

<b>- PERFORMANCE PLAN</b>
Chief Financial Officer (CFO)
Okhahlamba Local Municipality
2018/2019

This plan defines the Council's expectations of the Chief Finance Officer in accordance with the 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.

The **main parts** to this performance plan are:

1. A statement about the *purpose of the position*;
2. A performance scorecard *key performance Area (KPA)s, performance indicators (KPIs), weightings, target/target dates (i.e. annual and quarterly) and evidence required*;
3. Brief *Individual Learning Plan (ILP)*.
4. Evaluation Sheet

The period of this plan is from **01<sup>st</sup> July 2018** to **30<sup>th</sup> June 2019**

Signed and accepted by the: MUNICIPAL <i>MANAGER</i> on behalf of the Council	
Signed by the: CHIEF FINANCIAL OFFICER	
DATE:	

## **1. Purpose**

The performance plan defines the Council's expectations of the Municipal Manager'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 the Municipal Manager'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 Basic Service Delivery
- 3.3 Local Economic Development (LED).
- 3.4 Municipal Financial Viability and Management.
- 3.5 Good Governance and Public Participation.

KPA	GOAL	OBJECTIVE	REFERENCE NUMBER	STRATEGY	INDICATOR	WEIGHT 100%	QUARTER 1 TARGET	QUARTER 2 TARGET	QUARTER 3 TARGET	QUARTER 4 TARGET	PROFOLIO OF EVIDENCE
Financial Viability and Financial Management	To effectively manage municipal financial resources in a sustainable and accountable manner.	To improve budget implementation in the municipality	FVFM01	Optimize the expenditure of capital budget	Percentage of Capital budget spent (actual capital expenditure/budget capital expenditure x 100)		25%	50%	75%	100%	SECTION 71 REPORTS
			FVFM02	Optimize revenue collection	% of cash collected from customers against billing		80%	80%	80%	80%	BILLING RECONCILIATION REPORT
			FVFM03	Optimize revenue of operational budget	Percentage of Operational Budget (OPEX) spent on repairs and maintenance of infrastructure		0.5%	0.5%	0.5%	0.5%	SECTION A OF SECTION 71 REPORT
			FVFM04	Financial viability expressed in ratios	Debt coverage Ratio: Total operational revenue less operational grants/ debt service payment due within the financial year					25%	AFS
					Outstanding service debtors to revenue ratio: Total outstanding service debtors divide by annual revenue from services					1:1	AFS
					Costs coverage ratio: ((available cash less unspent conditional grants-overdraft) plus short term investments) divided (by monthly fixed operating expenditure less depreciation, amortization, prov for bad debts, impairment and loss on disposal of assets)		2	2	2	2	SECTION 71 REPORTS

			<b>FVFM05</b>	Updating of Fixed Asset Register	Number of updates on fixed assets register by 30-Jun-19			1		1	UPDATED FIXED ASSET REGISTER
			<b>FVFM06</b>	Ensure Mscosa fully compliance to financial systems and ICT server	Maintenance of ICT server infrastructure to fully Mscosa compliance by 30-Jun-19		100%	100%	100%	100%	MSCOSA AND TREASURY REPORT
			<b>FVFM07</b>	To ensure the effective running of supply chain management	Convening of BEC within 30 days after the closing date of an advert by 30-Jun-10		BEC meeting convened within 30 days after the closing date of an advert	BEC meeting convened within 30 days after the closing date of an advert	BEC meeting convened within 30 days after the closing date of an advert	BEC meeting convened within 30 days after the closing date of an advert	BEC MINUTES AND ATTENDANCE REGISTER
			<b>FVFM08</b>		Convening of BAC within 14 working days after the BEC meeting by 30-Jun-19		BAC meeting convened within 14 working days after the BEC meeting	BAC meeting convened within 14 working days after the BEC meeting	BAC meeting convened within 14 working days after the BEC meeting	BAC meeting convened within 14 working days after the BEC meeting	BAC MINUTES AND ATTENDANCE REGISTER
			<b>FVFM09</b>	Risk Management	Number of risk committee meeting attended by 30-Jun-19		1	1	1	1	ATTENDANCE REGISTER

**COMPETENCY FRAMEWORK STRUCTURE**

The competencies that appear in the competency framework are detailed below

<b>LEADING COMPETENCIES</b>	
Strategic Direction and leadership	<ul style="list-style-type: none"> <li>• Impact and influence</li> <li>• Institutional Performance Management</li> <li>• Strategic planning and management</li> <li>• Organisational awareness</li> </ul>
People Management	<ul style="list-style-type: none"> <li>• Human Capital planning and Development</li> <li>• Diversity in management</li> <li>• Employee Relations Management</li> <li>• Negotiation and Dispute Management</li> </ul>
Program and project Management	<ul style="list-style-type: none"> <li>• Program and project planning and Implementation</li> <li>• Service Delivery Management</li> <li>• Program and Project Monitoring and Evaluation</li> </ul>
Financial Management	<ul style="list-style-type: none"> <li>• Budget Planning and Execution</li> <li>• Financial Strategy and Delivery</li> <li>• Financial Reporting and Monitoring</li> </ul>
Change Leadership	<ul style="list-style-type: none"> <li>• Change Vision and Strategy</li> <li>• Process Design and Improvement</li> <li>• Change Impact Monitoring and evaluation</li> </ul>
Governance Leadership	<ul style="list-style-type: none"> <li>• Policy Formulation</li> <li>• Risk and Compliance Management</li> <li>• Cooperative Governance</li> </ul>
<b>CORE COMPETENCIES</b>	
Moral Competence	
Planning and Organising	
Analysis and Innovation	
Knowledge and Information Management	
Communication	
Results and Quality Focus	

The employee's assessment will be based on his or her performance in terms of the outputs/outcomes (performance indicators) identified as per the performance plan which are linked to the KPA's, which constitute 100%/80% of the overall assessment result as per the weightings agreed to between the employer and employee.

<b>1. Key Performance Areas (KPA's) for CFO</b>		<b>1<sup>st</sup></b>	<b>2<sup>nd</sup></b>	<b>3<sup>rd</sup></b>	<b>4<sup>th</sup></b>
	<b>Weighting</b>	<b>Score</b>	<b>Score</b>	<b>Score</b>	<b>Score</b>
Good Governance & Public Participation	5				
Institutional Development and Transformation	10				
Financial Viability	70				
Basic Service Delivery	10				
Local Economic Development	5				
<b>Total</b>	<b>100%</b>				