GA - SEGONYANA LOCAL MUNICIPALITY

"Sustainable Development for the people of Ga-Segonyana"

PERFORMANCE AGREEMENT FOR SECTION 57 EMPLOYEES

MADE AND ENTERED INTO BY AND BETWEEN:

THE GA-SEGONYANA LOCAL MUNICIPALITY

AS PRESENTED BY:

THE MUNICIPAL MANAGER

MR M TSATSIMPE

AND

ACTING CHIEF FINANCIAL OFFICER

MISS N KESWA

FOR THE FINANCIAL YEAR

02 NOVEMBER 2026-30 NOVEMBER 2026

M.S NC S.G. M.R. L.M

AS PRESENTED BY

MR M TSATSIMPE

(In his capacity as the Municipal Manager of GA-SEGONYANA LOCAL MUNICIPALITY)

(The client for the purpose of this agreement)

AND

MISS N KESWA

Chief Financial Officer of GA-SEGONYANA LOCAL MUNICIPALITY

(The Employee for the purpose of this agreement)

NC S.G. M.R. L.M
M.J

ENTERED INTO BY AND BETWEEN:

GA-SEGONYANA LOCAL MUNICIPALITY herein represented by, **Martin Tsatsimpe** in his capacity as the **Municipal Manager** of GA-SEGONYANA LOCAL MUNICIPALITY (hereinafter referred to as the client)

AND

Nontlantla Keswa, in his capacity as the **Chief Financial Officer** an Employee of GA-SEGONYANA MUNICIPALITY (hereinafter referred to as the employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1.INTRODUCTION

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

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. 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. 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 –

- ✓ Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Systems Act as well as the Contract of Employment entered into between the parties;
- ✓ Specify objectives and targets established for the Employee and to communicate to the Employee the Client's expectations of the Employee's performance expectations and accountabilities; Specify accountabilities as set out in the Performance Plan (Annexure B);
- ✓ Monitor and measure performance against set targeted outputs;
- ✓ Use the Performance Agreement and Performance Plan as the only basis for assessing whether the employee has me the performance expectation applicable to his;
- ✓ Appropriately reward the Employee in accordance with the client's performance management system in the event of outstanding performance: and
- ✓ Give effect to the client's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

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3.*COMMENCEMENT AND DURATION*

3.1 Notwithstanding the date of signature thereof. This agreement and the date of signature shall commence and shall in all respect be deemed to have commenced, with effect from **02 November 2026** and will remain in force until **30 November 2026** where after a new Performance Agreement, Performance Plan and Personal Development Plan shall be concluded between the parties for the next financial year or any portion thereof.

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

3.3 This Agreement will terminate on the termination of the Client'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 to (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

The performance objectives and targets that must be met by the Employees; and

- ✓ The time frames within which those performance objectives and targets must be met
- ✓ The performance objectives and targets reflected in Annexure B are set by the Client in consultation with the Employees and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan of the Client, and shall include key objectives; key performance indicators; target dates and weightings.

5. PERFORMANCE MANAGEMENT SYSTEM

5.1. The Employee agrees to participate in the performance management system that the Municipality 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 Client, management and municipal staff to perform to the standards required.

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

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6. PERFORMANCE MANAGEMENT

The Employee agrees to participate in the Performance Management System that the Client adopts.

- ✓ The Employee undertakes to actively focus towards the promotion and implementation of the Key Performance Areas (KPA's) (Including special projects relevant to the employee's responsibilities) within the Local Government Framework.
- ✓ 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.
- ✓ The Employee must be assessed against both components, with a weighting of 8:20 allocated to KPA and the Core Managerial Competencies [CMCs] respectively.
- ✓ Each area of assessment will be weighted and will contribute a pro rata to the total score.
- ✓ KPA's covering the main areas of work will account 80% and CMC's will account for 20% of the final assessment.

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 B) which are linked to the KPA's and will constitute 80% of the overall assessment result as per the weightings agreed to between the Client and Employee:

Key Performance Areas	Weighting
Institutional Transformation and Organizational Development	10%
Basic Service Delivery and Development	10%
Financial Management	60%
Local Economic Development	10%
Good Governance and Public Participation	10%
Total	**100%**

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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 Client and Employee:

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	**√ (Indicate choice)**	**Weight**
Core Managerial Competencies:		
Strategic Capability and Leadership		5%
Programme and Project Management		
Financial Management	**Compulsory**	60%
Change Management		5%
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	**Compulsory**	10%
Client Orientation and Customer Focus	**Compulsory**	5%
Communication		
Honesty and Integrity		8%
Core Occupational Competencies:		
Competence in Self-Management		2%
Interpretation of and implementation within the legislative and national policy frameworks		
Knowledge of developmental local government		3%
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		2%
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	**100%**

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7. EVALUATING PERFORMANCE

The performance Plan (Annexure B) to this Agreement sets out-

- ✓ The standards and procedures for evaluating the Employee's performance; and
- ✓ The intervals for the evaluation of the Employee's performance.

Despite the establishment of agreed intervals for evaluation, the client may in addition review the Employee's performance at any stage while the contract of employment remains in force.

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

The annual performance appraisal will involve:

- ✓ Assessment of the achievement of results as outlined in the performance plan (Annexure B):
- ✓ Each KPA should be assessed according to the extent to which the specified standards or performance indicators have been met and with due regard to ad hoc tasks that had to be performed under the KPA.
- ✓ An indicative rating on the five-point scale should be provided for each KPA.
- ✓ The applicable assessment rating calculator must then be used to add the scores and calculate a final KPA score.

8. ASSESSMENT OF THE CMCS

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

9. OVERALL RATING

An overall rating is calculated by using the applicable assessment-rating calculator. Such overall rating represents the outcome of the performance appraisal. The Assessment of the performance of the Employee will be based on the following rating scale for KPA's and CMCs:

Level	Terminology	Description	Rating 1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee 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 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 achieves 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	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 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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For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons have been established as regulated by the PMS Framework–

- ✓ Executive Mayor or Mayor;
- ✓ Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- ✓ Member of the mayoral or executive committee or in respect of a plenary type municipality, another member of council;
- ✓ Mayor and/or municipal manager from another municipality.

Performance review of individual managers occurs on a quarterly basis during the periods in the table below.

First Quarter	During the first week of October.
Second Quarter	During the second week of February.
Third Quarter	During the first week of April.
Fourth Quarter and Annual Review	End of July.

- ✓ The Client shall keep a record of the mid-year review and annual assessment meetings.
- ✓ Performance feedback shall be based on the client's assessment of the Employee's performance.
- ✓ The Client will be entitled to review and make reasonable changes to the provisions of Annexure "B" from time to time for operational reasons.
- ✓ The Employee must be fully consulted before any such change is made.
- ✓ The Client may amend the provisions of Annexure B 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 changes is made.

10. OBLIGATION OF THE CLIENT

The Client shall –

- ✓ Create an enabling environment to facilitate effective performance by the employee;
- ✓ Provide access to skills development and capacity building opportunities;
- ✓ Work collaboratively with the Employee to solve problems and generate solutions to common problems that may impact on the performance of the Employee;
- ✓ 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
- ✓ Make available to the Employee such resources as the Employee may reasonably require from time to time assisting him/her to meet the performance objectives and targets established in terms of this Agreement.

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11. CONSULTATION

The Client agrees to consult the Employee timorously where the exercising of the powers will have amongst others –

- ✓ A direct effect on the performance of any of the Employee's functions;
- ✓ Commit the Employee to implement or to give effect to a decision made by the Client; and
- ✓ A substantial financial effect on the Client.
- ✓ The Client agrees to inform the Employee of the outcome of any decisions taken pursuant to the exercise of powers contemplated in as soon as is practicable to enable the Employee to take any necessary action without delay.

12. *MANAGEMENT OF EVALUATION OUTCOMES*

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

In the case of unacceptable performance, the Client shall -

- ✓ Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and
- ✓ After appropriate performance counselling and having provided the necessary guidance and/ or support as well as reasonable time for improvement in performance, the Client 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, subject to the provisions of the Labour Relations Act, 1995 as amended.

13. DISPUTE RESOLUTION

13.1. 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 provide for, shall be meditated by –

- ✓ The MEC for Cooperative Governance and Traditional Affairs; or
- ✓ Any other person appointed by the MEC

13.2 In the event that the mediation process contemplated above fails, the parties concerned firstly to the jurisdiction of the Commission for Mediation and Arbitration (CMCMA) and if the CCMA is not able to adjudicate the dispute, a court of the Republic of South Africa with regard to any claims or dispute resulting or arising from this contract.

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14.GENERAL

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

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 ***KURUMAN*** on the Day of ***30 October2026.***

Acting Chief Financial Officer **Municipal Manager**

(1) Witness **(1) Witness**

(2) Witness **(2) Witness**

Annexure A: PERSONAL DEVELOPMENT PLAN

DEVELOPMENTAL REQUIREMENTS

The aim of the Personal Development Plan (PDP) is to ensure that Employees are skilled to meet objectives as se out in the Performance Management Agreement employees by legislation. Such career-path planning ensures competent employees for current and possible future positions. It is thee of identifies, prioritise and implement training needs.

Legislative needs taken into account comes from the Municipal Systems Act Guidelines: Generic Senior Management Competency Framework and occupational competency profiles, Municipal Finance Management Competency Regulations, such as those developed by the National Treasury and other line sector departments legislated competency requirements needs to be taken into consideration during the PDP Process

2026-2027 Personal Development Plan Acting Chief Financial Officer						
Skills/Performance Gap	**Outcome Expected**	**Suggested Training/ Development Activities**	**Suggested Mode of delivery**	**Suggested Timeframes**	**Work opportunity created to practice skill/ Development Area**	**Support Person**
Continuous Development	CPD Continuous Professional Development	Attend CPD Accredited w/shops/conferences	Attendance	02 November 2026-30 November 2026	Ongoing	N/A
Continuous Development	CPD Continuous Professional Development	Munsoft Financial System	Attendance	02 November 2026-30 November 2026	Ongoing	N/A
Continuous Development	CPD Continuous Professional Development	VIP System	Attendance	02 November 2026-30 November 2026	Ongoing	N/A

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Key Performance Area: Financial Viability and Accountability							Quarterly Targets					
Strategic Goals	Objectives	Key Performance Indicators	Baseline	Target output (Annual target)	Unit of	Reporting cycle	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual Budget (R)	Portfolio of Evidence
Enhance revenue and financial management	To ensure provision of free basic services to registered indigents	KPI 65 Number of indigent campaigns conducted by 30 June 2027.	Number of indigent campaigns conducted by 30 June 2026.	Number of indigent campaigns conducted by 30 June 2027.	Number	Annually	N/A	N/A	1	N/A	Operational	Indigent register
	Reduce unnecessary spending on travelling, overtime and operational costs by an average of 10% p.a.	KPI 66 R0(ZERO) of total monetory value of unathorised expenditure incurred by 30 June 2027.	Unauthorised expenditure expressed as a 0% of total expenditure by 30 June 2026.	R0(ZERO) of total monetory value of unathorised expenditure incurred by 30 June 2027.	R	Annually	N/A	N/A	N/A	0	Operational	Unauthorised expenditure register
		KPI 67 R0(ZERO) of total monetory value of irregular expenditure on new procument incurred by 30 June 2027.	Irregular expenditure expressed as a 0% of total expenditure on New procumbent by 30 June 2026.	R0(ZERO) of total monetory value of Irregular expenditure on new procurement incurred by 30 June 2027.	R	Annually	N/A	N/A	N/A	0	Operational	Irregular expenditure register
		KPI 68 R0(ZERO) of total monetory value of fruitless & wasteful expenditure incurred by 30 June 2027.	Fruitless expenditure expressed as a 0% of total expenditure by 30 June 2026.	R0(ZERO) of total monetory value of fruitless & wasteful expenditure incurred by 30 June 2027.	R	Annually	N/A	N/A	N/A	0	Operational	Fruitless expenditure register
		KPI 69 % of rates clearance certificates issued within 10 days of customer applications by 30 June 2027.	100 % of rates clearance certificates issued within 10 days of customer applications by 30 June 2026.	100 % of rates clearance certificates issued within 10 days of customer applications by 30 June 2027.	%	Days	100%	100%	100%	100%	Operational	Customer application forms and clearance certificates
	To compile a funded and realistic budget annually for approval by Council by the end of May of each year.	KPI 70 2026/2027 Adjusted budget submitted to Council for approval by 28 February 2027.	2025/2026 Adjusted budget submitted to Council for approval by 28 February 2026.	2026/2027 Adjusted budget submitted to Council for approval by 28 February 2027.	Date	Annually	N/A	N/A	28-Feb-26	N/A	Operational	Approved adjusted budget and council resolution
		KPI 71 2027/2028 Draft budget tabled to council by 31 March 2027.	2026/2027 draft budget tabled to council by 31 March 2026.	2027/2028 Draft budget tabled to council by 31 March 2027.	Date	Annually	N/A	N/A	31-Mar-26	N/A	Operational	Draft Budget and Council Resolution
		KPI 72 2027/2028 budget tabled to council for approval by the 31 May 2027.	2026/2027 budget tabled to council for approval by the 31 May 2026.	2027/2028 budget tabled to council for approval by the 31 May 2027.	Date	Annually	N/A	N/A	N/A	31-May-26	Operational	Budget and Council Resolution

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	To ensure [illegible] annually to legislatively prescribed financial report requirements.	KPI 73 Number of Performance and budget reports submitted to council by 30 June 2027.	4 Performance and budget reports (Sec 52(d)) submitted to council Quarterly by 30 June 2026.	4 Performance and budget reports (Sec 52(d)) submitted to council Quarterly by 30 June 2027.	Number	Quarterly	1	1	1	1	Operational	Section 52 (d) reports and council resolution
	To promote Financial Viability and accountability	KPI 74 Number of Section 71 data strings uploaded on lg portal within 10 working days after month end by 30 June 2026.	12 Monthly Section 71 data strings uploaded on lg portal within 10 working days after month end by 30 June 2026.	12 Monthly Section 71 data strings uploaded on lg portal within 10 working days after month end by 30 June 2027.	Number	Monthly	3	3	3	3	Operational	Section 71 data strings, proof of submission to the Mayor of MSCOA uploads.

Key Performance Area: Financial Viability and Accountability							Quarterly Targets					
Strategic Goals	Objectives	Key Performance Indicators	Baseline	Target output (Annual target)	Unit of	Reporting cycle	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual Budget (R)	Portfolio of Evidence
Enhance revenue and financial management	To ensure 100% compliance annually to legislatively prescribed financial report requirements.	KPI 75 Annual Financial Statements submitted to the Auditor General by 31 August 2026.	Annual Financial Statements submitted to the Auditor General by 31 August 2025.	Annual Financial Statements submitted to the Auditor General by 31 August 2026.	Date	Annually	31-Aug-26	N/A	N/A	N/A	6 000 000	Copy of the AFS and acknowledgement letter from Auditor General of South Africa.
	To promote Financial Viability and accountability	KPI 76 Number of Municipal Property Rates Act Implementation Report submitted to council by 30 June 2027.	4 Quarterly reports on Municipal Property Rates Act Implementation Report submitted to council by 30 June 2026.	4 Reports on Municipal Property Rates Act Implementation Report submitted quarterly to council by 30 June 2027.	Number	Quarterly	1	1	1	1	Operational	Reports and council resolutions.
		KPI 77 Receipts from debtors expressed as a % of total revenue for the period from 1 July 2026 to 30 June 2027.	85% Receipts from debtors expressed as a % of total revenue for the period from 1 July 2024 to 30 June 2026.	85% Receipts from debtors expressed as a % of total revenue for the period from 1 July 2026 to 30 June 2027.	%	Quarterly	85%	85%	85%	85%	Operational	List of debtors' receipts, Revenue Report Control levy summary
		KPI 78 Supplementary valuation conducted by 30 June 2026.	Supplementary valuations conducted by 30 June 2026.	Supplementary valuation conducted by 30 June 2027.	Number	Annually	N/A	N/A	N/A	1	Operational	Supplementary valuation roll
		KPI 80 Cash/trade creditors coverage ratio by 30 June 2026.	Cash/trade creditors coverage ratio by 30 June 2026.	Cash/trade creditors coverage ratio by 30 June 2027.	Ratio	Quarterly	01:01	01:01	01:01	01:01	Operational	Bank Statement, creditors listing/ age analysis
		KPI 81 Net creditors' days by 30 June 2026.	Net creditors' days (valid expenditure) by 30 June 2026.	Net creditors' days (valid expenditure) by 30 June 2027.	Days	Quarterly	30	30	30	30	Operational	Creditors age analysis, Proof of payment, cashbook and date stamp on Invoice.

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