



PERFORMANCE PLAN

Entered into by and between

THE MUNICIPALITY OF KOUGA

AS REPRESENTED BY THE MUNICIPAL MANAGER

MR SIDNEY FADI

AND

SELWYN THYS

THE EMPLOYEE OF THE MUNICIPALITY

CHIEF FINANCIAL OFFICER

PERIOD: 1 JULY 2016 TO 30 JUNE 2017

Handwritten signatures and initials, including a signature that appears to be 'Thys' and another that appears to be 'Fadi', along with some illegible scribbles.

1. PURPOSE

The performance plan defines the Council's expectations of the Chief Financial Officer'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

It is expressly agreed that while certain key responsibilities of the Chief Financial Officer shall be measured in terms of the Performance Agreement and the Performance plan, the duties of the Chief Financial Officer shall not be restricted to the measured responsibilities only.

The following Departmental objectives will inform the Chief Financial Officer's performance against set performance indicators:

- 2.1 The delivery of support services to Council and the community in the following areas:
1. Financial Viability and Management
 2. Good Governance and Public participation

3. KEY PERFORMANCE AREAS

The following Key Performance Areas (KPA's) as set in consultation with the employee inform the strategic objectives, listed in the table below:

KP A No	Key Performance Area	Weight
1	Financial Viability and Management	90
2	Good Governance and Public Participation	10
	Total	100

4. KEY PERFORMANCE INDICATORS

The following Key Performance Indicators (KPI's) provide the details of the evidence that must be provided to show that a key objective has been obtained. 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.

Kouga Municipality

KEY PERFORMANCE AREA		FINANCIAL VIABILITY AND MANAGEMENT					PERFORMANCE STANDARDS	IDP REF
STRATEGY		Implement management and controls on finances and financial systems so as to ensure financial management practices are compliant with recognized practices						
INSTITUTIONAL OBJECTIVES	KPI	QUARTERLY TARGETS						
		30 September 2016	31 December 2016	31 March 2016	30 June 2017			
94% of revenue collected against revenue raised	% of revenue collected against revenue raised	94% revenue collected Against revenue raised	94% revenue collected Against revenue raised	94% revenue collected Against revenue raised	94% revenue collected Against revenue raised	1 = Less than 80% collection rate 2 = 81% to 93% collection rate 3 = 94% collection rate 4 = 95 % collection rate 5 = more than 95 % collection rate	PR 12	
55 Days or less for the collection of debt	Number of days for debt collection calculated from the date debt was raised	55 Days or less for the collection of debt	55 Days or less for the collection of debt	55 Days or less for the collection of debt	55 Days or less for the collection of debt	1 = more than 60 days for collection 2 = 56 to 59 days for collection 3 = 50 to 55 days for collection 4 = 49 to 41 days for collection 5 = less than 41 days for collection	PR 12	
External interest not exceeding 5% of operating expenditure	external interest charged as a % of the operating expenditure	External interest not exceeding 5% of operating expenditure	External interest not exceeding 5% of operating expenditure	External interest not exceeding 5% of operating expenditure	External interest not exceeding 5% of operating expenditure	1 = external interest more than 15% of operating expenditure 2 = external interest between 14% and 6% of operating expenditure 3 = external interest 5% of operating expenditure 4 = external interest 4% of operating expenditure 5 = external interest less than 4% of operating expenditure	PR 12	
5.24% of total operating budget allocated to repairs and maintenance	% of total operating budget allocated to repairs and maintenance	5.24% of total operating budget allocated to repairs and maintenance	5.24% of total operating budget allocated to repairs and maintenance	5.24% of total operating budget allocated to repairs and maintenance	5.24% of total operating budget allocated to repairs and maintenance	1 = less than 2% allocated 2 = 3% to 5% allocated 3 = 5.1% to 5.3% allocated 4 = 5.4% to 8% allocated 5 = more than 8% allocated	PR 12	

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INSTITUTIONAL OBJECTIVES	KPI	QUARTERLY TARGETS				PERFORMANCE STANDARDS	IDP REF
		30 September 2015	31 December 2015	31 March 2016	30 June 2016		
Current assets to exceed current liabilities by 100%	% by which current assets exceed current liabilities	Current assets exceeding current liabilities by 100%	Current assets exceeding current liabilities by 100%	Current assets exceeding current liabilities by 100%	Current assets exceeding current liabilities by 100%	1 = ratio of less than 50% 2 = ratio of between 51% and 95% 3 = ratio of 96% to 100% 4 = ratio of 101% to 110% 5 = ratio of more than 110%	PR 12
100% of registered indigent residents have access to free basic services	% of residents registered on the indigent register with access to free basic services	100% of residents registered on the indigent register have access to free basic services	100% of residents registered on the indigent register have access to free basic services	100% of residents registered on the indigent register have access to free basic services	100% of residents registered on the indigent register have access to free basic services	1 = less than 80% 2 = 81% to 90% 3 = 91% to 95% 4 = 96% to 99% 5 = more than 99%	PR 12
90% of creditors paid within 30 days from date of invoice	% of creditors paid within 30 days from date of invoice	90% of creditors paid within 30 days from date of invoice	90% of creditors paid within 30 days from date of invoice	90% of creditors paid within 30 days from date of invoice	90% of creditors paid within 30 days from date of invoice	1 = less than 75% 2 = 76 - 85% 3 = 86 - 90% 4 = 91 - 95% 5 = more than 95%	PR 12
95% capital budget expenditure	% capital budget expenditure against budgeted and planned expenditure	95% capital expenditure against planned capital expenditure for the quarter	95% capital expenditure against planned capital expenditure for the quarter	95% capital expenditure against planned capital expenditure for the quarter	95% capital expenditure against planned capital expenditure for the quarter and overall	1 = less than 75% 2 = 76 - 85% 3 = 86 - 90% 4 = 91 - 95% 5 = more than 95%	PR 12

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KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION					IDP REF
STRATEGY		Develop, implement and maintain administrative practices compliant with legislative requirements, while at the same time providing opportunities for residents to participate in the decision making processes of Kouga Municipality					
INSTITUTIONAL OBJECTIVES	KPI	QUARTERLY TARGETS			PERFORMANCE STANDARDS		
		30 September 2015	31 December 2015	31 March 2016	30 June 2016		
100% of Line Managers held accountable for performance	% of Line Managers held accountable for performance	100% of Line Managers held accountable for performance	100% of Line Managers held accountable for performance	100% of Line Managers held accountable for performance	100% of Line Managers held accountable for performance	1 = less than 70% 2 = 71 to 95% 3 = 96% 4 = 97 to 99% 5 = 100%	PR 16
90% Compliance with the Audit Corrective Action Plan towards a clean audit in respect of matters relative to the Directorate	% Compliance with the targets as per the implementation report on the Audit Corrective Action Plan for the Directorate	90% Compliance with the Audit Corrective Action Plan towards a clean audit in respect of matters relative to the Directorate	90% Compliance with the Audit Corrective Action Plan towards a clean audit in respect of matters relative to the Directorate	90% Compliance with the Audit Corrective Action Plan towards a clean audit in respect of matters relative to the Directorate	90% Compliance with the Audit Corrective Action Plan towards a clean audit in respect of matters relative to the Directorate	1 = less than 75% compliance 2 = 75 – 89% compliance 3 = 90% compliance 4 = 91 – 95% compliance 5 = More than 95% compliance	PR 16

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Thus done and signed at JEFFREYS BAY on this the 26th day
of JULY 2016.

AS WITNESSES:

1. Leggels

[Signature]
EMPLOYEE

2. Reed

[Signature]
MUNICIPAL MANAGER

[Signature]