



**PERFORMANCE PLAN**

**Entered into by and between**

**THE MUNICIPALITY OF KOUGA**

**AS REPRESENTED BY THE MUNICIPAL MANAGER**

**MR C DU PLESSIS**

**AND**

**SELWYN THYS**

**THE EMPLOYEE OF THE MUNICIPALITY**

**CHIEF FINANCIAL OFFICER**

**PERIOD: 1 JULY 2018 TO 30 JUNE 2019**

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## 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 objectives of the Directorate 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:

KPA 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.

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KEY PERFORMANCE AREA		GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
IDP PRIORITY	IDP 25	To improve communications in the Kouga area				
OBJECTIVE TARGET FOR THE YEAR	PERFORMANCE INDICATOR	COUNCIL APPROVED BUDGET	TARGETS			
			30 September 2018	31 March 2019	30 June 2019	
					MEANS OF VERIFICATION	
					WEIGHT	
4 Risk Management Meetings per year with 1 Risk Management Meeting per quarter	Number of Risk Management Meetings held, inclusive of developing a Risk Register & implementation of Risk Mitigation	Operational	1/4 Risk Management Meeting	3/4 Risk Management Meeting	4/4 Risk Management Meeting	30
Conduct a land audit by 31 December 2018	Due date compliance with conducting a land audit	Operational				30
95% compliance with annual calendar of meetings relevant to the Directorate	% meetings scheduled in compliance with the meeting calendar relevant to the Directorate	Operational	95% compliance with annual calendar of meetings relevant to the Directorate	95% compliance with annual calendar of meetings relevant to the Directorate	95% compliance with annual calendar of meetings relevant to the Directorate	15
100% Compliance with the closing dates for the submission of items for all meetings	% Compliance with the closing dates for the submission of items for all meetings	Operational	100% Compliance with the closing dates for the submission of items for all meetings	100% Compliance with the closing dates for the submission of items for all meetings	100% Compliance with the closing dates for the submission of items for all meetings	15
100% compliance with OHS directive issued relevant to the Directorate (Section 16 OHSA)	100% compliance with OHS directive issued relevant to the Directorate (Section 16 OHSA)	Operational	100% compliance with OHS directive issued relevant to the Directorate (Section 16 OHSA)	100% compliance with OHS directive issued relevant to the Directorate (Section 16 OHSA)	100% compliance with OHS directive issued relevant to the Directorate (Section 16 OHSA)	10
						100

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KEY PERFORMANCE AREA		FINANCIAL VIABILITY AND MANAGEMENT				WEIGHT
KEY PRIORITY	IDP 22	Improve revenue generation and collection to facilitate increased funding for service delivery				
OBJECTIVE		To ensure optimal levels of revenue collection				
TARGET FOR THE YEAR	PERFORMANCE INDICATOR	COUNCIL APPROVED BUDGET	TARGETS			MEANS OF VERIFICATION
			30 September 2018	31 December 2018	30 June 2019	
Revenue collection rate of 94% between revenue raised and revenue collected	% revenue collected between revenue raised and revenue collected	Operational	94% revenue collected against revenue raised	94% revenue collected against revenue raised	94% revenue collected against revenue raised	Revenue collected expressed as a percentage of revenue raised
95% Compliance with the reporting requirements as per National Treasury reporting calendar	% Compliance with the reporting requirements as per National Treasury reporting calendar	Operational	95% Compliance with the reporting requirements as per National Treasury reporting calendar	95% Compliance with the reporting requirements as per National Treasury reporting calendar	95% Compliance with the reporting requirements as per National Treasury reporting calendar	Reports submitted against National Treasury reporting calendar
95% of creditors paid within 30 days of receipt of the invoice or the statement All suppliers to be recognized as creditors within 30 days of receipt of invoice.	% of creditors paid within 30 days of receipt of the invoice or statement	Operational	95% of creditors paid within 30 days of receipt of the invoice or the statement	95% of creditors paid within 30 days of receipt of the invoice or the statement	95% of creditors paid within 30 days of receipt of the invoice or the statement	Date stamp of receipt of invoice and signature from leading dept. and date stamp and signature of arrival at Finance.
100% of qualifying indigent residents registered on the Indigent Register have access to free basic services	% of qualifying indigent residents registered on the Indigent Register have access to free basic services	Operational	100% of qualifying indigent residents registered on the Indigent Register have access to free basic services	100% of qualifying indigent residents registered on the Indigent Register have access to free basic services	100% of qualifying indigent residents registered on the Indigent Register have access to free basic services	Indigent register and records of free basic services provided

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Current Ratio of 1:1	Operational	% by which current assets exceed current liabilities	Operational	Current Ratio of 1:1	Current Ratio of 1:1	Current Ratio of 1:1	Current Ratio of 1:1	Financial Statements	WEIGHT
<b>TARGET FOR THE YEAR</b>	<b>COUNCIL APPROVED BUDGET</b>	<b>PERFORMANCE INDICATOR</b>	<b>TARGET</b>	<b>31 December 2018</b>	<b>31 March 2019</b>	<b>30 June 2019</b>	<b>MEANS OF VERIFICATION</b>	<b>10</b>	<b>10</b>
Current Ratio of 1:1	Operational	% by which current assets exceed current liabilities	Operational	31 December 2018	31 March 2019	30 June 2019	Financial Statements	10	10
Cost coverage of 1 month	Operational	Cost coverage	Operational	Cost coverage of 1 month	Cost coverage of 1 month	Cost coverage of 1 month	Financial Statements	10	10
Develop/ review ICT policies by 30 November 2018 (Dependant on IT option elected by Kouga)	Operational	ICT policies reviewed.	Operational	Develop/ review ICT Policies by 30 November 2018	N/A	N/A	Record of resolution adopting reviewed/ developed ICT policies	2	2
90% compliance with the Procurement Plan for the institution	Operational	% Compliance with the Procurement Plan	Operational	Monthly report to Top Management on implementation of Procurement Plan	Monthly report to Top Management on implementation of Procurement Plan	90% compliance with the Procurement Plan	Reports on implementation of Procurement Plan	2	2
Submission of signed minutes to MM within 2 working days of secretariat submitting BAC minutes.	Operational	Due date compliance with the submission of signed BAC Minutes to the Municipal Manager	Operational	100% per quarter Submission of signed minutes to MM within 2 working days of secretariat submitting BAC minutes.	100% per quarter Submission of signed minutes to MM within 2 working days of secretariat submitting BAC minutes.	100% per quarter signed minutes to MM within 2 working days of secretariat submitting BAC minutes.	Proof of submission of signed BAC Minutes to the Municipal Manager against submission date of draft minutes by the scribe	1	1
Adjudicate bids within 14 days of evaluation and recommendation by BEC	Operational	Number of days for the Adjudication of Bids	Operational	Adjudicate bids within 14 days of evaluation and recommendation by BEC	Adjudicate bids within 14 days of evaluation and recommendation by BEC	Adjudicate bids within 14 days of evaluation and recommendation by BEC	Consolidated report on dates of bid Adjudication form date of submission of report by Bid Evaluation Committee	2	2
Prepare preliminary returnable document evaluation reports	Operational	Due date compliance with the submission of preliminary reports for submission to	Operational	Prepare preliminary returnable document evaluation reports for submission to	Prepare preliminary returnable document evaluation reports for submission to	Prepare preliminary returnable document evaluation reports for submission to	Consolidated report on the closing of bids and dates on which preliminary evaluation reports was	2	2

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for submission to Bid Evaluation Committee within 14 days of the closing date of a bid (MM to give extension times for complex bids.)	Bid Evaluation Committee	Operational	reports for submission to Bid Evaluation within 14 days of the closing date of a bid	Bid Evaluation within 14 days of the closing date of a bid	Bid Evaluation within 14 days of the closing date of a bid	reports for submission to Bid Evaluation within 14 days of the closing date of a bid	submitted to the Bid Evaluation Committee	
Ensure Bid Specification Committee considers tender specifications within 14 days of the submission of a valid specification request	Due date compliance with bid specifications meetings	Operational	Ensure Bid Specification Committee considers tender specifications within 14 days of the submission of	Ensure Bid Specification Committee considers tender specifications within 14 days of the submission of	Ensure Bid Specification Committee considers tender specifications within 14 days of the submission of	Ensure Bid Specification Committee considers tender specifications within 14 days of the submission of	Consolidated report on requests for bid specification against dates bid specification meetings where held	2
95% Capital Budget expenditure for the Finance Directorate	% Capital Budget expenditure for the Finance Directorate	R67 744 823	Tenders advertised	Tenderer appointed:50% Capital Budget expenditure	85% Capital Budget expenditure	95% Capital Budget expenditure	Capital Budget expenditure reports	3
90% expenditure of maintenance budget for the Finance Directorate	% expenditure of maintenance budget for the Finance Directorate	Operational	90% expenditure of maintenance budget	90% expenditure of maintenance budget	90% expenditure of maintenance budget	90% expenditure of maintenance budget	Financial Statements	2
Prepare and submit a consolidated report on all assets and inventory to be disposed of and leased by 31 January 2019	Due date compliance with the submission of the report	Operational	N/a	N/a	Prepare and submit a consolidated report on all assets and inventory to be disposed of and leased by 31 January 2019	Prepare and submit a consolidated report on all assets and inventory to be disposed of and leased by 31 January 2019	Minutes of meeting where the report was submitted	2
Unqualified Audit Opinion on the Financial Statements	Audit results on financial statements	Operational	N/a	Unqualified Audit Opinion on the Financial Statements	Unqualified Audit Opinion on the Financial Statements	Unqualified Audit Opinion on the Financial Statements	Audit Report	10
Submit all wasteful and irregular	Due date compliance with submission	Operational	N/a	Submit all wasteful and irregular expenditure of prior	Submit all wasteful and irregular expenditure of prior	Submit all wasteful and irregular	Minutes of MPAC meeting	2

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expenditure of prior years to the MPAC by end 2018/19 financial year						years to the MPAC by end 2018/19 financial year	expenditure of prior years to the MPAC by end 2018/19 financial year		
Submit draft of the 2018/19 adjustment budget to the Municipal Manager by 14 December 2018	Due date compliance with submission	Operational	N/a	MPAC to submit quarterly reports	Submit of the 2018/19 adjustment budget to the Municipal Manager by 14 December 2018	MPAC to submit quarterly reports	N/a	Proof of submission	10
Submit credible 1 <sup>st</sup> draft of the 2019/20 budget to the Municipal Manager and Portfolio Councillor by 15 February 2019	Due date compliance with submission	Operational	N/a	Submit credible 1 <sup>st</sup> draft of the 2019/20 budget to the Municipal Manager and Portfolio Councillor by 15 February 2019	N/a	Submit credible 1 <sup>st</sup> draft of the 2019/20 budget to the Municipal Manager and Portfolio Councillor by 15 February 2019	N/a	Proof of submission	10
Submit fully compliant annual financial statements in respect of the 2017/18 year by 31 August 2018 to the Auditor General	Due date compliance with submission	Operational	Submit fully compliant annual financial statements in respect of the 2017/18 year by 31 August 2018 to the Auditor General	N/a	N/a	N/a	N/a	Proof of submissions	3
Recruitment of Internal Audit Manager by 30 November 2018	Due date compliance with appointment of Internal Audit manager	Operational	N/a	Recruitment of Internal Audit Manager by 30 November 2018	N/a	N/a	N/a	Proof of appointment	1
Make VAT submissions by 31 December 2018 to SARS	Due date compliance with the submission of VAT to SARS	Operational	N/a	Make VAT submissions by 31 December 2018 to SARS	N/a	N/a	N/a	Proof of VAT Submissions to SARS by due date	1
									100



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Thus done and signed at JEFFREYS BAY on this the 31st day of JULY 2018.

**AS WITNESSES:**

1. Uggels

[Signature]  
**EMPLOYEE**

2. [Signature]

[Signature]  
**MUNICIPAL MANAGER**