

PERFORMANCE PLAN

Entered into by and between

MANDENI MUNICIPALITY

["the Employer"]

and

DR MPIOLO BRILLIANCE NGUBANE

["the Employee"]

1. Purpose

The performance plan defines the Council's expectations of the Municipal Manager'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 as reviewed annually.

2. Key responsibilities

The following objects of local government will inform the Municipal Manager's performance against set performance indicators:

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

3. Key Performance Areas

The following Key Performance Areas (KPAs) as outlined in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006), inform the strategic objectives listed in the table below:

- 3.1 Basic Service Delivery.
- 3.2 Municipal Institutional Development and Transformation.
- 3.3 Local Economic Development (LED).
- 3.4 Municipal Financial Viability and Management.
- 3.5 Good Governance and Public Participation.

4. Key Performance Objectives and Indicators, for the Municipal Manager

The provisions and statutory time frames contained in the following legislation are required to be reported on and measured:

- 4.1 Section 157 of the Constitution of the Republic of South Africa, 1996
- 4.2 Local Government: Municipal performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Manager, 2006 (Regulation No. R805, dated 1 August 2006)
- 4.3 Regulation No. 796 (Local Government: Municipal Planning and Performance Management Regulations, 2001) dated 24 August 2001
- 4.4 Municipal Finance Management Act, 2003, in particular, but not limited to, Chapter 8. (Will include, *inter alia*, tariff policy, rates policy, credit control and debt collection policy, supply chain management policy and an unqualified Auditor General's report.)
- 4.5 Property Rates Act, 2004.
- 4.6 Municipal Structures Act, 1998, in particular, but not limited to, Chapter 5 (Powers and functions as determined by legislation or agreement)
- 4.7 Municipal Systems Act, 2000, in particular, but not limited to, sections 55 to 57
- 4.8 Any other applicable legislation specific to the Municipal Manager.

Key Performance Area	Weighting	Performance Indicator	Baseline Information	Target			Progress on date of review
				Time frame	Quality	Quantity	
1. Municipal Transformation and Organisational Development	15	<ul style="list-style-type: none"> Performance Management System (PMS) aligned to the IDP, developed and implemented. 	60%	September 2007	PMS Policy	1 Policy	
		<ul style="list-style-type: none"> An organisational structure aligned to the IDP established and operationalised. 	85%	August 2007	Organisational Structure	1 Organogram	
	<ul style="list-style-type: none"> Effective administrative and institutional systems, structures and procedures including: human resources, financial policies, by-laws and communication systems established and implemented. 	60%	Ongoing	Policies, Bylaws	Number of policies		
	<ul style="list-style-type: none"> The interface between EXCO and Council to align administrative and political priorities of Council 	14 EXCO meetings 5 Council meetings per year	July 2008	Resolutions taken	15 EXCO 6 Council meetings		

		managed.					
		<ul style="list-style-type: none"> • Integrated human resource management systems introduced and operationalised. 	0	July 2008	Integration	1 System	
		<ul style="list-style-type: none"> • Customer service systems implemented. 	1	July 2007	Unit established	1 Unit	
2. Infrastructure Development and Services Delivery	30	<ul style="list-style-type: none"> • Infrastructure Development and Investment Model implemented. (In the said model there should be a dynamic relationship between population growth projections, service delivery backlogs, revenue generation capacity and institutional capacity): 	0	September 2007	Plan Implemented	1 Plan / Model	
		<ul style="list-style-type: none"> • Reduction in reticulation losses for electricity (Rand-value) 	± R5000.00 per month	September 2007	Reduction Plan Implemented	1 Plan (R2000.00 per month)	
		<ul style="list-style-type: none"> • % Reduction in number of complaints from residents. 	25% per month	September 2007	Complaints Register	50% reduction per month	
		<ul style="list-style-type: none"> • % Increase in 	25% response	December		40%	

		response time and resolution of complaints.	time	2007			
		• % Increase in payment of municipal services.	35% collection rate	December 2007		40%	
		• Asset register for all infrastructure and municipal property rehabilitated periodically and maintained.	20%	September 2007	Rehabilitation and maintenance	1 Register	
		• The provision of basic municipal services to the satisfaction of residents (That is, clear delivery programmes and projects to progressively achieve national service delivery targets in terms of:					
		• Electricity	100%	July 2008			
		• Refuse removal	60%	July 2008		65%	
		• Municipal access roads and public transport	45%	July 2008		50%	
		• Sustainable human settlement development facilitated through engagement in line with the IDP and	95%	July 2008	Settlement Development	1 Plan	

		through IGR structures.					
		<ul style="list-style-type: none"> • IDP integrates sector plans including Housing, Health, Social Development, Home Affairs, DME, DWAF, DTI, DEAT, Education, Land Affairs. 	85%	July 2007	Credible IDP	1 IDP with sector plans	
		<ul style="list-style-type: none"> • Spatial Development Framework in IDP includes spatial reconstruction policies, environmental, social and demographic trends, land-use policies and representation of sustainable human settlement vision. 	100%	July 2007	Framework	1 SDF Plan	
3. Local Economic Development (LED)	20	<ul style="list-style-type: none"> • An analysis of the local economy undertaken. 	65%	September 2007	Implementation of the LED Strategy	LED Strategy	
		<ul style="list-style-type: none"> • Comparative and competitive advantage of the municipality identified and incorporated into credible LED 	65%	September 2007	Identification	1 LED Strategy	

		strategy and programmes.					
		<ul style="list-style-type: none"> • Spatial Development Framework in IDP includes economic development analysis, land-use policies and spatial representation of development vision. 	65%	July 2007	Framework	1 SDF Plan	
		<ul style="list-style-type: none"> • Institutional capacity to implement LED programmes established and a conducive environment for shared growth created to ensure that: 	25%	December 2007	LED Activities	1 LED Office	
		<ul style="list-style-type: none"> • Market and public confidence in municipal functioning, infrastructure development and service delivery is improved. 	5%	July 2008	Survey	1 Survey	
		<ul style="list-style-type: none"> • Existing public and private resources to intensity enterprise support to local communities utilized. 	0	July 2008	Resources	1 list of resources	

		<ul style="list-style-type: none"> • Sustainable community investment programmes introduced and implemented. 	0	July 2008	Implementation	± 5 programmes	
		<ul style="list-style-type: none"> • Knowledge sharing networks and social partnerships facilitated. 	0	July 2008	Establishment	1 Centre	
4. Municipal Financial Viability and Management	20	<ul style="list-style-type: none"> • Sound financial management practices implemented in terms of the MFMA priorities and timeframes, including but not limited to: 					
		<ul style="list-style-type: none"> • Budget aligned to development and service delivery targets that municipalities are accountable for as set out in the adopted IDPs. 	50%	July 2007	Aligned Budget and IDP	Budget IDP	
		<ul style="list-style-type: none"> • Budget and treasury office established. 	100%	-	-	-	
		<ul style="list-style-type: none"> • Budget and revenue management is effective. 	100%	Ongoing	-	-	
		<ul style="list-style-type: none"> • Financial 		Ongoing	-	1 Report	

		reporting and auditing is performed.	100%				
		• Institutional capacity for municipality to spend is created.	65%	December 2007	Effectiveness	1 Workshop	
		• Financial management policies and by-laws developed, including but not limited to: supply chain management, credit control, tariff and investment policies.	100%	-	-	-	
		• Integrated financial management systems introduced and operationalised.	65%	December 2007	Operationalisation	1 Operational Plan	
		• Municipal financial viability targets set and achieved which will ensure that:					
		• Growth in service debtors is reduced.	25%	July 2008	Strategic Formulation	1 Strategy	
		• Consumer debt exceeding 90 days is recovered.	35%	July 2008	Recovery	15%	
		• % Reduction in grant dependency rate.	25%	July 2008		10% reduction	

		<ul style="list-style-type: none"> • Turn around time for creditor payment improved. 	90 days	July 2008		60 days	
		<ul style="list-style-type: none"> • % Personal cost over the total operational budget is in line with regulatory framework. 	43%	July 2008		40%	
		<ul style="list-style-type: none"> • Provision for bad debt made. 	20%	July 2008		40%	
		<ul style="list-style-type: none"> • Financial legislation implemented, and complied with, including the Property Rates Act and the Division of Revenue Act. 	75%	July 2008	Implementation	85%	
5. Good Governance and Public Participation	15	<ul style="list-style-type: none"> • Procedures for community participation processes as set out in legislation adhered to in terms of: 					
		<ul style="list-style-type: none"> • Planning 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • Budgeting 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • Implementation 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • Monitoring and reporting. 	65%	December 2007 July 2008	Monitoring Evaluation	2 Reports	
		<ul style="list-style-type: none"> • Regular communication with communities on the achievement 	4 Newsletters	December 2007 July 2008	Reporting Reporting	2Newsletters 2Newsletters	

		of targets set out in IDPs is carried out.					
		<ul style="list-style-type: none"> • Functioning of ward committees directly supported where applicable. 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • Capacity building of community-based organisations to enhance effective participation facilitated. 	20%	July 2008	Effective Participation	1 Programme	
		<ul style="list-style-type: none"> • Relationship with organized business, labour and civil society built through transparent and accountable. 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • An anti-corruption strategy in terms of national strategy in terms of national strategy for the municipality is developed and implemented to address: 	100%	Ongoing	-	1 Report	
		<ul style="list-style-type: none"> • Prevention 	100%				
		<ul style="list-style-type: none"> • Detection 	100%				
		<ul style="list-style-type: none"> • Awareness / communication 	100%				
		<ul style="list-style-type: none"> • Financial and performance audit committee established and 	100%				

		functional.					
		<ul style="list-style-type: none"> • Mechanisms to ensure disclosure of financial interest in place. 	100%				
		<ul style="list-style-type: none"> • An effective communication strategy to promote transparency, public accountability, access to information, administrative justice and responsiveness to complaints are dealt with in terms of the relevant legislation, developed and implemented. 				1	
		<ul style="list-style-type: none"> • Unqualified audit report achieved and maintained. 	50%	July 2008	Unqualified Report	Unqualified Report	
		<ul style="list-style-type: none"> • Community satisfaction surveys conducted. 	25%	July 2008	Survey	1 Survey	

Signed and accepted by the Municipal Manager _____

Date:.....

Signed by the Mayor on behalf of the Council _____

Date:.....