

PERFORMANCE AGREEMENT



Fezile Dabi

District Municipality

Made and entered into by and between:

Mr. Sipho Thomas (Municipal Manager)

AND

Gcinumuzi Abram Mgcina (Chief Financial Officer)

For the period – 01 July 2025 to 31 June 2026

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PERFORMANCE AGREEMENT ENTERED INTO BY AND BETWEEN:

Fezile Dabi District Municipality herein represented by **Mr Sipho Thomas** in his capacity as the Municipal Manager (hereinafter referred to as the Employer or Supervisor), and

Mr Gcinumuzi Abram Mgcina, the Chief Financial Officer of the Fezile Dabi 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 Systems Act 32 of 2000 ("the systems Act"). The Employer and the Employee are hereinafter referred to 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

The purpose of this agreement is to;

- 1.5 Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as the Contract of Employment entered into between the parties;
- 1.6 Specify objectives and targets established for the Employee and to communicate to the Employer's expectations of the Employee's performance expectations and accountabilities;
- 1.7 Specify accountabilities as set out in the Performance Plan (Annexure A);
- 1.8 Monitor and measure performance against set targeted outputs;
- 1.9 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;

- 1.10 Appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 1.11 Give effect to the Employee's commitment to a performance-orientated relationship with the Employer in attaining equitable and improved service delivery.

3. Commencement and duration

- 3.1. This Agreement will commence on the **1st July 2025** and will remain in force until **30th June 2026** where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next quarter or any portion thereof, if applicable.
- 3.2. The parties will review the provisions of this Agreement at the end of each quarter. The parties will conclude a new Performance Agreement and Performance Plan that replaces this Agreement at least every quarter (if applicable) by not later than the beginning of each successive quarter.
- 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 above- mentioned 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.-2 The Performance Plan (Annexure A) sets out-

- 4.-2.1 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.-1 The performance objectives and targets reflected in Annexure A are set by the Employer in consultation with the Employee and based on the Integrated Development Plan and the Budget of the Employer, and shall include key objectives; key performance indicators; target dates and weightings.
- 4.0 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.
- 4.1 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.

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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 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 agrees to participate in the performance management and development system that the Employer adopts.
- 5.5 The Employee undertakes to actively focus towards the promotion and implementation of the KPAs (including special projects relevant to the employee's responsibilities) within the local government framework.
- 5.6 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.
- a) The employee must be assessed against both components with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Core Managerial Competencies (CMCs) respectively.
 - b) Each area of assessment will be weighted and will contribute a specific part to the total score.
 - c) KPAs covering the main areas of work will account for 80% and CMCs will account for 20% of the final assessment.
- 5.7 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 the KPA's, and will constitute 80% of the overall assessment result as per the weights agreed to between the Employer and the Employee:

Key Performance Areas (80% of Total)	Weighting
Municipal Transformation and Organizational Development	10
Infrastructure Development and Basic Service Delivery	10
Local Economic Development (LED)	10
Municipal Financial Viability and Management	60
Good Governance and Public Participation	10
Total	100%

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- 5.8 The CMCs will make up the other 20% of the Employee's assessment score. CMCs that are deemed to be most critical for the Employee's specific job should be selected from the list below as agreed to between the Employer and Employee:

No.	LEADING COMPETENCIES		
	Competency Description	Driving Competencies	Weighting
1	Strategic Direction and Leadership	- Impact and influence - Institutional Performance Management - Strategic Planning and Management - Organisational Awareness	20
2	People Management	- Human Capital Planning and Development - Diversity Management - Employee Relations Management - Negotiation and Dispute Management	5
3	Program and Project Management	- Program and Project Planning and Implementation - Service Delivery Management - Program and Project Monitoring and Evaluation	5
4	Financial Management	- Budget Planning and Execution - Financial Strategy and Delivery - Financial Reporting and Monitoring	10
5	Change Leadership	- Change and Vision and Strategy - Process Design and Improvement - Change Impact Monitoring and Evaluation	10
6	Governance Leadership	- Policy Formulation - Risk and Compliance Management - Cooperative Governance	10

No	CORE COMPETENCIES	Weighting
	Competency Description	
1	Moral Competence	5
2	Planning and Organising	5
3	Analysis and Innovation	10
4	Knowledge and Information Management	5
5	Communication	5
6	Resulting and Quality Focus	10
TOTAL		100
(NB: the sum total of weighted Leading and Core Competencies must always be equals to 100)		

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6. EVALUATING PERFORMANCE

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

- a) The standards and procedures for evaluating the Employee's performance; and
- b) 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 timeframes.

6.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP

6.5 The annual performance appraisal will involve:

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

- a) Each KPA shall 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 KPA
- b) An indicative rating on the five-point scale shall be provided for each KPA.
- c) The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

6.5.2 Assessment of CMCs:

- a) Each CMC should be assessed according to the extent which the specified standards have been met.
- b) An indicative rating on the five-point scale should be provided for each CMC.
- c) The applicable assessment rating calculator must then be used to add the scores and calculate a final CMC score.

6.5.3 Overall rating

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

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- b) The assessment of the performance of the employee will be based on the following five-point rating scale for both KPAs and Leading and CMCs:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding Performance	Performance far exceeds the standard expected of an employee at this level. The key appraisal indicates that the employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

6.6 For purposes of evaluating the performance of the Employee, an evaluation panel constituted by the following persons will be established:-

- 6.1.1 The Municipal Manager
- 6.1.2 Chairperson of the Audit Committee
- 6.1.3 Member of the Mayoral Committee
- 6.1.4 Municipal Manager or Senior 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 that reviews in the **second and third quarter may be verbal** if performance is satisfactory:

Period	Time Frames	Performance Review time lines
1 st Quarter	1 July to 30 September 2025	Not later than 30 October 2025
2 nd Quarter	1 October to 31 December 2025	Not later than 28 February 2026
3 rd Quarter	1 January 2026 to 31 March 2026	Not later than 30 April 2026
4 th Quarter	1 April 2026 to 30 June 2026	Not later than 30 September 2026

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" 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 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

The Personal Development Plan (PDP) for addressing developmental gaps is part of the attached **Annexure A**.

9. Obligations of the employer

9.2 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;
- 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 to assist him/ her to meet the performance objectives and targets established in terms of this Agreement.

10. Consultation

10.1 The Employer agree to consult the Employee timeously where the exercising of the 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.

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 between 5% and 14% of all-inclusive annual remuneration package may be paid to the employee in recognition of outstanding performance to be constituted as follows:

11.2.1 The second performance bonus (cash rewards) payment band ranges between 10% and 14% of the all-inclusive remuneration package, as follows:

- (i) A score of 130% -138% to qualify for 5% bonus;
- (ii) A score of above 138%-148% to qualify for 7% bonus;
- (iii) A score of above 148%-149% to qualify for 9%.

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11.2.2 The second performance bonus (cash rewards) payment band ranges between 10% and 14% of the all-inclusive remuneration package, as follows:

- (i) A score of 150% - 155% to qualify for 10% bonus;
- (ii) A score of above 155% - 160% to qualify for 13% bonus;
- (iii) A score of above 160% to qualify for 14% bonus.

11.3 The performance achievement ranging between 100% and 129% shall be regarded as performance that 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. This will imply that 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. **This category of performance shall not be rewarded.**

11.4 In the case of unacceptable performance, the Employer shall;

11.4.1 provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

11.4.2 after appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, 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. Consequences of substandard performance

12.2 A level of performance achievement of below 60% shall warrant the employer to execute corrective measures that may include disciplinary measures due to incapacity.

12.3 Should the employee score below 130%, the employer, together with the employee shall develop a Remedial and Developmental Support Plan within 30 days of the Mid-Year Performance Review to assist the employee to improve performance. The design of the plan will be such that there should be performance improvement within 6 months of its implementation.

12.4 The plan will clearly specify that there should be performance improvement within 6 months of its implementation, and will also outline the responsibilities of the employer as well as the responsibilities of the employee with regard to its implementation.

12.5 If after 6 months, during the end-year performance review, the employee concerned still achieves a score of less than 60% and the employer has evidence or proof that it met its responsibilities in terms of implementing the remedial and developmental support plan, the employer will consider steps to terminate the contract of the employee on the grounds of poor performance or operational incapacity.

13. Dispute resolution

13.2 Any dispute 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:

13.1.1 The MEC for local government in the province within thirty (30) days of receipt of a formal dispute from the Employee; or

13.1.2 Any person appointed by the MEC;

13.2 In the event that the mediation process contemplated above fails, clause 19.3 of the Contract of Employment shall apply.

14. GENERAL

14.2 The contents of this agreement and the outcome of any review conducted in terms of Annexure A must be made available to the public by the Employer.

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

(Signature Page)

Thus done and signed at **SASOLBURG** this **22** day of **JULY** 2025

Employee:

Signature: _____

Name Print: _____

Gcinumuzi A. Mgcina

Witnesses:

1. Signature: _____

Name Print: _____

Charlotte S. Le Hanie

2. Signature: _____

Name Print: _____

MALETSATSI M. MOCKETS

For and on behalf of Fezile Dabi District Municipality:

Employer:

Signature: _____

Name Print: _____

SIPHO JOSEPH THOMAS

Witnesses:

1. Signature: _____

Name Print: _____

YASMEEN SEKULISA

2. Signature: _____

Name Print: _____

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Annexure A:

Performance Plan of the Municipal Manager of Fezile Dabi District Municipality

1. Purpose

The performance plan defines the Council's expectations of the Employee's performance agreement to which this document is attached and Section 57 (5) of the Municipal Systems Act, which provides that performance objectives and targets must be based on the key performance indicators as set in the Municipality's Integrated Development Plan (IDP) and as reviewed annually.

2. Key responsibilities

The following objects of local government will inform Employee's performance against set performance indicators:

- 2.1 Provide democratic and accountable government for local communities.
- 2.2 Ensure the provision of services to communities in a sustainable manner.
- 2.3 Promote social and economic development.
- 2.4 Promote a safe and healthy environment.
- 2.5 Encourage the involvement of communities and community organisations in the matters of local government.

3. Key Performance Areas

The following Key Performance Areas (KPA's) as outlined in the Local Government: Municipal Planning and Performance Management Regulations (2001) inform the strategic objectives listed in the table below:

- 3.1 Municipal Transformation and Organisational Development.
- 3.2 Infrastructure Development and Service Delivery.
- 3.3 Local Economic Development (LED).
- 3.4 Municipal Financial Viability and Management.
- 3.5 Good Governance and Public Participation.

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This plan consists of the following 4 parts:

- 1) Key Performance Areas (KPAs) schedule, detailing key objectives and their related performance indicators, weightings and target dates
- 2) A Competency Requirements (CR) schedule, setting out Leading and Core Competencies
- 3) Personal Development Plan (PDP), for addressing developmental gaps
- 4) Record of assessment meetings (Control Sheet)

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1. Key Performance Areas schedule, details key objective and their related performance indicators, weightings and target dates

Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
KPA 1: Municipal Transformation and Organisational Development KPA: Financial Management & Viability		1.3(a)	Improve administrative and financial capability of the municipality.	Percentage increase in the number of Auditor-General's findings relating to financial management, leadership, predetermined objectives and other matters addressed	Audit Report 2024/2025	1 July 2025 – 30 June 2026	80% of Auditor-General's findings relating to financial management, leadership, predetermined objectives and other matters addressed by 30 June 2026.			
		1.3(c)		Number of prescribed mSCOA minimum business processes fully implemented	APR 2024/2025	1 July 2025 – 30 June 2026	Two (2) prescribed mSCOA minimum business processes fully implemented by 30 June 2026.			
		1.3(e)		Number of reviewed PDP per departments	New KPI	1 July 2025 – 30 June 2026	28 PDPs reviewed for all departments by 30 June 2026.			
		4.1(a)	To secure sound financial management practices that enhance financial viability & compliance with the	Number of Budget related policies annually reviewed and submitted for approval to Council	Current: - Asset Management Policy; Banking &	31 May 2026	18 Budget related policies and Financial Management and / or Accounting policies annually reviewed and			

Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
			requirements of MFMA & other relevant legislation		Investment Policy; Funding & Reserves Policy; Budget Virements Policy; Budget & Reporting Policy; and Supply Chain Management Policy		submitted for approval to Council by 31 May 2026: - Budget and Reporting - Budget Virement - Funding Reserves - Bad Debts Policy; - Asset Management - Commitments - Debtors - Donations - Infrastructure Assets - Management - Banking and Investment - Preferential - Procurement - Supply Chain Management - Provisions, - Contingencies and Accruals - Subsequent Events - UIFWE - Cost Containment Measure - Fleet Management - Tariff			
		4.1(b)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA	Percentage of suppliers' and service providers' invoices received throughout the year paid within 30 days of receipt where there is no	2024/25 Creditors Age Analysis Reports.	1 July 2025 – 30 June 2026	100% of suppliers' and service providers' invoices received throughout the year paid within 30 days of receipt where there is no disputed			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
			& other relevant legislation	disputed delivery of goods / services each year			delivery of goods / services each year by 30 June 2026			
				% cash-backed annual budgets prepared and submitted to Council for approval each year	2025/26 Approved Budget	1 July 2025 – 30 June 2026	100% cash-backed annual budgets prepared and submitted to Council for approval each year by 31 May 2026			
		4.1(c)								
		4.1(d)		Cash /cost coverage ratio Cash and cash equivalent Unspent Conditional Grants Overdraft Short term Investment Monthly Fixed Operational Expenditure	New KPI	1 July 2025 – 30 June 2026	More than three months of cost coverage by June 2026 to be reported Quarterly in form of S52 Quarterly Reports/			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
		4.1(e)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	% of total capital expenditure funded from own funding (internally generated funds	New KPI	1 July 2025 – 30 June 2026	10 % of total capital expenditure funded from own funding (internally generated funds by June 2026			
		4.1(f)		Total Capital Expenditure as a percentage of Total Capital Budget	New KPI	1 July 2025 – 30 June 2026	100% Capital Expenditure as a percentage of Total Capital Budget by June 2026			
		4.1(g)		Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	New KPI	1 July 2025 – 30 June 2026	100% Total Operating Expenditure as a percentage of Total Operating Expenditure Budget by June 2026			
		4.1(h)		Percentage of total municipal operating expenditure spent on contracted service providers residing within the municipal area	New KPI	1 July 2025 – 30 June 2026	60% of total municipal operating expenditure spent on contracted service providers residing within the municipal area by June 2026			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
		4.1(i)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	Total Operating Revenue as a percentage of Total Operating Revenue Budget	New KPI	1 July 2025 – 30 June 2026	100% Total Operating Revenue as a percentage of Total Operating Revenue Budget by June 2026			
		4.1(i)		Repairs and Maintenance as a percentage of property, plant, equipment and investment property	New KPI	1 July 2025 – 30 June 2026	5% Repairs and Maintenance as a percentage of property, plant, equipment and investment property			
		4.1(k)		Number of annual Audit Files compliant with Annexure A of MFMA Circular 50 and Audit File schedules for each financial year prepared and signed-off	2024/25 Audit File	1 July 2025 – 30 June 2026	One annual Audit File compliant with Annexure A of MFMA Circular 50 and Audit File schedules prepared and signed-off for each financial year by 31 August 2025.			
		4.1(l)		Number of a set of Annual Financial Statements prepared in accordance with Generally Recognised Accounting Practices (GRAP) standards and	2024/25 Annual Financial Statements		One Signed-off set of Annual Financial Statements prepared in accordance with Generally Recognised Accounting Practices (GRAP) standards and section 122 of MFMA submit			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
				section 122 of MFMA signed-off			to the A-G by 31 August 2025.			
		4.1 (m)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	% reduction in repeat audit findings	2024/2025 Audit Report	1 July 2025 – 30 June 2026	80% reduction in repeat audit findings by June 2026			
		4.1(n)		Compilation of interim AFS to enhance the quality and credibility of AFS	New KPI	31 May 2026	One set of interim AFS covering 8 months period developed and submitted to IA by 31st of May 2026			
		4.1(o)		Number of monthly budget statement reports and quarterly financial reports prepared, signed-off and submitted to the Executive Mayor	12 Monthly budget statement reports and 4 quarterly financial reports in 2024/25.	1 July 2025 – 30 June 2026	Twelve signed-off monthly budget statement reports and four quarterly financial reports by the Executive Mayor by 30 June 2026.			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
		4.1(p)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	Number of monthly bank reconciliation statements of all bank accounts prepared and signed-off.	12 signed-off monthly bank reconciliation statement of all bank accounts in 2024/25.	1 July 2025 – 30 June 2026	Twelve monthly bank reconciliation statements of all bank accounts prepared and signed-off by 30 June 2026.			
		4.1(q)		Percentage of all monthly payment vouchers and accompanying supporting documents filed, registered and kept in safe custody within 30 days of the end of each month throughout 2025/26 financial year.	Monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days in 2024/25	1 July 2025 – 30 June 2026	100% of all monthly payment vouchers and accompanying supporting documents of filed, registered and kept in safe custody within 30 days of the end of each month throughout 2025/26 financial year.			
		4.1(r)		Number of annual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items.	One annual assets verification performed and asset registers updated with all assets movements, and report any damaged / missing items developed by 30 June 2026.	1 July 2025 – 30 June 2026	One annual assets verification performed and asset registers updated with all assets movements, and reports any damaged / missing items developed by 30 June 2026.			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
		4.1(s)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA & other relevant legislation	Percentage reduction of the amount of unauthorized, irregular and fruitless & wasteful expenditure incurred due to non-compliance to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA	2024/25 report on Nil / Zero amount of unauthorized, irregular and fruitless & wasteful expenditure	1 July 2025 – 30 June 2026	50% reduction of the amount of UIFWs not complying to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2026			
		4.1(t)				1 July 2025 – 30 June 2026	Nil / Zero amount of unauthorized, irregular and fruitless & wasteful expenditure incurred due to non-compliance by all departments to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations, 2005 and the MFMA by 30 June 2026			

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Key Performance Area	Weighting	ID	Strategic Objective	Key Performance Indicator	Baseline Information	Target		Assessment Score Level 5 - 1	Motivation for exceptional performance	Corrective Actions for under performance
						Time frames	Quantity			
KPA 5: Good Governance & Public Participation	10	4.1(v)	To secure sound financial management practices that enhance financial viability & compliance with the requirements of MFMA	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	Audit Report 2024/2025	1 July 2025 – 30 June 2026	90 average days from the point of advertising to the letter of award per 80/20 procurement process by June 2026			
		4.1(w)	& other relevant legislation	100% established and functioning Disciplinary Board	New KPI	1 July 2025 – 30 June 2026	100% established and functioning Disciplinary Board by June 2026			
		5.2(a)	To promote effective, public consultation, regular communication with communities	Number of 12) content updates (i.e. 1 per month for each financial year) of the municipality's website	12 Monthly content updates is 2024/25.	1 July 2025 – 30 June 2026	Twelve content updates (i.e. 1 per month for each financial year) of the municipality's website by 30 June 2026.			
		5.4(h)	To promote and facilitate Intergovernmental Relations amongst stakeholders in the district.	Number of CFO Forum meetings convened.	APR 2024/2025	1 July 2025 – 30 June 2026	Two CFO Forum meetings convened by 30 June 2026			

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Leading and Core Competencies		Weighting	Description/Definition	Comments/Observations		Rating			
Leading Competencies (All compulsory)						1Q	2Q	3Q	4Q
Strategic Direction and Leadership		20	Provide and direct a vision for the institution, and inspire and deploy others to deliver on the strategic institutional mandate.						
People Management		5	Effectively manage, inspire and encourage people, respect and diversity, optimise talent and build and nurture relationships in order to achieve institutional objectives						
Program and Project Management		5	Able to understand program and project management methodology; plan, manage, monitor and evaluate specific activities in order to deliver on set objectives						
Financial Management		10	Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner						
Change Leadership		10	Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and deliver professional and quality services to the community						
Governance Leadership		10	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualism of relevant policies and enhance cooperative governance relationships						
Core Competencies (All Compulsory)						1Q	2Q	3Q	4Q
Moral Competence		5	Able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence						

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Moral Competence	5	Able to identify moral triggers, apply reasoning that promotes honesty and integrity and consistently display behaviour that reflects moral competence					
Planning and Organising	5	Able to plan, prioritise and organise information and resources effectively to ensure the quality of service delivery and build efficient contingency to plans to manage risk					
Analysis and Innovation	10	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives					
Knowledge and Information Management	5	Able to promote the generation and sharing of knowledge and information through various process and media, in order to enhance the collective knowledge base of local government					
Communication	5	Able to share information, Knowledge and ideas in a clear, focused and concise manner appropriate for the audience in order to effectively					
Resulting and Quality Focus	10	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage others to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives.					

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FEZILE DABI DISTRICT MUNICIPALITY CROSS CUTTING KEY PERFORMANCE INDICATORS

GOVERNANCE										
LEGISLATIVE KPAS	BASIC SERVICE DELIVERY AND GOOD GOVERNANCE AND PUBLIC PARTICIPATION			IDP KPA	GOOD GOVERNANCE		KPA No (No in the IDP e.g.3			
OUTCOME	KPI	TARGET	1 st BIENNIAL REPORT	ANNUAL FINAL REPORT	MOTIVATION FOR UNDER PERFORMANCE AND EXCEPTIONAL PERFORMANCE	Assessment Score				
						1	2	3	4	5
Ensure good governance and effective management of the city	% spent on the municipality's capital budget	95% capex spend	50% capex spend	95% capex spend						
	Percentage coordination of the implementation of 3 rd Generation DDM One Plan for Fezile Dabi	30% coordination of the implementation of 3 rd Generation DDM One Plan for Fezile Dabi	30% implementation of identified catalytic projects by 31 December 2025	30% coordination of the implementation of 3 rd Generation DDM One Plan for Fezile Dabi						
			Developed 1 st Q Progress Report on the implementation of catalytic projects							
	% Annual procurement plan concluded and implemented as it relates to the department	100% implementation of annual procurement plan of the department	50% implementation of annual procurement plan of the department	100% implementation of annual procurement plan of the department						
	% implementation of audit plan to address audit issues related to the department	100% implementation of audit plan to address audit issues related to the department	50% implementation of audit plan to address audit issues related to the department	100% implementation of audit plan to address audit issues related to the department						

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GOVERNANCE						
LEGISLATIVE KPAS	BASIC SERVICE DELIVERY AND GOOD GOVERNANCE AND PUBLIC PARTICIPATION		IDP KPA	GOOD GOVERNANCE		KPA No (No in the IDP e.g.3)
OUTCOME	KPI	TARGET	1 ST BIENNIAL REPORT	ANNUAL FINAL REPORT	MOTIVATION FOR PERFORMANCE EXCEPTIONAL AND PERFORMANCE	Assessment Score
		issues related to the department		issues related to the department		1 2 3 4 5
	Number of reviewed PDP per departments	Twenty-eight reviewed PDP per departments	Fourteen reviewed PDP per departments	Twenty-eight reviewed PDP per departments		
Ensure good governance and effective management of the city	Provision of inputs into the municipality's planning processes (IDP and risk management) within stipulated time frames and in line with quality requirements	Provision of inputs into the municipality's planning processes and risk management 2 weeks earlier than stipulated time frames and in line with quality requirements	Provision of inputs into the municipality's planning processes and risk management 2 weeks earlier than stipulated time frames and in line with quality requirements	Provision of inputs into the municipality's planning processes and risk management 2 weeks earlier than stipulated time frames and in line with quality requirements		
	Identification and management of strategic risks	100% management and mitigation of identified strategic risks	100% management and mitigation of identified strategic risks	100% management and mitigation of identified strategic risks		
	% Compliance with the municipality's system of delegation policy	100% compliance with the municipality's system of delegation policy	100% compliance with the municipality's system of delegation policy	100% compliance with the municipality's system of delegation policy		
	% increase in implementation of the municipality's SDBIP	100% implementation of the municipality's SDBIP	100% implementation of the municipality's SDBIP	100% implementation of the municipality's SDBIP		

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GOVERNANCE						
LEGISLATIVE KPAS	BASIC SERVICE DELIVERY AND GOOD GOVERNANCE AND PUBLIC PARTICIPATION			IDP KPA	GOOD GOVERNANCE	KPA No (No in the IDP e.g.3)
OUTCOME	KPI	TARGET	1 ST BIENNIAL REPORT	ANNUAL FINAL REPORT	MOTIVATION FOR PERFORMANCE EXCEPTIONAL PERFORMANCE	Assessment Score
	% implementation of employment equity targets set for OMM in the municipality's' employment equity plan	100% implementation of employment equity targets set for department in the municipality's' employment equity plan	50% implementation of employment equity targets set for department in the municipality's' employment	100% implementation of employment equity targets set for department in the municipality's' employment equity plan		1 2 3 4 5
	To recommend and ensure implementation of internal controls, procedures and systems for good governance, prudent financial management and effective service delivery in compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts	100% compliance with statutory prescripts		
	Amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance by all departments to the municipality's Supply Chain Management Policy, Supply Chain Management	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance by all departments to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations,	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance by all departments to the municipality's Supply Chain Management Policy, Supply Chain Management	Nil / Zero amount of unauthorised, irregular and fruitless & wasteful expenditure incurred due to non-compliance by all departments to the municipality's Supply Chain Management Policy, Supply Chain Management Regulations,		

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GOVERNANCE						
LEGISLATIVE KPAS	BASIC SERVICE DELIVERY AND GOOD GOVERNANCE AND PUBLIC PARTICIPATION		IDP KPA	GOOD GOVERNANCE		KPA No (No in the IDP e.g.3)
OUTCOME	KPI	TARGET	1 ST BIENNIAL REPORT	ANNUAL FINAL REPORT	MOTIVATION FOR PERFORMANCE UNDER EXCEPTIONAL PERFORMANCE	Assessment Score
	Regulations, 2005 and the MFMA	2005 and the MFMA by 30 June 2026	Regulations, 2005 and the MFMA by 30 June 2026	2005 and the MFMA by 30 June 2026		1 2 3 4 5

Signed and accepted by Employee: G.A. Ngcina

Date: 22 July 2025

Signed and accepted by (Municipal Manager) on behalf of Council: [Signature]

Date: 22 July 2025

1. PERSONAL DEVELOPMENT PLAN

Employee's Name:

G.A. Mgina

Employee Number:

FIN8405

Job Title:

CPJ

Department:

Finance

Manager:

Date:

22 July 2025

Development need	Activity	When	Learning Outcome	Impact
Project management	Skills programme	2025/26	• Project planning • Organizing, and • overseeing the execution of a project to achieve specific goals within defined constraints like time, budget, and scope	• Improved decision-making and problem-solving • Strengthened leadership and team coordination abilities
Risk Management	Skills programme	2025/26	• Understand different types of risks: financial, operational, reputational, and strategic; • Grasp key concepts like risk identification, measurement, and mitigation	• Encourages data-driven decision-making and scenario planning under uncertainty;

				- Sharpens ability to identify, evaluate, and prioritize risks using both qualitative and quantitative methods - Builds proficiency in tools like risk registers, heat maps, and risk matrices
Strategic Leadership and change management			- Align strategic leadership with operational execution; - Measure the effectiveness of change initiatives; - Promote a culture of innovation, agility, and continuous improvement	- Sharpens ability to analyze complex problems and make high-impact decisions; - Teaches frameworks for aligning vision, strategy, and execution;
			Skills programme	

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Systems thinking and problem solving	Skills program	2025/26	- Identify root causes; - Generate creative solutions; - Evaluate decision-making frameworks; - Reflect and learn from outcomes; - Collaborate effectively	- Builds resilience and adaptability in volatile environments - Enhanced critical thinking: The ability to see beyond surface-level issues and identify root causes; - Improved decision-making: understanding feedback loops and unintended consequences, decisions become more strategic and sustainable; - Greater adaptability: Systems thinkers are better equipped to
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Signed and accepted by Employee: G.A. Ngina

Date: 22 July 2028

Signed and accepted by (Municipal Manager) on behalf of Council:

Date: 22 July 2025

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2. RECORD OF ASSESSMENT MEETINGS (CONTROL SHEET)

Employee's Name: Gcinumuzi Abram Mgcina Employee Number: FM 5605
 Job Title: CFO Department: Finance Department
 Manager / Immediate Superior: Sipho Thomas Date: _____

Date of assessment	Employee's view on differences of assessment	Comments of the Employer	Action to be taken any (feedback to be given to employee)
Q1:			
Q2:			
Q3:			
Q4:			
Additional review:			
Signed and accepted by (Employee):		Date:	<u>22 July 2025</u>
Signed and accepted by (Municipal Manager) on behalf of Council:		Date:	<u>22 July 2025</u>

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(Signature Page)

Thus done and signed at Sowburg this 22 day of July 2025

EMPLOYEE:

Signature: [Signature] Name Print: Gumunani D. Mgqiso

WITNESSES

1. Signature: [Signature] Name Print: Charlotte S. le Hanie.

2. Signature: [Signature] Name Print: MALETBATSIS M. MOKGETSI

FOR AND ON BEHALF OF FEZILE DABI DISTRICT MUNICIPALITY

Signature: [Signature] Name Print: SIPHOTHOMAS

WITNESSES

1. Signature: [Signature] Name Print: YASMEEN SEKULISA

2. Signature: [Signature] Name Print: Kadiso Masekane

Performance Agreement 2025/26 – GA Mgcina