the five-point scale for each Key Performance Area; and
- 6.5.5. The use of the applicable assessment rating calculator to add the scores and
- 6.5.6. Calculate a final Key Performance Area score.


**6.6. The Core Management Criteria must be assessed–**

- 6.6.1. According to the extent to which the specified standards have been met;
- 6.6.2. With an indicative rating on the five-point scale for each Criteria; and
- 6.7. By using the applicable assessment rating calculator to add the scores and calculating a final score.
- 6.8. An overall rating is calculated by using the applicable assessment-rating calculator, which represents the outcome of the performance appraisal, provided that the Performance assessment of the Employee will be based on the following rating scale

**For both Key Performance Indicators and Core Management Criteria:**

Level	Terminology	Description Rating
5	Outstanding performance	<ul style="list-style-type: none"> <li>↓ Performance far exceeds the standard expected of an <b>Employee</b> at this level.</li> <li>↓ The appraisal indicates that the <b>Employee</b> 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.</li> </ul>
4	Performance significantly above expectations	<ul style="list-style-type: none"> <li>↓ Performance is significantly higher than the standard expected in the job.</li> <li>↓ The appraisal indicates that the <b>Employee</b> has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year</li> </ul>
3	Fully effective	<ul style="list-style-type: none"> <li>↓ Performance fully meets the standards expected in all areas Of the job.</li> <li>↓ The appraisal indicates that the <b>Employee</b> has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.</li> </ul>
2	Not fully effective	<ul style="list-style-type: none"> <li>↓ Performance is below the standard required for the job in key Areas.</li> <li>↓ Performance meets some of the standards expected for the job.</li> <li>↓ The review/assessment indicates that the <b>Employee</b> has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.</li> </ul>
1	Unacceptable performance	<ul style="list-style-type: none"> <li>↓ Performance does not meet the standard expected for the Job.</li> <li>↓ The review/assessment indicates that the <b>Employee</b> has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan.</li> <li>↓ The <b>Employee</b> 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.</li> </ul>

6.9. The performance of the Employee must be evaluated by an evaluation panel constituted in terms of regulation 27(4)(d), (e) and (f) of the Regulations.

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## SCHEDULE FOR PERFORMANCE REVIEW

**7.1. The performance of each Employee in relation to his or her performance agreement must be reviewed during-**

- 7.1.1. July to September for the First quarter;
- 7.1.2. October to December for the Second Quarter; (mid-term formal assessments)
- 7.1.3. January to March for the Third quarter
- 7.1.4. April to June for the Fourth quarter. (annual formal assessments)

**7.2. Provided that reviews in the first and third quarter may be verbal if performance is satisfactory.**

- 7.3. The Employer must keep a record of the mid-year review and annual assessment meetings, and feedback must be based on the Employer's assessment of the Employee's performance.
- 7.4. The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented or amended, provided that the Employee must be consulted before any such change is made.
- 7.5. The work performance and performance review will not be confined and limited to the performance plan, any incidental work outside the performance plan shall be performed and evaluated accordingly.

## OBLIGATION OF THE EMPLOYER

**The Employer must-**

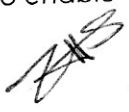
- 8.1. Create an enabling environment to facilitate effective performance by the Employee;
- 8.2. Provide access to skills development and capacity building opportunities;
- 8.3. Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- 8.4. On the request of the Employee delegate such powers reasonably required by the Employee to enable him or her to meet the performance objectives and targets established in this Agreement; and
- 8.5. Make available to the Employee such resources as the Employee may reasonably require from time to time assisting him or she to meet the performance objectives and targets established in this Agreement.

## CONSULTATION

**9.1. The Employer agrees to consult the Employee timeously where the exercising of the powers will-**

- 9.1.1. Have a direct effect on the performance of any of the Employee's functions;
- 9.1.2. Commit the Employee to implement or to give effect to a decision made by the Employer; and
- 9.1.3. Have a substantial financial effect on the Employee.

- 9.2. The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in sub-clause (1) above, as soon as is practicable to enable the Employee to take any necessary action without delay

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## MANAGEMENT OF EVALUATION OUTCOMES

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

10.2. A performance bonus of between 5% and 14% of the inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance, as per regulation 32(2) of the Regulations.

10.3. In the case of unacceptable performance, the Employer-

10.3.1. Must provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

10.3.2. May, after appropriate performance counselling and having provided the necessary guidance and support as well as reasonable time for improvement in performance, consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

10.4. **The following formula shall be used to calculate total scores for awarding performance bonus: -**

### Formula 1.

- a.  $\text{Weight} \times \text{Final score per KPA} = V \times 80\% \text{ (for KPA)} = \text{score for each KPA.}$
- b. Add up all KPA scores to get a total sum = W.

### Formula 2.


- a.  $\text{Weight} \times \text{Final score per CMC} = Y \times 20\% \text{ (for CMC)} = \text{score for each CCR.}$
- b. Add up all CCR scores to get a total sum = Z.

### Formula 3.

- a.  $W + Z = \text{Total score (percentage).}$

10.5. **The following formula shall be used to allocate the performance bonus after the total score has been calculated in accordance with section 10.4:**

COMPONENT	Level of achievement based on a 5 point scale	Qualifying %bonus out of possible 14% of gross annual remuneration
Score of 1%-40%	1-2	0%
Score of 41% - 49%	2 - 2.9	0%
Score of 50%	3	0%
Score of 50% - 59%	3 - 3.4	1 - 4%
Score of 60% - 69%	3.5 - 3.9	4% - 6%
Score of 70% - 79%	4 - 4.3	7% - 9%
Score of 80% - 89%	4.4 - 4.5	10% - 12%
Score of 90% - 100%	4.6 - 5	12% - 14%

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## 2020\_21 Performance Agreement

**EXAMPLE: Assuming a remuneration gross of R 100 000**

COMPONENT	WEIGHTING	PERFORMANCE SCORE	WEIGHTED SCORE
Final KPA score out of possible 100%	80%	60%	$80\% \times 60\% = 48\%$
Final CCR score of a manager out of possible 100%	20%	83%	$20\% \times 55\% = 17\%$
Final score (sum of weighted score)			65%

**EXAMPLE: Assuming a remuneration gross of R 100 000**

Total remuneration package	R 100 000
% Final weighted score achieved	65%
Level of achievement based on a 5-point scale	3.4 – 3.9
Qualifying % bonus out of possible 14% of gross annual remuneration	4% - 6%
Maximum possible bonus	R 14 000
Qualified for bonus for the period under review	R 8 400 – R 9 660

### DISPUTE RESOLUTION

**11.1. Any disputes about the nature or content of the Employee's Performance Agreement, must be mediated by –**

- 11.1.1. The Member of the Executive Council responsible for local government in the Eastern Cape province, in the case of the Municipal Manager, or any other person appointed by the said Member of the Executive Council; and
- 11.1.2. The Mayor, in the case of Managers directly accountable to the Municipal Manager, within thirty days of receipt of a formal dispute from the Employee.

**11.2. Any disputes about the outcome of the Employee's performance evaluation, must be mediated by–**

- 11.2.1. The Member of the Executive Council for local government in the province, or any other person appointed by the MEC, in the case of the Municipal Manager; and
- 11.2.2. A Municipal Councilor, in the case of Managers directly accountable to the Municipal Manager, provided that such a Councilor was not part of the evaluation panel contemplated in regulation 27(4) (e) of the Regulations, within thirty days of receipt of a formal dispute from the Employee.

- 11.3. The decision of the Mediator contemplated in sub-clauses (1) and (2) will be final and binding on both parties.

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## GENERAL

- 12.1. The Employer must make the contents of this Agreement and the outcome of any review conducted in terms of the Performance Plan available to the public as contemplated in section 46 of the Systems Act.
- 12.2. Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his or her Agreement of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.
- 12.3. The performance assessment results of the Municipal Manager must be submitted to the Member of the Executive Council responsible for local government in the **EASTERN CAPE** as well as the National Minister responsible for local government, within fourteen days after the conclusion of the assessment.
- 12.4. The employee is required to complete the Financial Disclosure Form as per Item 5 of the Code of Conduct for municipal staff members. (Appendix C)
- 12.5.

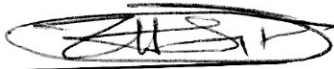
Thus done and signed at uVongo on this the 31 day of 07 (Month) 2008 (Year)

AS WITNESSES:

EMPLOYEE

1. \_\_\_\_\_

2. \_\_\_\_\_



AS WITNESSES:

EMPLOYER (Person reporting to)

1. \_\_\_\_\_

2. \_\_\_\_\_



**APPENDIX A**

**SCORECARD / PERFORMANCE PLAN**

**FOR**

**MUNICIPAL MANAGER**

**FOR**

**YEAR 2020 /21**

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MUNICIPAL TRANSFORMATION				Portfolio of Evidence			
KEY PERFORMANCE INDICATOR	Weight	Baseline	Annual Target Budget	Q1 Target	Q2 Target	Q3 Target	Q4 Target
Number of IGR meetings conducted	2%	4	8	R0,00	Conduct 1 IGR Meeting by 30 September 2020	Conduct 1 IGR Meeting by 30 March 2021	Conduct 1 IGR Meeting by 30 September 2021
% compliance with leave administration of all Senior Managers	2%	100%	100%	R0,00	Monitor Senior management leave and Update their leaves timeously on VIP by 30 September 2020	Monitor Senior management leave and Update their leaves timeously on VIP by 30 March 2021	Monitor Senior management leave and Update their leaves timeously on VIP by 30 June 2021
Number of reviewed organograms sent to Council for adoption	3%	One organogram reviewed and adopted	1 reviewed organogram sent to the Council for	100 000	monitors the facilitating of the organogram study analysis	Making sure that Departments comply with consultation by 31 March 2021 for organogram review.	1. Reviewed organogram submitted to council for adoption by the Council by 30 June 2021
	5%	One formal assessment conducted	Two formal reviews organised for both permanent	0.00	conducting annual assessments 2019/20 FY to all the Managers who reports to the Municipal Manager by 30	conducting mid term assessments 2020/21 FY to all the Managers who reports to the Municipal Manager by 30	Verifying and Overseeing submission of performance agreements of all the Managers that reports to the Municipal Manager
ALL or Nothing							
				Mid Term Assessments			
				Actual Expend Q1 Actual			
				Q2 Actual			
				Actual POE's			
				Comment			

LOCAL ECONOMIC DEVELOPMENT

KEY PERFORMANCE INDICATOR WEIGHT		BASELINE	ANNUAL TARGET	BUDGET	Q1 TARGET	Q2 TARGET	Q3 TARGET	Q4 TARGET	Portfolio of Evidence
Number of hectares ploughed		5 717 ha	450 ha Maize Production, 200 ha Maize Production Inputs, 142 ha Dry Beans Production, 50 ha Potato Production, 20 ha Sweet Potato Production, 60 ha Cabbage Production ploughed by 30 June 2021	R25 557 680.50	<b>Complete 4 targets:</b> 1. Review project implementation plan for 2020/21 cropping season by 30 September 2020. 2. Monitor harvesting of maize (200 ha) & cabbage (10 ha) from 2019/20 season. 3. Facilitate provision of 200 ha of production inputs by 30 September 2020. 4. Hold 1 Project Steering Committee (PSC) meeting	<b>Complete 2 targets:</b> 1. Monitor mechanisation processes of 300 ha by 31 December 2020. 2. Hold 1 Project Steering Committee (PSC) meeting for project implementation by 31 December 2020.	<b>Complete 2 targets:</b> 1. Monitor mechanisation processes of 300 ha by 31 December 2020. 2. Hold 1 Project Steering Committee (PSC) meeting for project implementation by 31 December 2020.	<b>Complete 2 targets:</b> 1. Monitor mechanisation processes of 300 ha by 31 December 2020. 2. Hold 1 Project Steering Committee (PSC) meeting for project implementation by 31 December 2020.	Delivery notes, progress reports, close out report
					<b>Complete 3 targets:</b> 1. Monitoring and managing erection of fencing in 4 KM by 31 December 2020. 2. Overseeing construction processes of 1 silo slab in Umzimvubu Local Municipality by 31 December 2020.	<b>Complete 3 targets:</b> 1. Monitoring erection of fencing for 4 KM by 31 March 2021. 2. Monitor construction of 1 silo slab in Umzimvubu Local Municipality by 31 March 2021. 3. Monitor installation of 1 silo and weigh bridge by 31 March 2021.	<b>Complete 2 targets:</b> 1. Monitor erection of fencing for 4 KM by 30 June 2021. 2. Monitor installation of 1 silo and weigh bridge by 30 June 2021.	<b>Complete 2 targets:</b> 1. Monitor erection of fencing for 4 KM by 30 June 2021. 2. Monitor installation of 1 silo and weigh bridge by 30 June 2021.	
Number of kilometres fenced; Number of silos constructed;		5 190 Hectares of arable land fenced	12 kilometers fenced by 30 June 2021; 2 Silos Constructed by 30 June 2021	R3 763 000.00	<b>Complete 3 targets:</b> 1. Monitoring and managing Cropping Development Project for fencing intervention by September 2020	<b>Complete 2 targets:</b> 1. Monitoring and managing erection of fencing in 4 KM by 31 December 2020. 2. Overseeing construction processes of 1 silo slab in Umzimvubu Local Municipality by 31 December 2020.	<b>Complete 3 targets:</b> 1. Monitoring erection of fencing for 4 KM by 31 March 2021. 2. Monitor construction of 1 silo slab in Umzimvubu Local Municipality by 31 March 2021. 3. Monitor installation of 1 silo and weigh bridge by 31 March 2021.	<b>Complete 2 targets:</b> 1. Monitor erection of fencing for 4 KM by 30 June 2021. 2. Monitor installation of 1 silo and weigh bridge by 30 June 2021.	Beneficiary list, Delivery notes, progress reports, close out report

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FINANCIAL VIABILITY AND MANAGEMENT									
KEY PERFORMANCE INDICATOR	Weight	Baseline	Annual Target	Budget	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Portfolio of Evidence
Improve budgeting, reporting and compliance	5%	12	12	R0.0	Signes section 71 reports submitted by the CFO	Signes section 71 reports submitted by the CFO	Signes section 71 reports submitted by the CFO	Signes section 71 reports submitted by the CFO	Proof of submission to NT treasury
Monitoring Municipal OPEX	10%	100% monitored	Municipal budget monitored 100% till 30 June 2021	1,300,000,000	Ensuring that all procurements are aligned with Natational Treasury. Accountable for Municipal Expenditure September 2020	Ensuring that all procurements are aligned with Natational Treasury. Accountable for Municipal Expenditure December 2020	Ensuring that all procurements are aligned with Natational Treasury. Accountable for Municipal Expenditure March 2020/21	Ensuring that all procurements are aligned with Natational Treasury. Accountable for Municipal Expenditure 30 June 2021.	Management expenditure account
Submit Annual Financial Statements to AG	3,50%	5	5	5 R 6 795 750.00	Assisting CFO in making that she submit AFS to Audit Committee & Auditor general by the 31 August 2020 and submit consolidated AFS by the 30 September 2020	Assisting CFO in making that she submit AFS to Audit Committee & Auditor general by the 30 November 2020 and submit consolidated AFS by the 5 December 2020	Submit Mid-term by 25 February	N/A	ANDM audited AFS, AG confirmation of AFS

Mid Term Assessments		20/21 FY	
Actual Expendit	Q1 Actual	Q2 Actual	Actual POE's
			Comment

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GOOD GOVERNANCE

KEY PERFORMANCE INDICATOR	Weight	Baseline	Annual Target	Budget	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Portfolio of Evidence
ensure full implementation of the Risk Management Framework and Policy	10	1 strategic and Operational Risk Assessment conducted	1 strategic and Operational Risk Assessment conducted by the 30 September 2020	200 000.00	1 Approved TOR by 15 July 2020; 1 Signed report by Specification Committee by 30 July 2020	1. Conduct risk assessment for the entire municipality by August 30; 2020;	Table the draft report to Senior Manco, Audit Committee, Mayoral by 30 September 2020	1. Draft Risk Assessment Report 2. Approval of the risk registers by Risk Management Committee; 3. Report to Senior Manco, Audit Committee, Mayoral Committee on the outcome of the risk assessment.	Terms of reference, Risk profile and attendance register
Number of IDPs adopted	5	1 IDP adopted	1 IDP adopted	200 000.00	Monitor the Development of ANDM IDP/PMS 7 Budget Process 2020-2021 Plan and facilitate adoption process by the Council by the August 2019	1) Conduct 1 ANDM Situational Analysis/ Research by 20 December 2019			

Mid Term Assessments	20/21 FY	Actual POE's	Comment
Actual Expendit Q1 Actual	Q2 Actual		

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## BASIC SERVICE DELIVERY

SELF PERFORMANCE INDICATOR		Annual Target		Budget	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Portfolio of Evidence	
		Baseline	Target						Project Advertisment, Appointment letter, Delivery Not	
Number of water meter purchased	3.5	10	15 bulk meter	R5 000 000.00	None	None	Monitoring Appointment of Service Provider	Ensuring tha 15 bulk meters purchased		
Number of Targeted VIP Sanitation Toilets completed	5.1	1226	Construction of 425 VIP toilets in Matatiele, . Construction of 300 VIP toilets in Umzimvubu LM	8 700 000.00	Prepare TORs for submission and approval,Advertise, Appoint Service Provider and Hand Over	Construction of 150 VIP toilets in Umzimvubu. Awarding of tender, Site establishment 75 VIP Toilets constructed in Matatiele	100 VIP Toilets constructed in Matatiele, Construction of 150 VIP toilets in Umzimvubu	250 Targeted VIP Sanitation Toilets completed in Matatiele	Tender advert, Terms of reference, Happy letters; Completion Certificate	
Number of water schemes completed in Matatiele	5.5	Resolving funding challenges and contractual challenges in the project	1 Water scheme completed in Matatiele	11 999 000.00	Install 3x borehole pumps by 31 September 2020	Overseeing the processes of testing pipeline	Ensuring that close out report and practical completion certificate issued.	None	Progress report and practical completion certificate	
Number of kilometres of pipeline, Precast 1x SBS Tanks; Borehole, pump stations with 2highlift electric pump stations with standby diesel generator completed	7.5	Installation of 3,194kilometres of pipeline, 1x res of SBS Tanks; pipeline, 1x SBS Tanks; 31 stand pipes equipping of (Ntbankulu Ward 14 Water Supply)	Construction of 7 68kilometres of pipeline, 1x SBS Tanks and fencing : 31 stand pipes equipping of (Ntbankulu Ward 14 Water Supply)	15 202 961.00	Preparation of Terms of reference, Tender advert	Tender award and site establishment	Construction of 3.84km reticulation and 1 x reservoir platform	Completion of 1 x reservoir, 31 stand pipes and commissioning of the system	Terms of reference, Tender advert, Appointment letter, site handover and progress meetings minutes, progress reports and practical completion certificate	

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# CROSS CUTTING ISSUES

KEY PERFORMANCE INDICATOR	Annual			Budget	Portfolio of Evidence			
	Weight	Baseline	Target		Q1 Target	Q2 Target	Q3 Target	Q4 Target
	0	3	1	R1 000 000,00	Verify terms of reference.	1. Managing procurement processes towards appointment of Service Provider by 13 December 2020	Monitoring Datasets Captured on GIS for 10 ward by 31 March 2021	Monitoring Datasets Captured on GIS for 14 wards by 30 June 2021
								approved terms of Reference, Advert, Reports, Maps, Shape Files and Attendance Registers

20/21 FY

Mid Term Assessments

Actual Expenditure Q1 Actual

Q2 Actual

Actual POE's

Comment

*[Signature]*  
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APPENDIX B

PERSONAL DEVELOPMENT PLAN

FOR  
MUNICIPAL MANAGER  
FOR  
YEAR 2020 /21

## 2020-2021 Performance Agreement

INCUMBENT	ZAMILE HERBET SIKHUNDLA
EMPLOYEE NO.	
JOB TITLE	MUNICIPAL MANAGER
REPORT TO	EXECUTIVE MAYOR: CILLR S. MEHLOMAKHULU

1. What are the competencies required for this job (refer to competency profile job Description) ?

- Administrative Capabilities
- Financial Management
- Project / Program management
- Strategic Management +

2. What are competencies from the above list, does the job holder already possess?

- Strategic Management
- Administrative Capabilities

3. What then are the competency gaps? (if the job holder possesses all the necessary competencies, complete No's 5 and 6)

- Project / Program Management
- Monitoring & Evaluation

4. Action/Training interventions to address the gaps/needs

- Advanced program / project Management
- Conflict Resolution Mechanism

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## 2020-2021 Performance Agreement

5. Indicate the competencies required for future career progression/development

Master of Public Management

6. Action/Training interventions to address future progression

- Annual Management for non-financial managers  
for Monitoring & evaluation

7. Comments/Remarks of the incumbent

In-depth understanding of Performance Management/  
Monitoring & evaluation


8. Comments/Remarks of the supervisor

Agreed upon

Employee:

ZH SIKHUNDLA

Signature:



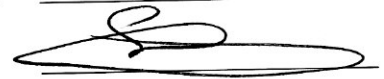
Date:

31/07/2020

Supervisor:

S. Mchomakulu

Signature:



Date:

\_\_\_\_\_

**2020-2021 Performance Agreement**

## APPENDIX C

### FINANCIAL DISCLOSURE

FOR  
MUNICIPAL MANAGER

FOR

YEAR 2020/21

## 20-21 Performance Agreement

## CONFIDENTIAL

## FINANCIAL DISCLOSURE FORM 20/21 FINANCIAL YEAR

I, the undersigned ZH SIKHUNDLA

(Surname and Initials) residing at

Bonxa location, Ntabankulu 5130

(Residential address) and

03 Montreux Drive; Uvongo 4270

(Postal address)

Employed as Municipal Manager at Alfred Nzo District Municipality hereby certify that the following information is complete and correct to the best of my knowledge:

**1. Shares and other financial interests** (Not bank accounts with financial institutions)

See information sheet: Note (1)

No	Number of shares/ extent of financial interest	Nature	Nominal value	Name of Company or entity
1	✓			
2				
3		A		
4				
5				

20-21 Performance Agreement

2. Directorships and Partnerships

See information sheet: Note (2)

No	Name of Corporate entity, partnership or firm	Type of business	Amount of Remuneration or Income
1	Zam Classic International	Trading	Depends on Work
2			
3			
4			
5			

3. Remunerated work outside the Municipality (As sanctioned by Council)

See information sheet: Note (3)

No	Name of Employer	Type of business	Amount of Remuneration or Income
1	LH MANAGEMENT	CONSULTING	DEPENDS ON WORK
2	LH CONSULTING	CONSULTING	DEPENDS ON WORK VALUE
3	Zam Classic International	Motor Vehicles Business	Depend on work
4			
5			



20-21 Performance Agreement

**CONFIDENTIAL**

**4. Consultancies and retainer ships**

See information sheet: Note (4)

No	Name of client	Nature	Type of business activity	Value of benefits received
1	LH MANAGEMENT	CONSULTING	CONSULTING	DEPENDS
2	LH CONSULTING	CONSULTING	CONSILTING	DEPENDS
3				
4				
5				

**5. Sponsorships**

See information sheet: Note (5)

Source of sponsorship	Description of sponsorship	Value of sponsorship
u		
	A	

## 20-21 Performance Agreement

## 6. Gifts and hospitality from a source other than a family member

See information sheet: Note (6)

No	Description	Value	Source
1			
2			
3			
4			
5			

## 7. Land and property

See information sheet: Note (7)

No	Description	Extent	Area	Value
1	Bonxa location	5000 sqm	5000 sqm	R1m
2	03 Montreux Drive ; Uvongo Ekubo	House	3000sqm	R2,8 m
3	Site 1348 Gcubo Estate	Vacant	2300sqm	R500k
4	Site 05 Mhlangakhulu Drive South Rort	Vacant	3000sqm	R 450k
5				

20-21 Performance Agreement

8. Family Business operating within the Municipality

See information sheet: Note (8)

No	Name of Business	Type of Business	Relationship with the owner	
1				
2				
3				
4				
5				

  
SIGNATURE OF EMPLOYEE

DATE: 31/07/2020

20-21 Performance Agreement

**CONFIDENTIAL**

**OATH/AFFIRMATION**

1. I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down her/his answers in his/her presence:

(i) Do you know and understand the contents of the declaration?

Answer Yes

(ii) Do you have any objection to taking the prescribed oath or affirmation?

Answer NO

(iii) Do you consider the prescribed oath or affirmation to be binding on your conscience?

Answer Yes

I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration. The deponent utters the following words: "I swear that the contents of this declaration are true, so help me God." / "I truly affirm that the contents of the declaration are true". The signature/mark of the deponent is affixed to the declaration in my presence.

[Signature]  
Commissioner of Oath / Justice of the Peace

Full first names and surname: Dumisani N. Nkonyo (Block letters)

Designation (rank): CAPTAIN Ex Officio

Republic of South Africa

Street address of institution: 56 Hope Street  
KOKSTAD 4700

Date: 2020-07-31



**20-21 Performance Agreement**

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**INFORMATION SHEET FOR THE GENERIC FINANCIAL DISCLOSURE FORM**

The following notes is a guide to assist with completing the Financial Disclosure forms (Annexure A):

**NOTE 1: Shares and other financial interests**

Designated employees are required to disclose the following details with regard to shares and other financial interests held in any private or public company or any other corporate entity recognized by law:

- The number, nature and nominal value of shares of any type;
- The nature and value of any other financial interests held in any private or public company or any other corporate entity; and
- The name of that entity.

**NOTE 2: Directorships and partnerships**

Designated employees are required to disclose the following details with regard to directorships and partnerships:

- The name and type of business activity of the corporate entity or partnership/s; and
- The amount of any remuneration received for such directorship or partnership/s.

Directorship includes any occupied position of director or alternative director, or by whatever name the position is designated.

Partnership is a legal relationship arising out of a contract between two or more persons with the object of making and sharing profits.

**NOTE 3: Remunerated work outside the Municipality (As sanctioned by Council)**

Designated employees are required to disclose the following details with regard to remunerated work outside the public service:

- The type of work;
- The name and type of business activity of the employer; and

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**20-21 Performance Agreement**

- The amount of the remuneration received for such work.

Remuneration means the receipt of benefits in cash or kind, and work means rendering a service for which the person receives remuneration.

**NOTE 4: Consultancies and retainer ships**

Designated employees are required to disclose the following details with regard to consultancies and retainer ships:

- The nature of the consultancy or retainer ship of any kind;
- The name and type of business activity, of the client concerned; and
- The value of any benefits received for such consultancy or retainer ships.

**NOTE 5: Sponsorships**

Designated employees are required to disclose the following details with regard to sponsorships:

- The source of the sponsorship;
- The description of the sponsorship; and
- The value of the sponsorship.

**NOTE 6: Gifts and hospitality from a source other than a family member**  
Designated employees are required to disclose the following details with regard to gifts and hospitality:

- A description and the value and source of a gift with a value in excess of R350.00;
- A description and the value of gifts from a single source which cumulatively exceed the value of R350.00 in the relevant 12 month period; and
- Hospitality intended as a gift in kind.

Designated employees must disclose any material advantages that they received from any source e.g. any discount prices or rates that are not available to the general public. All personal gifts within the family and hospitality of a traditional or cultural nature need not be disclosed.

**NOTE 7: Land and Property**

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**20-21 Performance Agreement**

**Designated employees are required to disclose the following details with regard to their ownership and other interests in land and property (residential or otherwise both inside and outside the Republic):**

- **A description of the land or property;**
- **The extent of the land or property;**
- **The area in which it is situated**

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