

# 2017 CIGFARO ANNUAL CONFERENCE

*Sustaining service delivery amidst the challenging economic climate*

**9-11 OCTOBER 2017**  
CAPE TOWN INTERNATIONAL  
CONVENTION CENTRE

#CIGFARO2017

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**Editorial Team:** Dr Krish Kumar, Louise Muller  
Ocean Makalima: Editor, proof reading  
Nicolette Botha: Facilitator, edit articles & proof reading  
Andre de Villiers: Writer, edit articles & proof reading  
Maphefo Mgadi: Writer, edit articles & proof reading  
Yusuf Aboojee: Writer, edit articles & proof reading  
Mboneni Zwane: Social Media  
Allan Chettiar: Layout & design  
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**“Sustaining service delivery amidst the challenging economic climate”**



## Conference Program, Wednesday 11 October 2017

Program Directors: Krish Kumar & Jane Masite

Time	Activity	Speaker & Venue
07:30 – 09:00	Final viewing of exhibitors stands	Exhibition Hall
09:00 – 09:20 <b>S20</b>	Navigating ethical dilemmas amidst the challenging climate	<b>Themba Godi</b> Standing Committee of Public Accounts
09:20 – 09:45 <b>S21</b>	Interdependencies and Climate Impacts on the Sustainability of Cities	<b>Hastings Chikoko</b> C40 Cities Climate Leadership Group
09:45 – 10:05 <b>S22</b>	The challenge of Effective and Ethical Leadership in Municipalities amidst the Challenging Economic Climate	<b>Parks Tau</b> SALGA President
10:05 – 10:25 <b>S23</b>	Acknowledgment of International Delegates & Exhibitor Award	<b>Dr Krish Kumar</b> CIGFARO President
10:25 – 10:30	Conference closure & way forward	<b>Abbey Tlaetsi</b> CIGFARO CEO
10:30 – 11:00 <b>S24</b>	Back to the basics of organizing power to sustain service delivery	<b>Jay Naidoo</b> Motivational Speaker
11:00 – 11:45	Refreshments and conference hand-outs	Exhibition Hall
<b>REVENUE MASTER CLASS</b>		
11:45 – 12:00	Master Class Overview	
12:00 – 12:45	The importance of budgeting for surpluses <ul style="list-style-type: none"> <li>Utilisation of the equitable share</li> <li>Adequate provision for repairs and maintenance</li> <li>Loss management</li> <li>Cost reflective tariffs</li> <li>Maintaining reasonable collection levels</li> <li>Funded budgets</li> </ul>	<ul style="list-style-type: none"> <li><b>Eduard Le Roux</b> <i>NATIONAL TREASURY: LGBA</i></li> </ul>
12:45 – 13:45	Implementation of the Municipal Property Rates Act <ul style="list-style-type: none"> <li>Impact of the MPRA amendments</li> <li>Property valuation methodologies</li> <li>Impact on the revenue base</li> </ul>	<ul style="list-style-type: none"> <li><b>Veronica Mafoko</b> <i>DCOG</i></li> </ul>
13:45 – 14:00	Break	
14:00 – 15:00	The municipal revenue value chain <ul style="list-style-type: none"> <li>Maximising the revenue generation potential of municipal revenue sources</li> <li>Achieving functional integration</li> <li>Growing and protecting the revenue base</li> </ul>	<ul style="list-style-type: none"> <li><b>Peet du Plessis</b> <i>eThekweni Municipality</i></li> </ul>
15:00 – 15:15	Closing Summary	

### PROGRAMME DIRECTORS



Dr Krish Kumar



Jane Masite

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# ETHICAL LEADERSHIP

Dr. Krish Kumar, President CIGFARO

The main theme for the second day of our conference is ethics and compliance.

Currently ethical leadership is a key issue in South Africa. The public perception is that government officials and office bearers are corrupt. Whilst there are a few bad apples, we are all painted with the same brush.

## **The key question is, therefore: How do we turn around this perception?**

Firstly, I hope that you do not focus on them but rather on you and your organisation. That you introspect, ask yourself the hard questions, and answer honestly to yourself. Furthermore, do not fall into the trap of making comparisons to other spheres, sectors or countries, such as America or Zimbabwe. We should focus on making ethical leadership a way of life regardless of our area of government, religion or political affiliation.

Secondly, there are many fallen heroes. We have seen many of our leaders and heroes lose their way. Politically we can think of Jacques Chirac and Jackie Selebi. In business we can think of the recent KPMG debacle, Volkswagen's cheating on emission tests, and the Bernie Madoff scandal. In government there were the cases of Lucky Montana from PRASA and Hlaudi Motsoeneng. In sports we have seen many of our heroes fall, such as Tiger Woods, Lance Armstrong, Mike Tyson, Oscar Pistorius, OJ Simpson, Hansie Cronje, Maria Sharapova and Sepp Blatter. Even more alarming have been the sexual assault cases against Bill Cosby and Bob Hewitt.

## **Why did these leaders and heroes lose their way and do wrong things?**

Professor Bill George considered the issue of highly regarded, successful, well-paid and admired people doing wrong things. He suggests:

- Leaders who lose their way are not necessarily bad people; rather, they lose their moral bearings, often yielding to seductions in their paths; and
- Very few people go into leadership roles to cheat, to do evil, yet we all have the capacity for actions we deeply regret unless we stay grounded.

Now, think about yourself as an ethical leader. What are you doing to prepare yourself to resist the temptations and seductions? Are you resisting the pitfalls of greed, bribery and corruption?

There is a chance that all of us could do something silly during the course of our careers that could change our lives forever. Some of us will get caught. Some of us will get away with it. Some of us will have the resources to employ the best legal team to extricate us out of the problem. However, Prof George points out that ethics and the law are not the same. The law sets the lowest standard of behavior expected from us. Ethics sets the highest expectations from us.

**We must aim for the highest standard.**

On further introspection, ask yourself: Why you have gone into a leadership role? What is your main reason? Is it the power, the money, the benefits or the status? Answer yourself honestly, not what you tell others.

Personally, I identify fully with what Kouzes and Posner have to say, Each leader or potential leader has to place the people at the centre, be responsive to their needs, respectful of their wishes and accountable to them. This requires us as leaders to be selfless in our contribution, inclusive in our decisions, humble in our behavior and inspiring in our actions. If we do this, our joy will not be in how exalted we may be, how elevated our positions are, how much wealth we can amass and how much power we can have... it must come from a deeper and special place, where others benefit grow or prosper because of our actions... that's true leadership.

Many leaders and heroes are motivated by their own interests and easily fall to negative temptations, especially when their ego and greed wins. They use their positions of power and trust to get rich. There is nothing wrong with desiring material comforts like a nice home and vehicle, but it must be accompanied by the driving motivation to serve others.

## **Lincoln Mali in a paper delivered at The Seed SA Leadership Summit proposes the following:**

Harness the support of those who truly care about you. Seek out authentic and ethical people and stay connected to them. Generally, our spouses are our biggest critics! Seek their advice. Stay connected to people who keep you centered and straight.

Leaders focus on personal development and move from being heroes to being servants. Advocate Vusi Pakoli suggests that values that we learn through our upbringing is the basis of ethical behavior. Our parents should be our first role models. As he says: Integrity is about our internal subjective values that objectively have an impact on our society. It makes us who we are and no money can buy integrity.

In these times it is tough to be courageous and to be a whistleblower. However, if we are going to change things, we need people to stand up and sacrifice. It is very difficult to take an ethical stand. However, if we are not, then we must stop bothering with codes of conduct and value statements. Have the courage to stand firm on your values regardless of the consequences, especially when you feel it is essential to blow the whistle.

When your test comes, what will you do? Will you do the right thing, or what is best for you? This choice will define you as a person.

Professor Clay Christensen raised this profound question, How will I measure my life? On the day we leave this earth, what will our families, friends and colleagues say? Will they mention the expensive toys, extravagant gift or our absence from their lives? What will be written on our tombstones? The number of projects delivered, air miles totted up, number of cars bought, tenders won or our net worth? I hope that it will be more than this. I hope we will leave a much more meaningful and lasting legacy.

Ethical leadership is not easy. It requires service, integrity and courage. Each one of us needs to introspect and judge whether our actions align to our values. It is all about the choices we make.

If your children could see what you are doing, what will you do?

**When your test comes, what will you do? Will you do the right thing, or what is best for you? This choice will define you as a person.**

# climate change leadership

Dr. Krish Kumar, President CIGFARO

We have spoken about financial sustainability, ageing infrastructure and economic growth earlier in the conference, as well as service delivery, unemployment, poverty and inequality. We have also spoken about ethical leadership. The main theme for the final day of the conference is the triple bottom line, and in particular, the impact of climate change on the sustainability of cities. We need leadership in terms of climate change.

The impact of climate change has a very real long-term impact on the sustainability and viability of cities. Accordingly, we all need to commit to the triple bottom line. We need to fund sustainable infrastructure projects. The cost-benefit analysis of projects must include the impact on the environment.

The financial effects of climate change can be just as devastating as the physical ones. Unexpected expenditures from storms, flooding, and droughts can lead to major disruptions in business operations and city budgets. However, in the heart of the city lies an opportunity: urban density presents a greener way to live. Urban density can actually create the possibility for a better quality of life and a lower carbon footprint through more efficient infrastructure and planning.

Some of the areas currently being looked at include, inter alia, alternate sources of energy, green vehicles and buses (IRPTN), green procurement, nodal economic development and mixed use developments to create the necessary densification, housing initiatives relating to solar heating, energy efficient showerheads, LED lighting, water tanks, etc, sustainability projects relating to water, electricity, wastewater, landfills, recycling, as well as smart initiatives relating to street lighting, robots, etc. The key is to ensure that we clearly demonstrate the return on investment or turnover period. I believe that Paul Polman, the Chief Executive Officer of Unilever summed it up well when he said, "The biggest risk to African growth is climate change."

We need to develop a model and governance structure to fund such projects. Perhaps, an incubator can be used as the mechanism which can also help nurture SMMEs and the youth. The main issue is to determine the seed funding source.

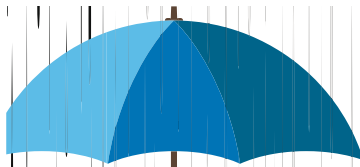
Ultimately it is about reducing our carbon footprint and leaving a legacy that the next generation can be proud of in terms of the sustainability of our planet, our people, and our finances. Cities have a huge role to play.

Cities are best placed to address climate change. They are directly in touch with our people, and are thus best placed to take decisive action—often with immediate and impactful results. Moreover, what our cities do individually and together to address climate change can set the agenda for communities and governments everywhere. Local actions can have immediate effect and add up to create a global effect. As past President of the United States of America, Barack Obama said, "Climate change is no longer some far-off problem; it is happening here, it is happening now."


We are now also supported by the Paris Agreement which has given renewed impetus to climate change work, and has resulted in national governments making commitments to address both the challenges and opportunities. The Paris Agreement, which came into effect in November 2016, provides a very strong framework. Moreover, Deadline 2020 provides a good roadmap to translate the Paris Agreement into an implementation plan for cities, depending on their development and current emissions levels. Accordingly, we have little excuse not to show leadership and take action with regard to climate change and bring the Paris Agreement "to life". We also need to take Deadline 2020 seriously. As Archbishop Desmond Tutu said, "Twenty-five years ago people could be excused for not knowing much, or doing much, about climate change. Today we have no excuses."

Mark Watts, the Executive Director of C40 who said that "Climate change is the biggest issue facing us at this time, and cities offer a great platform to bring about change." We need to appreciate the global challenges around climate change and that we develop strategies to ensure the long-term sustainability of our cities and entities.

**"Climate change is no longer some far-off problem; it is happening here, it is happening now."** Barack Obama



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**Natalie Neves-Oakes, Business Development:**

Transactional Banking and Liabilities (Investments), Natalie.Neves-Oakes@standardbank.co.za, 082 416 3419

**Nicolette Botha, Business Development:**

Assets (Lending), Nicolette.Botha@standardbank.co.za, 083 785 9384

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Will.Choene@standardbank.co.za  
Dingaan.Motshegwa@standardbank.co.za  
Nelisiwe.Mkhize@standardbank.co.za  
Kagisho.Mathosa@standardbank.co.za  
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Walter.Mogotsi@standardbank.co.za  
Jerome.Crowder@standardbank.co.za  
Johann.Theron@standardbank.co.za

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# Collecting Outstanding Municipal Debt

Daniel J de Lange, Executive Local Government EOH

The total outstanding municipal consumer debt amounted to R128.3 billion in the third quarter of the 2016/17 financial year. This was more than R10 billion up on the previous quarter.

The recent Constitutional Court ruling on “historical debt” has surprised and shocked many municipal administrators who will have to review policies and procedures to ensure that all municipal debt is collected before a Rates Clearance Certificate is issued in respect of properties being sold.\*

The Constitutional Court did not mince its words when it ruled on the issue of historical debts, which it stated only exists because municipalities have not recovered them. This while the statute expressly obliges every municipality to collect all money that is due and payable to it and to implement a credit control and debt collection policy.

The Court pointed out that a municipality has a duty to send out regular accounts and to develop a culture of payment. In addition, the Court reminded municipalities that for the sake of service delivery, it is imperative that municipalities do everything reasonable to reduce amounts owing.

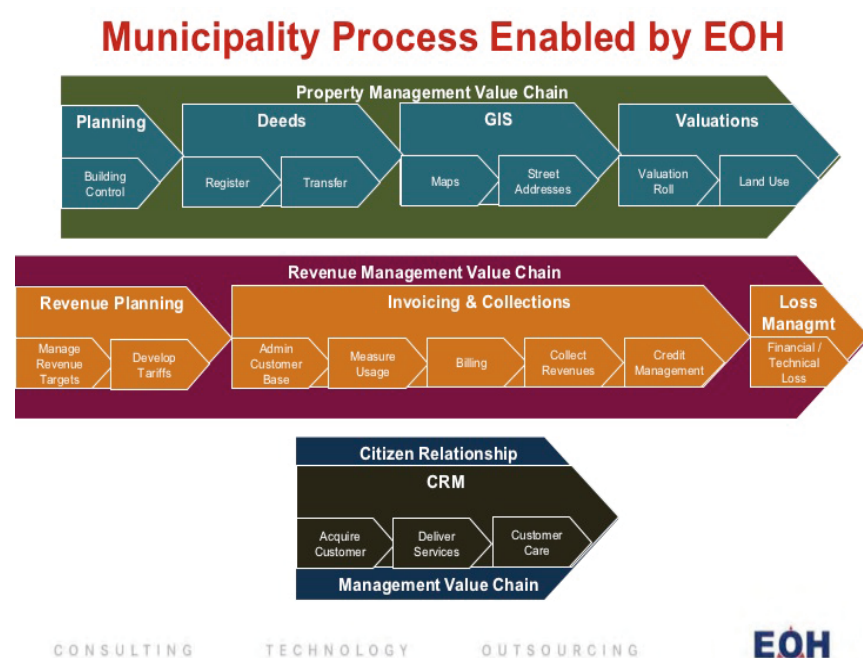
The issue to be resolved is obviously what to do when a property needs to be transferred to a new owner. During argument, the municipalities conceded correctly, that the provision enables them to enforce the charge against the existing owner up to the moment of transfer and to do so above and before any registered mortgages.

The Constitutional Court advised that where there are unpaid municipal debts, the charge enables them to slam the legal brake on any impending transfer by obtaining an interdict against transfer.

The Constitutional Court ruling describes the municipal debt collection legal environment succinctly, and suggests that municipalities have a favourable legal environment to be successful at collecting outstanding debt.

This begs the question: Why are municipalities unable to stem the tide of ever increasing, long outstanding municipal debt?

If it is accepted that the legal environment, which includes legislation, policies and by-laws, is adequate, the focus should then be on the people, collection processes and technology and the application of these policies and by-laws. The Revenue Management and Debt Collection Division (RMADCD) has traditionally been placed within the Finance Department, which enables a Credit Control and Debt Collection strategy and policy to be deployed efficiently. The RMADCD operating model provides for centralisation and specialization of functions relating to the Revenue Management value chain as detailed below:



Maybe the time is right to relook at the way in which the Revenue Management Divisions are organized and review operating models that arose out of tactical solutions to regulatory or business changes.

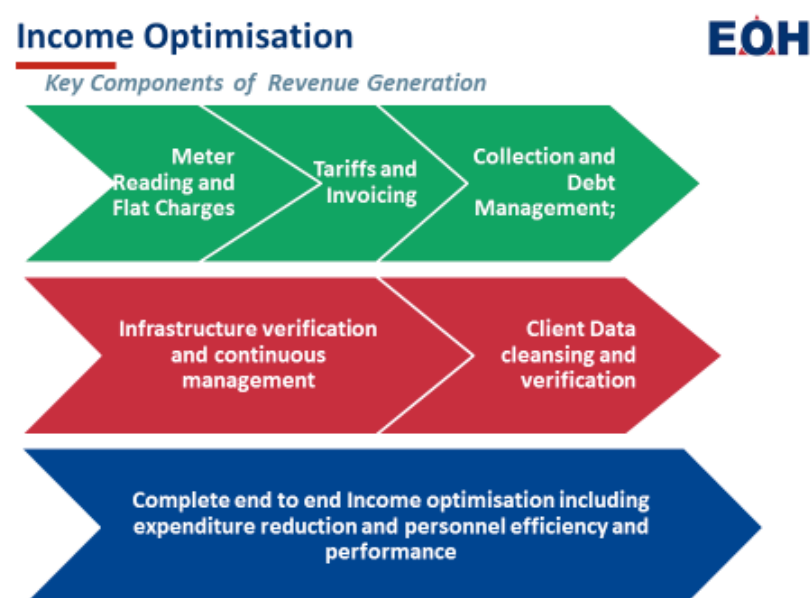
Organisational design must be based on the functions to be performed and should promote specialization, bearing in mind span of control and segregation of duties. One of the basic audit objectives, when the organization framework is reviewed, is the proper segregation of duties. Though it is basic, it is by far the most potent as it ensures that errors or irregularities are prevented or detected on a timely basis by employees in the normal course of business.

Best practice Collection Departments tend to have the following characteristics:

- Centralisation of the collection function;
- Early segmentation of debtors who “can’t pay” from those who “won’t pay”;
- Use of online customer information systems and credit reference agencies to provide payment histories and build a debtors payment and risk profile;
- Early determination of a realistic payment plan;
- Management ensures that collection strategies and policies are constantly updated and effective;
- Use of automated collection systems with decision support information to prioritise debts and determine the appropriate collection strategy;
- Debtor profiling and use of “behavioural” and “collection scoring” to segment customer-bases and determine the escalation process for each debt;
- Segmentation of debtors book to determine different collection approaches for different ages of debt;
- Monitor cost effectiveness of collection actions versus recovery;
- Analysis of collection activities, amounts collected and collection costs to determine most successful approaches to debt collection;
- Negotiation of individual voluntary arrangements; and
- Using specialized external debt collection agencies for long outstanding debt.

During the early phase of dealing with delinquent debtors, the focus should be on working out a solution with the customer and giving high priority to the protection of a customer relationship. The objective should be to reduce the number of cases moving to the litigation stages, thereby significantly reducing the cost of debt recovery.

It is essential to recruit and train dedicated staff in the RMADCD who are able to specialize in a specific area, for example dealing with litigation or soft collections. In most municipalities, the end-to-end Revenue Management process is captured in a visual workflow map that records all the decision points, criteria and gates needed to convert a strategy into a set of policies and procedures to be followed.



Technology makes things possible, however it is people that make things happen. Payroll costs are the most expensive item in the RMADCD’S budget. It is therefore important to recruit the right number of experienced staff to implement the collection and recovery strategies. There is now a need for municipalities to take a long and hard look at current revenue management value chains, policies and practices and to initiate innovative debt collection strategies to optimize revenue.

\*CONSTITUTIONAL COURT OF SOUTH AFRICA - Case CCT 283/16, 293/16 and 294/16 dealing with historical municipal debt decided on 29 August 2017





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# Leaders make things happen.

Professor André de Villiers, Prosgro Project Management

The origin of the word economics stems from the Greek language and refers to the way in which households satisfy their many needs through what is essentially a balancing act. It is about resources (natural as well as those created by humans), labour (thinking, being creative and innovative as well as working hard) and choice (saving, doing more with less and investing versus spending).

The Scottish philosopher Adam Smith (1776) defined what was then called political economics as “an inquiry into the nature and causes of the wealth of nations”. As indicated in the second article in this series, leaders on many fronts determine why certain countries become rich and others stay poor (in spite of having enough natural resources). By personal example and by motivating people to do what creates value (rather than spending haphazardly, making debt and wilful destruction of property), leaders create a sense of achievement in their followers. People start believing that they can create their own destinies and that their lives can generally improve if they are willing to commit themselves.

In an article in *Acumen*, journal of the University of Pretoria’s Gordon Graduate Institute of Business, Trudi Makhaya states that scandals in the public sector organisations have blighted them. The article, “*The poisoned chalice of public sector leadership*”, argues that this limits their potential of attracting good leadership and management talent. This in turn detrimentally affects their ability to become effective and efficient institutions in future.

On the positive side, she states: “*A developmental state without technocrats is an impossibility. That’s demonstrated by countries such as Singapore and South Korea, which have impeccable recruitment and talent management policies in the public sector.*” Rapid growth in these economies is regularly held up as examples of how things should be done.

A metro is a big business with a huge budget and its mayor as well as its line managers must be highly competent individuals. They are very aware of the needs of city residents and they are continuously learning and applying their knowledge to improve services. In smaller towns mayors, councillors and managers are usually known to the residents and should be seen to have their interests at heart.

A councillor with the right attitude, ethos, competency and interest in his/her community is essential to ensure that a town or city grows and develops towards a place where people and investors want to live and do business. Councillors think in terms of the future, not the past. They don’t watch things happen, they make things happen by determining the needs of the community and responding by making inputs into

budgeting processes of councils. They need to positively influence people in their wards so that they realise that they are responsible and accountable only to themselves. By destroying municipal property, schools and state infrastructure, they are only harming themselves because it limits financial resources to be spent on housing and amenities of the community. A ward community needs to take ownership and pride of its area. It does this by, for example, keeping it clean, supporting the police in fighting crime and by planting and nurturing trees.

As leaders the municipal manager and his/her line managers are responsible for developing a strategy and focus for projects to ensure that the vision and objectives of the municipality are achieved. The financial manager is obviously a key person in this as she or he needs to instil in all other managers and councillors an awareness of scarcity of resources and the urgent need to spend every cent wisely. Leadership is daring, innovative and above all it is about ensuring that sound values lead to good service delivery. Municipal leaders, councillors and managers, build a culture of ‘can and will do what is right and proper’ as well as ‘doing more with little’. It is about ‘getting more bang for your buck’ in service delivery to the inhabitants of a town or city. Good governance depends on transparency, management which is completely unbiased and without conflicts of interest and business processes which encourage effectiveness, efficiency and economy. The benefit of the inhabitants rather than the benefit of a few corrupt officials is what counts.

An Executive Mayor’s house, car and lifestyle in relation to the size and financial ability of a municipality, is clearly an indicator of sound financial management and care for the needs of residents. Often in small communities the mayor’s car is considered to be far more important than a working sewerage system. No wonder our rivers are today badly polluted with raw sewerage.

Negativity and blaming is rife in most municipalities. Apartheid, corruption, racism, poorly functioning systems and certain individuals are often blamed for non-delivery. It is as if everyone expects municipalities and the state to be responsible for everything.

In the first article in this series, two words were emphasised: LED or local economic development and memes. Without investment, development and regular maintenance of infrastructure, an economy stagnates. Without the right memes or mindsets, business leaders don’t have the necessary confidence to invest their money locally. Neither do entrepreneurs start new enterprises. The memes and mindsets of both government and private sector need to be in positive mode; they need to be synchronised.

Leaders are role models and their followers soon learn that each individual is responsible for his or her own life. Leaders don’t blame, they change things for the better. They focus on the future, not the past.

**As leaders the municipal manager and his/her line managers are responsible for developing a strategy and focus for projects to ensure that the vision and objectives of the municipality are achieved. Leaders don’t blame, they change things for the better.**





# 5 issues that affect all major cities as well as local authorities around the world today

In his welcoming address Cllr. Johannes van der Merwe, MAYCO Member of Finance for the City of Cape Town, highlighted 5 issues that affect all major cities as well as local authorities around the world today. Here are the main points discussed:

## Urbanization

- By the year 2050, 64% of the developing world, and 86% of the developed world will be urbanized; and
- Nearly all global population growth from 2017 to 2030 will be absorbed by cities, about 1.1 billion new urbanites over the next 13 years.

## Climate Change

- Cities cover less than 2% of the earth's surface, but consume 78% of the world's energy and produce more than 60% of all carbon dioxide; and
- Cities have not yet addressed climate change due to a lack of relevant city policies and action plans; existence of regulations on urban planning and environment, slow response to climate disasters, lack of public awareness on climate variability and climate change-induced hazard mitigation.

## Access to Electricity

- Across the developing world, about 130 million people in cities continue to lack access to electricity; and
- There is a rising recognition that cities themselves hold important tools with which to roll back this trend. Increasingly, there's an economic incentive to do so.

## Transport

- Sustainable transport systems make a positive contribution to the environmental, social and economic sustainability; and
- Communities which are successfully improving the sustainability of their transport networks are doing so as part of a wider programme of creating more vibrant, livable, sustainable cities.

## Economic Climate and Job Creation

- Cities and municipalities can play a key part in creating jobs for the millions of youth who enter the work force every year; and
- Close partnerships with private sector firms and industries will generate more jobs.

Government at all levels thus needs to proactively put together strategies and plans to address these 5 issues. Leveraging off the strength of other more successful municipalities will help pave the road to success. Going back to basics will also assist in identifying the gaps that exist so that they can be addressed at the source.

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# PUBLIC SECTOR MUST BECOME “WISE” ABOUT MONEY

There's a Ghanaian proverb that declares, “you become wise when you begin to run out of money”. Many public sector bodies in South Africa have started to realise this. Being “wise” about their financial planning and management processes enables them to become far more efficient in terms of addressing the real needs of citizens by improving their quality of life and by driving local economic development. The current economic state, diminishing spending power, and the call to tighten our belts, have made more and more citizens take urgent valuation of where their money is spent. The question we would then need to ask, as citizens of a downgraded country is, “where is my municipality spending its funds and is it spending them wisely?” This implies that public sector entities should consider all the possible projects and initiatives that need to be implemented, or bolstered, during a particular financial year in order to make a real difference to residents. In essence, what was promised when elected in August 2016 needs to be delivered with the limited funding options available. Quality of life, increased job opportunities and economic growth initiatives need to be both achievable and sustainable to make a palpable difference to residents. The role of local government or municipalities cannot be underestimated in this regard.

## Projects and initiatives needed

In the majority of cases in Africa, South Africa included, there is a need for the following projects and initiatives:

- ❖ A reliable, sustainable and affordable electricity supply
- ❖ Development of renewable energy sources, such as wind, sun and water
- ❖ Increased opportunities and funding for education and skills development
- ❖ Access to sources of information and knowledge for re-skilling and upskilling opportunities
- ❖ Access to ICT infrastructure, innovation and enabling initiatives, such as free Wi-Fi
- ❖ Availability of sanitary services
- ❖ Reliable, affordable and safe transport systems
- ❖ Better water management through behaviour change and smart water solutions

## Being proactive

From the above, it is evident that public service entities need to be “wise” and sensible when making decisions about financial planning and management. In light of this, Sebata Municipal Solutions embarked on a process to develop an Enterprise Management Solution (SebataEMS) to assist public sector entities, like municipalities, in their endeavour to improve the quality of life of residents, and to drive the economic growth of local communities through the application of smart technologies and innovation. SebataEMS has been developed as a result of the implementation of the overall local government financial management reform agenda, as spearheaded by National Government, and more recently by the implementation of the municipal standard chart of account (mSCOA), which is aimed at standardising municipal financial reporting, business processes and financial controls.

Accounting officers at local government level needed to ensure that their municipality is mSCOA compliant by 1 July 2017. The reform agenda of local government underpins project-based budgeting that is derived from the mandate entrusted by the community. In providing technologies in response to this modernised financial management environment, governing municipalities, and providing a platform for improved service delivery, SebataEMS was designed to operate on a single database. It incorporates the entire financial management reform agenda of local government, embedding leading business processes with a transactional environment and a single point of entry across the entire integrated financial management environment – a first for local government in a South African context.

## A turnkey solution

SebataEMS is a holistic and integrated turnkey solution to fully integrate municipal management – far more comprehensive than a mere financial planning and management tool. It supports operational excellence in terms of all business processes relating to the governance of a municipality. SebataEMS also supports:

- ❖ asset management
- ❖ inventory management
- ❖ supply chain management
- ❖ Human Resource and Payroll management
- ❖ smart meter management
- ❖ capital project management
- ❖ performance management
- ❖ IDP and SDBIP management
- ❖ document management
- ❖ consumption management
- ❖ cemetery management
- ❖ library management
- ❖ geographical information
- ❖ biometric time and attendance
- ❖ prepaid vending and billing



## Assisting mSCOA compliancy

SebataEMS enables public service entities to attain and remain “wise” regarding the manner in which they govern business processes, additionally allowing them to improve and enhance service delivery to residents. According to educator and author, Peter Drucker, “If you want something new, you have to stop doing the old”. SebataEMS is the solution facilitating the new mSCOA-compliant journey to excellence, assisting municipalities to become wise and financially viable.

## About Sebata

Sebata Group Holdings is one of South Africa's largest integrated technology providers with a footprint throughout South Africa, including countries in Africa. Sebata, together with its group of companies – R-Data, Mubeko Africa, Freshmark Systems and UMS – has an enduring commitment to equipping municipalities with technologies that economically advance the communities they serve.



[www.sebata.co.za](http://www.sebata.co.za) | 011 218 8080 | [info@sebata.co.za](mailto:info@sebata.co.za)





# Utilising Technology in Water Management

André de Villiers, ProsGro (Project Support Group)

Delegates to this year's CIGFARO Conference are mostly aware of the water crisis in the Western Cape. At the current rate of consumption there are less than 150 days left before the taps run dry in the City of Cape Town.

It serves as a renewed warning about the use of potable water in an arid country.

Simply stated, the City of Cape Town has a capacity problem in terms of its water resources. There are many reasons including extreme drought, change in weather and rainfall patterns, overreliance on the historical rain patterns, an excessive influx of people, functional regression of department of water affairs and a lack of investment in infrastructure. Consequently: Strict water management will become an accepted way of life for Capetonians.

Every possible intervention or action that can contribute to the alleviation of the situation, however small should be considered, evaluated and, if found viable, introduced and managed to realise its optimal contribution.

Many options on the supply side are being considered, but will not be discussed here. When we consider the demand side, there are basically two options:

## 1. Optimising current resources and processes

- Basically, this entails saving water by using or wasting less water. Voluntary cuts in consumption, eliminating leaks in the reticulation systems and recycling or secondary use of so-called grey water, all contribute to this objective.
- Public participation is a key element, whilst municipalities need to seriously consider their infrastructure.
- Obviously extensive informational and educational drives can contribute to limiting the demand, but in the end voluntary adherence has a limit beyond which compliance has to be enforced.

## 2. Conversions where the use of water is totally eliminated or replaced

- This may be achieved through technological, chemical or process transformation. These may include cleaning operations, production processes and heat exchange applications.
- In order to illustrate how water utilisation could be optimised through technology and a realistically applied management process, a specific example was chosen.
- It entails the use of a waterless car cleaning process to replace the traditional water washing method.

A waterless car wash system utilises nanotechnology developed chemicals that hydrostatically encapsulate and lift dirt from the surface by lowering surface tension. Using a high quality microfibre cloth and wiping only in one direction, the dirt can be removed from the vehicle

surface without scratching the paint. In the process a thin layer of durable wax is deposited on the surface and by buffing the surface after removal of the dirt, a superior finish is obtained. The technology, which has been available for more than a decade, has been improved to such an extent that it can now be proved to deliver a safe and superior result compared to traditional water washing methods.

Apart from the superior waxed finish (including UV protection and being water repellent), that is delivered at no extra cost, the method also has further benefits as it:

- Saves water. According to City of Cape Town it takes 220 litres of water to wash a car. On 31 August 2017 the City of Cape Town had 1,247,842 registered vehicles. If only washed once a month the annual saving comes to 3,294,302,880 litres.
- Is Environmentally Friendly: All chemicals are biodegradable.
- Is convenient as cars may be washed anywhere.
- Allows existing car wash facilities to easily convert.

Enforced control systems seldom succeed. When doing research at car wash operations in the Cape you will usually hear assurances about them using "grey water" and "rainwater". The use of italics is deliberate as, with due respect to the few innocent operators, there must be an unlimited supply of grey water about and where does rainwater come from when it does not rain?

Besides, it can be proven that washing a car with grey water is much riskier than opting for waterless technology; rather use your grey water for other non-potable requirements. As for rainwater, utilising it for domestic washing and flushing of toilets and thus replacing the use of potable water, most certainly can be regarded as a better utilisation than washing cars.

Bluntly stated the solution is that: Car wash operators should be forced to change to waterless technology or get closed down. Either way will relieve the municipality from introducing an expensive and almost futile control system.

The message to the citizens of Cape Town, and ultimately the rest of South Africa and even the world, is: Just get used to it - either wash your car with proven waterless technology or drive it around dirty. There is no way that you are going to convince people to shower in two minutes while some car wash outlets are using power-sprays!

One creative entrepreneur in the waterless car wash business has even developed an App where you can contact them to come to your home to clean your car. Apart from being very convenient, such a system would cut down time wastage at a car wash business and even save fuel.

The Western Cape Provincial Administration's Department of Transport has set an example as they have already converted to a dry wash system for cleaning their vehicles.

## Joke of the Day







# Awards Ceremony

