

Mogale City
Local Municipality

REVISED PERFORMANCE MANAGEMENT AGREEMENT

ENTERED INTO BY AND BETWEEN:

MOGALE CITY LOCAL MUNICIPALITY

AS REPRESENTED BY THE

MUNICIPAL MANAGER:

MAKHOSANA MSEZANA

AND

EXECUTIVE DIRECTOR: OPERATIONS MANAGEMENT

THABO COLLIN NDLOVU

THE EMPLOYEE OF THE MUNICIPALITY

FOR THE

FINANCIAL YEAR: JULY 2026 TO JUNE 2027

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M.M.
TCN
DAU

PERFORMANCE MANAGEMENT AGREEMENT

ENTERED INTO BY AND BETWEEN

MOGALE CITY LOCAL MUNICIPALITY herein represented by **Makhosana Msezana** as the **Municipal Manager** (hereinafter referred to as the Employer or Supervisor)

And

Thabo Collin Ndlovu as the **Executive Director: Operations Management** (hereinafter referred to as the Employee).

WHEREBY IT IS AGREED AS FOLLOWS:

1. INTRODUCTION

- 1.1 The Employer has entered into a contract of employment with the Employee in Terms of section 57(1)(a) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act"). The Employer and the Employee are hereinafter referred to as the "the Parties".
- 1.2 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.
- 1.3 The parties wish to ensure that there is compliance with Sections 57(4A), 57(4B) and 57(5) of the Systems Act, Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Manager, 2006 & Local Government: Competency Framework for Senior Managers, 2014

2. PURPOSE OF THIS AGREEMENT

The purpose of this Agreement is to –

- 2.1 Comply with the provisions of the Contract of Employment entered between the parties.
- 2.2 Specify objectives and targets established for the Employee and to communicate to the Employee the Employer's expectations of the Employee's performance expectations and accountabilities;
- 2.3 Specify accountabilities as set out in the Performance Management Plan (Annexure A);
- 2.4 Monitor and measure performance against set targeted outputs.

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- 2.5 Use the Performance Management Agreement and Performance Management Plan as the basis for assessing whether the employee has met the performance expectations applicable to his job;
- 2.6 Appropriately reward the Employee in accordance with the Employer's performance management policy in the event of outstanding performance; and
- 2.7 Give effect to the Employer's commitment to a performance-orientated relationship with the Employee in attaining equitable and improved service delivery.

3 COMMENCEMENT AND DURATION

- 3.1 This Agreement will commence on the **01 July 2026** and will remain in force until **30 June 2027**; where after a new Performance Management Agreement, Performance Management 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 the Agreement during July each year. The parties will conclude a new Performance Management Agreement and Performance Management Plan that replaces this Agreement at least once a year by not later 31 July.
- 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

- 4.1 The Performance Plan (Annexure A) sets out-
 - 4.1.1 The performance objectives and targets that must be met by the Employee; and
 - 4.1.2 The time frames within which those performance objectives and targets must be met.
- 4.2 The performance objectives and targets reflected in Annexure A 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 and weightings.

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

4.4 The Employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the Employer's Integrated Development Plan.

5 PERFORMANCE MANAGEMENT SYSTEM

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

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

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

6 THE EMPLOYEE AGREES TO PARTICIPATE IN THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM THAT THE EMPLOYER ADOPTS

6.1 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.

6.2 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.

6.2.1 The Employee must be assessed against both components, with a weighting of 80:20 allocated to the Key Performance Areas (KPAs) and the Competency Requirements (Leading & Core Competencies) (CR's) respectively.

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

6.2.3 KPAs covering the main areas of work will account for 80 weighting and CRs will account for 20 weighting of the final assessment.



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6.3 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 weighting of the overall assessment result as per the weightings agreed to between the employer and Employee:

Key Performance Areas (KPA's)	Weighting
Service Delivery and Infrastructure Development	0
Financial Viability	0
Good Governance and Public Participation	70
Local Economic Development	0
Municipal Transformation and Organizational Development	30
TOTAL	100%

6.4 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 weighting of the overall assessment result as per the weightings agreed to between the employer and Employee.

The six (6) core competencies that act as drivers to ensure that the leading competencies are executed at an optimal level.

LEADING COMPETENCY REQUIREMENTS		WEIGHTS %
Strategic Direction and Leadership	- Impact and influence - Institutional Performance Management - Strategic Planning and Management - Organizational Awareness	20
Program & Project Management	- Program & Project Planning and Implementation - Service Delivery Management - Program & Project Monitoring & Evaluation	20
Financial Management	- Budget Planning & Execution - Financial Strategy & Delivery - Financial Reporting & Monitoring	20
Change Leadership	- Change Vision & Strategy - Process Design & Improvement - Change Impact Monitoring & Evaluation	15
People Management & Empowerment	- Human Capital Planning & Development - Diversity Management	5

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LEADING COMPETENCY REQUIREMENTS		WEIGHTS %
	- Employee Relations Management - Negotiation and Dispute Management	
Governance Leadership	- Policy Formulation - Risk and Compliance Management - Cooperative Governance	20
CORE COMPETENCIES		
Moral Competence		
Planning and organizing	- Policy Formulation - Risk and Compliance Management - Cooperative Governance	
Analysis and Innovation		100
Knowledge and Information Management		
Communication		
Result and Quality Focus		
TOTAL		

7 EVALUATING PERFORMANCE

- 7.1 The Performance Management Plan (Annexure A) to this Agreement sets out-
- 7.1.1 The standards and procedures for evaluating the Employee's performance; and
- 7.1.2 The intervals for the evaluation of the Employee's performance.
- 7.2 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.
- 7.3 Personal growth and development needs identified during any performance review discussion must be documented in a Personal Development Plan as well as the actions agreed to and implementation must take place within set time frames.
- 7.4 The Employee's performance will be measured in terms of contributions to the goals and strategies set out in the Employer's IDP.
- 7.5 The annual performance appraisal will involve:
- 7.5.1 Assessment of the achievement of results as outlined in the performance Plan:

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- (a) 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 the tasks that had to be performed under the KPA;
- (b) An indicative rating on the five-point scale should 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.

7.5.2 Assessment of the CRs

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

7.5.3 Overall rating

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

7.6 The assessment of the performance of the Employee will be based on the following rating scale for KPA's and CRs:

Overall Performance	Rating	Performance Score
Unacceptable Performance Performance does not meet the standard expected for the job. The employee has failed to demonstrate the commitment level expected in the job despite management efforts to encourage improvement.	1	59% and below
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.	2	60 – 69 %
Performance Fully Effective Performance fully meets the standards expected in all	3	70 – 79 %

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Overall Performance	Rating	Performance Score
areas of the job		
Performance Significantly Above Expectations / Exceptional Performance Performance is significantly higher than the standard expected in the job.	4	80 – 89 %
Outstanding Performance Performance far exceeds the standard expected of an employee at this level.	5	90 – 100 %

7.7 For purposes of evaluating the annual performance of managers directly accountable to the Municipal Manager, an evaluation panel constituted of the following persons must be established –

- 7.7.1 Municipal Manager;
- 7.7.2 Chairperson of the Performance Audit Committee;
- 7.7.3 Member of the Mayoral Committee; and
- 7.7.4 Municipal Manager from another Municipality/ or a technical expert of an equivalent position.

8 SCHEDULES FOR PERFORMANCE REVIEWS

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

Quarter	Timeline	Date of the Review
First Quarter	July – September 2026	October 2026
Second Quarter	October – December 2026	January 2027
Third Quarter	January – March 2027	April 2027
Fourth Quarter	April – June 2027	n/a

8.2 The Employer shall keep a record of all formal and informal reviews, including the mid-year review and annual assessment meetings.

- 8.3 Performance feedback shall be based on the Employer's assessment of the Employee's performance.
- 8.4 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.
- 8.5 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.

9 DEVELOPMENTAL REQUIREMENTS

The Personal Development Plan (PDP) for addressing developmental gaps is attached as Annexure B.

10. OBLIGATIONS OF THE EMPLOYER

10.1 The Employer shall:–

10.1.1 Create an enabling environment to facilitate effective performance by the Employee;

10.1.2 Provide access to skills development and capacity building opportunities;

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

10.1.4 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

10.1.5 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.

11 CONSULTATION

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

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

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

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11.1.3 A substantial financial effect on the Employer.

11.2 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.

12. MANAGEMENT OF EVALUATION OUTCOMES

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

12.2 A performance bonus of 5% to 14% of the inclusive annual remuneration package may be paid to the Employee in recognition of outstanding performance.

Performance Rating			Bonus Amount
1.	0% - 59%	Performance Unacceptable	0% of total package
2.	60% - 69%	Performance Not Fully Effective	
3.	70% - 79%	Performance Fully Effective	Remuneration Progression
4.	80% - 89%	Performance Significantly Above Expectations/ Exceptional Performance	• Remuneration Progression • 5% - 9% of Total Package
5.	90% - 100%	Outstanding Performance	• Remuneration Progression • 10% - 14% of total package

12.4 In the case of unacceptable performance, the Employer shall –

12.4.1 Provide systematic remedial or developmental support to assist the Employee to improve his or her performance; and

12.4.2 After appropriate counseling 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.

13 DISPUTE RESOLUTION

13.1 Any disputes about the nature of the employee's performance agreement, whether it relates to key responsibilities, priorities, methods of assessment and/ or any other matter provide for, shall be mediated by –

13.1.1 The Executive Mayor within thirty (30) days of receipt of a formal dispute from the Employee; or

13.1.2 Any other person appointed by the Executive Mayor.

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

14 GENERAL

14.1 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 Employer.

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

Thus done and signed at Krugersdorp on this the 31 day of July 2026

AS WITNESSES:

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2. 


EXECUTIVE DIRECTOR:
OPERATIONS MANAGEMENT

Thus done and signed at Krugersdorp on this the 31 day of July 2026

AS WITNESSES:

1. 

2. 


MUNICIPAL MANAGER



Outcome 9: Responsive, accountable, effective and efficient local government system											
Building a professional, capable, citizen-focused public service (NDP Chapter 13)											
To ensure good participative governance in compliance with the Constitution											
Good Governance and Public Participation 70%											
PLANNING LEVEL	MSCOA PROJECT	WARDS TO BENEFIT	KEY PERFORMANCE INDICATOR	WEIGHTING	UNIT OF MEASURE	BASELINE	ANNUAL TARGET	TIME FRAME	PROGRAMME/PROJECT MILESTONE	INDIVIDUAL PERFORMANCE MEASUREMENT	MEANS OF VERIFICATION
Executive Director Output	National Treasury Reporting	All Wards	Number of Section 52 (d) reports submitted to SMT	10%	Number	4	4	Q1	1	1=(2 or less quarterly reports) Submission of Section 52 (d) report submitted to SMT	Q1-Q4: Proof of submission to Secretariat and the Section 52(d) report
								Q2	1	2=(3 quarterly reports) Submission of Section 52 (d) report submitted to SMT	
								Q3	1	3=(4 quarterly reports) Submission of Section 52 (d) report submitted to SMT	
								Q4	1	-	
Executive Director Output	IDP Process Plan	All Wards	Submission of the IDP Process Plan (Schedule of Key Deadlines) to Council by 31 August 2026	10%	Time Frame	31-Aug-25	31-Aug-26	Q1	1	1=IDP Process Plan submitted to Council for consideration by 4 September 2026	Proof of submission to Secretariat (e-mail) and Council Item/Agenda
								Q2	-	2=IDP Process Plan submitted to Council for consideration by 2 September 2026	
								Q3	-	3=IDP Process Plan submitted to Council for consideration by 31 August 2026	
								Q4	-	4=IDP Process Plan submitted to Council for consideration before the 27 August 2026	
										5=IDP Process Plan submitted to Council for consideration by 31 July 2026	

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KPA	Good Governance and Public Participation 70%									
Executive Director Output	AGSA Action Plans	All Wards	% implementation of AG Audit Action plans	10%	%	80%	85%	Q1	1= Less than 70% implemented	Internal Audit Assessed OPCA Pane
								Q2	2= 70% - 84% implemented	
								Q3	3= 85% - 89% implemented	
								Q4	4= 90% - 95% implemented	
									5= 96% - 100% implemented	
Executive Director Output	AGSA Action Plans	All Wards	% implementation of departmental mitigation actions on the Strategic Risk Register	10%	%	80%	80%	Q1	1= Less than 70% implemented	signed Quarterly Dashboard Report (Strategic Risk).
								Q2	2= 70% - 79% implemented	
								Q3	3= 80% - 85% implemented	
								Q4	4= 86% - 90% implemented	
									5= 91% - 100% implemented	

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KPA MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION 30%

Executive Director Output	Performance Management	All Wards	Number of Managers Performance Review Sessions Conducted	10%	Number	2	2	Q1	1	1= No review sessions conducted					Performance Assessment minutes/agenda and or attendance register		
								Q2	—	2= 1 review sessions conducted for managers							
								Q3	1	3= 2 reviews sessions conducted for managers							
								4= review sessions conducted for managers within 60 days after the end of the quarter									
								Q4	—	5= review sessions conducted for managers within 30 after the end of the quarter							
Executive Director Output	Labour Disputes	All Wards	No. of days taken to attend to employee grievance within the prescribed timeline	5%	Number	2	10	Q1		1 = None					Signed grievance form and grievance meeting/ response		
								Q2		2= More than 10 days							
								Q3		3= 10 working days							
								4= 7 working days/ relationship building meetings									
								Q4	10 days	5= 5 working days/ no grievances							

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Executive Director Output	Municipal Policies	All Wards	Number of Municipal Policies developed adopted by SMT	15%	Number	New Target	2	Q1	-	1= No policies developed and submitted to SMT	E-mail submission to Secretariat for SMT and copies of developed policies (MIR and IGR)
								Q2	2	2= All policies developed and submitted to SMT by 16 November 2026.	
								Q3	-	3= All policies developed and submitted to SMT by 30 October 2026.	
								Q4	-	4= All policies developed and submitted to SMT by 16 October 2026.	
										5= All policies developed and submitted to SMT by 30 September 2026.	
Total= 100											

Signed and Accepted by the Executive Director: Operations Management

Thabo Collin Ndlovu

Date:

31/7/20

Approved by the Municipal Manager

Makhosana Msezana

Date:

31/07/2026

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CORE MANAGERIAL COMPETENCIES	WEIGHTING	KPI	PERFORMANCE MEASUREMENT	EVIDENCE
Strategic direction & leadership	20%	Time taken to sign Individual Performance Management Agreements signed with Managers within the Department by 31 August 2026	1= All Performance Management Agreements of Managers within the Department signed after the 30/09/2026	(5) Performance Management Agreements signed with Managers
			2= All Performance Management Agreements of Managers within the Department signed after the 15/09/2026	
			3= All Performance Management Agreements of Managers within the Department signed by the 31/08/2026	
			4= All Performance Management Agreements of Managers within the Department signed by the 20/08/2026	
			5= All Performance Management Agreements of Managers within the Department signed by the 15/08/2026	
Program and Project management	20%	% Implementation of the Departmental Service Delivery Budget Implementation Plan	1= Less than 59% implemented	2026/27 Quarterly Departmental SDBIP Performance Reports from Performance Monitoring and Evaluation and Annual Performance Report
			2= 60% - 69% implemented	
			3= 70% - 79% % implemented	
			4= 80% - 89% implemented	
			5= 90% - 100% implemented	

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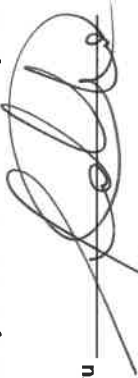
Financial Management	10%	% Reduction of Unauthorized Irregular Fruitless (UIF) expenditure	1= 0 - 54% reduction on the UIWFe	Quarterly UIWF report
			2= 55% - 64% reduction on the UIWFe	
			3= 65 - 74% reduction on the UIWFe	
			4= 75 - 89% reduction on the UIWFe	
			5= 90 - 100% reduction / no UIWFe incurred	
Change Leadership	10%	% of Opex Budget spent (Bi-Annual)	1= Less than 79%	Quarterly In Year Monitoring Reports 2026/27
			2= 80% - 89% expenditure	
			3= 90% - 95% expenditure	
			4= 96% - 98% expenditure	
			5= 99% - 100% expenditure	
	5%	% implementation of monthly OM Department management meetings resolutions	1= 59% and below implementation of resolutions	Agenda, Attendance registers. and Resolution meeting register
			2= 60% - 69% implementation of resolutions	
			3= 70% - 79% implementation of resolutions	
			4= 80% - 89% implementation of resolutions	
			5= 90% -100% implementation of resolutions	
	10%	2 Staff Meetings held per year	1= No meeting held	Agenda, attendance registers and Minutes of staff meetings held
			2= 1 meeting held	
			3= 2 meetings held	
			4= 3 meetings held	
			5= 4 meetings held	

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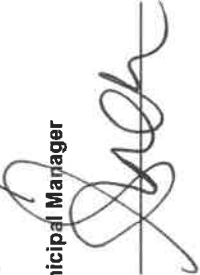
People Management and Empowerment	5%	Average time taken to approve leave applications	1= approved in 5 days	Leave Management Reports/Summary of days taken to approve leave
			2= approved in 4 days	
			3= approved in 3 days	
			4= approved in 2 days	
			5= approved in 1 days	
Governance Leadership	20%	No. of Revision and Development of Policies (4)	1= No policies developed and submitted to Council	Developed and Revised Policies submitted to Council (MIPM, CM, Social Media and Customer Care)
			2= 4 policies developed and submitted to Council by July 2027.	
			3= 4 policies developed and submitted to Council by 30 June 2027.	
			4= 4 policies developed and submitted to Council by 31 March 2027.	
			5= 4 policies developed and submitted to Council by 31 December 2026.	
Total=100				

Signed and Accepted by the Executive Director: Operations Management



Thabo Collin Ndlovu

Date 31/7/26



Approved by the Municipal Manager

Makhosana Msezana

Date 31/07/2026

SURNAME	NDLOVU		NAME		THABO COLLIN	
POSITION	EXECUTIVE DIRECTOR: OPERATIONS MANAGEMENT		REPORT TO		MUNICIPAL MANAGER	
SALARY LEVEL			SALARY BAND		MSA Sec 56	
DEPARTMENT	OPERATIONS MANAGEMENT		FINANCIAL YEAR		2026/27	
Competency area to be developed	Specific development objectives (what to achieve)	Competency Indicators (evidence of development)	Development activities (self-study, on the-job, format-dates and cost)	Support required (e.g. coaching)	Development review and assessment: Training provider	Sign-off review and assessment (Individual, Expert Trainer & Coach)
N/A	N/A	N/A	N/A	N/A	N/A	N/A
EMPLOYEE SIGNATURE			MM's SIGNATURE			
			DATE		31/7/2028	