THULAMELA LOCAL MUNICIPALITY

ANNEXURE A

PERFORMANCE PLAN
2025/26

CHIEF FINANCIAL OFFICER: MUFAMADI A.C

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1. LEGISLATION

The following legislation governs the development of the SDBIP and Performance management plan and functions within the Municipal Managers Office.

a. Legislation Governing the Development of the SDBIP and Performance Contracts of Section 57 Managers

- **Municipal Finance Management Act 56 of 2003 (MFMA),** requires municipalities to develop Service Delivery and Budget Implementation Plan (SDBIP) and must be signed by the Mayor within 28 days after the budget has been approved.
- **Municipal Systems Act 32 of 2000,** requires municipalities to develop Performance Management Plan that must be reviewed quarterly. The performance management plan must be aligned to the IDP and indicate measurable and realistic targets for each Key Performance Indicator.
- **Performance Regulations, 2006, for managers reporting to the municipal manager and the municipal manger,** outlines the process of the development of Performance agreements. The MFMA, 56 of 2003, further requires that Section 56 manager and municipal manager must develop performance agreement that must be signed by the municipal manager and the Mayor respectively. This Performance plans must be linked to the SDBIP, IDP and Budget.

b. Legislation Governing the departmental Functions:

- The Constitution
- The Municipal System Act, 32 of 2000
- The Municipal Structures Act
- Municipal Finance Management Act 56 of 2003
- Performance regulations of 2006

2.STRATEGIC OBJECTIVES

Chapter two of the IDP indicates Municipal Strategic Objectives which further indicates what the municipality needs to achieve. These strategic objectives were developed to ensure that all National Key Performance Areas are addressed.

Table A: Strategic Objectives are as follows:

KPA	STRATEGIC OBJECTIVES
1. Municipal Institutional Development and Transformation	To ensure availability of technology and system for smooth running and interrupted ICT
2. Basic Service Delivery	To provide sustainable infrastructure development
3. Local Economic Development (LED)	To provide a climate that will attract investment and reduce unemployment through the promotion of economic development
4. Municipal Financial Viability and Management	To ensure compliance with the MFMA, Financial policies, regulations and treasury circulars
5. Good Governance and Public Participation	To provide an effective risk, audit and legal to the municipality
6. Spatial Rationale	To ensure integration in rural, urban development and land use control in order to promote sustainable integrated spatial development on ongoing basis

CHIEF FINANCIAL OFFICER												
KPA 2: BASIC SERVICE DELIVERY; WEIGHT= 8%												
STRATEGIC OBJECTIVE: IMPROVE ACCESS SUSTAINABLE SERVICE DELIVERY												
INDI CAT OR NO.	**KEY PERFORMANCE INDICATORS/MEA SURABLE OBJECTIVE**	**BASELI NE 2024/25**	**WARD NUMBER**	**ANNUAL TARGETS**	**PROGRA MME**	**FUNDING SOURCE**	**BUDGET**	**1ST QUARTER TARGETS**	**2ND QUARTER TARGETS**	**3RD QUARTER TARGETS**	**4TH QUARTER TARGETS**	**PORTFOLIO OF EVIDENCE**
1.	Percentage of indigent households earning less R3 500 per month that receives free basic waste services by June 2026	100%	N/A	100% of indigent households earning less R3 500 per month receive free basic waste services by June 2026	Revenue Managem ent	Own funding	OPEX	100% of indigent households earning less R3 500 per month that receive free basic waste services	100% of indigent households earning less R3 500 per month that receive free basic waste services	100% indigent households earning less R3 500 per month that receive free basic waste services	100% of indigent households earning less R3 500 per month that receive free basic waste services	FBW Report
2.	Number of reports on tenders awarded each quarter prepared by June 2026	4	N/A	4 reports on tenders awarded each quarter prepared by June 2026	Supply Chain Managem ent	Own Funding	OPEX	1 report on tenders awarded each quarter prepared	1 report on tenders awarded each quarter prepared	1 report on tenders awarded each quarter prepared	1 report on tenders awarded each quarter prepared	Tender register

CHIEF FINANCIAL OFFICER												
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT; WEIGHT= 71%												
STRATEGIC OBJECTIVE: SOUND FINANCIAL MANAGEMENT AND VIABILITY												
INDI CAT OR NO.	**KEY PERFORMANCE INDICATORS/MEA SURABLE OBJECTIVE**	**BASELINE 2024/25**	**WARD NUMBER**	**ANNUAL TARGETS**	**PROGRA MME**	**FUNDING SOURCE**	**BUDGET**	**1ST QUARTER TARGETS**	**2ND QUARTER TARGETS**	**3RD QUARTER TARGETS**	**4TH QUARTER TARGETS**	**PORTFOLI O OF EVIDENCE**
1.	Percentage of Municipal Operational budget spent on infrastructure projects	53%	N/A	100% of Municipal Operational Budget spent on infrastructure projects	MM	Own funding & MIG	CAPEX	25% of Municipal Operational budget spent on infrastructure	50% of Municipal Operational budget spent on infrastructure	75% of Municipal Operational budget spent on infrastructure	100% of Municipal Operational budget spent on infrastructure	Expenditure Report

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CHIEF FINANCIAL OFFICER												
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT; WEIGHT= 71%												
STRATEGIC OBJECTIVE: SOUND FINANCIAL MANAGEMENT AND VIABILITY												
INDICATOR NO.	**KEY PERFORMANCE INDICATORS/MEASURABLE OBJECTIVE**	**BASELINE 2024/25**	**WARD NUMBER**	**ANNUAL TARGETS**	**PROGRAMME**	**FUNDING SOURCE**	**BUDGET**	**1ST QUARTER TARGETS**	**2ND QUARTER TARGETS**	**3RD QUARTER TARGETS**	**4TH QUARTER TARGETS**	**PORTFOLIO OF EVIDENCE**
	(organizational) by June 2026			(organizational) by June 2026				projects (Organizational)	project (organizational)	project (Organizational)	projects (organizational)	
2.	Percentage of payment made to creditors within 30 days by June 2026	100%	N/A	100% Payment made to creditors within 30 days by June 2026	Expenditure Management	Own Funding	OPEX	100% Payment made to creditors within 30days	100% Payment made to creditors within 30days	100% Payment made to creditors within 30days	100% Payment made to creditors within 30days	Creditor Ageing analysis
3.	Number of creditor reconciliations prepared by June 2026	12	N/A	12 creditors reconciliations prepared by June 2026	Expenditure Management	Own Funding	OPEX	3 creditors reconciliations prepared	3 creditors reconciliations prepared	3 creditors reconciliations prepared	3 creditors reconciliations prepared	Creditors Reconciliations
4.	Percentage of revenue collected on total billing by June 2026	45%	N/A	95% revenue collected on total billing by June 2026	Revenue Management	Own Funding	OPEX	95% revenue collected on total billing	95% revenue collected on total billing	95% revenue collected on total billing	95% revenue collected on total billing	Debtors' payment Report
5.	Number of Reports on debt collected prepared by June 2026	4	N/A	4 Report of debt collected prepared by June 2026	Revenue Management	Own Funding	OPEX	1 Report of debt collected and prepared	1 Report of debt collected and prepared	1 Report of debt collected and prepared	1 Report of debt collected and prepared	Debtors' collection Report
6.	To update indigent, Register quarterly by June 2026	4	N/A	4 Indigent registers updated quarterly by June 2026	Revenue Management	Own Funding	OPEX	1 Indigent register updated	1 Indigent register updated	1 Indigent register updated	1 Indigent register updated	Updated Indigent Register
7.	Number of physical assets verification conducted by June 2026	2	N/A	2 physical assets verifications conducted by June 2026	Assets Management	Own Funding	OPEX	N/A	N/A	1 physical assets verification conducted	1 physical assets verification conducted	Asset verification report
8.	To update Assets, register quarterly by June 2026	4	N/A	4 Assets registers updated by June 2026	Assets Management	Own Finding	OPEX	1 Assets register updated quarterly	1 Assets register updated quarterly	1 Assets register updated quarterly	1 Assets register updated quarterly	Updated Assets Register

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CHIEF FINANCIAL OFFICER

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT; WEIGHT= 71%

STRATEGIC OBJECTIVE: SOUND FINANCIAL MANAGEMENT AND VIABILITY

INDICATOR NO.	KEY PERFORMANCE INDICATORS/MEASURABLE OBJECTIVE	BASELINE 2024/25	WARD NUMBER	ANNUAL TARGETS	PROGRAMME	FUNDING SOURCE	BUDGET	1ST QUARTER TARGETS	2ND QUARTER TARGETS	3RD QUARTER TARGETS	4TH QUARTER TARGETS	PORTFOLIO OF EVIDENCE
9.	Percentage reported of identified UIFW as and when it is identified by June 2026	New indicator	N/A	100% of identified UIFW as and when it is identified by June 2026	Supply Chain Management/Budget /expenditure	Own Funding	OPEX	100% of identified UIFW as and when it is identified	100% of identified UIFW as and when it is identified	100% of identified UIFW as and when it is identified	100% of identified UIFW as and when it is identified	UIFW reports
10.	Number of DMP reports prepared and submitted to EXCO by June 2026	New indicator		12 DMP reports prepared& submitted to EXCO by June 2026	Supply Ch Management	Own Funding	OPEX	3 DMP reports prepared submitted to EXCO	3 DMP reports prepared submitted to EXCO	3 DMP reports prepared submitted to EXCO	3 DMP reports prepared submitted to EXCO	DMP reports, Minutes of the Meeting
11.	To prepare & submit Annual Financial Statement to AGSA, COGHSTA, Provincial and National Treasury by August 2025	1	N/A	Annual Financial Statement prepared & submitted to AGSA, COGHSTA, provincial & National Treasury by August 2025	Budget and Treasury	Own Funding	OPEX	Annual Financial Statement prepared & submitted to AGSA, COGHSTA, provincial & National Treasury	N/A	N/A	N/A	Signed proof of submission of AFS to AGSA, COGHSTA, Provincial & National Treasury
12.	Number of bank reconciliations prepared by June 2026	12	N/A	12 bank reconciliations prepared by June 2026	Budget and Treasury	Own Funding	OPEX	3 bank reconciliations prepared	3 bank reconciliations prepared	3 bank reconciliations prepared	3 bank reconciliations prepared	Bank reconciliations
13.	Number of financial management policies reviewed and adopted by Council by June 2026	10	N/A	10 Financial management policies reviewed and adopted by Council by June 2026	Budget and Treasury	Own Funding	OPEX	N/A	N/A	N/A	10 Financial management policies reviewed and adopted by Council	Council resolution

CHIEF FINANCIAL OFFICER

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT; WEIGHT= 71%

STRATEGIC OBJECTIVE: SOUND FINANCIAL MANAGEMENT AND VIABILITY

INDI CAT OR NO.	KEY PERFORMANCE INDICATORS/MEASURABLE OBJECTIVE	BASELINE 2024/25	WARD NUMBER	ANNUAL TARGETS	PROGRAMME	FUNDING SOURCE	BUDGET	1ST QUARTER TARGETS	2ND QUARTER TARGETS	3RD QUARTER TARGETS	4TH QUARTER TARGETS	PORTFOLIO OF EVIDENCE
14.	Number of section 71 reports compiled and submitted to Provincial Treasury within 10 days as per section 71 of MFMA by June 2026	12	N/A	12 Section 71 reports compiled and submitted to Provincial Treasury within 10 days as per section 71 of MFMA by June 2026	Budget and Treasury	Own Funding	OPEX	3 Section 71 reports compiled and submitted to provincial Treasury within 10 days as per section 71 of MFMA	3 Section 71 reports compiled and submitted to provincial Treasury within 10 days as per section 71 of MFMA	3 Section 71 reports compiled and submitted to provincial Treasury within 10 days as per section 71 of MFMA	3 Section 71 reports compiled and submitted to provincial Treasury within 10 days as per the section 71 of MFMA	Section 71 reports, email, or acknowledgement letter
15.	To prepare & table draft & final annual budget to council by June 2026	1	N/A	Draft & final annual budgets prepared & tabled to council by June 2026	Budget and Treasury	Own Funding	OPEX & CAPEX	N/A	N/A	Draft annual budget prepared & tabled to council	Final Annual budget prepared & tabled to council	Annual Draft & final budgets & council resolution
16.	To compile and approve adjusted budget by council by June 2026	1	N/A	1 Adjusted budget compiled and approved by council by June 2026	Budget and Treasury	Own Funding	OPEX	N/A	N/A	1 Adjusted budget compiled and approved by council	N/A	Adjusted budget & council resolution
17.	To prepare & approve Mid-year budget report by Council by January 2026	1	N/A	1 Mid-year budget report prepared & approved by Council by January 2026	Budget and Treasury	Own Funding	OPEX	N/A	N/A	1 Mid-year budget report prepared & approved Council	N/A	Mid-Year Budget report and Council resolution

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MUNICIPAL MANAGER												
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION; WEIGHT= 21%												
STRATEGIC OBJECTIVE: TO PROVIDE AN EFFECTVE RISK, AUDIT, LEGAL SUPPORT TO THE MUNICIPALITY												
INDI CAT OR NO.	**KEY PERFORMANCE INDICATORS/ME ASURABLE OBJECTIVE**	**BASELIN E 2024/25**	**WARD NUMBER**	**ANNUAL TARGETS**	**PROGRA MME**	**FUNDING SOURCE**	**BUDGET**	**1ST QUARTER TARGETS**	**2ND QUARTER TARGETS**	**3RD QUARTER TARGETS**	**4TH QUARTER TARGETS**	**PORTFOLI O OF EVIDENCE**
1.	Number of departmental meetings conducted by June 2026	10	N/A	10 departmental meetings to be conducted by June 2026	Budget and Treasury	Own Funding	OPEX	3 departmental meetings conducted	3 departmental meetings conducted	2 departmental meetings t conducted	2 Departmental meetings conducted	Minutes and attendance register of the meetings
2.	To table AG action plan on issues raised by the Auditor - General to Council by March 2026	1	N/A	AG Action plan tabled on issues raised by the Auditor - General to Council by March 2026	Budget & Treasury	Own Funding	OPEX	N/A	N/A	AG Action plan tabled on issues raised by the Auditor-General to Council	N/A	Council Resolution
3.	To maintain unqualified audit opinion from Auditor-General South Africa by December 2025	1	N/A	Unqualified Audit opinion from Auditor-General South Africa maintained by December 2025	Budget and Treasury	Own Funding	OPEX	N/A	Unqualified Audit opinion from Auditor-General South Africa maintained	N/A	N/A	AG Audit Report
4.	Number of Operational risks reduced by June 2026	5	N/A	5 operational risk reduced by June 2026	Budget and Treasury	Own funding	OPEX	5 Operational risks reduced	5 Operational strategic risks reduced	5 Operational risks reduced	5 Operational risks reduced	Risk Manageme nt Report
5.	Frequent Monitoring of the departmental attendance register by June 2026		N/A	Weekly Monitoring of the departmental attendance register by June 2026	Budget and Treasury	Own funding	OPEX	Weekly Monitoring of the departmental attendance register	Weekly Monitoring of the departmental attendance register	Weekly Monitoring of the departmental attendance register	Weekly Monitoring of the departmental attendance register	Attendance register

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7. PERFORMANCE WEIGHTINGS PER KEY PERFORMANCE AREAS

The criterion upon which the performance of the employee must be assessed consists of 2 components both of which must be contained in the performance agreement.

The employee will be assessed against both components, with a weight of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Competency Requirements (CCRs), respectively. Each area of assessment will be weighted and will contribute a specific part to the total score. KPAs covering the main areas of work will account for 80% and CCR will account for 20% of final assessment.

TABLE B: WEIGHTING ON KPAS

KEY PERFORMANCE AREAS	WEIGHT
Municipal Institutional Development and Transformation	0%
Basic Service Delivery	8%
Local Economic Development (LED)	0%
Municipal Financial Management and Viability	71%
Good Governance and Public Participation	21%
TOTAL WEIGHTING	100%

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TABLE C: CORE COMPETENCY REQUIREMENTS (CCRs)

CORE MANAGERIAL COMPETENCIES:	Weight (75%)
Strategic Capability and Leadership	10
Programme and Project Management	10
Financial Management(compulsory)	10
Change Management	5
Knowledge Management	10
Service Delivery Innovation	5
Problem Solving and Analysis	5
People Management and Empowerment(compulsory)	10
Client Orientation and Customer Focus(compulsory)	10
CORE OCCUPATIONAL COMPETENCIES:	Weight (25%)
Interpretation of and implementation within the legislative and national policy frameworks	5
Knowledge of developmental local government	5
Knowledge of more than one functional municipal field/discipline	5
Competence as required by other national line sector Departments	5
Exceptional and dynamic creativity to improve the functioning of the municipality	5
Total	100%

8. PERFORMANCE EVALUATION

Performance evaluation will be done in line with section 23(c) of the Performance Regulation of 2006: Performance Regulation of Managers Reporting to the Municipal Manager and the Municipal Manager.

9. STANDARD RATING SCHEDULE

	Score	Definition
Outstanding Performance	5	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.
Performance Significantly Above Expectations	4	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
Fully Effective	3	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.
Not Fully Effective	2	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.
Unacceptable Performance	1	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. 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.

10. PERSONAL DEVELOPMENT PLANS (PDP)

Section 29 of the Performance Regulation of 2006 requires that managers must develop personal Development Plan that must address all gaps, and this plan must be part of the performance agreement.

This performance is signed in line with the Municipal Finance Management Act 56 of 2003. All s57 Managers are required performance plan and sign performance agreements with the accounting officer.

This performance plan serves as an Annexure to the signed Performance Agreement.

11. SIGNATURES

.... 30/06/2025 ....

MUFAMADI A.C **DATE**

CHIEF FINANCIAL OFFICER

.... 30/06/2025 ....

MATSHIVHA MM **DATE**

ACTING MUNICIPAL MANAGER