

Reference: RCS/C.5

TREASURY CIRCULAR MUN NO. 32/2016 (SUPPLEMENTARY 1 OF 2016)

THE MAYOR, CITY OF CAPE TOWN: MS P DE LILLE
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR JH CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MS G STEPHAN
THE MAYOR, CEDERBERG MUNICIPALITY: MR J BARNARD
THE MAYOR, BERGRIVIER MUNICIPALITY: MR EB MANUEL
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: MS H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: MS G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBOEG MUNICIPALITY: MR HM JANSEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR S FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR RJ SMITH
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLENBAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, EDEN DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDELS
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR CF SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MS E BOUW-SPIES
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: MR N CONSTABLE
THE MAYOR, LAINGSBURG MUNICIPALITY: MR AA MARTHINUS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR K MALOOI

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR A EBRAHIM
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR G PEKEUR (ACTING)
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR G MATTHYSE (ACTING)
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR J MARAIS (ACTING)
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR M MGAJO
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: MR J CARSTENS (ACTING)
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MR R BOSMAN (ACTING)
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS (ACTING)
THE MUNICIPAL MANAGER, LANGEBOEG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW (ACTING)
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLENBAM MUNICIPALITY: MR CM AFRICA
THE MUNICIPAL MANAGER, EDEN DISTRICT MUNICIPALITY: MR GW LOUW
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R STEVENS (ACTING)
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: MR H HILL (ACTING)

THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE (ACTING)
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR M STRATU (ACTING)
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR B ELLMAN (ACTING)
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR J BOOYSEN

THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: MR J KOEKEMOER
THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR G SEAS
THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR JA VAN NIEKERK
THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR C KRITZINGER
THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MS C LATEGAN (ACTING)
THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR M WÜST
THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG (ACTING)
THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR J TESSELAAR
THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR F VAN DER WESTHUIZEN (ACTING)
THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDE
THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
THE CHIEF FINANCIAL OFFICER, EDEN DISTRICT MUNICIPALITY: MS L HOEK
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THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR K JORDAAN
THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR F LÖTTER
THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR M MEMANI (ACTING)
THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR L FOURIE (ACTING)
THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR R DE BRUYN (ACTING)
THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR F SABBAT

THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR Z HOOSAIN)
THE DEPUTY DIRECTOR GENERAL: FISCAL AND ECONOMIC SERVICES (MR H MALILA)
THE DEPUTY DIRECTOR GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR A HARDIEN)
THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS M KORSTEN)
THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR M SIGABI) (ACTING)
THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR IG SMITH)
THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR B VINK)
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUY)
THE HEAD: OFFICE OF THE FINANCE MINISTRY (ADV E PRETORIUS)
THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)
THE DIRECTOR: FINANCIAL GOVERNANCE (MS N SIGWELA) (ACTING)
THE DIRECTOR: FISCAL POLICY (MS M KORSTEN) (PRO TEM)
THE DIRECTOR: INFRASTRUCTURE (MR A VISAGIE) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR L BRINDERS)
THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR E JOHANNES) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR Z ZONYANE) (ACTING)
THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS R SLINGER)
THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS A SMIT)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MS R ESACK) (ACTING)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT

THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT

THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)

THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

MUNICIPAL ACCOUNTANTS FORUM (MAF): 11 NOVEMBER 2016 RE-SCHEDULED TO 17 NOVEMBER 2016 - OVERSTRAND MUNICIPALITY

PURPOSE

1. This circular serves to inform municipalities that the Municipal Accountants Forum scheduled for 11 November 2016 as per the Provincial Treasury Circular Mun No. 32/2016, dated 13 October 2016, have been combined with the Municipal Accounting Working Committee (MAWC), and re-scheduled for the 17th of November 2016 at Overstrand Municipality.
2. Provincial Treasury wishes to apologise for any inconvenience that might have been caused by the re-scheduling and merger of the two meetings into one, however this was done to reduce cost, time out of office and ensure optimal utilisation of resources, since both engagements were targeting the same municipal officials.

PROGRAMME FOR THE DAY: DISCUSSION POINTS

3. It is imperative that each municipality in the Province is adequately represented given the significance of the topics to be covered on the day. The revised programme for the day will be as follows:
 - a. The Accounting Standards Board, will facilitate the morning session where attendees will deliberate upon the following exposure drafts that will impact on the Accounting Framework for municipalities for the ensuing periods:

Exposure Drafts (EDs) –

- 1) ED 149 – Proposed Conceptual Framework
- 2) ED 152 – Improvements to the Standards of GRAP
- 3) ED 151 – Proposed IGRAP on the recognition and de-recognition of land
- 4) EDs 144 to 148 – High level overview on the proposed standards of GRAP on interest in other entities
- 5) ED 153 – Proposed IGRAP on liabilities to pay levies

- b. Subsequent to the session facilitated by the Accounting Standards Board, Provincial Treasury will facilitate discussions on the following agenda items:
- 1) *Feedback from the Public Sector Accounting Forum (PSAF) meeting.*
 - 2) *Reconciling the A1 budget schedules with the audited results propelled in the Annual Financial Statements.*
 - 3) *Update in respect of the implementation of mSCOA regulations.*
- c. Hereafter, attendees will deliberate on the following agenda item relating to budgeting:
- 1) First quarter municipal budget performance outcomes as at 30 September 2016.
 - 2) Reporting on outstanding creditors – A municipal perspective.
 - 3) Feedback on the National and Provincial grants roll-over processes.
 - 4) Financial Asset Management:
 - Legal prescripts and reporting requirements
 - Managing working capital – A municipal perspective

LOGISTICS

4. The logistics for the combined MAF and MAWC meeting are as follows:

Date : **Thursday, 17 November 2016**
Venue : **OVERSTRAND MUNICIPALITY - AUDITORIUM**
Magnolia Avenue
HERMANUS
Time : **08:30 – 16:00**

CONFIRMATION/CORRESPONDENCE

5. Confirmation of attendance or apologies should reach Provincial Treasury by no later than **Thursday, 10 November 2016**.

6. Please direct your communication to:

Attention: Mr Stephan Jantjies

Tel: 021 483 5665/6299

Fax: 021 483 4411/7356

Email: Stephan.Jantjies@westerncape.gov.za

7. Your co-operation in this regard will be appreciated.



MR E JOHANNES

ACTING DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP 1)

DATE: 07.11.2016



Reference: PTR 16/2/1

MINUTES TO THE MUNICIPAL ACCOUNTANTS' FORUM (MAF) MEETING OF 19 AUGUST 2016 AT THE SWARTLAND MUNICIPALITY (BANQUETING HALL), MALMESBURY

ITEM NO	DISCUSSION				
1.	OPENING AND WELCOME				
	<p>The forum facilitator, Ms Shanaaz Cupido opened the MAF meeting to all Provincial and Local Government officials and introduced Mr Mark Bolton, Swartland municipality's CFO, to all. He welcomed all the delegates to the town and made some opening remarks.</p> <p>Mr Bolton expressed appreciation for high turnout of delegates to the MAF meeting. He, amongst other, highlighted the importance of the municipal Budget and Treasury Office (BTO) structure. He also emphasised that municipalities should value their BTO staff as CFOs cannot act without them.</p>				
2.	ATTENDANCE AND APOLOGIES				
2.1	<p><i>In attendance</i></p> <p><i>From: Provincial Treasury</i></p> <table border="0" data-bbox="309 1350 1490 1854"> <tr> <td data-bbox="309 1350 903 1854"> <p><u>Local Government Public Finance</u></p> <p>S Cupido Z Zonyane B Galant E Johannes E Palse S Bhaza K Neethling F Daniels K Mqolo S Jantjies</p> </td> <td data-bbox="903 1350 1490 1854"> <p><u>Local Government Accounting</u></p> <p>L Brinders D Stuurman – mSCOA Coordination</p> <p><u>Corporate Governance</u></p> <p>N Sigwela M van Niekerk</p> <p><u>Local Government Budget Office</u></p> <p>N Rinqest</p> </td> </tr> </table> <p><i>From: Department of Local Government (DLG)</i></p> <table border="0" data-bbox="309 1917 1490 2002"> <tr> <td data-bbox="309 1917 903 2002"> <p><u>District and Local Performance Monitoring</u></p> <p>A Clark</p> </td> <td data-bbox="903 1917 1490 2002"> <p><u>Municipal Support and Capacity Building</u></p> <p>S Deliwe</p> </td> </tr> </table>	<p><u>Local Government Public Finance</u></p> <p>S Cupido Z Zonyane B Galant E Johannes E Palse S Bhaza K Neethling F Daniels K Mqolo S Jantjies</p>	<p><u>Local Government Accounting</u></p> <p>L Brinders D Stuurman – mSCOA Coordination</p> <p><u>Corporate Governance</u></p> <p>N Sigwela M van Niekerk</p> <p><u>Local Government Budget Office</u></p> <p>N Rinqest</p>	<p><u>District and Local Performance Monitoring</u></p> <p>A Clark</p>	<p><u>Municipal Support and Capacity Building</u></p> <p>S Deliwe</p>
<p><u>Local Government Public Finance</u></p> <p>S Cupido Z Zonyane B Galant E Johannes E Palse S Bhaza K Neethling F Daniels K Mqolo S Jantjies</p>	<p><u>Local Government Accounting</u></p> <p>L Brinders D Stuurman – mSCOA Coordination</p> <p><u>Corporate Governance</u></p> <p>N Sigwela M van Niekerk</p> <p><u>Local Government Budget Office</u></p> <p>N Rinqest</p>				
<p><u>District and Local Performance Monitoring</u></p> <p>A Clark</p>	<p><u>Municipal Support and Capacity Building</u></p> <p>S Deliwe</p>				

ITEM NO	DISCUSSION	
	From: Western Cape Municipalities	
	S Stuurman – Bitou N Ramotsamai – Bitou C Payle – Bitou C Januarie – Bitou G Siko - Bitou M Ngubelanga – Breede Valley A Gxoyiya – Breede Valley A Crotz – Breede Valley M Verwey - Breede Valley S Stanley - Cape Agulhas L September – Cederberg X Goeieman – Cederberg C Sampson - Cederberg D Waso - City of Cape Town J Steyl - City of Cape Town A Cupido - Drakenstein K Fredericks - Drakenstein L Crotz – Drakenstein G Jonas - Eden D Booyesen - Eden Z van Rooyen – George	D Hans - Knysna B Stuurman - Knysna L King - Matzikama W van der Westhuizen - Matzikama R Lombard – Mossel Bay W Crafford – Overberg B King – Overstrand M Cornett – Saldanha Bay G Smit – Saldanha Bay I Pillay - Stellenbosch Y Agnew - Stellenbosch P Pienaar - Stellenbosch T Mdutyana - Stellenbosch T Paulos - Stellenbosch X Skade - Stellenbosch M Bolton - Swartland H Papier - Swartland W Rossouw – Swartland L Lesch - Swartland J Koekemoer - West Coast
2.2	Apologies From: Western Cape Municipalities	
	Beaufort West Bergrivier Cape Winelands Hessequa	Laingsburg Oudtshoorn Prince Albert Swellendam
	From: Provincial Treasury	
	<u>Local Government Public Finance</u> M Sigabi	
3.	SETTING/APPROVAL OF AGENDA AND NEW ITEMS	
	The agenda was accepted with no amendments.	
4.	MINUTES & MATTERS ARISING	
	The minutes of the previous MAF meeting held on 27 May 2016 was tabled for approval. The minutes were accepted, as a true and correct reflection of the discussions that took place on the day.	

ITEM NO	DISCUSSION
4.1	Matters arising from previous meeting
	No matters arising from previous meeting.
5.	INTEGRATED FINANCIAL MANAGEMENT CAPACITY BUILDING AND TRAINING PROGRAMMES
	<p>Ms Melissa van Niekerk delivered a Powerpoint presentation on her units' capacity building programmes to municipalities. Delegates can identify how the capacity building programme can add to their individual development and the programme can also benefit of all municipalities.</p> <p>In her presentation, Ms Van Niekerk discussed the following matters; the legislative mandate and strategic objective, the current status, the PT MFMA Capacity Building Strategy and Outcomes, the proposed Model - Integrated Capacity Building Programme, Current Support Initiatives. She also discussed the Financial Management Capacity Building Grant, the repositioning of the FMIP in partnership with IMFO and gave an overview on the FMIP District Support Services.</p> <ul style="list-style-type: none"> • Questions/Answers/Comments <p>Mr Crafford enquired whether the proposed capacity grant for interns be limited to a person residing within a specific municipal area or not. He raised the question in view of the limited number of qualified persons interested in the posts within the Overberg District area.</p> <p>Ms Van Niekerk emphasised the purpose of the IFMCBG in terms of capacity building to the 30 municipalities within the province through the establishment of external bursary programmes. This is done to respond to the lack of capacity within municipal areas and the challenge of attracting candidates with the required financial skill and competence.</p> <p>Mr Deliwe questioned the roll-out of bursaries to interns if the municipalities don't absorb the interns upon completion of the studies. Ms Van Niekerk indicated that in order to make the programme more effective she suggested that the externship program to be extended beyond 2 years. This allows the bursars a better chance of employment within the municipal structure. Currently interns are also attending the Financial Municipal Minimum Competency (FMMC) training programme at municipalities.</p> <p>Mr Skade urged for the speedy consideration proposed for the extension of the internship programme period to 3 years as certain interns are already in the phase-out stage. He also requested that the final outcome of the discussions be communicated to all municipal CFOs and that interns be appropriately rotated within the relevant municipal sections to get exposure as far as possible.</p> <p>Ms Van Niekerk indicated that a reference group has been established and will meeting during September 2016 to urgently discuss the consideration.</p> <p>Mr Payle cautioned that interns on the internship programme will not always be absorbed into the respective municipalities but Ms Van Niekerk concurred saying that the internship training programme is to add to not only provincial capacity but also to national requirements. The programme is to improve the marketability of interns who can also apply in other provinces as well.</p>

ITEM NO	DISCUSSION
6.	UPDATE ON mGAP TOOL TO IMPROVE FINANCIAL GOVERNANCE SYSTEMS WITHIN MUNICIPALITIES
	<p>Ms Nangamso Sigwela delivered a Powerpoint presentation on the MGRO electronic tool (mGAP tool). Ms Sigwela explained to the members that the idea of the mGAP tool came about after various issues was raised by municipalities with regards to the tedious completion of the quarterly MGRO assessment sheets. She, amongst other, said that the mGAP tool has been introduced to improve monitoring & support to promote Local Government capacity, to bring about integration of data, to bring about standardisation across the Province, to provide a solution that is accessible to all municipalities in maintaining data, to share best practices and ideas as well as to eliminate duplication of data. Delegates were also presented with graphs indicating the mGAP tool status of completion within municipalities in terms of the AFS, mSCOA, Asset Management, Cash Management, Revenue Management and Expenditure Management. While there is some glitches in the process, municipalities are encouraged to complete the mGAP tool. Training on the completion of the mGAP tool was also provided to municipalities and PT officials during February and June 2016. The one-on-one engagements with municipalities gave a better indication of the problems which are experienced with the mGAP. Support were also provided and training videos on the completion of the mGAP questions. The time-out limit on the tool has been increased to 15 minutes. In terms of mSCOA, Mr Donovan Stuurman will also use the mGAP to distribute mSCOA surveys to municipalities.</p> <p>Ms Sigwela indicated that the challenges experienced included lack of attendance of training, reluctance to utilise the tool, lengthy assessments and the forwarding of assessments to PT.</p> <p>The MGRO criteria are currently being revised while dashboards can be used as a management tool to assess the progress of a municipality w.r.t. the MGRO assessment. Further support are provided to municipalities where necessary as well as enhancing the process of submitting the completed MGRO assessments to the relevant PT officials.</p> <ul style="list-style-type: none"> • Questions/Answers/Comments <p>Mr Crafford requested appropriate arrangements with regards to the dates and venues of the mGAP training. He also expressed concern with the number of outstanding mGAP assessments that is still outstanding from municipalities. Ms Sigwela requested municipalities to also copy her in with all communication emails regarding mGAP. She also pointed out the challenges of securing venues with the necessary conference facilities for the mGAP training.</p> <p>Other delegates indicated several challenges pertaining to the answering of the questions listed on the mGAP tool. Ms Nangamso responded that she envisages that the current issues will be resolved during the one-on-one engagements with municipalities. Municipalities can also email problems or questions to Ms Nangamso at the corporate governance chief-directorate.</p>

ITEM NO	DISCUSSION
7.	PREPARATIONS AND LEGAL PRESCRIPTS FOR ADJUSTMENT BUDGETS: A MUNICIPAL PERSPECTIVE
	<p>Ms Hilmary Papier delivered a Powerpoint presentation on the Adjustments Budgets; a Swartland Municipality perspective.</p> <p>Ms Papier said that regulation 23(1) of the MBRR states that an adjustments budget may be tabled at any time after the mid-year budget and performance assessment has been tabled, but no later than 28 February of the current financial year. Ms Papier however said that, in the past, Swartland municipality only approved one adjustments budget in the month of January together with the mid-year budget and performance assessment. During the 2015/16 financial year SM approved a 2nd Adjustments budget on 26 May 2016. During the 2016/17 financial year departments within the municipality had to submit their adjustments budget requests by 27 November 2015, other than the savings that materialised on Tenders awarded.</p> <p>Ms Papier said that regulation 23(2) of the MBRR states that only one adjustments budget referred to in sub-regulation (1) may be tabled during a financial year, except when additional revenues are allocated to a municipality by a national or provincial adjustments budget, in which case sub-regulation (3) applies.</p> <p>During the 2015-16 financial year, Swartland municipality passed a 2nd Adjustments budget because National Treasury made available an extra R2 million for MIG and R5 million for Energy Efficiency Demand Side-Management on 30 March 2016.</p> <p>Regulation 23(3) of the MBRR states that, if a national or provincial adjustments budget allocates additional revenues to a municipality, the mayor must at the next available council meeting, but within 60 days of the approval of the relevant national or provincial Adjustments budget, table an adjustments budget.</p> <p>Swartland municipality received additional provincial allocations stated in the Provincial Gazette Extraordinary 7535 dated 20 November 2015 and approved the additional revenues in the Adjustments budget on 28 January 2016.</p> <p>The additional R5 million and R2 million was approved in the Adjustments Budget on 26 May 2016.</p> <p>Regulation 23(4) of the MBRR states that, an adjustments budget referred to in Section 28(2)(c) of the MFMA must be tabled in council at the first available opportunity after the unforeseeable and unavoidable expenditure was incurred;</p> <p>Section 28(2)(c) of the MFMA states that, an adjustment budget may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality.</p> <p>The CFO of Swartland Municipality usually gives approval for overspending when the unforeseeable and unavoidable expenditure occur until the next adjustments budget.</p> <p>Mr Zonyane cautioned the delegates that unforeseeable expenditure and unavoidable expenditure versus under-budgeted expenditure or no budget expenditure are 2 separate issues altogether. He said that unforeseeable expenditure and unavoidable expenditure relates to disasters or collapse of a bridge when section 23(4) of the MBRR applies.</p>

ITEM NO	DISCUSSION
	<p>Ms Papier said that regulation 23(5) of the MBRR states that an adjustments budget referred to in Section 28(2)(c) of the MFMA may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by council by 25 August of the financial year following the financial year to which the roll-overs relate.</p> <p>Ms Papier noted that NT Circular 51 (page 15) states that a municipality that is given permission to retain unspent conditional grant funds must appropriate such funds in a municipal Adjustments Budget in terms of regulation 23(3) of the MBRR, within sixty days after the roll-overs are gazetted in the annual Adjustments Estimate Government Gazette. The circular changed the submission date to 31 August.</p> <p>Mr Zonyane (PT) however said that there is no contradiction between Circular 51 and regulation 23(5) and pointed out that he could not find the provisional date of 31 August in the specific circular.</p> <p>Ms Papier said that for the 2014/15 financial year, Swartland applied for roll-overs for the FMG (R98 705) and FMSG: Long- term Financial Plan (R100 000). The application was supported with quotations, approved orders and proof that the projects was already in progress which means that the funds was already committed. Approval for the grant roll-over was received on 18 November 2015.</p> <p>MBRR, Regulation 21 states that an adjustments budget and supporting documentation must be in the Schedule B format and include all the required tables, charts and explanatory information.</p> <p>MBRR, Regulation 24 states that after the approval of the budget, a hardcopy stamped and initial by the secretariat and an electronic copy must be submitted to national and provincial treasuries within 10 working days.</p> <p>Ms Papier reminded the MAF delegates that for every adjustment budget passed, the municipality must submit revised annual budget returns to NT and PT.</p> <p>Mr Zonyane reminded delegates that a municipality can rely on regulation 23(6) of the MBRR if it realise under-spending or overspending of the budget during the month of May when a municipality cannot pass another adjustment budget after 28 February.</p> <p>Mr Zonyane also said that Departments, preferably, should not transfer grants to municipalities between the months of April and June but rather as of July onwards. Funds transferred to municipalities close to the end of the financial year creates problems. The funds should not be taken up during that particular year but rather in the next financial year.</p> <p>He urged the WC Human Settlements department not to transfer 2016/17 allocations close to July 2017. He also reminded the MAF delegates that the Human Settlements Development Grant (HSDG) is not subject to the provincial roll-over process. Therefore municipalities do not have to wait for the end of the Provincial roll-over process (around October-November) to continue with the housing projects but may do so in terms of an agreement with the Department of Human Settlements. Municipalities who mistakenly apply for the provincial roll-over process to the HSDG unnecessarily delay the implementation of the housing projects which might delay the projects even further into the next financial year.</p>

ITEM NO	DISCUSSION
	<p>Mr Johan Steyl indicated that Urban Settlement Development Grant (USDG), which are allocated only to Metros, are subject to the roll-over process of NT.</p> <p>Mr Steyl, in responding to a question on the delay in the outcomes of the roll-over applications process, said that NT uses the draft AFS to assess the municipality's outcomes as part of the process of considering the roll-over applications. He also said that the AFS also provides the National fiscus the opportunity to comprehend the numbers but unfortunately the Metro also has to wait for the outcome from NT regarding its roll-over application process.</p> <p>Mr Steyl also suggested that, should his municipality be awaiting the outcome of the roll-over applications process, then he would (in the interim) rather request his line-function project manager to re-prioritise the project as the municipality has a contractual obligation. He would be hesitant to continue spending on the project until the final outcome has been communicated.</p> <p>Mr Zonyane explained that the roll-over process tend to be a protracted process due to material variances reported with the IYM figures at year-end against the figures reported in the draft AFS. The verification process together with the consultations between transferring departments and the Treasuries further also delays the roll-over process.</p>
8.	THE 2017 MTREF BUDGET PROCESS
	<p>Ms Nadia Rinqest delivered a Powerpoint presentation on the 2017/18 MTREF Budget: Budget Process Preparations. Ms Rinqest, amongst other, provided an overview of the following matters:</p> <ul style="list-style-type: none"> • Reflections 2016 LG MTEC process; • The new Process 2016 - Integrated Work Plan; and • Way forward – 2017/18 MTREF Budget Process. <p>Ms Rinqest explained the key stages of the LG MTEC process to the MAF delegates. She indicated that 30 municipalities complied with section 16. Assessments were issued on time and the assessments were still conformance driven to a degree while the overall quality did improve. 30 municipal engagements took place as scheduled and the discussions took on a strategic approach. The preparations by municipalities towards the LG MTEC process was of a commendable quality.</p> <p>Ms Rinqest then explained the key macro issues facing South Africa as well as the WC province at the moment. Currently we have very volatile political economic climate, growing social pressures & social unrest, severe drought conditions and a slow & declining economic growth.</p> <p>The key findings highlighted during the LG MTEC process were deficit budgets, slow capital spend across municipalities, Improved conformance, growing indigents, tariff increases above CPI, credible budget assumptions, improvement in service delivery access and capital investments to support economy.</p>

ITEM NO	DISCUSSION
	<p>The Broad Areas of provincial support includes technical support and capacity development sessions through the PDO forums, Provide completed examples of the tables (SA7, SA9, A10) in the next SEP-LG, Alignment of budget strategies to economic intelligence from MERO and other sources to facilitate both economic growth and service delivery, LG MTEC readiness assessments during the mid-year engagements, Revenue efficiency/Master Class, Revenue Management Strategies and Review of municipal Long Term Financial Plans to leverage funding across asset base.</p> <p>The new Process 2016 - Integrated Work Plan: is a more coordinated, integrated and strategic approach to government planning, budgeting and delivery between the Province and the Western Cape municipalities.</p> <ul style="list-style-type: none"> • The process aims to provide clarity on: <ul style="list-style-type: none"> – The purpose of Planning, Budgeting and Governance engagements; – The roles and responsibilities of the stakeholders; and – The required level of seniority at each engagements. • Will be subject to regular review to ensure continued alignment to the policy agenda and to be responsive to provincial and municipal imperatives. • Less meetings, more integrated engagements. <p>Ms Rinquest described the way forward and key considerations – 2017/18 MTREF:</p> <ul style="list-style-type: none"> • 1st MTREF for the new IDP cycle – there will be more pressures on the budget • Long term Financial Plans need to be aligned to the new IDP • Final Budgets Assessments and LG MTEC Assessments issues raised should be taken into account • Conformance of the IDP – Linkages between the budget and the IDP • Move from conformance to performance of IDPs • Budget assumptions should be credible and reliable • Socio-economic data should be credible • Community survey 2016 is available - http://cs2016.statssa.gov.za/ • MERO 2016 – End September 2016 • MTBPS 2016 – End October 2016
9.	UPDATE ON THE OUTSTANDING GOVERNMENT DEBT OWED TO MUNICIPALITIES
	<p>Mr Siphamandla Bhaza delivered a Powerpoint presentation on the outstanding government debt owed to municipalities. Mr Bhaza, amongst other, provided an overview on the government debt owed to municipalities. He said that provincial departments owed municipalities in the western cape significant amounts of monies in respect of property rates and municipal services which overtime accumulated and resulted in arrears. He indicated that PT consequently facilitated a process between the provincial departments and the municipalities.</p>

ITEM NO	DISCUSSION
	<p>Legislative Requirements</p> <p>The process involves the following: Monthly reporting and consolidation of the outstanding debt balances, detailed analysis of the municipalities with the highest balances, quarterly debt meetings with departments. This process ends when departments pay the outstanding amount but revived again if non-payment occurs.</p> <p>In terms of the legislative requirements Mr Bhaza said that PT is mandated to assist, guide, monitor and enforce compliance with section 5(4) of the MFMA. PT is delegated to provide support to the municipalities in the western cape. MFMA Circular 21, dated 25 august 2005, clearly stipulates the steps that must be followed before requesting NT to mediate a dispute of a financial nature.</p> <p>It is noted in the steps that all parties must report the dispute to the national treasury. the correspondence to national treasury must clearly state that it is a report for noting as required in MFMA Circular 21 and not a request for mediation. The matter can only be referred to national treasury for mediation or resolution as a last resort.</p> <p>Challenges</p> <p>Mr Bhaza said that the challenges experienced include: interpretation and understanding of signed agreements, amounts paid by departments in municipal suspense accounts, reporting (Timing, Discrepancies between section 71 and debt schedules and format), disputes, i.e. on accounts of shared properties for government departments and private businesses, billing of incorrect sector department and communication between municipalities, district offices and departments.</p> <p>Addressing the challenges</p> <ul style="list-style-type: none"> • Debt schedule were amended to ensure alignment to the AD return “organs of state”. • Reports should be submitted by the 5th working day to PT. • Municipal comments to be completed in the debt schedule. • Splitting of the accounts between rates and services. • Feedback received from the sector departs will be circulated to municipalities on a monthly basis. • Payments received should be allocated to ensure reconciliation. • The asset registers of departs will be circulated to municipalities to update their records. • Updated contact lists has been circulated to municipalities. <p>Way Forward</p> <p>Mr Bhaza informed the delegates that PT will continue to maintain the facilitation role between the sector departments and municipalities in order to resolve the disputes between the parties that may affect the timeous payment of arrear municipal accounts.</p> <p>One-on-one engagements will be requested with the municipalities with the highest old debt balances (interventionist approach) to ascertain municipal-specific reasons for government debt.</p>

ITEM NO	DISCUSSION
	<p>The Provincial Treasury will continue to facilitate the monthly Debt Steering Committee Meetings to monitor the progress on undertakings between the Provincial Departments and municipalities in respect of the payment of arrear accounts.</p> <p>Q&A/Comments</p> <p>Mr Zonyane commented that the Interventionist approach refers to municipalities requesting PT to intervene especially on outstanding government debt over 90 days. The government debts will be analysed before municipalities will be liaised with to determine exactly what the relevant issues are.</p>
10.	<p>UPDATE ON AFS VERIFICATIONS EXERCISE CONCLUDED BY PT AND NATIONAL TREASURY (NT)</p>
	<p>Mr Lance Brinders conducted a Powerpoint presentation on the reconciliation of the A1 schedules with the audited results. He reminded all the delegates of the annual budget return process and urged all municipalities to include the PT whenever they submit returns to the NT database. Mr Brinders informed the delegates that the purpose and objectives of the Annual Budget verification is to;</p> <ul style="list-style-type: none"> • Align the yearly return forms with APPROVED budget and the Audited outcomes – 7 year window; • Provide guidance on the budget verification sheet; • To obtain a full reconciling set of past three years audited MTREF results; • To obtain full budget information that reconciles 100 per cent from all municipalities in the province in terms of the MFMA and the annual budget circulars released by NT; • To ensure that the budget adopted by Council contains the same information as the A1 schedules submitted to NT and the budget return forms submitted to the LG database; and • To compile a credible baseline for the monitoring of in-year performance through the S71 reporting process, reporting to Parliament and informing key policy funding decisions. <p>• <u>DUE DATE: 31 JULY 2016</u></p> <p>What happens if the information does not reconcile?</p> <ul style="list-style-type: none"> • Supplementary to the budget publication, NT publishes 2 lists for submission to Parliament and the AG. • These lists include the names of: <ul style="list-style-type: none"> ✓ All municipalities who have not submitted a complete set of 2016/17 MTREF budget information; and ✓ All municipalities whose budgets did not reconcile. <p>Importantly: A complete set of budget information includes the A1 adopted budget, council resolution, quality and locking certificates.</p>

ITEM NO	DISCUSSION
	<ul style="list-style-type: none"> In addition, NT reserves the right to invoke S38 of the MFMA, i.e. to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(1) of the Constitution - <i>which includes reporting obligations set out in the MFMA and any request by NT for information in terms of S74 of the MFMA.</i>
11.	2015/16 YEAR-END AUDIT PREPARATION PROCESS
	<p>Mr Lance Brinders conducted a Powerpoint presentation on the 2015/16 Year-end audit preparation process.</p> <p>Legislative requirements pertaining to the Year-end audit preparation process includes the following;</p> <p>122. (1) <i>Every municipality and every municipal entity must for each financial year prepare annual financial statements which —</i></p> <p><i>(a) fairly presents the state of affairs of the municipality or entity, its performance against its budget, its management of revenue, expenditure, assets and liabilities, its business activities, its financial results, and its financial position as at the end of the financial year; and</i></p> <p>(3) Both annual financial statements and consolidated annual financial statements must be prepared in accordance with generally recognised accounting practice prescribed in terms of section 91(1)(b) of the Public Finance Management Act.</p> <p>126. (1) <i>The accounting officer of a municipality—</i></p> <p><i>(a) must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.</i></p> <p>Key year-end pointers</p> <ul style="list-style-type: none"> Ensure that all the prior year audit issues per Audit Action plan are resolved and addressed (entry point for auditors); Document the key deadlines for the financial year-end closure and inform the officials Allocate responsibilities to officials for mandatory procedures to ensure smooth year end closure; Audit File Champion to have a structured approach for collation of audit evidence; Request the required audit evidence from third parties must be done timeously, i.e. bank confirmations etc.; Year-end adjusting journals must be checked and signed off by an authorised officials; Ensure that all Reconciliations are completed and signed off by the relevant officials; Build in time for the review of draft AFS before submission to AGSA (Audit Comm, PT etc.); and Engage with AGSA regarding the Audit File Framework and how to navigate it, also agree with format (electronic or hard copies).

ITEM NO	DISCUSSION
	<p>Year-end support initiatives includes:</p> <ul style="list-style-type: none"> ➤ Updated GRAP disclosure checklist. ➤ Review of AFS for high level compliance – AFS to be submitted to PT by 15 Aug 2016. ➤ PT to visited selected municipalities from 5 Jul -10 Aug 2016 to: <ul style="list-style-type: none"> ✓ Assess readiness for the preparation of AFS ✓ Audit file preparation ✓ Review Audit Action Plans ✓ GRAP assistance (new standards, directives, etc.) <p>Other assistance</p> <ul style="list-style-type: none"> ✓ On standby for any queries to be raised by municipalities during the AFS preparation (via PTHELPME) PT.helpme@westerncape.gov.za ✓ Municipalities to submit the CoMAFS and RFI registers to PT in order to assess the likelihood of risk areas during the audit - PT.helpme@westerncape.gov.za ✓ PT will provide representation on Audit Steering Committee meetings at the request of the municipality.
12.	<p>FEEDBACK FROM THE MUNICIPAL ACCOUNTING WORKING GROUP MEETING ON 5 AUGUST 2016</p>
	<p>Mr Lance Brinders provided the delegates Report back from Municipal Accounting Working Committee meeting held on 5 August 2016.</p> <p><u>In terms of ASB Updates the following was noticed:</u></p> <ul style="list-style-type: none"> ✓ Previously discussed: ED 140 – Proposed Guideline on Housing Arrangements (No further guidance has been provided on ED 140.) ✓ EDs due for comment: deadline date of 30 November 2016 ED 144 ED 145, ED 146, ED 147 and ED 148 ED 144 - Standard of GRAP on Separate Financial Statements ED 145 - Standard of GRAP on Consolidated Financial Statements ED 146 - Standard of GRAP on Investments in Associates & Joint Ventures ED 147 - Standard of GRAP on Joint Arrangements ED 148 - Standard of GRAP on Disclosure of Interests in Other Entities ✓ FAQ update: <ul style="list-style-type: none"> • 6.1 (Sept 15) – How should a municipality account for free or subsidised goods & services, including rebates. • 2.2 (Apr 16) – Accounting for fully depreciated assets ✓ 2016/17 GRAP Reporting Framework – Directive 5 <p>Mr Brinders also provided a PSAF Updates and reminded delegates that an IPSASB meeting will be taking place on 6 -9 December 2016 at Stellenbosch Town Hall. Officials are encouraged to attend. He also reported on Water losses, the Housing grant issue and on the implementation of Aarto on municipalities.</p>

ITEM NO	DISCUSSION
	<p>Q&A/Comments</p> <p>Mr Johannes highlighted that the IPSASB meeting will take place at the same time as the CFO Lekgotla in December 2016. He also urged the Accounting Working Committee to take into account the work previously done within the sector particularly relating to water and utility distribution losses. Mr Madondile urged municipalities to submit comments to the ASBs Exposure Drafts (EDs) also PT for consideration.</p>
13.	UPDATE ON IMPLEMENTATION OF MSCOA REGULATIONS IN THE WESTERN CAPE
	<p>Mr Donovan Stuurman conducted a Powerpoint presentation with regards to the implementation of mSCOA regulations in the Western Cape. Mr Stuurman started by giving a brief background of the mSCOA process in terms of the key objectives. The general comments relating to the mSCOA regulations was stated as follows:</p> <ul style="list-style-type: none"> • The regulations apply to all municipalities and municipal entities • There is no exemption or phased implementation of the regulation • Compliance date is 1 July 2017 (budget preparation in 2016) • Classification framework for standard chart of accounts (all 7 segments) • Minimum specifications for financial systems • Minimum business processes <p>Mr Stuurman discussed the latest ICT functions questionnaire outcomes with the MAF delegates. The ICT functions outcomes indicated the expenditure per municipality relating to the different systems employed at the various municipalities. The provincial mSCOA risk registers scrutinised identified common risks within municipalities. These risk included: HR capacity constraints, insufficient funding, lack of adequate IT infrastructure, poor or inadequate mSCOA implementation, system failure, unfavourable audit opinion, non-compliance to mSCOA regulations, inadequate assurance, lack of an mSCOA implementation plan and the ability to influence and interpret new mSCOA versions.</p> <p>With regards to position papers issued by NT, he urged municipalities to comment and provide input on the DRAFT position papers before being finalised; The position papers are -</p> <ul style="list-style-type: none"> • Cost of Free Basic Services • Debtor Impairment • Exchange and non-exchange • Internal Audit Draft • Reclassifications and Prior Period errors • Reserves funds and accumulated surplus • Water Balance Reporting

ITEM NO	DISCUSSION																									
	<p>Mr Stuurman gave a brief background on the Transversal Tender process by NT -</p> <ul style="list-style-type: none"> • The transversal tender was a procurement process not an accreditation process. Purpose of the procurement process was to create a vehicle for medium and small municipalities from which they can procure a system which meets the requirements of mSCOA and could fast track procurement. • The vendors' tender submissions were evaluated by a Bid Evaluation Committee consisting of representatives from NT, PTs, some municipalities and other entities (SALGA, COGTA, etc.) • Driven by OCPO and not mSCOA i.t.o. supply chain regulations. • No certified or approved systems. • NT will roll out training in collaboration with vendors and engage further with vendors to ensure system functionality works and that Municipalities are engaged to ensure compliance by July 2017. • Municipalities are urged to just purchase the system that falls within their category. • Municipalities are to assess their current systems and decide to stay with their current vendor or move to another vendor: <ul style="list-style-type: none"> ➤ Notify the vendor and submit a letter to PT/NT ➤ Procure from panel of vendors or open market procurement process ➤ Negotiate pricing and SLA according to tender outcome ➤ Refer to Circular 80 and mSCOA Circular 5 & 6 for guidance • Complaints to be addressed to the Chief Procurement Officer at NT. <p>Mr Stuurman announced the transversal tender results in terms of the mSCOA system vendors that went through the procurement process successfully:</p> <table border="1" data-bbox="316 1339 1482 1906"> <thead> <tr> <th></th> <th>Vendor</th> <th>System</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Altron TMT (Pty) Ltd, represented by Bytes Universal Systems</td> <td>SAMRAS</td> </tr> <tr> <td>2.</td> <td>Camelsa Consulting Group (Pty) Ltd</td> <td>Sage Software</td> </tr> <tr> <td>3.</td> <td>MunSoft</td> <td>MunSoft</td> </tr> <tr> <td>4.</td> <td>OS Holdings (Pty) Ltd</td> <td>Sage Software</td> </tr> <tr> <td>5.</td> <td>Sage Pastel (Sage South Africa (Pty) Ltd)</td> <td>Sage Evolution</td> </tr> <tr> <td>6.</td> <td>Sebata Municipal Solutions (Pty) Ltd</td> <td>SEBATA</td> </tr> <tr> <td>7.</td> <td>Vesta Technical Services (Pty) Ltd</td> <td>Vesta</td> </tr> </tbody> </table>			Vendor	System	1.	Altron TMT (Pty) Ltd, represented by Bytes Universal Systems	SAMRAS	2.	Camelsa Consulting Group (Pty) Ltd	Sage Software	3.	MunSoft	MunSoft	4.	OS Holdings (Pty) Ltd	Sage Software	5.	Sage Pastel (Sage South Africa (Pty) Ltd)	Sage Evolution	6.	Sebata Municipal Solutions (Pty) Ltd	SEBATA	7.	Vesta Technical Services (Pty) Ltd	Vesta
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ITEM NO	DISCUSSION		
	The transversal tender results impact on Western Cape is as follows:		
	<u>WC Vendors</u>	<u>System</u>	<u>Successful Bidder</u>
	Fujitsu	ABACUS	No
		PROMIS	No
		PROMIS2	No
	R-Data	PROMUN	No
	Bytes	SAMRAS	Yes
	SAP	SAP	No
	SEBATA	SEBATA	Yes
	<p>Mr Stuurman gave an overview of mSCOA Circular 5 issued by NT including the ICT due diligence process by all municipalities. In terms of mSCOA Circular 6, Mr Stuurman said that version 6 is the final version in lieu of compliance by 1 July 2017. No further changes will be made for implementation purposes at this stage. Municipalities must prepare their integrated development plan (IDP) and Budget as part of the 2017/18 MTREF process, already in October/November 2016 using 'mSCOA Chart Version 6.0'. He also gave the delegates an overview of the August & September mSCOA deliverables. He reminded all that municipalities must before Friday, 2 September 2016, solicit comments from National and Provincial Treasury before the recommendation is tabled at the Municipal Council for decision. Only after the municipality has received the comments from the National Treasury and/or the Provincial Treasury, should the mSCOA project steering committee assist the Municipal Manager to consider such comments and prepare a recommendation to the Municipal Council in this regards.</p>		
14.	GENERAL MATTERS		
	<p>No general matters was proposed however, Ms Shanaaz Cupido highlighted the progress of the Budget verification process in the province. She reminded the delegates NT reserves the right to invoke S38 of the MFMA, i.e. to withhold a municipality's equitable share if the municipality commits a serious or persistent breach of the measures established in terms of Section 216(1) of the Constitution - which includes reporting obligations set out in the MFMA and any request by NT for information in terms of S74 of the MFMA. Ms Cupido also indicated the current status of verified reconciliation. She also expressed appreciation to all the municipalities who achieved 100% with their verifications thus far and encourage the other municipalities to continue with the reconciliation process.</p>		

ITEM NO	DISCUSSION
15.	WAY FORWARD AND CLOSURE
	<p>Ms Cupido acknowledged all the contributions and inputs made by the presenters as well as the MAF delegates.</p> <p>Gratitude was expressed to the officials and staff of Swartland Municipality for hosting the MAF meeting. A word of thanks was expressed to the PT team for their assistance and logistical arrangements.</p> <p><u>Next MAF:</u></p> <p>Date: Friday, 11 November 2016</p> <p>Venue: Overstrand Municipality (Hermanus)</p>

MRS S CUPIDO (MAF PROGRAMME FACILITATOR)
DATE: