UGU DISTRICT MUNICIPALITY

PERFORMANCE AGREEMENT

Entered into by and between:

UGU DISTRICT MUNICIPALITY

AS REPRESENTED BY THE MUNICIPAL MANAGER

MR VO MAZIBUKO

AND

THE EMPLOYEE OF THE MUNICIPALITY

MR K AUDAN

CHIEF FINANCIAL OFFICER

FOR THE

FINANCIAL YEAR: 01 JULY 2026 - 30 JUNE 2027

PERFORMANCE AGREEMENT

V.O K.A

S. T.A

MN

ENTERED INTO BY AND BETWEEN

UGU District Municipality herein represented **by Mr VO Mazibuko** in his capacity as Municipal Manager (hereinafter referred to as the Employer)

And

Mr K Audan, Chief Financial Officer of the UGU District Municipality (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1. **INTRODUCTION**

1.1 The Employer has entered into a contract of employment with the Employee in terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred as "the Parties".

1.2 Section 57(1)(b) of the Systems Act, read with the Contract of Employment concluded between the parties, requires the parties to conclude an annual performance Agreement.

1.3 The parties wish to 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.

1.4 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act.

2. **PURPOSE OF THIS AGREEMENT**

2.1 Comply with the provisions of Section 57(1)(b),(4A) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;

2.2 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;

2.3 Specify accountabilities as set out in the Performance Plan (Annexure A) (Performance plan);

2.4 Monitor and measure performance against set targeted outputs;

2.5 Use the Performance Agreement and Performance Plan as the basis for assessing the suitability of the Employee for permanent employment and/or to assess whether the Employee has met the performance expectations applicable to his/her job;

VO K.A
S. T.A
MN

2.6 Appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and

2.7 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3. COMMENCEMENT AND DURATION

3.1 This Agreement will commence on the **01st of July 2026** and will remain in force until **30th of June 2027** where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.

3.2 The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least once a year by not later than the beginning of each successive financial year.

3.3 This Agreement will terminate on the termination of the Employee's contract of employment for any reason.

3.4 The content of this Agreement may be revised at any time during the abovementioned period to determine the applicability of the matters agreed upon.

3.5 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 shall immediately be revised.

4. PERFORMANCE OBJECTIVES

4.1 The Performance Plan (Annexure A) sets out –

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 Annexure A (Performance plan) are set by the Employer in consultation with the Employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the Employer and shall include key objectives; key performance indicators; target dates and weightings.

V.O K.A

S. T.A

MN

4.3 The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show 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.

5. PERFORMANCE MANAGEMENT SYSTEM

5.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer, management and municipal staff of the Employer.

5.2 The Employee accepts that the purpose of the performance management system will be to provide a comprehensive system with specific performance standards to assist the Employer, management and municipal staff to perform to the standards required.

5.3 The Employer will consult with the Employee about the specific performance standards that will be included in the performance management system as applicable to the Employee.

5.4 The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.

5.5 The criteria upon which the performance of the Employee shall be assessed shall consist of two components, both of which shall be contained in the Performance Agreement.

5.5.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Competency Framework Structure (CFSs) respectively.

5.5.2 Each area of assessment will be weighted and will contribute a specific part to the total score.

5.5.3 KPAs covering the main areas of work will account for 80% and CFSs will account for 20% of the final assessment.

5.6 The Employee's assessment will be based on his / her performance in terms of the outputs / outcomes (performance indicators) identified as per attached Performance Plan **(Annexure A)**, which are linked to

VO K.A

S. T.A MW

the KPAs, and will constitute 80% of the overall assessment result as per the weightings agreed to between the Employer and Employee:

KEY PERFORMANCE AREAS (KPA'S)	WEIGHTING
Basic Service Delivery	-
Municipal Institutional Development and Transformation	10
Local Economic Development (LED)	-
Municipal Financial Viability and Management	48
Good Governance and Public Participation	42
Cross Cutting Interventions	-
Total	**100%**

5.7 The Competency Framework (CF) will make the other 20% of the Employee's assessment score. The Competency Framework as contained in the Local Government Regulations on Appointment and Conditions of Employment of Senior Managers, 2014 must be used for this purpose. The Regulations state there is no hierarchical connotation to the structure, and all competencies are essential to the role of a Senior Manager to influence high performance. All competencies must therefore be considered as measurable and critical in assessing the level of a Senior Manager's performance.

5.8 Competency framework structure

The competencies that appear in the competency framework are detailed below:

COMPETENCY FRAMEWORK FOR EMPLOYEE		
LEADING COMPETENCIES	**DESCRIPTION**	**WEIGHT %**
1. Strategic direction and Leadership	• Impact and influence • Institutional Performance Management • Strategic Planning and Management • Organisational Awareness	10
2. People Management	• Human Capital Planning and Development • Diversity Management • Employee Relations Management • Negotiation and Dispute Management	5
3. Programme and Project Management	• Program and Project Planning and Implementation • Service Delivery Management • Program and Project Monitoring and Evaluation	10
4. Financial Management	• Budget Planning and Execution • Financial Strategy and Delivery • Financial Reporting and Monitoring	15
5. Change Leadership	• Change vision and strategy • Process Design and Improvement • Change impact monitoring and evaluation	5
6. Governance Leadership	• Policy Formulation • Risk and Compliance Management • Cooperative Governance	10
CORE COMPETENCIES		
1. Moral competence		5

V.O K.A

 S. MN TA

COMPETENCY FRAMEWORK FOR EMPLOYEE		
LEADING COMPETENCIES	DESCRIPTION	WEIGHT %
2. Planning and organising		10
3. Analysis and innovation		5
4. Knowledge and Information Management		5
5. Communication		10
6. Results and Quality Focus		10
TOTAL		100%

6. PERFORMANCE ASSESSMENTS

6.1 The Performance Plan (Annexure A) to this Agreement sets out –

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 while the contract of employment remains in force.

6.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.

6.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan (IDP).

6.5 The annual performance appraisal will involve:

6.5.1 Assessment of the achievement of results as outlined in the performance plan:

6.5.1.1 Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.

6.5.1.2 An indicative rating on the five-point scale should be provided for each KPA.

6.5.1.3 The applicable assessment rating calculator (refer to paragraph 6.5.3 below) must then be used to add the scores and calculate a final KPA score.

6.5.2 Assessment of the CFSs

6.5.2.1 Each CFS should be assessed according to the extent to which the specified standards have been met.

6.5.2.2 An indicative rating on the five-point scale should be provided for each CFS.

6.5.2.3 The applicable assessment rating calculator (refer to paragraph 7.5.1) must then be used to add the score and calculate a final CFS score.

V.O K.A

S. T.A
MN

6.5.3 Overall rating

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal.

6.6 The assessment of the performance of the Employee will be based on the following rating scale for KPAs and CFSs Achievement Levels:

LEVEL	TERMINOLOGY	DESCRIPTION	RATING
5	**Outstanding Performance**	Performance far exceeds the standard expected of an employee at this level. The appraisal indicate that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the Performance Agreement 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 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 Performance Agreement and Performance Plan.	
2	**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 indicate that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the Performance Agreement 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 Performance Agreement 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.	

6.7 For purposes of evaluating the performance of the Employee, an evaluation panel constituted of the following persons will be established –

6.7.1 Municipal Manager

6.7.2 Chairperson of the Audit Committee in the absence of a performance audit committee;

V.O K.A

S. T.A MN

6.7.3 Member of the Executive committee or in respect of a plenary type municipality, another member of council; and

6.7.4 Municipal manager from another Municipality.

7. SCHEDULE FOR PERFORMANCE REVIEWS

7.1 The performance of each Employee in relation to his/her performance agreement shall be reviewed on the following dates with the understanding reviews in the first and third quarter may be verbal if performance is satisfactory:

First quarter	:	**July – September 2026**
Second quarter	:	**October-December 2026**
Third quarter	:	**January-March 2027**
Fourth quarter	:	**April-June 2027**

7.2 The Employer shall keep a record of the mid-year review and annual assessment meetings.

7.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.

7.4 The Employer will be entitled to review and make reasonable changes to the provisions of **Annexure A** (Performance plan) from time to time for operational reasons. The Employee will be fully consulted before any such change is made.

7.5 The Employer may amend the provisions of Annexure A (Performance plan) whenever the performance management system is adopted, implemented and/or amended as the case may be. In that case, the Employee will be fully consulted before any such change is made.

8. DEVELOPMENTAL REQUIREMENTS

8.1 The Pro Forma Personal Development Plan (PDP) for addressing developmental gaps is attached as **Annexure B**. Such Plan may be implemented and/or amended as the case may be after each assessment. In that case, the Employee will be fully consulted before any such change or plan is made.

9. OBLIGATIONS OF THE EMPLOYER

9.1 The Employer shall-

9.1.1 Create an enabling environment to facilitate effective performance by the employee;

9.1.2 Provide access to skills development and capacity building opportunities;

9.1.3 Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;

V.O K.A

S. MN T.A

9.1.4 On the request of the Employee delegate such powers reasonably required by the Employee to enable him/her to meet the performance objectives and targets established in terms of this Agreement; and

9.1.5 Make available to the Employee such resources as the Employee may reasonably require from time to time assisting him/her to meet the performance objectives and targets established in terms of this Agreement.

10. CONSULTATION

10.1 Employer agrees to consult the Employee timeously where the exercising of powers will have amongst others:

10.1.1 A direct effect on the performance of any of the Employee's functions;

10.1.2 Commit the Employee to implement or to give effect to a decision made by the Employer; and

10.1.3 A substantial financial effect on the Employer.

10.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in clause 11.1 as soon as is practicable to enable the Employee to take any necessary action with delay.

11. MANAGEMENT OF EVALUATION OUTCOMES

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

11.2 A performance bonus of 5% to 14% of inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance. In determining the performance bonus, the relevant percentage is based on the overall rating, calculated by using the applicable assessment –rating calculator; provided that –

11.2.1 a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

11.2.2 a score of 150% and above is awarded a performance bonus ranging from 10% to 14%

11.3 In the case of unacceptable performance, the Employer shall-

11.3.1 Provide systematic remedial of development support to assist the Employee to improve his or her performance; and

11.3.2 After appropriate performance and counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance and performance does not improve, the Employer may consider steps to terminate the contract of employment of the Employee on grounds of unfitness or incapacity to carry out his or her duties.

12. DISPUTE RESOLUTION

V.O K.H

S. T.A
MN

12.1 Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/or any other matter provided for, shall be mediated by:

12.1.1 In the case of municipal manger, the MEC for local government in the province within (30) days of receipt of a formal dispute from the employee, or any other person designated by the MEC; and

12.1.2 Whose decision shall be final and binding to both parties.

13.2 Any dispute about the employee's performance evaluation, must be mediated by:

12.1.3 In the case of the municipal manager, the MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the employee, or any other person designated by MEC; and

12.1.4 Whose decision shall be final and binding to both parties.

13. GENERAL

13.1 The contents of this agreement and the outcome of any review conducted in terms of Annexure A (Performance plan) may be made available to the public by the Employer.

13.2 Nothing in this agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his/her contract of employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

This done and signed at Oslo Beach on this the 1 day of July 2026

AS WITNESSES:

1. ______________________

EMPLOYEE

2. ______________________

This done and signed at OSLO beach on this the 01 day of July 2026

AS WITNESSES:

MUNICIPAL MANAGER

ANNEXURE A: PERFORMANCE PLAN

UGU DISTRICT MUNICIPALITY

PERFORMANCE PLAN

Entered into by and between

UGU DISTRICT MUNICIPALITY

AS REPRESENTED BY THE MUNICIPAL MANAGER

MR VO MAZIBUKO

AND

MR K AUDAN

THE CHIEF FINANCIAL OFFICER

THE EMPLOYEE OF THE MUNICIPALITY

PERIOD: 01 JULY 2026 – 30 JUNE 2027

K.A V.O
T.A

1. PURPOSE

1.1. The key purpose of this performance plan is to set out:

1.1.1. the performance objectives and targets that must be met by the employee; and

1.1.2. the time frames within which those performance objectives and targets must be met.

1.2. This performance plan sets out:

1.2.1. the performance objectives and targets that must be met by the employee; and

1.2.2. the time frames within which those performance objectives and targets must be met.

1.3. The performance objectives and targets reflected in this performance plan are set by the employer in consultation with the employee and based on the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality and includes key objectives; key performance indicators; target; timeframes and weightings.

1.4. The key objectives describe the main tasks that are to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.

1.5. 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 (IDP).

2. KEY PERFORMANCE AREAS

2.1. Key Performance Areas covering the main areas of work account for the Chief Financial Officer were agreed to be:

2.1.1. Municipal Institutional Development and Transformation;

2.1.2. Municipal Financial Viability and Management;

2.1.3. Good Governance and Public Participation

2.2. Table 1 details performance objectives and targets that must be met, and the time frames within which those performance objectives and targets must be met as well as the weighting of each performance target.

K. A J.O

T.A

ANNEXURE A - CHIEF FINANCIAL OFFICER - PERFORMANCE PLAN 2026 2027										
BUDGET AND TREASURY OFFICE										
IDP Ref	**Strategic Objective (SO)**	**SDBIP Ref**	**Project / Programme**	**Key Performance Indicator**	**Annual Target**	**Weighting**	**Quarterly Targets and Progress**			
							Q1	**Q2**	**Q3**	**Q4**
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT										
MTID 1.3	To ensure 100% implementation of IPMS for level 2 to 18	**MTID 1.3.1 BTO**	IPMS Workplans	Cumulative Number of Level 2-18 employees with workplans developed	139	2.00	70	N/A	N/A	139
MTID 1.4	To ensure 100% compliance with record management legislative framework	**MTID 1.4.1 BTO**	Electronic Document Management System (EDMS)	Number of documents submitted in compliance to Departmental records management by BTO per annum	400	2.00	100	100	100	100

V.O K.A

T.A

MTID 2.1	To ensure 100% implementation of Human Resources Plan and Strategy	**MTID 2.1.6 BTO**	Leave Management	Percentage compliance of the BTO department with leave management policy	100%	2.00	100%	100%	100%	100%
		MTID 2.1.7 BTO	Overtime Management	Percentage compliance of BTO with Hours of Work Policy on Overtime	100%	2.00	100%	100%	100%	100%
		MTID 2.1.8 BTO	Consequence Management	Number of consequence management reports submitted to Management Committee (MANCO) per annum	4	2.00	1	1	1	1
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT WEIGHTING TOTAL						**10.00**				
GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
GGPP 1.1	To ensure 100% functionality of Council and Council Committees	**GGPP 1.1.11 BTO**	Full Council Resolutions	Percentage of Full Council resolutions implemented	100%	2.1	100%	100%	100%	100%

V.O K.H

T.A

GGPP 1.2	To ensure policies are developed / reviewed	**GGPP 1.2.30**	Policy Development and Review	Asset Disposal policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.31		Asset Management policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.32		Borrowing policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.33		Budget policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.34		Cash, Banking and Investment policy	1	2.1	N/A	N/A	N/A	1

VO K.A

T.A

		GGPP 1.2.35		Cost Containment policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.36		Credit Control and Debt Collection by-law	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.37		Credit Control and Debt Collection policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.38		Expenditure and Payroll policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.39		Free Basic Water Services Policy	1	2.1	N/A	N/A	N/A	1

V·O K-A
T.A

		GGPP 1.2.40		Funding and Reserves policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.41		Indigent Support policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.42		Insurance Policy and Procedure for the Handling of Insurance Claims	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.43		Petty Cash policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.44		Standard Infrastructure Procurement and Delivery Management policy	1	2.1	N/A	N/A	N/A	1

VO K.A
T.A

		GGPP 1.2.45		Supply Chain Management policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.46		Unauthorised, Irregular, Fruitless and Wasteful Expenditure policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.47		Preferential Procurement policy	1	2.1	N/A	N/A	N/A	1
		GGPP 1.2.48		Virement policy	1	2.1	N/A	N/A	N/A	1
GOOD GOVERNANCE AND PUBLIC PARTICIPATION WEIGHTING TOTAL						**42.00**				
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT										
MFVM 1.1	To ensure adoption of annual budgets by 31 May of each year	**MFVM 1.1.1**	Annual Budget	Number of annual budgets adopted by 31 May of each year	1	2.1	N/A	N/A	N/A	1

KA
V.O T.A

		MFVM 1.1.2		Number of budget process plans adopted by 31 August of each year	1	2.1	1	N/A	N/A	N/A
		MFVM 1.1.3		Number of draft annual budgets approved for public comments by 31 March of each year	1	2.1	N/A	N/A	1	N/A
MFVM 1.2	To ensure approval of mid-year performance assessments by 25 January of each year	**MFVM 1.2.1**	Mid-Year Performance Assessments	Number of Mid-Year performance assessments approved by 25 January of each year	1	2.1	N/A	N/A	1	N/A
MFVM 1.3	To ensure adoption of budgets adjustments by 28 February of each year	**MFVM 1.3.1**	Adjustment Budget	Number of budgets adjustments adopted by 28 February of each year	1	2.1	N/A	N/A	1	N/A
MFVM 1.4	To ensure preparation and submission of annual financial statements to Auditor General by 31 August of each year	**MFVM 1.4**	Annual Financial Statements	Number of annual financial statements prepared and submitted to Auditor General by 31 August of each year	1	2.1	1	N/A	N/A	N/A

Y.O KH
T.A

MFVM 1.5	To ensure preparation and submission of consolidated financial statements to Auditor General by 30 September of each year	**MFVM 1.5**		Number of annual consolidated financial statements prepared and submitted to Auditor General by 30 September of each year	1	2.1	1	N/A	N/A	N/A
MFVM 1.6	To ensure submission of in-year financial reports	**MFVM 1.6**	In-Year Financial Reports	Number of in-year financial reports submitted per annum	12	2.1	3	3	3	3
MFVM 2.1	To ensure 100% implementation of Revenue Management System (RMS)	**MFVM 2.1.1**	Recording all transactions accurately and completely	Number of reports on implementation of billing system and revenue collection	12	2.1	3	3	3	3
		MFVM 2.1.2		Number of cash book updates conducted per annum	12	2.1	3	3	3	3
		MFVM 2.1.3		Number of General Ledger updates conducted per annum	12	2.1	3	3	3	3

V·O K·A

T·A

		MFVM 2.1.4		Number of Bank reconciliations	12	2.1	3	3	3	3
		MFVM 2.1.5		Number of Creditors Reconciliations	12	2.1	3	3	3	3
		MFVM 2.1.6		Number of Debtors Reconciliation Report	12	2.1	3	3	3	3
		MFVM 2.1.7		Number of VAT 201 returns submitted	12	2.1	3	3	3	3
MFVM 3.1	To ensure 100% implementation of supply chain management policy	**MFVM 3.1.1 BTO**	Supply Chain Management	Number of vendor performance reports submitted to SCM	4	2.1	1	1	1	1

V.O KA

T.A

		MFVM 3.1.2		Number of reports on adjudication of projects within 90 days of closing date	4	2.1	1	1	1	1
		MFVM 3.1.3		Number of deviations and Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure registers submitted to COGTA per annum on a quarterly basis	4	2.1	1	1	1	1
		MFVM 3.1.4		Number of Procurement Plans approved by 30 June of each year	1	2.1	N/A	N/A	N/A	1
MFVM 3.2	To ensure payment of creditors within 30 days	**MFVM 3.2.1**	Payment of Creditors	100% Compliance with creditors payment plan	100%	2.1	100%	100%	100%	100%
		MFVM 3.2.2		Number of salary payment cycles per annum	12	2.1	3	3	3	3

V.O K.A

T.A

		MFVM 3.2.3		Number of third-party payment cycles per annum	12	2.1	3	3	3	3
MFVM 4.1	To ensure a GRAP compliant asset register	**MFVM 4.1**	Asset Register	Number of GRAP compliant asset register updates per annum	12	2.1	3	3	3	3
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT WEIGHTING TOTAL						**48.00**				
TOTAL WEIGHTING						**100.00**				

Number of KPIs per KPA	Weight per KPA	Calculations
MTID - 5 KPI s	**10%**	10.42
GGPP - 20 KPIs	**42%**	41.67
MFVM - 23 KPI	**48%**	47.92
TOTAL = 48 KPIs	**100%**	100

Table 1: CFO Performance Plan

Signed and accepted by the Employee

Date: 01 |07|2026

Signed by the Municipal Manager on behalf of the Municipality.

Date: 01-07-2026

T.A

ANNEXURE B: PERSONAL DEVELOPMENT PLAN

Ugu District Municipality

PERSONAL DEVELOPMENT PLAN (PDP)

Entered into by and between

THE MUNICIPALITY OF UGU
AS REPRESENTED BY THE MUNICIPAL MANAGER

MR VO MAZIBUKO

AND

THE CHIEF FINANCIAL OFFICER

MR K AUDAN

PERIOD: 01 JULY 2026 – 30 JUNE 2027

VO KA
T.A

1. PERSONAL DEVELOPMENT `PLAN

1.1. A Municipality shall be committed to:

1.1.1. the continuous training and development of its employees to achieve its vision, mission and strategic objectives and empower employees and

1.1.2. managing training and development within the ambit of relevant national policies and legislation.

1.2. A Municipality shall follow an integrated approach to Human Resource Management, that is:

1.2.1. Human resource development forms an integral part of human resource planning and management.

1.2.2. In order for training and development strategy and plans to be successful it shall be based on sound Human Resource (HR) practices, such as the (strategic) HR Plan, job descriptions, the result of regular performance appraisals and career pathing.

1.2.3. To ensure the necessary linkage with performance management, the Performance Management and Development System provide for the Personal Development Plans of employees to be included in their annual performance agreements. Such approach will also ensure the alignment of individual performance objectives to the municipality's strategic objectives, and that training and development needs can be identified through performance management and appraisal.

1.2.4. Career-pathing ensures that employees are placed and developed in jobs according to aptitude and identified potential. Through training and development they can acquire the necessary competencies to prepare them for future positions. A comprehensive competency framework and profile for Municipal Mangers are attached and these shall be linked to relevant registered unit standards to specifically assist them in compiling Personal Development Plans in consultation with their managers.

1.2.5. Personal Development Plans are compiled for individual employees and the data collated from all employees in the municipality forms the basis for the data collated from all employees in the municipality forms the basis for the prescribed Workplace Skills Plan, which municipalities are required to compile as a basis for all training and education activities in the municipality in a specific financial year and report on progress made to the Local Government Sector Education and Training Authority.

N.O K.A
T.A

1.3. The aim of the compilation of Personal Development Plans is to identify, prioritise and implement training needs.

1.3.1. Compiling the Personal Development Plan (Table 1).

1.3.1.1. Competency assessment instruments, which are dealt with more specifically in Table 1 and, shall be established to assist with the objective assessment of employees' actual competencies against their job specific competency profiles and managerial competencies at a given period in time with the purpose of identifying training needs or skills gaps.

1.3.1.2. The competency framework and profiles and relevant competency assessment results will enable a manger, in consultation with his/her employee, to compile a Personal Development Plan. The identified training needs shall be entered into column 1 of Appendix 1(PDP), entitled Skills/Performance Gap. The following shall be carefully determined during such a process:

1.3.1.2.1. **Organisational needs, which include the following**:

a) Strategic development priorities and competency requirements, in line with the municipality's strategic objectives.
b) The competency requirements of individual jobs. The relevant job requirements (job competency profile) as identified in the job description shall be compared to the current competency profile of the employee to determine the individual's competency gaps.
c) Specific competency gaps as identified during the probation period find performance appraisal of the employee.

1.3.1.2.2. **Individual training needs that are job / career related.**

a) Next, the prioritisation of the training needs must be listed since it may not be possible to address all identified training needs in a specific financial year. It is however of critical importance that training needs be addressed on a phased and priority basis. This implies that all these needs shall be prioritized for purposes of accommodating critical / strategic training and development needs in the Human Resource Plan, Personal Development Plans and Workplace Skills Plan.

b) Consideration must then be given to the expected outcomes, to be listed in column 2 of Table 1, so that once the intervention is completed the impact it had can be measured against relevant output indicators.

V.O KA

T.A

c) An appropriate intervention must be identified to address training needs / skills gaps and the outcome to be achieved but with due regard to cost effectiveness. These shall be listed in column 3 of Table 1, entitled: Suggested training and / or development activity in line with the National Qualifications Framework which could enable the trainee to obtain recognition towards a qualification for training undertaken. It is important to determine through the Training / Human Resource Development / Skills Development Unit within the municipality whether unit standards have been developed and registered with the South African Qualifications Authority that are in line with the skills gap and expected outcomes identified. Unit standards usually have measurable assessment criteria to determine achieved competency.

d) Guidelines regarding the number of training days per employee and the nominations of employees: An employee shall on average receive at least five days of training per financial year and not unnecessarily be withdrawn from training interventions.

e) Column 4 of Table 1: The suggested mode of delivery refers to the chosen methodology that is deemed most relevant to ensure transfer of skills. The training/development activity shall impact on delivery back in the workplace. Mode of delivery consists of, amongst others, self-study. [The official takes it upon him/her to read e.g. legislation]; internal or external training provision; coaching and/or mentoring and exchange programmes, etc.

f) The suggested time frames (column 5 of Table) enable managers to effectively plan for the annum e.g. so that not all their employees are away from work within the same period and also ensuring that the PDP is implemented systematically.

g) Work opportunity created to practice skill/development areas, in column 6 of Table 1, further ensures internalisation of information gained as well as return on investment (not just a nice to have skill but a necessary to have skill t that is used in the workplace).

h) The final column, column 7 of Table 1, provides the employee with a support person that could act as coach or mentor with regards to the area of learning.

VO KA

T.A

PERSONAL DEVELOPMENT PLAN OF: K AUDAN

DATE: 01 JULY 2026

Table 1: Personal Development Plan

1. Skills Performance Gap (in order of priority)	2. Outcomes Expected (measurable indicators: quantity, quality and time frames)	3. Suggested training and /or development activity	4. Suggested mode of delivery	5. Suggested Time Frames	6. Work opportunity created to practice skill/development area	7. Support Person
1. Maintaining continuing professional development as a Chartered Accountant (CA).	Knowledge and application of: Financial management principles, Strategic capability & Leadership, Performance management & Reporting, Interpretation & implementation within the legislation and national policy, People management & empowerment, Client orientation & customer focus.	Membership with SAICA renewed by ensuring that the municipality pays for my annual membership fees to SAICA. By attendance of training courses, workshops, seminars and conferences for continuous learning and application of skills.	Payment of annual membership fees to SAICA. External Service Provider - attendance of lectures, training courses, workshops, seminars and conferences	1 July 2026 to 30 June 2027	Keeping up to date with financial standards and the application thereof within the municipality.	Municipal Manager and the GM: Corporate Services.

V.O K.A

T.A

2.Executive Leadership	To sharpen and broaden the scope of managing the municipality as a business model.	Master's in commerce (MCom)	Approved tertiary institution - attendance of lectures.	1 July 2026 to 30 June 2027	Management of the finance and operations within the municipality.	Municipal Manager and the GM: Corporate Services.

Signed and accepted by the Employee

Date: 01 / 07 / 2026

Signed by the Municipal Manager on behalf of the Municipality

Date: 01-07-2026