



UMUZIWABANTU MUNICIPALITY

**PERFORMANCE
AGREEMENT
OF
MS SN VILAKAZI**

UMUZIWABANTU MUNICIPALITY

2020 / 2021 PERFORMANCE CONTRACT

MADE AND ENTERED INTO BY AND BETWEEN:

THE UMUZIWABANTU LOCAL COUNCIL

("The employer")

REPRESENTED BY THE MUNICIPAL MANAGER: MR WEST THAMSANQA
GUMEDE,

DULY AUTHORIZED IN TERMS OF SECTION 57 (1) (B), (4A), (4B) AND (5) OF THE
LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT NO. 32 OF 2000 AS WELL AS
THE EMPLOYMENT CONTRACT ENTERED INTO BETWEEN THE PARTIES

AND

THE CHIEF FINANCIAL OFFICER

MS SILUNGILE NONTOKOZO VILAKAZI

("The employee")

FOR THE

FINANCIAL YEAR: 01 JULY 2020 – 30 JUNE 2021



T.P.M. N.M. S.G.

ACRONYMS

BEE	-	Black Economic Empowerment
CCR	-	Core Competency Requirement
CFO	-	Chief Financial Officer
DMM	-	Deputy Municipal Manager
EXCO	-	Executive Committee
GM	-	General Manager
HOD	-	Head of Department
IDP	-	Integrated Development Plan
KPA	-	Key Performance Area
KPI	-	Key Performance Indicators
LED	-	Local Economic Development
MSA	-	Municipal Systems Act no. 32 of 2000
Nedlac	-	National Economic Development and Labour Council
OPMS-		Organisational Performance Management System
PA	-	Performance Agreement
PDP	-	Personal Development Plan
PIMS-		Planning Implementation and Management Support
PP	-	Performance Plan
RSA	-	Republic of South Africa
SCM	-	Municipal Supply Chain Management Policy
SDBIP	-	Service Delivery and Budget Implementation Plan

DEFINITIONS

- Ruling Language** Refers to the language parties to the contract choose to use as a medium for formal communication between them.
- Financial Year** - Refers to the 12 month period which the organization determines as its budget year.
- Director** – Refers to the Head of Department
- Department** - Refers to the Finance department
- The employee** – Refers to Ms SN Vilakazi
- The employer** – Refers to UMUZIWABANTU Local Municipality as represented here in by the Municipal Manager
- CFO** - Refers to the Chief Financial Officer (Director Financial Services)

INTERPRETATION

In this agreement, unless the context clearly indicates a contrary intention:

- The head notes are for reference purposes only and shall not affect the interpretation of any part hereof.
- The singular includes the plural and vice versa
- A reference to one gender includes the other genders.
- Any schedules and annexure shall be initialed by the parties for the purposes of identification and form part of this agreement as if specifically included herein.

SG T.P.M

ANP
4 | Page

S.N.V.

GENERAL PROVISIONS



1. INTRODUCTION

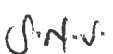
- 1.1 The Employer has entered into a contract of employment with the Chief Financial Officer for a period of 5 years, in terms of section 57(1) (a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act").
- 1.2 Section 57(1) (b) of the Municipal Systems Act, read with the contract of employment concluded between the parties, requires the parties to conclude an annual performance agreement. That the parties hereby agree to have this contract developed in terms of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly accountable to Municipal Managers, 2006.
- 1.3 The parties wish to ensure that they are clear about the goals to be achieved, and secure the commitment of the Manager reporting to the Municipal Manager representing the municipality, to a set of actions that will secure local government policy goals.
- 1.4 This performance contract is between **MS SILUNGILE NONTOKOZO VILAKAZI, (ID NO. 8511040674085)**, the Chief Financial Officer, and **MR WEST THAMSANQA GUMEDE (ID NO. 7508255469087)** the Municipal Manager. It is for the 2020/2021 financial year only. The expected performance reflected in this contract is based on the Integrated Development Plan 2017/18 – 2021/22 adopted June 2017, the 2020/21 Service Delivery and Budget Implementation Plan. The aforementioned documents have been adopted as the working documents of Umuziwabantu Local Municipality and therefore, shall be the basis of the performance assessment.

2. STRATEGIC OBJECTIVE

The Chief Financial Officer has the overall responsibility of ensuring overall management of all the Divisions and Sections of the Treasury Department and that the department executes its functions properly and that all sections get assisted and co-ordinated in order to reach their targets as set in the Service Delivery and Budget Implementation Plan.

She also has a duty to support the Municipal Manager as the vision of the municipality will not be realized if she does not perform her duties. The employee agrees to participate in the

 SG T.P.M. 
5 | Page



Performance Management System that the employer has adopted. The employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards.

As the Chief Financial Officer and the head of the Treasury department she is, subject to the policy directions of the Municipal Council, responsible and accountable, *inter alia* for:

- The management of an economical, effective, efficient and accountable department;
- The management of the Department's administration in accordance with all legislation and policy applicable to the municipality;
- The implementation of municipal plans including but not limited to, the IDP, Performance Management Plan and Service Delivery and Budget Implementation Plan.
- The management, effective utilization and training of staff in her department.
- Maintenance of discipline of staff in her department.
- Promotion of sound labour relations and compliance by the municipality with applicable labour legislation.
- Advising the Municipal Manager on her area of performance.

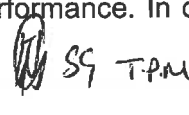

3. PERFORMANCE BONUS & ANNUAL SALARY ADJUSTMENT

3.1. PERFORMANCE BONUS

If the Chief Financial Officer achieves outstanding performance, she shall qualify for the annual performance bonus in accordance with the contract of employment entered into between the Municipal Manager and the Chief Financial Officer, on 01 September 2019 as well as the results of the performance evaluation agreed to in this contract. The acceptability of the level of her performance or otherwise shall be determined and declared by the performance evaluation committee in accordance with the provision of this agreement, following the receipt of a report on the Chief Financial Officer's achievements or otherwise of the Key Performance Indicators as reflected in Annexure "A" of this contract.

The attached Annexure "A" and referred to above has listed Key Performance Areas (KPAs) and Core Competency Requirements (CCRs) that are worth 100 points. Each KPA consists of Key Performance Indicators and CCR that have different weightings.

A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the

 SG TPM  SN Vilakazi

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that:

- I. A score of 130% to 149% is awarded a performance bonus ranging from 5% to 9% and
- II. A score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

In the case of unacceptable performance the employer shall:

- a) Provide systematic or developmental support to assist the employee to improve her performance; and
- b) After appropriate performance counselling and having provided the necessary guidance and/or support and reasonable time for improvement in performance, and performance does not improve, the employer may consider steps to terminate the contract of employment of the Director on grounds of unfitness or incapacity to carry out his or her duties.

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

- I. The annual report for the financial year under review has been tabled and adopted by the municipal council;
- II. An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and
- III. Approval of such evaluation by the municipal council as a reward for outstanding performance or effective performance.

3.2. ANNUAL SALARY ADJUSTMENT

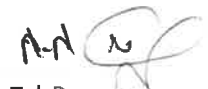
The increment for 2019/2020 shall be based on clauses in the Chief Finance Officer's employment contract concluded between her and the employer (Municipal Manager) and the provisions of the Local Government: Municipal Performance Regulations for Managers directly accountable to Municipal Managers, 2006.

The employer shall grant annual salary adjustment linked to a cost-of-living adjustment based on market indicators which is not performance based, upon the signing of performance contract.



SG

TAM



7 | Page

S.N.V.

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

The increment shall only be affected only after this performance contract has been signed by the Chief Finance Officer.

3.3 EVALUATING PERFORMANCE

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

The annual performance appraisal will involve:


- I. An Assessment of the achievement of results as outlined in the performance plan;
- II. Assessing the extent to which the specified standards or KPIs have been met with due regards to ad-hoc tasks that had to be performed under the KPAs and CCRs.

The criterion upon which the performance of the employee shall be assessed consists of two components, both of which shall be contained in the performance plan:-

- I. The employee must be assessed against both components, with a weighting of **80:20** allocated to the KPAs and the CCRs respectively;
- II. Each area of assessment will be weighted and will contribute a specific part to the total score.

A five-point rating scale to be used for both KPAs and CCRs is the following:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding Performance	Performance far exceeds the standard expected of an employee at this level. The key appraisal indicates that the employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and					

SS T.P.M. N.M. 

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

		indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	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.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

The performance bonus payment shall be categorized in two bands with some ranges per band as per the applicable assessment rating calculator.

SG

TAM

N.N. 22

V.N.V.

4. DEVELOPMENTAL REQUIREMENTS

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

5. CONSEQUENCE OF SUBSTANDARD PERFORMANCE

5.1 Where the employer, at any time during the Chief Finance Officer's employment, is not satisfied with her performance with respect to any matter dealt within this Agreement, the employer will give notice to the Chief Financial Officer to attend a monitoring and review meeting.


5.2 The Chief Financial Officer will have the opportunity at the meeting to satisfy the Municipal Manager or the monitoring and evaluation team of the measures being taken to ensure that her performance becomes satisfactory and any program, including any dates, for implementing these measures.

5.3 The Municipal Council will consider an unqualified audit outcome as a minimum standard, however Council will further consider outcomes and recommendations of the performance assessments committee for the payment of performance bonuses.

5.4 Consequence management shall be implemented in respect to unauthorised, irregular, fruitless and wasteful expenditure as guided by section 32 of the MFMA.

6. RULING LANGUAGE

The contract is made out in the English language, which shall be the ruling language. All correspondence between the parties to this contract and all reports and documents pertaining to this contract shall be in English language.

 J. N. V.


10 | Page

J. N. V.

7. TERM OF CONTRACT

This contract shall be deemed to have been entered into on the 1st September 2019 and will expire on the 30th of August 2024. The parties will conclude a new performance agreement that replaces this Agreement by not later than 31st July 2021. This Agreement will terminate on the termination of the Director's contract of employment for any reason.

8. LIMITATIONS OF THE CONTRACT

This contract is an agreement between the employer and the Chief Financial Officer about the expected performance of the latter during the specified term. This contract is subject to the employment contract which the Chief Financial Officer entered into on accepting her position and to South African legislation. In the case of any ambiguity, the employment contract shall prevail over this performance contract. Nothing contained in this Agreement in any way limits the right of the employer to terminate the Chief Financial Officer's contract of employment with or without notice for any other breach by the Chief Financial Officer of her obligations to the Municipality or for any other valid reason in law.

9. MONITORING AND EVALUATION

The monitoring and performance reviews for each quarter as determined in the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 shall be comprised of the Municipal Manager, and their brief will be to assess the performance of the Chief Financial Officer in line with the performance requirements as outlined in Annexure "A" of this contract. Despite the in-year reviews, the employer shall establish an assessment team to conduct an annual performance review. The team to conduct an annual assessment shall be composed as follows:

- I. Municipal Manager
- II. Chairperson of the performance/Audit Committee
- III. Member of the Executive Committee
- IV. Municipal Manager from one of the local municipalities in our jurisdiction
- V. Manager: Human Resources, for the purpose of providing secretariat services to the team.



10. DISPUTE RESOLUTION

In case of disputes, which cannot be resolved through negotiations and mediation, the employee has a right to refer the case to the Mayor who must settle the case within thirty (30) days of receipt of a formal written dispute referral. The decision of the Mayor shall be deemed final and binding on both parties.

11. JURISDICTION

Regardless of the place of execution, performance or domicile of the parties, this contract and all modifications and amendments hereof shall be governed by and construed under and in accordance with the laws of the Republic of South Africa.

12. WHOLE AGREEMENT

The parties to this contract agree that this contract constitutes the whole agreement and arrangement for the performance of the Director with effect from 01 September 2019.

No agreement, varying, adding to, deleting from or cancelling this contract, shall be effective unless reduced to writing and signed by both parties. The following appendices attached to this contract will have the same force and effect as if they were written in this section of the contract:


ANNEXURE A: PERFORMANCE PLAN

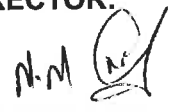
ANNEXURE B: CORE COMPETENCY REQUIREMENTS (CCR'S)

ANNEXURE C: PERSONAL DEVELOPMENT PLAN

APPENDIX 1: OBLIGATIONS OF PARTIES AND UNFORESEEN CONDITIONS

**APPENDIX 2: COMMITMENT OF TEAM REPORTING DIRECTLY TO THE DIRECTOR:
FINANCIAL SERVICES**

 Sg TPM

 N.M.
12 | Page

G.N.V.

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

SIGNED at Harding on this 29TH day of JUNE 2020.

CHIEF FINANCIAL OFFICER
MS S.N VILAKAZI

Signature: 

WITNESSES

1. Signature:  Name Printed: MOLWAZI DLAMINI

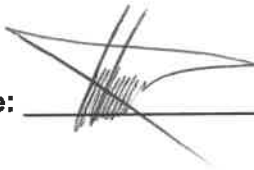
2. Signature:  Name Printed: THANDEKA MHLAKAZA

.....

FOR AND ON BEHALF OF UMUZIWABANTU LOCAL MUNICIPALITY

**MUNICIPAL MANAGER
MR WEST THAMSANQA GUMEDE**

Signature: _____



WITNESSES

1. Signature: _____



Name Printed: _____

SISKI SHUSHWA

2. Signature: _____



Name Printed: _____

N GAIL MBUTHO

.....

PERFORMANCE AGREEMENT OF THE CHIEF FINANCE OFFICER, MISS SN VILAKAZI FOR THE
FINANCIAL YEAR ENDING 30 JUNE 2021

ANNEXURE "A"

PERFORMANCE PLAN FOR THE FINANCIAL YEAR 2020/2021: DIRECTOR: FINANCIAL SERVICES

KEY PERFORMANCE AREAS (KPAs)

- FINANCIAL VIABILITY AND MANAGEMENT
- MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT
- GOOD GOVERNANCE AND PUBLIC PARTICIPATION
- BASIC SERVICE DELIVERY

sg TFM
K.A
S.N.V.I.L

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

STRATEGIC OBJECTIVE	KPI	ANNUAL TARGET	MEANS OF VERIFICATION	ACHIEVED /NOT ACHIEVED/ PARTIALLY ACHIEVED	ACTUAL	COMMENT	WEIGHTING	SCORE
KPA : FINANCIAL VIABILITY AND MANAGEMENT								
Improved expenditure management and controls. Maximise the economies of scale and value for money	Percentage of valid invoices paid within 30 days from the receipt by creditors	100% of all valid invoices to be paid within 30 days from receipt	Invoice with receipt date Monthly expenditure reports Creditors Reconciliations					
Improved expenditure management and controls. Maximise the economies of scale and value for money	Number of Withdrawal reports on quarterly basis	Prepare 4 Withdrawal report on the Quarterly Basis	Withdrawal report					
Improved expenditure and maximise the economies of scale and value for money	Date of completion of payroll	Timeous payment of salaries by the 25th of every month	Payroll Calendar Emp201 Emp501 Payroll Recon.					

 S. Vilakazi
 16 | Page

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

To ensure that the organisations finances are managed sustainably	Date of submission of Financial statements to COGTA and AG	Submission of annual financial statements to COGTA and the AG by 31 August 2020	AFS Copy and proof of submission AFS Project Plan						
KPA : MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT									
	Table and Adopt Adjustment budget in respect of Mid-Term Assessment for 2020/21 financial year.	Table and Adopt Adjustment budget in respect of Mid-Term Assessment for 2020/21 financial year.	Adjustment Budget and Council Resolution						
	Submit section 72 report to council not later than the 31st January 2021	Submitted Section 72 report to standing committee, Council and Treasury.	S72 Report, standing Committee minutes and Council resolution						
	Date of approval of final 2021/22 annual Budget by Council	Tabled Annual Budget for 2021/2022 financial year	Draft Budget Annual Budget						
	Turnaround Time (in working days) to finalise Bid Processing for each quotation	Finalise Bid processing within 14 days of closure for each Quotation	Purchased Order Minutes log of dates when tenders were advertised						
	Turnaround Time (in working days) to finalise Bid Processing	Finalise Bid processing within 90 working days of closure	Appointment letter. Minutes log of dates when tenders were advertised						

8.2.20



SN TPAW

18 | Page


PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

Improved expenditure and maximise the economies of scale and value for money	Payroll management	12 Payment vouchers paid to third parties	Third party payment vouchers					
To enhance revenue base and ensure financial viability and management	Number of Monthly Billing Report included in the Section 71 report	Include 12 Monthly Billing Reports in the Section 71 reports	Billing reports					
Improve Debt Collection (revenue Enhancement)	% Reduction of the debtors book by date	30% Reduction of the debtors book by 30 June 2021	Debtors age analysis Report					
Optimise systems, administration and operating procedures	Number of Contracts Register updated with relevant information	4 updates to Contract register	Contract Register Quarterly performance reports					
Optimise use of municipal assets	Number of Assets Reconciliations	12 Asset Reconciliations	Asset Register Asset Reconciliation					

 T. M. M. Vilakazi

11.11.21

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION									
Promote participative, facilitative and accountable governance	% attendance to IDP & Budget roadshows attended by 30 June 2021	100%	Attendance Registers						
KPA: BASIC SERVICE DELIVERY									
Increase access to municipal services	No of registered indigent households receiving free basic electricity	6721 of registered indigent households receiving free basic electricity by 30 June 2021	Indigent Register						
Increase access to municipal services	No of registered indigent households receiving free basic refuse removal	1497 of registered indigent households receiving free basic refuse removal by June 2021	Indigent Register Free basic Services						
Increase access to municipal services	No of registered indigent households receiving free basic rates	84 of registered indigent households receiving free basic rates	Indigent Register Free basic Services						



TRIM

sq

19112021

S.N.V.

ANNEXURE "B"

CORE COMPETENCY REQUIREMENTS (CCR's) AND KEY PERFORMANCE AREAS



KEY PERFORMANCE AREAS FOR CHIEF FINANCIAL OFFICER	WEIGHTING	SCORE
Municipal Transformation and Institutional Development	20%	
Good Governance and Public Participation	10%	
Municipal Financial Viability and Management	40%	
Basic Service Delivery	30%	
TOTAL	100%	

SS TRM N.M. 20 | Page

S.M.V.

LEADING CORE COMPETENCIES:

LEADING COMPETENCIES		
STRATEGIC DIRECTION AND LEADERSHIP	<ul style="list-style-type: none"> Impact and influence Institutional performance Management Strategic Planning and Management Organizational awareness 	WEIGHT %
		20
PEOPLE MANAGEMENT	<ul style="list-style-type: none"> Human Capital planning and Development Diversity Management Employee relations Management Negotiation and dispute Management 	20
PROGRAM AND PROJECT MANAGEMENT	<ul style="list-style-type: none"> Program and Project planning and Implementation Service Delivery Management Program and Project Monitoring and Evaluation 	15
FINANCIAL MANAGEMENT	<ul style="list-style-type: none"> Budget planning and Execution Financial strategy and Delivery Financial reporting and Monitoring 	10
CHANGE LEADERSHIP	<ul style="list-style-type: none"> Change Vision and Strategy Process design and improvement Change impact, Monitoring and Evaluation 	15
GOVERNANCE LEADERSHIP	<ul style="list-style-type: none"> Policy Formulation Risk and Compliance Management Cooperative Governance 	20
TOTAL		100%

 S. T. P. M. N. N.
 21 | Page 

S. N. V.

CORE COMPETENCIES		WEIGHT %
Moral Competencies		20
Planning and Organizing		20
Analysis and Innovation		10
Knowledge and information management		20
Communication		10
Results and Quality focus		20
TOTAL		100%

ACHIEVEMENT LEVELS		RATING				
ACHIEVEMENT LEVEL	DESCRIPTION	1	2	3	4	5
BASIC	Applies basic concepts, methods and understanding of local government operations, but requires supervision and development intervention.					
COMPETENT	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses.	1	2	3	4	5
ADVANCED	Develops and applies complex concepts, methods and	1	2	3	4	5

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

	understanding. Effectively directs and leads a group and executes in-depth analyses.						
SUPERIOR	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change. Develops and applies comprehensive concepts and methods.	1	2	3	4	5	

SS TRAM A.N
23 | Page
S.N.V.

ANNEXURE "C"

2020/2021 PERSONAL DEVELOPMENT PLAN

NAME : SILUNGILE NONTOKOZO VILAKAZI

JOB TITLE : CHIEF FINANCIAL OFFICER

EMPLOYER : UMUZIWABANTU LOCAL MUNICIPALITY

COMPETENCY TO BE ADDRESSED	PROPOSED ACTIONS	TIME-FRAME	EXPECTED OUTCOME

APPENDIX 1

1.1.1 Obligations of the Employer (Key Assumptions)

1.2 Office Accommodation

During the full period of the performance agreement the employer shall provide

Adequate office accommodation for the Director. The occupational cost including the attendant ground rent obligations will be borne by the Employer.

1.3 Personnel

The employer shall be required to hire support staff to help the Director.

1.4 Facilities and Equipment

1.4.1 During the full period of the performance contract, the employer shall avail to the Director all existing facilities and equipment which he will need in executing his duties.

1.4.2 The employer shall be required to hire support staff to help the Director.

1.5 Other provisions

1.5.1 Approvals

The Employer shall make a decision/comment on items submitted for approval/comment within two (2) week of receipt of the items.

1.5.2 Tasks to the Employer

The employer undertakes to execute all crucial activities that fall under his responsibility as required by this contract in order not to derail the continuity of office operations. If there is failure on the employer's part and the Director feels that the attainment of targets of this contract is at stake, the two parties will meet and agree on the way forward.

1.5.3 Substitution of the Director

The employer reserves the right to take appropriate action to replace the Director as per employment contract of the Director.

1.6 Obligations of the Director

 SH T.M.  M.N. Vilakazi

1.7 Conditions of service

1.7.1 The Director shall be the Head of Financial Services, subject to the conditions of service as stipulated by the employer. The conditions of service of the Director shall include but not restricted to:

1.7.1.1 Setting of specific of targets for employees reporting to him.

1.7.1.2 Advise Municipal Manager on all matters including progress made in the implementation of the annual service delivery and budget implementation plan.

1.7.1.3 Setting and monitoring of performance indicators for the department and execute corrective measures as and when necessary.

1.7.1.4 Ensuring that the department's office assets are in a good working condition.

1.7.1.5 Provision of high quality service within the department in a cost effective manner within agreed time frames.

1.7.1.6 Completing and submitting performance reports for the *department*, to the Municipal Manager on a quarterly basis for information and review purposes.

1.7.1.7 Assessing performance reports for designated staff where necessary.

1.7.1.8 Preparation of the department's budget and once approved, adhering to it.

1.7.1.9 Implementing strategies to improve the reporting systems of the department.

Attending meetings and other occasions on behalf of the Municipal Manager's office.

1.7.2 The Director shall ensure that the municipal staff has access to, and is well informed about, the disciplinary procedure of the municipality.

1.7.3 Making recommendations to the Municipal Manager to appoint staff in the department's function as the need arises.

1.7.4 Determining the optimum staff level necessary for the accomplishment of targets and advising the employer on reduction or increase of staff in the office. Staff restructuring or reduction will utilize the existing municipal 'staff pool' as will be mutually agreed between the employer and the Director in fulfilment of the current staff reduction/retention policy. If such staffs are to be laid off due to the staff reduction policy, the cost of severance and other terminal benefits shall be borne by the employer as required by the Labour Laws of RSA.

1.7.5 Carrying out all the necessary office staff training as shall be mutually agreed with the employer.

1.8 Standard of Service



T.P.M. N.W. S.S.
26 | Page
S.N.V.

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

1.8.1 The Director shall exercise all of her skills, reasonable care, responsibility and diligence in discharge of her duties under this contract. The Director shall do so with sound professional conduct in accordance with generally accepted standards.

1.8.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Director in terms of her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

1.9 Supervision of Personnel in the Municipality

The Director undertakes to supervise personnel in the office. If she is dissatisfied with performance of any staff, provisions of the relevant internal policy and legislative framework of RSA shall apply.

1.10 Targets and Milestones

1.10.1 The Director shall do all in her power to achieve the targets and milestones indicated in the municipal IDP, SDBIP and Performance Management System.

1.10.1 The Director undertakes to achieve the parent targets, which shall be directly related to the expected improvement in the level of services and therefore improvement in the quality of life within the municipality. The parent targets are those defined as performance requirements in Section 4 of this contract.

1.11 Reporting

1.11.1 The Director shall submit detailed quarterly reports on the operation of the department to the employer. The reports shall include details of achievement of targets and milestones for that quarter for information purposes. The quarterly report should reach the employer within one month after the quarter in question has lapsed.


1.11.2 The Director also undertakes to submit any other report/s as required by the employer.

1.12 Expenditure

The Director shall be responsible for the implementation of the approved operational and capital budget of the department.

1.13 Maintenance of Assets (fixed and movable) in the Municipality

The Director shall assist the Municipal Manager in the maintenance of assets in the department with the Municipal manager having authority to enter into service contracts with service providers to carry out such maintenance.

 SG TRM A-N Af

1.14 Purchases

- 1.14.1 The Director undertakes to utilize the most recently approved Municipal Supply Chain Management Policy (SCM) to handle all procurement within the municipality, according to the provisions of this contract. No procurement shall be allowed to proceed outside of the approved SCM policy, and the Municipal Internal Audit shall ensure that no payments are effected contrary to this arrangement.

1.15 Books and Records

The Director shall keep accurate books and records of all finance operations and shall permit the employer to inspect them and make copies where necessary.

1.16 Financial Procedures

- 1.16.1 Financial year shall commence on the 1st July 2020 and end on the 30th June 2021, such period defined as the financial year shall be used for purposes of budgets, expenditures, cash flows and other operational requirements.
- 1.16.2 The employer reserves the right to ensure that finances are operated in accordance with the government's financial regulations and can utilize the services of an auditor in this regard.
- 1.16.3 The Director must ensure strict adherence of all approved municipal financial policies, including issues of cost effectiveness, cost efficiency and over expenditure.

1.17 Budget

- 1.17.1 During the budget process the Director shall make the necessary submissions to Treasury reflecting the projected financial needs of his department for the following financial year.
- 1.17.2 The approval of the departmental budget shall constitute the authority to the Director to incur expenditure accordingly and in line with the performance targets indicated in this performance contract.

1.18 Liability

The Director shall be responsible towards the municipality for the performance of services in accordance with the provisions of this contract, subject to the following limitation.

- 1.18.1 The Director shall not be liable for any damage or injury caused by or arising out of the act, neglect, default or omission, of any personnel in his department in the course of duty or anybody subcontracted by the municipality.

2. OTHER PROVISIONS

2.1 Unforeseen conditions

There may be some unforeseen conditions necessary for the success of this performance contract. If either party discovers such circumstances, during the course of operation of this performance contract, the matter shall be brought to the attention of the other, in writing. A meeting, whose timing shall be mutually agreed, shall then be convened to discuss the outstanding issues. The minutes of such a meeting shall form an addendum to this contract.

APPENDIX 2

Commitment of Management Team reporting directly to the Chief Financial Officer

I, Mr/ Ms....., hereby make this commitment to support the Chief Financial Officer, to achieve targets as set in this performance contract between him and the employer. As support managers, I understand that her targets are impossible to achieve without our full support and co-operation. I therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.

Signed by

MANAGER: INCOME

I, ~~Mr~~ Ms. ~~.....~~ HANZELA MCHU, hereby make this commitment to support the Chief Financial Officer, to achieve targets as set in this performance contract between him and the employer. As support managers, I understand that her targets are impossible to achieve without our full support and co-operation. I therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.

Signed by



MANAGER: BUDGET & TREASURY

PERFORMANCE CONTRACT OF THE CHIEF FINANCIAL OFFICER, MISS SN VILAKAZI, FOR THE FINANCIAL YEAR ENDING 30 JUNE 2021.

I, Mr/ ~~Ms.~~ LOTISE NDAWONDE, hereby make this commitment to support the Chief Financial Officer, to achieve targets as set in this performance contract between him and the employer. As support managers, I understand that her targets are impossible to achieve without our full support and co-operation. I therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.

Signed by



MANAGER: SCM

I, Mr/ ~~Ms.~~ U. Mbulungu, hereby make this commitment to support the Chief Financial Officer, to achieve targets as set in this performance contract between him and the employer. As support managers, I understand that her targets are impossible to achieve without our full support and co-operation. I therefore, accept both our individual and collective responsibilities towards the attainment of the set targets.

Signed by



MANAGER: EXPENDITURE

