

Reference: T8/2/31

TREASURY MUN CIRCULAR NO 32/2013

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Revised Municipal Governance Review and Outlook (MGRO) Criteria and Municipal Governance Action Plan (MGAP) Tool – 2013/14

1. PURPOSE

The purpose of this circular is to communicate with municipalities the revised MGRO criteria and MGAP tool. Furthermore, it provides guidance on how this can be utilised as a road map to clean governance as well as working towards 'being the best run regional government in the world'.

2. BACKGROUND

In terms of section 5(3) of the Municipal Finance Management Act, (No 56 of 2003) [MFMA], Provincial Treasuries are obliged to assist, guide and monitor municipalities in terms of compliance with it and its regulations. As the MGRO process evolved, it was agreed at the MGRO 2 engagements held during February 2013, as well as at the MMs and CFO's fora that the Provincial Treasury (PT) and Department of Local Government (DLG) will revise their criteria and update the MGAP tool. The revised criteria was consulted by the respective units within the PT at their fora and the units which were not able to do so due to unforeseen circumstances, will still do so at their next forum meetings. The revised criteria are envisaged to assist municipalities to perform a comprehensive self-assessment in terms of level 1 – 6 maturity levels against the revised criteria. This revised MGAP tool will also form the foundation for the E-MGAP (the electronic migration) currently being developed.

3. PROCESS

The attached MGAP tool comprises of the following 'Tabs' or worksheets:

- 2012 – 13 MGAP
- GAP – Municipal Priorities
- Criteria per focus area and a section for a Municipal Self-Assessment
- A section for PT/DLG high level validation and monitoring

As mentioned above, the revised criteria can be utilised as a road map to clean governance as well as working towards 'being the best run regional government in the world'. Furthermore, the criteria document should be utilised as follows:

- To record the 2012 – 13 MGAP to track the municipality's progress since the inception of MGRO
- To perform a comprehensive municipal self-assessment in terms of level 1 – 6 maturity levels
- To capture issues that the municipality would like to prioritise emanating from a Municipal Self-Assessment on the GAP – Municipal Priorities.

- This information will then form the basis for the prospective MGRO 1 engagements with particular focus on:
 - MGRO 1 2012 issues identified
 - Progress on these identified issues
 - Current issues identified through the self-assessment
 - MGRO 2013 issues to be taken forward
- Following the MGRO 1 engagements, PT and DLG will monitor the progress against the implementation of the MGAPs on a quarterly basis and municipalities are therefore requested to send updated MGAPs to the following addresses: MFMA.MFMA@westerncape.gov.za and cc Nangamso.sigwela@westerncape.gov.za on or before the submission dates as indicated below:

Quarters	Submission Date
July – September 2013	15 October 2013
October – December 2013	17 January 2014
January – March 2013	15 April 2014
April – June 2013	15 July 2014

4. CONCLUSION

All enquiries in this regard may be directed to:

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HEAD OFFICIAL: PROVINCIAL TREASURY
DATE: 01 AUGUST 2013