

PERFORMANCE PLAN
Chief Financial Officer (CFO)
Okhahlamba Local Municipality
2016/2017

This plan defines the Council's expectations of the Municipal Manager 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 **01st July 2016** to **30th June 2017**

Signed and accepted by the: <i>MUNICIPAL 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.

2016/2017 CHIEF FINANCIAL OFFICER PERFORMANCE PLAN												
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 Capital expenditure budget implementation (actual capital expenditure/budget capital expenditure x 100)		25%	25%	25%	25%		
			FVFM02	Optimize revenue collection	% of cash collected from customers against billing		25%	25%	25%	25%	AFS	
			FVFM03	Optimize revenue of operational budget	Percentage spent of Operational Budget (OPEX) on repairs and maintenance of infrastructure		25%	25%	25%	25%	AFS	
			FVFM04	Financial viability expressed in ratios	Debt coverage Ratio: Total operational revenue less operational grants/ debt service payment due within the financial year						18:1	AFS
					Outstanding service debtors to revenue ratio: Total outstanding service debtors divide by annual revenue from services						10:1	AFS
Costs coverage ratio: available cash plus investments divide by monthly fixed operating expenditure						1		1	AFS			
FVFM05	Updating of Asset Register	Updated asset register					1		1	UPDATED ASSET REGISTER		

COMPETENCY FRAMEWORK STRUCTURE

The competencies that appear in the competency framework are detailed below

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

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