



PERFORMANCE MANAGEMENT TOOL FOR INFRASTRUCTURE RELATED PROJECTS

**THULAMELA LOCAL
MUNICIPALITY**

2023/2024

ACRONYMS/ABBREVIATIONS

IDP	Integrated Development Plan
MSA	Municipal Structures Act
MSA	Municipal System Act
MFMA	Municipal Finance Management Act
PMF	Performance Management Framework
PMS	Performance Management System
PMU	Project Management Framework
SP	Service Provider
GCC	General Condition of Contract for Construction Works
ECSA	Engineering Council of South Africa
BOQ	Bill Of Quantities
VO	Variation Order
TLM	Thulamela Local Municipality
EXCO	Executive Committee

NMS

DEFINITIONS

Commencement Date: the date that the agreement was made between service provider and client in terms of the form of offer and acceptance, comes into effect.

Completion Date: the date that the agreement was made between service provider and the client in terms of the form of offer and acceptance, comes to end.

Infrastructure: To the basic services country requires to work properly.

Performance Management Systems: A tools used to track and monitor performance of contractor or engineer

Project: activities with defined commencement date and completion date.

Service Provider: Organisation or firm which provide service.

Contractor: firm carry out physical works in terms of contract.

Consulting Engineer: firm acting as agent of client to design, administer and close out.

Contract: Agreement between parties to perform service/work.

Contract Amount: The total monies payable to the contractor under the contract document.

Variation Order: Any modification or change of scope of works agreed in the contract.

Scope of Work: The document that specifies and describes the works which are to be executed.

Practical Completion Date: The date determined and certified by the engineer on which work is partial complete and ready for use.

Final Completion Date: The date determined and certified by the engineer on which work is fully complete.

Performance: Work done

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1. EXECUTIVE SUMMARY

The purpose of this document is to develop performance management tool for infrastructure related projects within Thulamela Local Municipality (TLM). The performance management tool will be used internally to measure performance of the contractors/consultants and provide guideline on how to deal with their poor performances. The role players in this document includes the client, contractor and consultants with their designated roles and responsibilities outlined in detail in this document.

Engineer by virtue of his appointment will assume role and responsibility of agent of client, he or she will carry out feasibility study, quality assurance, cost estimate based on broadly comprehensive scope defined by client. Engineer will further design, administer, and monitor progress against plan. The contractor will execute outlined construction activities covered in the programme in accordance with the engineer specification.

Furthermore, it is incumbent of the contractor to ensure that all contractual obligations are satisfactorily met such as, management of resources, time, cost, procurement, communication, quality and so forth. Contractor will prepare a construction program prior to commencement of work which will be approved by the client within 14 days after receipt of recommendation from the engineer.

The client further role will be to scrutinise progress report, process payment certificate for the contractor and consultant fee claims utilising time or percentage fee based on certified work done by the contractor.

2. INTRODUCTION

2.1 Background

The performance management tool for infrastructure projects has to address the challenge of re-appointing poor performing service providers in the municipality. The issued request was part of the resolution made in 2023 Strategic Plan subsequent to poor performance by contractors and consultants which resulted to delays or prolonged completion date of the project. The development of the performance management tool was perceived as an effective solution to these problems since it

precludes cost overrun of the project and aid speedy up or improve service delivery in line with IDP.

After adoption of this useful document by EXCO, TLM will use this tool in a regular basis to manage performance of both consultant/contractor and as a guideline to be followed in the circumstance warranting decision making involving performance of both consultant and contractor and as well as to predict appropriate time to implement remedial action.

2.2 Legislation

This performance measuring tool document is in compliant with MFMA, MSA, OHSA, By Laws, NEMA and all statutory governing municipality, National Building Regulation and Standard Act and follows procedure outlined in the GCC 2015 to deal meticulously with various aspect of the contract.

2.3 Roles and Responsibilities

The successful implementation of the performance management tool is dependent on the full dedication and commitment of the identified stakeholders. The sections below identify the key stakeholders and their roles and responsibilities.

2.3.1 TLM: Is the employer (client) who sources funds to build infrastructure. The client will bear full cost to construct the project which is derived from the operational cost of the contractor and consultant if project is completed successfully. Employer further roles is to appoint, terminate contract, to approve (claims, extension of time, contract, V.O), intervene during implementation stage of the project only if the contractor and engineer are unable to resolve their disputes or disagreement. TLM is also responsible for conducting performance measure of the service providers.

2.3.2 Consulting Engineer: As the agent of the client, he is expected to perform with due care and diligence the tasks such as feasibility study, cost estimate, design, inspect works, administer contract, report back to the client, advice, and measure the performance of contractor.

2.3.3 Contractor: His primary role is to execute the contract within specific set time frame, cost, and quality with constraint resources.

3. DESIGN AND METHODOLOGY

Consulting Engineer are to present the design to the client taking consideration of their specific needs. The design and specification should comply with construction guideline and acts /regulation. The design should satisfy the following criteria such as: Safety, Soundness, Cost effectiveness, Functionality, Reliability, Life Span, Client Specific Needs. Consulting Engineer is expected to produce working drawings and project specification encapsulating the entire scope of work that will be issued to the contractor on later stage of construction.

4. PERFORMANCE MANAGEMENT TOOL

The following are the instruments or technology that Performance Management Tool will use:

- a) Performance Scoring Card .
- b) Progress report
- c) Construction program
- d) Method Statement
- e) Quality Assurance Plan
- f) Time
- g) Safety

Performance scoring card furnished with key performance area will be used by client to manage the performance of the contractor and consultant. Minimum target of the performance measurement that ought to be achieved will be set in the scoring card and will be measured in a percentage.

Construction program detailing sequence of activities will be approved by the client within 14 days after commencement of works and will be used to measure or establish the variances.

Contractor is expected to furnish method statement to the engineer within 7 days after commencement of works surely to give an assurance to the client of achievement for specified quality. Engineer will approve method statement provided it complies with project specification/ BOQ within 14 days.

Performance resulted from a slow progress work reflected in the program will constitute delay and can be rely upon as an explicit sign to demonstrate that project may not be completed within scheduled time. However, if progress is ahead of time with acceptable quality, client will regard it as successful since both the client and contractor will benefit.

Engineer to prepare quality assurance plan such as specifications/drawings and specify applicable standards. The contractor is expected to execute the works in accordance with the specification and submit the test result of the work that has been accomplished to the engineer to confirm whether specified quality of work is achieved. The quality performance of the works will be measured and later scored in the scoring card.

Contractor will prepare method statement specifying suitable resources, plants, equipment, method, and materials to be used on site. The engineer will assess and approve method statement prior to execution of works. The client will do the scoring part of the contractor provided that consulting engineer submitted approved method statement in time.

Consultant performances will be evaluated against the key performance areas pertaining to various construction stages contemplated in the ECSA guideline for registered professionals and documented in the score card sheet. The reimbursement for the consultant will be done based on the applicable tariff of fees in the ECSA guideline for professional fee. Score will be awarded to the consultant by the client for satisfying this area.

Safety issue to be addressed by both consultants and contractors throughout the stages of the project. Further on that, performance of both consultant and contractor will be assessed and points will be awarded accordingly in the scoring card sheet.

Contractor is expected to complete the works within scheduled time or approved extension of time. Score reflecting performance of contractor will be awarded to him by the client.

Consultant Engineer to monitor progress of the contractor on site fortnightly against the approve program and further expected to submit progress report monthly to alert the client. If there is any existing variance between program of work and physical works

on site should be addressed procedurally as per GCC 2015 contract by both the engineer and contractor.

If disputes arise between consultant and client will be manage in accordance with Standard Professional Services Contract.

Ditto, materials, labour, equipment, and plant on site and those furnished on the method statement should be addressed as well, by the engineer on site and works may be put on hold until such time when contract conforms to method statement.

5. ASSESSMENT OF SERVICE PROVIDER'S PERFORMANCE

The score will be awarded against the key performance areas- KPA and final average score of 70% and above will be regarded as acceptable performance. *Refer to Annexures A, B and C for score cards.*

6. CONSEQUENCES

The engineer or contractor who achieved score of less than 70% will not be considered for future projects by the client TLM for a period ranging from one year to five years depending on the magnitude of the project.

Engineer to issue instruction to the contractor to remedy work not conforming with the specification and approve partially/ wholly works that are in compliant. The works that are in compliant with the project specifications i.e. scope, drawing, standards, and regulations are acceptable performance.

Engineer penalises the contractor fairly if the contractor waives his rights to claim for extension of time, such as due to delay of client in supplying information timeously or due to inclement weather/ increment of scope within 14 days after he becomes aware of the incidents.

Client to assess program and indicate number of days approved, if approval of time is not granted contractor to derive mechanism to fast track the delayed activities at his own expenses in view to avoid penalties.

7. ADOPTION BY COUNCIL

The performance management tool for infrastructure projects must be adopted by the municipal council as a submission from the infrastructure portfolio committees through EXCO.

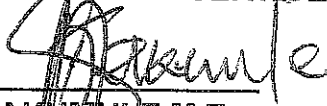
Technical Services as the custodian of the Project Management Unit will begin the implementation of roads and stormwater maintenance policy to ensure that the objectives of this policy are accomplished, and the adoption will follow the process below:

- a) This performance management tool will be adopted by Council on 31 May 2024 and to be reviewed annually.
- b) This performance management tool will be effective from 01 July 2024.



SIKHWIVHILU N.M
ACTING SENIOR MANAGER:
CORPORATE SERVICES

31/05/2024
DATE



MAKUMULE M.T
MUNICIPAL MANAGER

31/05/2024
DATE



ANNEXURE A

FMS

THULAMELA MUNICIPALITY							
CONSULTANT PERFORMANCE EVALUATION SCORE CARD							
Item No.	Contract No. & Project Title						
	Name of Consultant						
	Consultant' Project Manager						
	Date of Appraisal						
	Appraised by: (Names & Signature)						
Item No.	Assessment Description	Weight	Score	Item No.	Assessment Description	Weight	Score
1	Feasibility Report Stage			5	Construction Stage		
1.1	Understood and interpreted Scope of the project satisfactorily	3.00		5.1	Provided competent site supervision	3.00	
1.2	Lialise regularly with Client and other roleplayers	2.00		5.2	Conducted regular site meetings in a profesional and competent manner	2.00	
1.3	Met deadlines for submission of report	3.00		5.3	Dealt with problems expeditiously with speed and efficiency	2.50	
1.4	Presented a Report which offered feasible options and cost estimates	3.00		5.4	Exercised sound financial control.V.O's and Dayworks were kept to a minimum	3.00	
1.5	Incorporated Aspects which required special attention			5.5	Submitted accurate payment certificate by due date	2.50	
(a)	Removal of Sevices (i.e Electrical, Telkom,water, sewer etc)	1.00		5.6	Submitted of progress reprints (EPWP, MIG, INEP, etc) on time	2.50	
(b)	Aquisition of Land (i.e Residential, Business Borrowpits - this include. R/W & Mat. costs.	1.00		5.7	Ability to identify and minimise risks on time	2.50	
(c)	Environmetal Aspects (EIA, ROD, EMP etc.	1.00		5.8	Availability on site	2.50	
(d)	Natural Resources (Usage)	1.00		5.9	Availability of the project engineer/leader on site meetings	2.00	
2	Design Stage	Weight	Score	5.1	Conducted quality control on a regular basis	2.50	
2.1	Showed skill, care & deligence in the design process and investigations	10.00		5.11	Communicate verbally and in writing to high standard	2.00	
2.2	Offered a design which was practical innovative and economical	10.00		5.12	Contingencies were only used for genuine additions to project	3.00	
2.3	Cost estimates were within approx. 10% of Average Tender Sum	5.00		6	Commissioning or Testing	Weight	Score
2.4	Met deadlines for submission of report	5.00		6.1	Handled commisioning and testing efficiently i.e practical completion,completion meetings.	1.00	
3	Detailed Drawings	Weight	Score	6.2	Supplied operating manuals	1.00	
3.1	Prepare drawings which were good and clear	2.50		6.3	Submitted Accurate As- Built drawings at completion of the project within 14 days after signing the	3.00	
3.2	Prepared drawings which were accurate and	2.50		7	Scoring items	Weight	Score
3.3	Submitted drawings timeously for each stage of the project	2.50		7.1	Feasibility reports Stage	15.00	
3.4	Submit drawings for approval on time by relevant stakeholders	2.50		7.2	Design Stage	30.00	
4	Tender Stage	Weight	Score	7.3	Detailed Drawings	10.00	
4.1	Discuss tender specifics with Client on regular basis	2.00		7.4	Tender Stage	10.00	
4.2	Met deadlines for submitting tender documents, or tender reports or tender reports	2.00		7.5	Construction Stage	30.00	
4.3	Submitted accurate tender documents which demonstrated clarity of purpose	2.00		7.6	Commissioning or Clouse out	5.00	
4.4	Handled site Inspection competently.	2.00		8	Comments by:		
4.5	Submitted a comprehensive tender report which included realistic financial and time targets	2.00		8.1	Project Manager:	Signature:	
8.3	Municipal Manager:	Signature:					
				8.2	Project Manager:	Signature:	

ANNEXURE B

AMS

THULAMELA MUNICIPALITY			
CONTRACTOR PERFORMANCE EVALUATION SCORE CARD			
Contract No. & Project Title:			
Name of Contractor:			
Date of Appraisal:			
Appraiser (Name & Signature):			
Item No.	Assessment Description	Weight	Score
1	Met deadlines for submitting surety, insurance, safety file, notification to the department of labour, programme of works, cash flow projection (within 14 days from receiving the appointment letter)	10	
2	Establish site within 14 days from site hand over	5	
3	Start to execute works as per the original programme	5	
4	Provide competent site staff as per the proposed team in the bid document	5	
5	Provide suitable plant as per the bid document	5	
6	Capability of meeting monthly targets as per programme of work and cash flow projections	10	
7	Capability of submitting detailed monthly reports	5	
8	Capability to submit EPWP reports and its attachments (certified ID copies, attendance register, employment contracts, UIF etc)	5	
9	Has the contractor retained key personnel from the start to the end of the project	5	
10	Were the labourers and suppliers paid on time	10	
11	Financial capability to run the project and not dependent on current payment certificates, kept sessions to a minimum	10	
12	Ability to complete the works of the required quality within the scheduled time	10	
13	Was the site agent and safety officer full time on site?	5	
14	Ability to complete the snag list within approved time by the employer's agent	5	
15	Capability to close out the project (De-establishment, rehabilitation of borrow pit and attend to any other social issues)	5	
Total Scoring		100	
Item No.	Comments by:		
16	Project Manager:		Signature:
17	PMU Manager:		Signature:
18	Municipal Manager:		Signature:

ANNEXURE C

AMS

THULAMELA LOCAL MUNICIPALITY											
ELECTRIFICATION CONSULTANTS PERFORMANCE EVALUATION SCORE CARD											
Item No.	Contract No. & Project Title										
	Name of Consultant										
	Consultant' Project Manager										
	Date of Appraisal										
	Appraised by: (Names & Signature)										
Item No.	Assessment Description	Weight	Score	Item No.	Assessment Description	Weight	Score				
1	Feasibility Report Stage			6	Commissioning /Testing						
1.1	Understood and interpreted Scope of the project satisfactorily	3		6.1	Handled commissioning and testing efficiently i.e practical completion, completion meetings.	5					
1.2	Liaise regularly with Client and other roleplayers	2		6.2	Energise within 3 months after practical completion date.	5					
1.3	Met deadlines for submission of report	3		6.3	Submitted Accurate As- Built drawings at completion of the project after signing the handover certificate.	5					
1.4	Report approved by Eskom	5		7	Scoring items	Weight	Points				
1.5	Incorporated Aspects which required special attention			7.1	Feasibility reports stage	15					
(a)	Removal of Services (i.e Electrical, Telkom, water, sewer etc)	1		7.2	Design stage	25					
(b)	Liaise with the Councillor before design	1		7.3	Drawings	15					
2	Design Stage	Weight	Score	7.4	Tender stage	0					
2.1	Showed skill, care & diligence in the design process and investigations	10		7.5	Construction stage	30					
2.2	Offered a design which was practical innovative and economical	10		7.6	Commissioning	15					
2.3	Met deadlines for submission of report	5		8	Comments by:						
3	Detailed Drawings	Weight	Score	<table border="1"> <tr> <td>Project Manager:</td> <td>Signature:</td> </tr> <tr> <td colspan="2"> </td> </tr> </table>				Project Manager:	Signature:		
Project Manager:	Signature:										
3.1	Prepare drawings which were good and clear	5									
3.2	Prepared drawings which were accurate	5									
3.3	Submit drawings for approval on time by relevant stakeholders	5		<table border="1"> <tr> <td>Project Manager:</td> <td>Signature:</td> </tr> <tr> <td colspan="2"> </td> </tr> </table>				Project Manager:	Signature:		
Project Manager:	Signature:										
4	Tender Stage	Weight	Score	<table border="1"> <tr> <td>Project Manager:</td> <td>Signature:</td> </tr> <tr> <td colspan="2"> </td> </tr> </table>				Project Manager:	Signature:		
Project Manager:	Signature:										
4.1	Briefing meeting										
5	Construction Stage	Weight	Score	<table border="1"> <tr> <td>Municipal Manager:</td> <td>Signature:</td> </tr> <tr> <td colspan="2"> </td> </tr> </table>				Municipal Manager:	Signature:		
Municipal Manager:	Signature:										
5.1	Provided competent site supervision	5									
5.2	Conducted regular site meetings in a professional and competent manner	5									
5.3	Dealt with problems expeditiously with speed and efficiency	2.5									
5.4	Submitted accurate payment certificate by due date	2.5									
5.5	Submitted progress reports (EPWP, MIG, INEP, etc) on time	2.5									
5.6	Ability to identify and minimise risks on time	2.5									
5.7	Availability on site	2.5									
5.8	Availability of the project engineer/leader on site meetings	2.5									
5.9	Conducted quality control on regular basis	2.5									
5.10	Communicate verbally and in writing to high standard	2.5									

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