

Reference: RCS/C.5

TREASURY CIRCULAR MUN NO. 37/2016

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
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THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
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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
THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR N DELO
THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR MK BOTHA
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 J JONKERS (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 CHIEF FINANCIAL OFFICERS' LEKGOTLA – DECEMBER 2016

1. This circular serves to confirm that the Chief Financial Officers' Lekgotla will take place on Monday and Tuesday, the 5th and 6th of December 2016.
2. The theme for the upcoming CFO Forum is: **“AN INTEGRATED APPROACH TO PROMOTE INCLUSIVE GROWTH TO ENHANCE SUSTAINABLE LOCAL GOVERNMENT”**.
3. All municipal Chief Financial Officers (CFOs) are requested to attend the meeting and are welcome to be accompanied by one additional municipal official.
4. The logistics for the Chief Financial Officers' Forum are as follows:
 - Date:** Monday & Tuesday, 5 & 6 December 2016
 - Time:** 08:30 – 17:00
 - Venue:** Pinnacle Point Beach and Golf Estate – Mossel Bay
 - GPS location:** 34.2033° S, 22.0864° E
5. Municipalities are requested to submit by no later than 16 November 2016, any items that the municipalities wish to add to the agenda. The agenda, once finalised, will follow in a separate communication.
6. Confirmation of attendance or apologies should reach Provincial Treasury by no later than 10:00 on 18 November 2016.
7. Please direct your communication to:
 - Attention: Mr Peter Petersen/Ms Athalia October
 - Tel: 021 483 9185/021 483 9604
 - Email: Peter.Petersen3@westerncape.gov.za/
Athalia.October@westerncape.gov.za
8. Your co-operation in this regard will be appreciated.



MR H MALILA
DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES
DATE: 10 November 2016



MINUTES OF THE MUNICIPAL CHIEF FINANCIAL OFFICERS' FORUM

**8 SEPTEMBER 2016, TOGRYERSVLEI VENUE & GUEST HOUSE, WEST COAST
DISTRICT**

***THEME: "TOWARDS AN INTEGRATED MANAGEMENT STRATEGY TO PROMOTE
SUSTAINABLE LOCAL GOVERNMENT POST THE 2016 LOCAL GOVERNMENT
ELECTIONS"***

1. OPENING AND WELCOME

The Chairperson, Mr H Malila, opened the meeting.

Mr P April of West Coast District Municipality, welcomed all present.

2. ATTENDANCE AND APOLOGIES

Introducing the new CFOs of municipalities

- Mr G Seas - Matzikama Municipality
- Mr M Bolton - Swartland Municipality
- Mr P Hoffman - Central Karoo District Municipality
- Mr F Lötter (Acting) - Oudtshoorn Municipality

An attendance register is attached as Annexure A. Apologies received from municipalities were recorded and is listed in Annexure A.

3. SETTING/APPROVAL OF THE AGENDA

No additional items were added to the agenda which was circulated.

4. CONSIDERATION OF MINUTES OF THE PREVIOUS MEETING: 13 & 14 JUNE 2016

The minutes of the previous meeting were accepted as true and fair reflection.

5. MATTER ARISING

No matters arising.

6. NEW MATTERS

6.1 Improvement of processes relating to the municipal planning and budgeting accountability cycle

6.1.1 Local Government Finance: A Comparative Study: Key findings and recommendations to enhance the use of public funds in line with the MFMA regulations to deliver on the policy objectives and improve service delivery in a resource efficient manner.

- Mr H Malila stated that he received an apology from Dr D Brandt of the University of Stellenbosch. The MFMA team will try to let him do this presentation at the CFO Lekgotla.

6.1.2 Reinforce of Municipal Leadership imperatives by linking budgeting to strategy and performance measurement

- Mr E Jantjies (Mossel Bay Municipality) did a presentation on the above-mentioned topic. The presentation dealt with the following:
 - Setting the scene
Performance management from a Corporate Services perspective.
 - Legislation
Municipal Systems Act 72(1)(b)(iii) – gives the minister the right to say that performance must be measured at all levels. Municipal Planning and Performance Management Regulations (796, Aug 2001) 9(2)(b)(i).
Cascading performance management to the lower levels.
 - Individual Performance
 - Change Management Process

- Lessons learned
- Key performance information concept
- Accountability cycle

There should be alignment between the IDP, Budget and SDBIP going to the Annual Report and going back to Oversight Report. If not, then the organisation is failing.

- Performance alignment

This is a test to ensure that the alignment of the local strategy with that of the national strategy and then the local strategy with the budget and performance indicators. The AGSA will audit the framework as approved and implemented by the municipality.

- Sustainability

Questions/Comments

Ms. S Reyneke-Naude stated that there was a remark made that NT is in a process or appointed a service provider to attend to compiling SOP. She wanted to know if there were any feedback.

Mr. F Sabbat stated that things should get back to basics i.e. that all directors, starting from the MM must understand what a municipality is all about. It is about providing the basic services and who is accountable per directorate for those services. How do they measure that those directorates are doing their jobs?

Mr. J Steyl stated that outcome and not output needs to be measured. You set your objectives and this will measure outcome. Relating to the question of Ms J Steyn is that more of the internal local affairs will be driven by National and Provincial tiers of government on specifically the outcomes and these will be non-financial. The next phase linked to mSCOA, would be further work on standardise business processes i.e. to proof that you plan and that you implement in accordance with your strategy. mSCOA is catering for performance information and performance measurement to proof that there is seamless movement (system driven).

Ms J Steyn indicated that a SOP service provider has been appointed by NT. The first documents are not available for comments yet, but is with the mSCOA team. This document is lengthy and contain a lot of detail. Municipalities have to adopt the requirements, depending on their size. With mSCOA drive regulation there were a minimum system requirements and minimum business requirements. The process to drive the government notice has started.

Mr. F Lötter stated that alignment does not start at the end of the process but with the origin of the transaction and the need that is identified within the organisation. More emphasis should go to that.

Mr. M Booyesen stated that Mr. K Haarhoff and Ms S Bashe has gone around the Province and they developed a menu of KPIs that municipalities can choose from. Since last year they started USB ED training program and the line managers was involved in the process. Another point that he raised was the new IDP cycle, the 4th generation. This will set the foundation or base for the next cycle.

6.1.3 Update in respect of Western Cape Financial Capacity Building Grant: "Growing our own timber: The foundation to capacity building" and Customisation of WC Internship Strategy – Case study: Overberg District Municipality and Local Authorities.

- Ms M van Niekerk did a presentation on the WCPT Capacity Building and Training Programme. The presentation dealt with the following:

- Introduction

At the last CFO forum, a presentation about the Integrated Capacity Building Programme to municipalities. Five key elements were focused on:

- (1) Skills pipeline
- (2) Continuous development
- (3) Skills interface
- (4) Good practice/Norms and Standards
- (5) Capacity Building Resources

- Progress update:

- (a) Financial Management Capacity Building Grant

Object of the grant is the development of financial human capacity within municipalities through the establishment of municipal external bursary programme. MoA has been drafted and is in the process of finalisation. Once signed MoA received then the funds will be released.

- (b) Municipal Finance Management Internship Programme

How to improve the programme to be more responsive to what WC municipalities need with regard to the financial management skill. Key elements were identified to focus on. A technical reference group were established consisting of members from Provincial Treasury and

municipalities, specifically the district municipalities. The purpose of the technical reference group meeting was to discuss and agree on the proposed solutions i.t.o. improving the effectiveness of the internship programme. There were 4 objectives which was agreed to:

1. Agree on the proposed intended outcomes of the internship programme in the WC.
2. To identify the successes and challenges of the internship programme in its current form.
3. Discuss and reach consensus i.t.o. the proposed solutions as well as the process of taking it forward.

Ms M Van Niekerk introduced Mr. J Tesselaar.

- Mr J Tesselaar did a presentation on Overberg District (ODM) Municipal Finance Internship Programme (MFIP). The presentation dealt with:
 - Introduction
Customisation is not one size fits all. Something in the Province can be created to fit all the various perpetrations. It is the CFO's responsibility to see that the FMG principles are adhered to.
 - Customisation
ODM has currently 5 interns with 12 month contract that is renewed every year for 3 years. Their interns is doing the MMC course with 24 modules. They are in areas of rotation – Income & Expenditure, SCM, Internal Audit, BTO and Risk Management. The interns has an assessor and mentor assigned to them. The NT representative for the MFIP II is responsible for SOP training in the district area.
 - Way forward
To establish a Committee for the WC that can look at customisation. After that then they will look at TOR which will go through a consultation process for comments and approval.
 - Conclusion
He requested the colleagues to be the mentors for the next generation.

Questions/Comments

Ms M van Niekerk stated that the Customisation Principles process is coordinated by PT which is led by Mr. J Tesselaaar. There are 3 task teams namely Training philosophy and priority training areas, Appointment of Interns, Certification of the MFMIP. The progress of the task teams will be communicated and report back to the CFO forum.

6.2 Improvement of financial governance arrangements

6.2.1 Infrastructure Procurement and Delivery Management: The use of Framework Agreements

Mr R Moolman introduced Mr J van Rensberg (DTPW) who is an engineer by profession who has joined the team of PT to roll-out framework agreements. That means that we need to improve on the capital spending and become more efficient.

- Mr J van Rensberg did a presentation about Framework contracts: An introductory overview. It dealt with:

- What is a framework contract?

A Framework Contract is designed to enable employers to invite tenders from contractors for the supply of goods, construction works or services to be provided on an "as required" basis.

- Why framework contracts?

Frameworks have been identified in the IDMS (Infrastructure Delivery Management System) which was adopted by Western Cape cabinet resolution in December 2012.

- How frameworks are implemented

- The NEC3 Standard Conditions of Contracts

This Framework Contract is based on the NEC3 Standard Conditions of Contract (COC). The NEC3 COCs replace the previously used JBCC/GCC COCs that tenderers are more used to.

- How the Framework Works

The Framework Information (p 41) is a part of the COCs and gives a contractual outline of the purpose, operation and management of the Framework during the set contract term (3 years).

Mr. R Moolman concluded that municipalities that introduce this framework will be better off because it mitigates against a lot of risks.

Questions/Comments

Mr. L Brinders wanted to know how this is avoiding collusion.

Mr. J van Rensburg responded that framework contracts is adjudicated in the same way as a single stand-alone contract. Collusions are usually identified by the tender evaluations phase.

6.2.2 Framework for an integrated work plan for Provincial and municipal planning, budgeting and governance in the Western Cape

- Mr M Booysen did a presentation which dealt with:
 - Background
 - Provincial roles and responsibilities
 - Principles of integration
 - Purpose of the Integrated Framework and Work plan
 - Strategic and Technical Engagements
 - Representation at engagements
 - Elements and key phases of integration
 - Budget, Planning and Governance Cycle
 - LG MTEC Engagement
 - IDP Indaba
- Ms M Van Niekerk's continued on with the presentation on the following:
 - MGRO 1 – Theme "Striving towards a Sustainable Future"
 - 2016 MGRO 1 Approach – 4 elements that has been identified
 - WCG Response
 - Proposed MGRO 1 and IDP Indaba Engagement Dates

Mr. M Booysen concluded that PTM has endorsed the draft Integrated Work Plan. They will talk to MM so that they can endorse the same.

Questions/Comments

No questions or comments were raised.

6.2.3 Joint implementation and delivery between province and municipalities according to joint plans and informed by spatial strategy.

6.2.4 mSCOA implementation update: Programme and new developments

- Ms J Steyn did a presentation on the Status Report mSCOA. It highlighted the following:
 - mSCOA Tables
 - Position Papers
 - Project Summary Document (PSD)
 - Reporting updates and Link
 - Accredited Training
 - mSCOA Workshop 2016
 - IMFO 2016

Questions/Comments

Mr. J Tesselaar stated that one of the concerns for in preparing the next set of AFS is the difference between GRAP and mSCOA. He wanted to know if there can be someone from NT or AGSA that can guide/assist them in treating these differences.

Ms J Steyn responded that if municipalities have differences then they must bring it to her attention.

Mr. H Van Biljon raised a statement was raised that there may be confusion from municipalities and vendors on the version that must be used. It is important, going forward, i.t.o. the implementation that municipalities and vendors should know what the position is and when is it available.

Ms J Steyn responded that version 6 is the official version. Expectations for the budget for 2017/18 be done on this version. Changes will be informed in the mSCOA workshop.

Mr. D Stuurman stated that he had send communication with the link to all municipalities in the WC to inform them that version 6 is available.

- Mr D Stuurman did a presentation which dealt with:
 - mSCOA Provincial Update
 - Transversal Tender
 - ICT Due Diligence

Questions/Comments

Mr. J Tesselaar stated that as non-pilot municipality they have gone live and is willing to assist other municipalities if help is needed.

Mr. L Brinders stated that one of the criteria for the procurement process was accreditation, so he wanted to know if those systems are mSCOA accredited that made it through the final list. So effectively they do not know if those systems are mSCOA compliant.

Mr. D Stuurman responded that according to NT the systems are mSCOA ready according the procurement process. NT avoid saying that the systems are accredited for mSCOA. The ICT due diligence is specifically there to ensure that municipalities check that their system is mSCOA compliant and that it does what is expected.

Mr. C Hoffman stated that this is a huge problem. Municipalities must take a decision on a system of who they are not 100% sure if it is mSCOA compliant.

Ms S Reyneke-Naude indicated that they have to advise council to take a resolution in that regard. She wanted to know if they can rely on the outcome of the transversal tender process and which modules/areas was confirmed as available and completed.

Mr. D Stuurman requested that if municipalities have issues with their system vendor, then they can inform him and he will assist the municipality.

Ms S Reyneke-Naude requested that there be discussions with the service providers from PT and the municipalities.

6.2.5 Feedback reports from CFO & other IGR Sub Forums

- MFMA Implementation and MTSF outcome 9

Mr E Johannes did a presentation on MFMA Implementation for the Quarter ending September 2016. It dealt with:

- Budget verification process – status of Province (14 municipalities verified)
- Outcome 9 – MTEC and MGRO process – contained in Medium Term Strategic Framework
- Next CFO forum – 5 & 6 December in George

- SCM Forum

A presentation was done by Mr R Moolman which dealt with:

- Feedback: District Approach
- NT SCM reforms – Procurement Bill
- SCM Indaba 2016

- MAF

The MAF was held on the 19 August 2016 in Swartland. Items that were discussed were:

- a) Integrated Financial Management Capacity building and training programmes
- b) Update on mGAP tool to improve financial governance systems within municipalities
- c) Preparations and Legal prescripts for Adjustment Budgets: A Municipal perspective.
- d) The 2017 MTREF budget process
- e) Update on the outstanding Government debt owed to municipalities
- f) Update on AFS verifications exercise concluded by PT and NT
- g) 2015/16 Year-end audit preparation process

The next MAF will be held on 11 November 2016 at Overstrand Municipality.

- Revenue Management Master Class (RMMC)

The RMMC is taking place the 7 & 8 November 2016 in Cape Winelands area.

- CAE & CRO Forum

Ms M Van Niekerk gave brief feedback. There is going to be the Annual Western Cape IA Conference which will be held on the 19 – 21 October 2016 at Goudini Spa.

7. CONCLUDING

Mr H Malila thanked everyone that partook in the discussions.

HC MALILA
CHAIRPERSON
DATE:

ATTENDANCE REGISTER**MUNICIPAL CFO FORUM – ASHTON WINERY**

| NAME | ORGANISATION | 8 SEPTEMBER 2016 |
|--------------------|--|-------------------------|
| Mr P April | West Coast District Municipality | Y |
| Mr P Hoffman | Central Karoo District Municipality | Y |
| Mr H van Biljon | Cape Agulhas Municipality | Y |
| Mr I Sau-ders | Stellenbosch Municipality | Y |
| Mr J Tesselaar | Overberg District Municipality | Y |
| Mr G Seas | Matzikama Municipality | Y |
| Ms C Lategan | Drakenstein Municipality | Y |
| Mr C le Roux | Overstrand Municipality | Y |
| Ms S Reyneke-Naude | Overstrand Municipality | Y |
| Mr A Raubenheimer | Witzenberg Municipality | Y |
| Mr J Stander | Eden District Municipality | Y |
| Mr F Lötter | Oudtshoorn Municipality | Y |
| Mr M Magadla | Breede Valley Municipality | Y |
| Mr M Bolton | Swartland Municipality | Y |
| Mr S Vorster | Saldanha Bay Municipality | Y |
| Mr M Lesch | Cape Winelands District Municipality | Y |
| Mr J Steyl | City of Cape Town | Y |
| Mr F Sabbat | Beaufort West Municipality | Y |
| Mr E De Kock | NT Advisor | Y |
| Ms J Steyn | NT mSCOA Consultant | Y |
| Mr H Malila | Provincial Treasury (Chairperson) | Y |
| Mr M Sigabi | Provincial Treasury – LG Public Finance | Y |
| Mr R Moolman | Provincial Treasury – LG Supply Chain Management | Y |
| Ms M van Niekerk | Provincial Treasury- Corporate Governance | Y |
| Mr M Booysen | Provincial Treasury – LG Budget Office | Y |
| Mr E Johannes | Provincial Treasury – LG Public Finance | Y |
| Ms S Cupido | Provincial Treasury – LG Public Finance | Y |
| Mr L Brinders | Provincial Treasury – LG Accounting Services | Y |

| NAME | ORGANISATION | 8 SEPTEMBER 2016 |
|--|---|------------------|
| Mr D Stuurman | Provincial Treasury – PT mSCOA Project Manager | Y |
| Ms V Coetzee | Provincial Treasury – Fiscal & Economic Services Branch | Y |
| Ms A October | Provincial Treasury – LG Public Finance | Y |
| Mr P Petersen | Provincial Treasury – LG Public Finance | Y |
| <p>APOLOGIES RECEIVED:</p> <ul style="list-style-type: none"> • <i>Cederberg Municipality</i> • <i>Langeberg Municipality</i> • <i>Theewaterskloof Municipality</i> • <i>Swellendam Municipality</i> • <i>Kannaland Municipality</i> • <i>Hessequa Municipality</i> • <i>Mossel Bay Municipality</i> • <i>Bitou Municipality</i> • <i>Knysna Municipality</i> • <i>Prince Albert Municipality</i> | | |