Mbhashe
Local Municipality
Willovale | Dutywa | Elliotdale

All correspondence must be directed to the office of the Municipal Manager.
454 Streatfield Street, Dutywa
Eastern Cape Province
Tel: 047 489 5800
Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

PERFORMANCE AGREEMENT

Entered into by and between

Mbhashe Local Municipality, as represented by the Municipal Manager

MKHULULI NAKO

('the employer')

and

NTOMBIZODWA MAHLATI- NKUHLU

('the employee')

For the financial year:

1 July 2026– 30 June 2027

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ON N.B.T N.M.N

PERFORMANCE AGREEMENT

ACRONYMS

SDBIP	-	Service Delivery and Budget Implementation Plan
BEE	-	Black Economic Empowerment
KPA	-	Key Performance Area
KPI	-	Key Performance Indicator
PDP	-	Personal Development Plan
PA	-	Performance Agreement
CCR	-	Core Competency Requirements
PMS	-	Performance Management System
PAC	-	Performance Audit Committee

DEFINITIONS

Official Language	-	Refers to the language parties to the contract choose to use as medium for formal communication between themselves.
Financial Year	-	Refers to the 12-month period which the organization determines as its budget year.
Employee	-	means a person employed by a municipality as a municipal manager or as a manager directly accountable to a municipal manager.
Employer	-	means the municipality employing a person as a municipal manager or as a manager directly accountable to a municipal manager and as represented by the mayor, executive mayor or municipal manger as the case may be;

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Employment contract	-	means a contract as contemplated in Section 57 of the Act;
Performance agreement	-	means an agreement as contemplated in Section 57 of the Act; and
the Act	-	means the Local Government: Municipal Systems Act, 2000.

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ENTERED INTO BY AND BETWEEN

Mbhashe Local Municipality, herein represented by **MKHULULI NAKO** in his capacity as Municipal Manager (hereinafter referred to as 'the Employer')

And **NTOMBIZODWA MAHLATI- NKUHLU,** being a manager accountable to the Municipal Manager in terms of section 57 of the Local Government: Municipal Systems Act No. 32 of 2000, in his capacity as duly appointed Senior Manager: Corporate Services (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 Municipal Systems Act'). The Employer and the Employee are hereinafter referred to as 'the parties.

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 Senior Manager to a set of outcomes that will secure local government policy goals.

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

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2. Purpose of this Agreement

The purpose of this Performance Agreement is to –

2.1. comply with the provisions of Section 57(1)(b), (4B) and (5) of the Municipal Systems Act as well as the Contract of Employment entered into between the parties.

2.2. specify objectives and targets defined and agreed with the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance and accountabilities in alignment with the Integrated Development Plans, Service Delivery and Budget Implementation Plan ('SDBIP') and the Budget of the Employer.

2.3. specify accountabilities as set out in the Performance Plan as set out under paragraph 4;

2.4. monitor and measure performance against set targeted outputs.

2.5. use the Performance Agreement as the basis for assessing whether the Employee has met the performance expectations applicable to his job;

2.6. appropriately reward the Employee 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 1 July 2026 and will remain in force until 30 June 2027, at the end of which the parties shall negotiate a new Performance Agreement in terms of the Provisions of Section 57(2) (a) of the Act.

3.2. The parties will review the provisions of this Agreement during June each year. The parties will conclude a new Performance Agreement that replaces the previous Agreement at least once a year within one month after the commencement of the new financial year.

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

3.4. If at any time during the validity of this Agreement the work environment alters to the extent that the contents of this Agreement are no longer appropriate, the contents must, by mutual agreement between the parties, immediately be revised.

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4. **Performance Plan**

4.1. By their signatures hereunder, the Parties hereby accept the Performance Plan as documented below, as the basis upon which performance will be monitored and measured.

4.2 The performance Plan consists of the following areas, forming separate Paragraphs to this Agreement:

4.2.1 Performance objectives – set out under paragraph 5;

4.2.2 Performance management systems – set out under paragraph 6;

4.2.3 Evaluation of performance – set out paragraph 7;

4.2.4 Annual performance appraisal – set out under paragraph 8;

4.2.5 Schedule of performance reviews – set out under paragraph 9;

4.2.6 Personal development requirements – set out under paragraph 10.

5. **Performance objectives**

5.1. The Parties hereto agree to set the performance objectives and targets, as reflected in the following attachments.

5.1.1 The Service Delivery and Budget Implementation Plan (SDBIP) (Departmental Scorecard) – **ANNEXURE A;** And

5.1.2 The Personal Development Plan (PDP) – **ANNEXURE B.**

5.2. The performance objectives and targets agreed to are to be achieved within the specified time frames as set out in Annexure A.

5.3. The performance objectives and targets as reflected in Annexure A, are based on the Integrated Development Plan and the Budget of the Employer and include:

5.3.1 *Key objectives* – which describe the main tasks that need to be done;

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5.3.2 *Key performance indicators* – which provide the details of the evidence that must be provided to show that a key objective has been met;

5.3.3 *Target dates* – within which the objective and targets must be met; and

5.3.4 *Weightings* – which show the relative importance of the key objectives to each other.

5.4 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.

6. **Performance Management System**

6.1 The Employee agrees to participate in the performance management system that the Employer adopts or introduces for the Employer.

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

6.3 The Employer will consult the Employee in respect of any specific performance standards that will be included in the performance management system that are applicable to the Employee.

6.4 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.

6.5 The criteria upon which the performance of the Employee is to be assessed consist of two components, namely KPAs and Core Competency Requirement (CCRs), with a weighting of 80:20 allocated to the KPAs and the CCRs respectively.

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

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

6.8 The Employee's assessment will be based on performance in terms of the outputs/outcomes (performance indicators), identified as per Annexure A, which are linked to the KPAs and which constitutes 80% of the overall assessment result as per the weightings agreed to be between the Employer and Employee as follows:

Key Performance Areas (KPA's)	**Weighting**
Basic Service Delivery	
Municipal Institutional Development and Transformation	**70%**
Local Economic Development (LED)	
Municipal Financial Viability and Management	**10%**
Good Governance and Public Participation	**20%**
Total	**100%**

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6.9 The CCRs will make up the other 20% of the Employee's √assessment score. CCRs which are competencies that cuts across all levels of work in a municipality are agreed to between the Employer and Employee.

Below is a list of Leading and Core competencies as stipulated in the Local Government: Regulations on appointment and conditions of Employment of Senior Managers:

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COMPETENCY FRAMEWORK FOR SENIOR MANAGERS		
Leading Competencies :		Weight
Strategic Direction and Leadership	• Impact and Influence	10%
	• Institutional Performance Management	
	• Strategic Planning and Management	
	• Organisational Awareness	
People Management	• Human Capital Planning and Development	20%
	• Diversity Management	
	• Employee Relations Management	
	• Negotiation and Dispute Management	
Programme and Project Management	• Program and Project Planning and Implementation	10%
	• Service Delivery Management	
	• Program ad Project Monitoring and Evaluation	
Financial Management	• Budget Planning and Execution	10%
	• Financial Strategy and Delivery	
	• Financial Reporting and Monitoring	
Change Leadership	• Change Vision and Strategy	10%
	• Process Design and Improvement	
	• Change Impact Monitoring and Evaluation	
Governance Leadership	• Policy Formulation	10%
	• Risk and Compliance Management	
	• Cooperative Governance	
Core Competencies:		
Moral Competence		5%
Planning and Organising		5%
Analysis and Innovation		5%
Knowledge and Information Management		5%
Communication		5%
Results and Quality focus		5%
Total		**100%**

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7. Evaluating performance

7.1 The following standards and procedures shall apply in the evaluation of performance of the Employee:

7.1.1 The Employer shall, for every quarter of the financial year, on the basis of a self-evaluation written report from the Employee, and his own assessment evaluate the Employee's performance. The reports may be subjected to further review by the Performance Audit Committee of Mbhashe Local Municipality.

7.1.2 The said report from the Employee must be made available to the Employer within (5) five working days after the last day of the quarter (three-month period).

7.1.3 The said report shall indicate any problems or impediments encountered by the Employee in meeting the targets provided for within the timeframes of the KPA and CCR's scorecards.

7.1.4 Should the problems or impediments not be the fault of the Employee, the report should propose new timeframes for the achievement of the said objectives.

7.1.5 The Employer shall within fourteen (14) days upon the receipt of a report indicating such impediments as described in paragraph 7.1.3. above, respond in writing to the Employee either the acceptance or rejection of the revised target timeframes.

7.1.6 The Employee must ensure any new time-frames or variances and corrective measures agreed to in terms of this paragraph, are where appropriate, correctly reflected in the monthly reports submitted to the Employer so as to allow the Municipal Manager to comply with the reporting requirements under section 71(1) of the Municipal Finance Management Act 56 of 2003.

7.1.7 The Employer shall, in the event of substandard performance by the Employee convene a meeting with the Employee where he will:

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(a) give feedback in respect of the substandard performance.

(b) explain the requirements, levels, skills and nature of the posts.

(c) evaluate the Employees performance in relation to this Agreement.

(d) afford the Employee an opportunity to respond to the substandard performance outcomes.

7.1.8 After considering the submissions made by the Employee in terms of subparagraph 7.1.7(e) above the Employee may, if necessary –

(a) Initiate a formal programme of counselling and training to enable the Employee to reach the required standard of performance, which must include –

i. Assessing the time that it will take for the Employee to deal with the substandard performance.

ii. Establish realistic timeframes within which the municipality will expect the Employee to meet the required performance standard; and

iii. Identify and providing appropriate training for the Employee to reach the required standard of performance.

(b) Establish ways to address any factors that affected the Employee's performance that lay beyond the Employee's control.

7.1.9 If, after the application of corrective measures as set out in paragraph 7.1.8 above, and after a reasonable time has been given for the Employee to improve his performance, the Employee continues to fail to meet the required performance standard for the post, or refuses to take part in any programme intended to correct the substandard performance, the Employer shall report the allegation of substandard performance of the Employee, to Council to commence formal disciplinary proceedings as stipulated in terms of the Local Government: Disciplinary Regulations for Senior Managers 2010, with a view of terminating the employment of the Employee in accordance with the provisions of the written Contract of Employment

7.2 The Employer may penalize the Employee by withholding any recognition of performance in the following circumstances :

7.2.1 The Employee fails to comply with this Agreement.

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7.2.2 The Employee's leave record in respect of absenteeism and leave without pay shows a lack of commitment to his work.

7.2.3 The Employee has been found guilty of misconduct in a disciplinary hearing during the period of this Agreement.

7.3 Should the Employee fail to submit his self-assessment for each or any quarter within the prescribed period as set out in paragraph 7.1 above, the Employer may disregard the self-assessment for that quarter and give a score of zero to the Employee.

7.4 The Employer shall not be entitled to give a score of zero where the Employee has failed to submit a self-assessment report, as provided for under paragraph 7.3 above, where the Employee's failure to submit the self-assessment is a result of any of the following events which are beyond the control of the employee:

(a) the Employee is on sick leave, as per the conditions outlined in the applicable municipal policy, thus losing essential time that would allow the Employee to complete and submit the self-assessment timeously.
(b) the Employee is away from the office on official Council business for any period of time within which the self-assessment is due;
(c) the Employee is on approved annual or any other leave at the time which the self-assessment is due.

7.5 In the event of any of the occurrences listed under paragraph 7.4 above, the Employee must advise the Employer in writing to the effect that the self-assessment cannot be submitted timeously.

7.6 The Employer must immediately acknowledge receipt of the Employee's submission under paragraph 7.5 above and indicate his agreement that the self-assessment cannot be submitted timeously, and to then provide the

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Employee with an alternative date on which the self-assessment report may be submitted.

7.7 The Employer must give the Employee notice in writing that he is

contemplating not evaluating the Employees quarterly performance for reasons listed under paragraphs 7.2 and 7.4, to allow the Employee to provide further submission in this regard.

8 Annual performance appraisals

8.1. The annual performance appraisal will involve:

8.1.1 Assessment of the achievement of results as outlined in the

Annexure A, as follows:

8.1.1.1 Each KPA will 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;

8.1.1.2 An indicative rating on the five –point scale will be provided for each KPA;

8.1.1.3 The applicable assessment rating calculator will then be used to add the scores and calculate the final KPA score.

8.1.2 Assessment of the CCR as follows:

8.1.2.1. Each CCR will be assessed according to the extent to which the specified standards have been met.

8.1.2.2 An indicative rating on the five-point scale will be provided for each CCR;

8.1.2.3 This rating will be multiplied by the weighting given to each CCR agreed to in this Agreement to provide a score.

8.1.2.4 The applicable assessment rating calculator must then be used to add the scores and calculate the final CCR score.

8.1.3 Overall rating as follows:

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

8.1.3.2 The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CCR's

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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 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 expectation	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 achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
2	Performance not fully effective	Performance is below the standard required for the job to 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.					

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8.2 The evaluation of the annual performance of the Employee, shall be conducted by a panel consisting of the following:

- Municipal Manager;
- Chairperson of the Performance Audit Committee or Audit committee in the absence of a Performance Audit Committee
- A member of the Mayoral or Executive Committee, and
- The Municipal Manager from another Municipality.

9 **Schedule for performance reviews**

9.1 The performance of the Employee in relation to his Performance Agreement shall be reviewed on the following dates:

First quarter	: July- September: 9 October 2026
Second quarter	: October- December: 8 January 2027
Third quarter	: January- March 9 April 2027
Fourth quarter	: April- June 9 July 2027

9.2 The performance panels will sit annually as in line with the Performance Management Framework.

9.3 The Employer must keep a record of the mid-year review and quarterly assessment meetings.

9.4 Performance feedback must be based on the Employer's assessment of the Employee's performance.

9.5 The Employee will be entitled to review and make reasonable changes to the provisions of the Performance Plan from time to time for operational reasons on agreement between both parties.

9.6 The Employer may amend the provisions of the Performance Plan whenever the performance management system is adopted, implemented and/or amended as the case may be on agreement between both parties.

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9.7 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.

10 **Developmental requirements**

10.1 A Personal Development Plan (PDP) (Annexure B) for addressing developmental gaps must form part of the Performance Agreement.

10.2 Personal growth and development needs identified during any performance review discussion must be documented in the PDP as well as the actions agreed to as well as implementation time frames.

11 **Obligations of the Employer**

11.1 The Employer must –

11.1.1 create an enabling environment to facilitate effective performance by the Employee.

11.1.2 provide access to skills development and capacity building opportunities.

11.1.3 work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee.

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

11.1.5 make available to the Employee such resources as the Employee may reasonably require from time to time to assist him to meet the performance objectives and targets established in terms of this Agreement.

12 **Consultation**

12.1 The Employer agrees to consult the Employee timeously where the exercising of the powers will have amongst others -

12.1.1 a direct effect on the performance of any of the Employee's functions.

12.1.2 commit the Employee to implement or to give effect to a decision made by the Employer; and

12.1.3 have a substantial financial effect on the Employer.

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12.2 The Employer agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in 11.1 as soon as is practicable to enable the Employee to take any necessary action without delay.

13 **Management of evaluation outcomes**

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

13.2 A performance bonus ranging from 5% to 14% of the all-inclusive 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 –

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

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

13.3 Should the awarding of performance bonus be appropriate as provided for under paragraph 13.2 above, such performance bonus will be subject to the following conditions:

13.3.1 The Employee having completed 2 consecutive quarters in full for the applicable performance year.

13.3.2 Should the Employee have been appointed for less than 12 months, a pro rata performance bonus will apply.

13.4 In the case of unacceptable performance, the Employer shall:

13.4.1 provide systematic remedial or developmental support to assist the Employee to improve his/her performance in line with the provision of paragraph 7.1.8; and,

13.4.2 after appropriate performance counselling and having provided the necessary guidance or support and reasonable time for improvement in performance, ad performance does not improve, the Employer may consider steps as provided for this Agreement to terminate the Contract of Employment of the Employee on ground of unfitness or incapacity to carry out his duties.

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14 **Dispute resolution**

14.1 Any disputes about the nature of the Employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/or salary increment in the Agreement, must be mediated by the Executive Mayor within thirty (30) days of receipt of a formal dispute from the Employee, whose decision shall be final and binding on both parties.

14.2 Any disputes about the outcome of the Employee's performance evaluation, must be mediated by a member of the Municipal Council, provided that such member was not part of the evaluation panel provided for in 7.5, within thirty (30) days of receipt of a formal dispute from the Employee, whose decision shall be final and binding on both parties.

15 **General**

15.1 The contents of the Performance Agreement will be made available to the public by the Employer in accordance with the Municipal Finance Management Act, 2003 and Section 46 of the Municipal Systems Act.

15.2 Nothing in this Agreement diminishes the obligations, duties or accountabilities of the Employee in terms of his Contract of Employment, or the effects of existing or new regulations, circulars, policies, directives or other instruments.

Thus done and signed at Dutywa on this 7th day of JULY 2026

AS WITNESSES:

1. _____

2. _____

MUNICIPAL MANAGER

AS WITNESSES:

1. _____

2. _____

SENIOR MANAGER:

CORPORATE SERVICES

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Mbhashe
Local Municipality
Willovale | Dutywa | Elliotdale

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APPENDIX 1

Commitment of Managers directly reporting to the Head of Department (Sec 56 Manager reporting directly to the Municipal Manager)

This appendix serves as a commitment from managers reporting directly to the HOD (Section 56 Manager reporting directly to the Municipal Manager) in support of achieving targets as set in the SDBIP Scorecard attached hereto as Annexure A. This is to fulfil the support and co-operation on responsibilities allocated towards the attainment of the set targets for the units in the department contributing to the departmental overall performance. This is done according to the adopted establishment plan.

The following are the signatories for HEADS OF SECTIONS (Managers and Officers reporting to Senior Manager)

Unit	:	**HUMAN CAPITAL MANAGEMENT**
Title	:	**Manager Human Capital**
Name & Surname	:	**Nonzwakazi Turwana**
Signature	:	_____ **Date** : 7/07/2026

Unit	:	**ICT AND RECORDS MANAGEMENT**
Title	:	**ICT and Records Manager**
Name & Surname	:	**S. Gobingca**
Signature	:	_____ **Date** : 7/07/2026

Unit	:	**ADMINISTRATION AND FACILITIES MANAGEMENT**
Title	:	**Manager Administration and Facilities**
Name & Surname	:	**Mr X. Susela**
Signature	:	_____ **Date** : _____

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PERSONAL DEVELOPMENT PLAN

NAME : NTOMBIZODWA MAHLATI- NKUHLU

JOB TITLE: SENIOR MANAGER- CORPORATE SERVICES

EMPLOYER: MBHASHE LOCAL MUNICIPALITY

FINANCIAL YEAR: 2026/ 2027

COMPETENCY AREA TO BE ADDRESSED	PROPOSED ACTIONS/ DEVELOPMENT/ACTIVITY	RESPONSIBILITY	TIME-FRAME	EXPECTED OUTCOME
PROJECT MANAGEMENT	SKILLS PROGRAMME	MUNICIPAL MANAGER	QUARTER 3	COMPETENCY
FACILITIES MANAGEMENT	SKILLS PROGRAM	MUNICIPAL MANAGER	QUARTER 2	COMPETENCY
ICT MANAGEMENT	CONFERENCES & WORKSHOPS	MUNICIPAL MANAGER	QUARTER 2 QUARTER 3	COMPETENCY
SKILLS THROUGH SYNERGY	CONFERENCES & WORKSHOPS	MUNICIPAL MANAGER	QUARTER 1 QUARTER 3	COMPETENCY

Signature:..... **Date:** 7/07/2026

Ms N. MAHLATI- NKUHLU

SENIOR MANAGER-CORPORATE SERVICES

Signature:..... **Date:** 08/07/26

Mr M. Nako

MUNICIPAL MANAGER

FINAL SDBIP 2026/27 FY MBHASHE LOCAL MUNICIPALITY

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT 70 %

FOCUS AREA	OBJECTIVE	OBJ No.	IDO	STRATEGY	PROJECT	INDICATOR	KPI No.	BASELINE	ANNUAL BUDGET	ANNUAL TARGET	QUARTER 1 MILESTONE	QUARTER 1 BUDGET	QUARTER 1 EVIDENCE TO BE SUBMITTED	QUARTER 2 MILESTONE	QUARTER 2 BUDGET	QUARTER 2 EVIDENCE TO BE SUBMITTED	QUARTER 3 MILESTONE	QUARTER 3 BUDGET	QUARTER 3 EVIDENCE TO BE SUBMITTED	QUARTER 4 MILESTONE	QUARTER 4 BUDGET	QUARTER 4 EVIDENCE TO BE SUBMITTED	RESPONSIBLE OFFICIAL	KPI NO
Human Capital Management	To provide and enhance skills among the Councilors, Traditional Leaders, Ward Committees, unemployed youth and employees to ensure effective service delivery by June 2027	MTI 1	4	By up skilling employees and Councillors, through formal and informal qualifications as per WSP and other funders (SETA SALGA TVET	Study Assistance	Number of employees/Councillors registered for formal qualifications (new & continuing) and informal trainings conducted as per approved skills development plan (WSP and SETA SALGA TVET)	MTI 1 1	16	R3 940 000	10 employees/Councillors registered for formal qualifications and 20 informal trainings/workshops conducted as per approved skills development plan (WSP and SETA SALGA TVET)	10 informal trainings/workshops conducted as per approved skills development plan (WSP and SETA SALGA TVET) and 8 employees/Councillors registered for formal qualifications	R1 970 000	Informal qualification Signed Report by Senior Manager, Attendance Register and Formal qualification Signed report by SM, Proof of registration	5 informal trainings/workshops conducted as per approved skills development plan (WSP and SETA, SALGA, TVET)	R656 667	Signed Report by Senior Manager, Attendance Register	2 employees/Councillors registered for formal qualifications	R656 667	Signed report by SM, Proof of registration	5 informal trainings/workshops conducted as per approved skills development plan (WSP and SETA, SALGA, TVET)	R656 667	Signed Report by Senior Manager, Attendance Register	SM Corporate	1
					Unemployed Community Programs (youth women and other groups)	Number of unemployed youth participating in internship and learnership programs (Youth, Gender and persons living with disabilities)	MTI 1 2	40	R2 000 000	75 unemployed youth participating in internship/ learnership programs from Municipality and various SETAs (youth, gender and persons living with disability)	75 unemployed youth participating in internship/ learnership programs from Municipality and various SETAs (youth, gender and persons living with disability)	R500 000	Signed Report by Senior Manager, Work Attendance Register/Time Sheet	75 unemployed youth participating in internship/ learnership programs from Municipality and various SETAs (youth, gender and persons living with disability)	R500 000	Signed Report by Senior Manager, Work Attendance Register/Time Sheet	75 unemployed youth participating in internship/ learnership programs from Municipality and various SETAs (youth, gender and persons living with disability)	R500 000	Signed Report by Senior Manager, Work Attendance Register/Time Sheet	75 unemployed youth participating in internship/ learnership programs from Municipality and various SETAs (youth, gender and persons living with disability)	R500 000	Signed Report by Senior Manager, Work Attendance Register/Time Sheet	SM Corporate	2
				By maintaining a low vacancy rate	Organizational Structure	Number of reviewed organizational structure submitted to the council	MTI 1 3		R0	1 Reviewed organizational structure by 30 June 2027	1 Reviewed organizational structure by 30 June 2026	R0 00	Proof of submission to Council and reviewed organisational structure	N/A	R0 00	N/A	N/A	R0 00	N/A	1 Reviewed organizational structure by 30 June 2027	R0 00	1 adopted organizational structure by Council and Council resolution	SM Corporate	3
	To develop a clear and credible organizational structure	MTI 2			Recruitment and Selection	Turnaround time taken to fill vacant positions from the closing date of advertisement	MTI 2 1	9	R650 000	90 days Turnaround time taken to fill vacant positions from the closing date of advertisement	90 days Turnaround time taken to fill vacant positions from the closing date of advertisement	R162 500	Signed report by Senior Manager Request for filing of vacancy signed by the MM	90 days Turnaround time taken to fill vacant positions from the closing date of advertisement	R162 500	Signed report by Senior Manager Request for filing of vacancy signed by the MM	90 days Turnaround time taken to fill vacant positions from the closing date of advertisement	R162 500	Signed report by Senior Manager Request for filing of vacancy signed by the MM	90 days Turnaround time taken to fill vacant positions from the closing date of advertisement	R162 500	Signed report by Senior Manager Request for filing of vacancy signed by the MM	SM Corporate	4
	To enhance overall employees/councilors health, boost productivity and engage workplace culture		3	By organizing or coordinating assistance programs for Councillors Traditional Leaders and Employees	Employee Wellness programmes	Number of Employees and Councillors Wellness activities / Interventions / programs organized/ coordinated	MTI 2 2	4	R1 650 000	4 Employees and Councillors Wellness activities / Interventions / programs organized/ coordinated	1 employee and Councilor wellness activities/interventional programs organised/coordinated	R412 500	Signed report by Senior Manager and order	1 employee and Councilor wellness activities/intervention s/programs organised/coordinated	R412 500	Signed report by Senior Manager and order	1 employee and Councilor wellness activities/interventions/ programs organised/coordinated	R412 500	Signed report by Senior Manager and order	1 employee and Councilor wellness activities/intervention s/programs organised/coordinated	R412 500	Signed report by Senior Manager and order	SM Corporate	5
	To empower unemployed youth to make informed and realistic educational decisions		4	By organizing career exhibitions	Career Expo	Number of career Expo conducted at Dutywa Gatyana and Xhorha	MTI 2 3		R450 000	3 Career Expo conducted as follows Dutywa-1, Gatyana-1 and Xhorha-1	N/A	R0	N/A	N/A	R0	N/A	N/A	R0	N/A	3 Career Expo conducted as follows Dutywa-1, Gatyana-1 and Xhorha-1	R450 000 00	Signed report by Senior Manager, Pictures, attendance register and order	SM Corporate	6
Performance Management	To ensure monitoring and evaluation of IDP to improve institutional performance by June 2027	MTI 3	3	By coordinating performance reporting, monitoring and evaluation.	Performance Management	Number of consolidated Institutional Reports on Individual Performance Reviews submitted to Municipal Manager	MTI 3 1	4	R750 000	6 consolidated Departmental Reports on Individual Performance reviews submitted to Municipal Manager	1 Annual Report on Individual PMDS for 2025/26 F.Y. and Q4 consolidated departmental IPMDS report for 2025/26	R187 500	1 signed Annual Report on individual PMDS for 2025/26 FY and Signed Q4 consolidated departmental IPMDS report for 2025/26	Q1 consolidated departmental IPMDS report for 2026/27	R187 500	Signed Q1 consolidated departmental IPMDS report for 2026/27	Q2 consolidated departmental IPMDS report for 2026/27 and midyear IPMDS report	R187 500	Signed Q2 consolidated departmental IPMDS report for 2026/27 and midyear IPMDS report	Q3 consolidated departmental IPMDS report for 2026/27	R187 500	Signed Q3 consolidated departmental IPMDS report for 2026/27	SM Corporate	7
						Number of departmental reports on individual performance reviews submitted to Corporate Services	MTI 3 1 1		R0	4 departmental reports on individual performance reviews submitted to Corporate Services	Q4 departmental report on individual performance reviews submitted to Corporate Services	R0	Signed report by SM on individual departmental performance reviews conducted and proof of submission to Corporate Services	Q1 departmental reports on individual performance reviews submitted to Corporate Services	R0	Signed report by SM on individual departmental performance reviews conducted and proof of submission to Corporate Services	Q2 departmental reports on individual performance reviews submitted to Corporate Services	R0	Signed report by SM on individual departmental performance reviews conducted and proof of submission to Corporate Services	Q3 departmental reports on individual performance reviews submitted to Corporate Services	R0	Signed report by SM on individual departmental performance reviews conducted and proof of submission to Corporate Services	All SM's	8
				By improving organisational performance through monitoring and evaluation of reports		Number of quarterly organisational performance assessment reports submitted to Council	MTI 3 2	5	R0	5 quarterly organisational performance assessment reports submitted to Council	2 quarterly performance assessment reports (Q4 2025/2026 and Annual Performance report) submitted to Council and AGSA	R0	2 Performance assessment reports signed by MM and Council agenda and proof of submission to AGSA	1 quarterly performance assessment report (Q1 2026/2027) submitted to Council	R0	1 Performance assessment report signed by MM 2 Council agenda	2 quarterly performance assessment reports (Q2 2026/2027 and Mid-Year Performance report) submitted to Council	R0	2 Performance assessment report signed by MM and Council agenda	1 quarterly performance assessment report (Q3 2026/2027) submitted to Council	R0	1 Performance assessment report signed by MM and Council agenda	SM Operations	9
				By developing 2025/2026 annual report		Turnaround time for the submission of 2025/2026 final and audited annual report submitted to Council, AGSA Provincial and National Treasury, COGTA and Legislature	MTI 3 3	1	R100 000	2025/2026 Annual report submitted to AGSA by 31 August 2026 and to Council, Provincial and National Treasury COGTA and Legislature	2025/26 Unaudited Annual report submitted to AG by 31 August 2026 and to COGTA, Provincial Legislature & Provincial Treasury (Within 7 days after approval by council)	R0	1. Copy of Unaudited Annual Report 2. Council Agenda/signed minutes/council resolution 3. Proof of Submission to Provincial Treasury, AG COGTA and Provincial Legislature	N/A	R0	N/A	2025/2026 Audited Annual Report with oversight report submitted to Council, AG COGTA, Provincial Legislature & Provincial Treasury (Within 7 days after approval by council)	R0 00	1. Copy of 2025/2026 Audited Annual Report and Oversight report 2. Council Agenda 3. Proof of submission to AG COGTA, Provincial Legislature & Provincial Treasury	Design and printing of Annual Report	R100 000	Copy of the designed Annual report	SM Operations	10

Human Capital	To create conducive working environment for employees	4	3.5.10	By complying with labour related legislations		Turnaround time to submit compliance reports CORDA and Employment equity to Dept of Employment and Labour) and WSP to LGSETA	MTI 4.1		R791 558 000	Submission of 3 compliance reports submitted as follows CORDA by 30 June 2027 and Employment Equity to Dept of Employment by 15 Jan 2027 and Labour and WSP to LGSETA by 30 April 2027	N/A	R0	N/A	N/A	R0	N/A	1 compliance report on Employment Equity Plan submitted to DoL by 15 January 2027	R0	Confirmation of submission on Employment Equity Plan report	2 compliance reports submitted to LGSETA & DoEL (WSP to LGSETA by 30 April 2027 and CORDA to Department of Employment and Labour by 30 June 2027	R791 558 000	Confirmation of submission on WSP CORDA - signed report by SM and proof of payment	SM Corporate	11
Facilities Management	To maintain all municipal facilities and properties by June 2027	MTI 5		By maintaining Municipal facilities and properties	Maintenance of municipal facilities	Number of municipal facilities maintained as follows (Executive House, Staff Accomodation, Customer Care building Tesko building,Dutywa main building, Gatyana TRC building Elliotdale Municipal building Dutywa TRC Dutywa Workshop,Elliotdale Indoor Sport Centre Willowvale Indoor Sport Centre Gatyana Townhall upgrade) Gatyana Taxi Rank Public Ablution , Ablution at Dutywa Town Hall, Tesco Ablution Ablution in Elliotdale,Gatyana Ablution (TRC), Leased Facilities (Home Affairs & SASSA building)	MTI 5.1	9	R11 030 000	18 municipal facilities maintained as follows (Executive House, Staff Accomodation, Customer Care building Tesko building,Dutywa main building, Gatyana TRC building, Elliotdale Municipal building Dutywa TRC, Dutywa Workshop,Elliotdale Indoor Sport Centre, Willowvale Indoor Sport Centre, Gatyana Townhall upgrade) Gatyana Taxi Rank Public Ablution , Ablution in Dutywa Town Hall, Tesco Ablution, Ablution in Elliotdale,Gatyana Ablution (TRC), Leased Facilities (Home Affairs, SASSA building)	10 municipal facilities maintained as follows Executive House, Tesko building Dutywa main building Gatyana TRC Elliotdale Municipal building, Gatyana Townhall progress upgrade, Gatyana Taxi rank public Ablution, Ablution in Dutywa Townhall Ablution in Elliotdale, Home Affairs building	R3 676 667	1 Signed progress report by SM 2 Pictures of before and after	5 municipal facilities maintained as follows Staff accomodation, Elliotdale indoor sport centre, Willowvale indoor sport centre, Tesco ablution, Gatyana ablution, SASSA building Gatyana Townhall progress upgrade	R3 676 667	1 Signed progress report by SM 2 Pictures of before and after	3 municipal facilities maintained as follows Customer care building Dutywa TRC Dutywa workshop, Gatyana Townhall progress update	R3 676 667	1 Signed progress report by SM 2 Pictures of before and after	N/A	R0 00	N/A	SM Corporate	12
				By providing alternative water supply to municipal facilities	Water consumption	Number of municipal boreholes maintained /constructed as follows Dutywa Main building (maintenance), Willowvale Indoor Sport Centre (construction) and Xhorha (construction)	MTI 5.2	7	R300 000	1 borehole maintained at Dutywa Main building (maintenance) Gatyana indoor Sport Centre (Construction) and Xhorha (Construction)	Installation of borehole at Willowvale Indoor Sport Centre & Xhora municipal building	R300 000	1 Signed progress report by SM 2 Pictures of before and after	N/A	R0 00	N/A	N/A	R0 00	N/A	N/A	R0 00	N/A	SM Corporate	13
ICT and Digitization	To ensure an integrated stable and responsive ICT infrastructure driving 4IR by June 2027	MTI 6	12	By ensuring Business Continuity	Business Continuity	Number of functional off-site disaster recovery Centre monitored	MTI 6.1		R4 500 000	1 functional off-site disaster recovery Centre monitored	Monitoring of Disaster Recovery Site, Offsite Backup	R562 500	Signed report by SM on Disaster Recovery Site Off site back-up	Monitoring of Disaster Recovery Site, Offsite Backup	R562 500	Signed report by SM on Disaster Recovery Site Off site backup	Monitoring of Disaster Recovery Site, Offsite Backup	R562 500	Signed report by SM on Disaster Recovery Site Off site backup	Monitoring of Disaster Recovery Site, Offsite Backup	R562 500	Signed report by SM on Disaster Recovery Site Off site back-up	SM Corporate	14
				By ensuring Business Continuity through disaster recovery and Failover solution	ICT Governance	% implementation of ICT Steering Committee resolutions	MTI 6.2	4		100% implementation of the ICT steering committee resolutions	100% implementation of the ICT steering Committee resolutions due in 4th quarter	R562 500	Resolution register and Report signed by SM	100% implementation of the ICT steering Committee resolutions due in Q1 quarter	R562 500	Resolution register and Report signed by SM	100% implementation of the ICT steering Committee resolutions due in Q2 quarter	R562 500	Resolution register and Report signed by SM	100% implementation of the ICT steering Committee resolutions due in Q3 quarter	R562 500	Resolution register and Report signed by SM	SM Corporate	15
				By extending connectivity to community members	Maintenance of WiFi Connection	Number of municipal buildings with maintained Wifi connection as follows (Main Building Customer Care, TRC Hall Tesko Dutywa Workshop, Gatyana offices, Xhorha offices & Xhorha library)	MTI 6.3	0	R2 450 000	6 Municipal buildings with maintained Wifi connections (Main Building Customer Care, TRC Hall Tesko, Dutywa Workshop, Gatyana offices, Xhorha offices & Xhorha library	2 Municipal buildings with maintained Wifi connections Main Building, Customer Care)	R612 500	System generated report and signed report by SM	2 Municipal buildings with maintained Wifi connections TRC Hall, TESKO	R612 500	System generated report and signed report by SM	2 Municipal buildings with maintained Wifi connections Dutywa Workshop, Gatyana offices	R612 500	System generated report and signed report by SM	2 Municipal buildings with maintained Wifi connections Xhorha offices & Xhorha library	R612 500	System generated report and signed report by SM	SM Corporate	16
KPA 4: **MUNICIPAL FINANCIAL VIABILITY 10 %**																								
Expenditure Management	By fully spending conditional Grant	MFV 5	SDG 8 & 11	By implementing full contract management	Contract management	Updated contracts management register	MFV 5.2	Contract register		Implementation of contract management	Implementation of contract management		Updated contract management register and signed report by SM	Implementation of contract management		Updated contract management register and signed report by SM	Implementation of contract management		Updated contract management register and signed report by SM	Implementation of contract management		Updated contract management register and signed report by SM	SM Corporate	69
Asset Management	To manage, control and maintain all assets of the municipality by June 2027	MFV 6	8,9 & 11	By allocating adequate budget provision for repairs and maintenance	GRAP Compliant Asset Register	% expenditure of the operational budget allocated for repairs and maintenance	MFV 6.1	100%	R85 606 786.23	100% expenditure of the operational budget allocated for repairs and maintenance	25% expenditure of the operational budget on R&M	R21401696.56	Quarterly Actual vs Operational Budget report reflecting % spending on repairs and maintenance	25% expenditure of the operational budget on R&M	R21401696.56	Quarterly Actual vs Operational Budget report reflecting % spending on repairs and maintenance	25% expenditure of the operational budget on R&M	R21401696.56	Quarterly Actual vs Operational Budget report reflecting % spending on repairs and maintenance	25% expenditure of the operational budget on R&M	R21401696.56	Quarterly Actual vs Operational Budget report reflecting % spending on repairs and maintenance	SM Corporate	72
KPA 6: GOOD **GOVERNANCE AND PUBLIC PARTICIPATION 25 %**																								

Good Governance	To ensure clean and accountable governance in the municipality by June 2027	GGP 1	SDG 11	By identifying assessing, managing monitoring & reporting fraud compliance and risk exposure to the institution	Risk Management- Strategic and Operational Risk registers	Number of updated risk registers (Fraud, ICT, Operational, National & Provincial Disaster, Strategic). Compliance register submitted to the Risk Management Committee, circular 88 submitted to COGTA and 1 annual risk assessment conducted	GGP 1 1	11	R185 000	7 updated risk registers (Fraud-1, ICT-1, Operational 1, National and Provincial Disaster -1 and strategic-1) 1 Compliance register submitted to the Risk Management Committee, circular 88 submitted to COGTA and 1 annual risk assessment conducted	Risk Monitoring and update of risk registers operational(1), fraud strategic, National Disaster, ICT Compliance register and C88 submitted to COGTA	R46 250	1 Risk management report for previous quarter signed by SM 2 Agenda for the meeting 3 Minutes of the meeting signed by SM 4 Attendance register 5 Updated previous quarter risk registers 6 Signed report on implementation of mitigation action plans that were not achieved in the previous quarter 7 Proof of submission to COGTA	Risk Monitoring and update of risk registers operational(1), fraud strategic, National Disaster, ICT, Compliance register and C88 submitted to COGTA	R46 250	1 Risk management report for previous quarter signed by SM 2 Agenda for the meeting 3 Minutes of the meeting signed by SM 4 Attendance register 5 Updated previous quarter risk registers 6 Signed report on implementation of mitigation action plans that were not achieved in the previous quarter 7 Proof of submission to COGTA	Risk Monitoring and update of risk registers operational(1), fraud strategic, National Disaster, ICT, Compliance register and C88 submitted to COGTA	R46 250	1 Risk management report for previous quarter signed by SM 2 Agenda for the meeting 3 Minutes of the meeting signed by SM 4 Attendance register 5 Updated previous quarter risk registers 6 Signed report on implementation of mitigation action plans that were not achieved in the previous quarter 7 Proof of submission to COGTA. 8 Annual risk assessment report signed by SM	Risk Monitoring and update of risk registers operational(1), fraud strategic, National Disaster, ICT, Compliance register and C88 submitted to COGTA	R46 250	1 Risk management report for previous quarter signed by SM 2 Agenda for the meeting 3 Minutes of the meeting signed by SM 4 Attendance register 5 Updated previous quarter risk registers 6 Signed report on implementation of mitigation action plans that were not achieved in the previous quarter 7 Proof of submission to COGTA	SM Corporate	75
				By developing 2025/2026 audit action plan based on AGSA report	Audit action plan	Number of reports on implementation of AGSA findings for 2025/26 FY	GGP 1 2	2024/25 audit action plan	R0	2 Reports on implementation of AGSA findings for 2025/26 FY	N/A	R0	N/A	N/A	R0	N/A	Developing of 2025/26 audit implementation plan	R0	Updated audit implementation plan with inputs from the department submitted to Municipal Manager	Monitoring and updating of 2025/26 audit implementation plan submitted to Municipal Manager	R0	Updated audit implementation plan with inputs from the department Municipal Manager	SM Corporate	75
				By coordinating the sitting of council oversight structures	Coordination of oversight structures meetings	Number of coordinated council structures held in 2026/27	GGP 1 8	61	R400 000	48 coordinated council structures held in 2026/27	11 coordinated meetings	R100 000	1 Proof of submission of reminders about the Oversight Structures meetings to chairpersons	12 coordinated meetings	R100 000	1 Proof of submission of reminders about the Oversight Structures meetings to chairpersons	14 coordinated meetings	R100 000	1 Proof of submission of reminders about the Oversight Structures meetings to chairpersons	11 coordinated meetings	R100 000	1 Proof of submission of reminders about the Oversight Structures meetings to chairpersons	SM Corporate	85
						Number of workshops conducted on all approved municipal policies/code of conduct/By-Laws that relates to employees in all units (Dutywa Xhosa and Gehyana)	GGP 2 2	6	R0	4 Workshops conducted on all approved municipal policies/code of conduct that relates to employees at Dutywa Xhosha and Gehyana	3 workshops conducted on approved municipal policies relating to employees in all units	R0	Signed report by SM List of policies workshopped Policy workshop Agenda Attendance Register	1 workshop conducted on approved municipal policies relates to employees in Dutywa	R0 00	Signed report by SM List of policies workshopped in Policy workshop Agenda Attendance Register	N/A	R0 00	N/A	N/A	R0 00	N/A	SM Corporate	88
						Number of reviewed policies	GGP 2 3	106	R0	50 reviewed policies	N/A	R0 00	N/A	N/A	R0 00	N/A	Submit 50 draft reviewed policies to the council	R0 00	1 List of policies 2 Proof of submission to Council	Submit 50 final reviewed policies to the council	R0 00	1 List of policies 2 Proof of submission to Council	All SM's	89
					Reviewal of strategies and plans	Number of reviewed strategies/ Plans	GGP 2 4	10	R0	1 reviewed strategy/ Plan	N/A	R0	N/A	N/A	R0	N/A	Submit 1 draft reviewd strategy/Plan to Council	R0	1 List of strategies and Plans 2 Proof of submission to Council	Submit 1 final reviewd strategy/Plan to Council	R0	1 List of strategies and Plans 2 Proof of submission to Council	SM Oper, CFO SM Dev, SM Corp, SM Comm	90

Signed by:Ms N. Mahlati- Nkuhlu