

# IMFO2016

## ANNUAL CONFERENCE

Sustaining Municipal Viability amidst  
the economic distress

3 - 5 OCTOBER 2016 • DURBAN ICC

**IMFO**  
INSTITUTE OF MUNICIPAL FINANCE OFFICERS



Visit [www.imfo.co.za](http://www.imfo.co.za) for more information

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# "Farewell Speech"

By S.J. Masite, CIGFARO President 2014 - 2016



As I close the most beautiful chapter in my professional journey, the one I will page and often remember, I firstly want to take this opportunity to thank the Almighty for the mercy, grace and for the guidance throughout this period.

These two years shaped me beyond expectation and I would like to quote Tata Nelson Madiba when he says; "It's in your hands to make our world a better environment for all". I remain focused and inspired by these words and I have kept these words close to my heart.

I have learnt, humility, courage, cooperation, risk taking as well as to appreciate the big and small things. I have worked tirelessly each day to fulfil the goal of "realising a better world for all". In my acceptance speech I said "The heat is on", little did I know that I was setting myself on fire to deliver on my deliverables.

Accordingly, I undertook to deliver the following:

- A new name - a new identity to accommodate fully the other related professions and the broader public sector member interest.

- Re-examine IMFO's heraldic symbols and identity of 85 years in line with the new mandate and identity of the IMFO.
- Lobby Government to recognize IMFO as the Statutory Professional body of choice for the Public Sector.
- Encourage our members to adhere to a professional code of ethics and undergo annual ethics training.
- The launch of the new international professional public sector internal auditing qualification with our sister body CIPFA UK.
- The rollout of mSCOA training in collaboration with National Treasury.

Although my plate was full, I managed to achieve most of the objectives I set for myself and the Institute and for this I thank the support of the Board.

Furthermore my biggest lifelong dream was to incorporate audit and risk management as part of the Institute in order to broaden the Institute's mandate. This dream has been achieved by the unveiling of the new name CIGFARO which will address the public finance management (PFM) imperatives.

Finally, I could not be successful in this professional journey without the support of my Family, Employer (Emfuleni Local Municipality), the Board Members, especially the Vice Presidents who promised to support me throughout my term, our loyal sponsors, media partners, CIGFARO members, COGTA, National Treasury and most importantly the secretariat who have been led by the Acting CEO, Ira Kotze. The support of each and every stakeholder is appreciated.

To the incoming president, the professional journey of the new institute is at its initial stage and I have no doubt that you will take CIGFARO to the desired level. I wish you well and I pledge to support you.

Live by my motto:

**"Don't let one bad day stop you from reaching your goal"**

#### **Presidential Address:**

**Members of the institute, delegates, stakeholders and friends, we hereby apologise profusely for the glitch in the presidential welcoming address, we experienced a technical problem. We take this opportunity to thank you all for your loyal support throughout the years.**



## Conference Program: Wednesday 5 October 2016

**Program Directors: Paledi Marota & David Garegae**

07:30 – 09:00	Final viewing of exhibitors stands	<b>Exhibition Hall</b>
09:00 – 09:30 <b>S29</b>	Academic Paper: Business readiness considerations and preparing for the rollout of mSCOA	<b>Paul van de Haar &amp; Yushaa Abrahams</b> KPMG
09:30 – 10:00 <b>S30</b>	Chartered Institute Public Finance Association (CIPFA) Launch of Profession	<b>Dr Adrian Pullham</b> CIPFA UK
<b>10:00 – 10:30</b>	<b>Refreshments</b>	<b>Exhibition Hall</b>
10:30 – 11:00 <b>S31</b>	Towards implementation of a local government integrity framework: Municipalities putting in place measures to fight fraud, theft & corruption	<b>Clifford Ntshudisane</b> Powercom Ltd
11:00 – 11:30 <b>S32</b>	Presidential Handover ▪ New Board Members	<b>Jane Masite</b> <i>IMFO President</i>
11:00 – 11:40 <b>S33</b>	Incoming President Address ▪ Thanking of overseas visitors ▪ Handing over Exhibitors Award	<b>Krish Kumar</b> <i>IMFO President</i>
11:40 – 11:45 <b>S34</b>	Closing of Conference	<b>Abbey Tlaletsi</b> IMFO CEO
11:40 – 12:40 <b>S35</b>	<b>Motivational Speaker</b>	<b>Justice Malala</b> Political Analyst
<b>12:40 – 13:00</b>	<b>Refreshments and conference hand-outs</b>	<b>Exhibition Hall</b>







# Twitter Feeds

## The Conference through Twitter

- eThekweni Muni** @eThekweniM · Oct 3  
Deputy Mayor Cllr @FawziaPeer introduces the theme of the #IMFO2016 conference, Sustaining Municipal Viability Amidst Economic Distress.
- Kobus Fourie** @kobus7777 · Oct 3  
eThekweni Deputy Mayor Fawzia Peer stressed the point of doing more with less. Very inspiring. #KPMGIMFO2016 @KPMG\_SA @imfo\_editor
- IMFO** @imfo\_editor · Oct 3  
President #JaneMasite 'As financial officers we need to do things differently during this Economic distress' #IMFO2016
- Zolani SS Zonyane** @zolanisszanyane · Oct 3  
IMFO has changed its name to Chartered Institute of Government Finance, Audit & Risk Officers (CIGFARO) #IMFO2016 #CIGFARO2016
- NationalCoGTA** @NationalCoGTA · 24h  
@ObedBapela Millions of young people are unemployed and angry, we need grow the economy as a collective #IMFO2016 #cogta
- Kobus Fourie** @kobus7777 · 23h  
COGTA Deputy Minister: Corruption has a negative impact on financial viability and must be addressed. @imfo\_editor @KPMG\_SA #KPMGIMFO2016
- IMFO** @imfo\_editor · 3h  
#NomusaDube-Ncube @kzncogta 'We need to run our municipalities effectively like businesses and make use of technology' #IMFO2016
- Zolani SS Zonyane** @zolanisszanyane · 2h  
Municipalities must be operated like businesses to ensure viability & sustainability. I AGREE #IMFO2016 #CIGFARO2016
- IMFO** @imfo\_editor · 3h  
#NomusaDube-Ncube @kzncogta 'We must introduce measures that give value for money, monitor campaigns like war on water leaks' #IMFO2016
- kzncogta** @kzncogta · 5h  
Our Municipality have a role to play in growing the economy through supporting small businesses: Dube-Ncube #IMFO2016
- Winston Anderson** @winstonanderson · 18h  
Congratulations Stellenbosch municipality on your Clean Audit award at #IMFO2016 from @AltronGroup
- Business Engineering** @Business\_Engin · 15h  
Ruth Mompoti DM acknowledged as the most improved municipality by the AG & the number 1 municipality in North-West #IMFO2016

## Awards Night at Gala Dinner

### Most Improved Municipalities with Clean Audit Opinion

There were five categories on Clean Administration awards. This year eighty municipalities received this award based on the Auditor General's Audit outcome for the year 2014/15 for the most improved municipalities.

### Organisation Awards

The following municipalities were nominated to receive the following three organization awards as they subscribed to Clean Administration Processes in (1) Internal Audit Unit, (2) Risk Management Unit and/or (3) Performance Management Unit.

Internal Audit	Risk Management
Fezile Dabi Municipality	Ekurhuleni Municipality
Ekurhuleni Municipality	Ethekewini Municipality
Mogale City Municipality	Polokwane Municipality
Nkangala Municipality	Dr Ruth S Municipality
Performance Management	
Sarah Baartman Municipality	
Emfuleni Municipality	
Umdoni Municipality	
Greater Taung Municipality	
Ekurhuleni Municipality	
Fezile Dabi Municipality	

### The 1st prize award winners per category were:

- Internal Audit Unit – Nkangala District Municipality
- Risk Management Unit – Ethekewini Metropolitan Municipality
- Performance Management Unit – Emfuleni Local Municipality

### Most Functional Provincial Departments of the Year

Gauteng COGTA, Mpumalanga COGTA and Limpopo COGTA were nominated for their support of Municipal Clean Administration, with the 1st prize winner in this category being: **Mpumalanga COGTA**

### IMFO Provincial Branch Winners

- Branch of the Year: IMFO KwaZulu Natal – Chairperson Bharthie Ranchoddas
- Runner-up Branch of the Year: IMFO Western Cape – Chairperson Mbulelo Memani
- Most improved Branch of the Year: IMFO Swaziland – Chairperson Ruth Dube-Maziya

## PROGRAMME DIRECTORS



David Garegae



Paleti Marota

**Please remember to participate on our social media platforms.**

IMFO Twitter & Facebook accounts under the **#IMFO2016**



## SERVICE OFFERINGS

mSCOA | SALES | IMPLEMENTATION | TRAINING



### mSCOA ADD-ON MODULES

ADVANCED PROCUREMENT

VOUCHER MANAGEMENT

BRANCHES

FIXED ASSETS



MBPM

BUDGETING MODULE

SAGE PAY

GENERAL LEDGER

MUNICIPAL



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GAUTENG (HEAD OFFICE)  
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6 Smuts Drive  
Vorna Valley  
Midrand 1685

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[www.ccg.co.za](http://www.ccg.co.za)







Our dynamic incoming President, Mr. Krish Kumar, the CFO of the EtheKwini Municipality, will today deliver a powerful address and urge all treasury and chief financial officers to lead the way for their cities and public entities in the current economic climate. Mr. Kumar believes that after over 20 years of democracy, treasuries need to start adding more value. His focus will be to address the huge service delivery and economic challenges, and to build on the huge opportunities for growth. Some of the key strategic issues he will focus on, are:

#### Surviving the tough economic climate

Cities are regarded as the engines of growth in any economy. Globally and in South Africa, cities contribute about 80% of the national GDP. Accordingly, cities have a vital role to play in turning around the economy, attracting new investors, and creating the enabling environment for growth of existing businesses and the opening of new businesses. If South Africa is to grow as an economy, it needs to have a stable and predictable government which in turn will boost investor confidence.

The key question is how do we support business to unlock value? The key to unlocking growth is a spatial framework, transport plan, and housing plan. Experiences globally show that local delivery is more effective than national government delivery in terms of job creation. Municipalities need to make the right choices for optimal growth and improved productivity. Providing skills development to local communities to support local employers is also important. Economic clusters, nodal development and densification are critical in terms of the value chain.

Moreover, in the current economic climate, National Treasury has adopted an approach of fiscal consolidation, and accordingly, there is increasing pressure to make each Rand work smarter and stretch further. To do this, finance professionals and service leaders should not only focus on balancing the budget, but also on driving real and meaningful change. The key to doing this are financial resilience and doing more with less. In other words, as financial practitioners, we need to add more value through creativity and teamwork.

In addition, National Treasury, at the recent City Budget Forum, indicated that they will not be looking to approve any baseline increases for their own departments. They are actually looking to cut their line department budgets by 1% to 2%. Accordingly, National Treasury are suggesting an increased focus on value-for-money, growth of the economy and productivity. Therefore, municipalities need to also focus on value for money initiatives in the current economic climate. There needs to be a focus on economic development and job creation and enhanced productivity in terms of staff. The budget must be cut

and assets must be sweated. Ratepayers should get more bang for their buck.

#### Urbanisation

Rural-urban migration is a global trend and is one of the biggest challenges we face today in terms of its impact on service delivery backlogs. In South Africa 63% of the population are living in urban areas, with a projection of 70% by 2030. This problem is compounded by the fact that the current population growth rate is greater than the economic growth rate. It is critical that nationally we help develop an integrated urban development framework to assist municipalities better manage rural-urban migration. Furthermore, we need to develop a strategy for rural development. In other words, we need focus on holistic development. We cannot only focus on the 80% in urban areas; we also need to focus on the 20% in the rural economy.

#### Financial Sustainability and Viability

However, municipalities must not lose sight of getting the basics right. They need to focus on the following:

- Achieve a clean audit report
- Improve municipal credit ratings
- Produce a balanced budget
- Maintain a collection rate of over 95% to ensure liquidity and strong cash flow
- Pursue alternate sources of funding, such as a local business tax
- Achieve a balance with economic, social, rehabilitative and environmental spends
- Pursue the issue of unfunded mandates
- Borrow prudently taking into account the impact on tariff

## CFO's NEED TO LEAD THE WAY IN THE CURRENT ECONOMIC CLIMATE

By Krish Kumar

- increases
- Scrutinise costs on an ongoing basis and drive costing cutting and austerity measures, as well as productivity, return on investment and value for money

Spending patterns must be closely monitored and irregular expenditure reduced, as well as the use of s36 and s116(3) must be closely monitored. The above must be the key focus areas of accountants, internal auditors and risk officers in terms of where they can add value.

Good financial management is also linked to boosting growth in cities which helps public authorities and business in terms of potential public and private investments. Global city growth is dependent on certain fiscal conditions being in place for private and other forms of investment. Appropriate services to engage the local economy and build resilience are also important in realizing inclusive growth. Holistic approaches to such smart growth in global cities are intrinsically linked to good financial management. Public financial management plays a crucial role in attracting and promoting sustained economic investment into a local economy from both domestic and international investors. It also builds municipal financial resilience and sustainable development, promoting the effective and efficient delivery of basic services.

Continued on page 7



# RECOGNITION IS THE GREATEST MOTIVATOR

Once again, we have been recognised for our contribution to infrastructure development by Project Finance International, IJ Global and at Africa Utility Week Industry Awards.

- Middle East and Africa Wind Deal of the Year - Mainstream/Northern Cape
- Middle East and Africa Solar Deal of the Year - Ilanga 1
- Middle East and Africa Power Deal of the Year - Maamba Collieries

It is an honour for us to be recognised internationally as evidence of our commitment to project finance excellence. The DBSA is dedicated to playing an important role in developing South Africa and the broader continent and making the necessary change happen.

[www.dbsa.org](http://www.dbsa.org) • +27 11 313 3911



## Quote of the Day

*'Think simple' as my old master used to say - meaning reduce the whole of its parts into the simplest terms, getting back to first principles.* Frank Lloyd Wright

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7				5				
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Good public finance management also provides leaders, officials and investors with information for better decision making and it helps provide better targeted services. According to Caroline Al Beyerty, “good public finance management is also conducive to enhanced productivity, economic growth, higher levels of local revenue, and ensures that local, domestic and international taxpayers, funders and investors get a better return on their investment”.

### Triple Bottom Line

The impact of climate change has a very real long-term impact on the sustainability and viability of cities. Accordingly, municipalities need to commit to the triple bottom line and need to fund sustainable infrastructure projects. The cost-benefit analysis of projects must include the impact on the environment or an environmental impact assessment. Ultimately it is about reducing the carbon footprint and leaving a legacy that the next generation can be proud of in terms of the sustainability of the planet, the people, and finances. Cities have a huge role to play and offer a great platform to bring about change. With the Habitat III conference coming up later this month in Ecuador, it is opportune that South African municipalities appreciate the global challenges around climate change and that they develop strategies to ensure the long-term sustainability of our cities and entities.

### Technology & Innovation

Municipalities need to innovate in order to face up to the huge economic and service delivery challenges being experienced, and to mitigate risk. The use of technology must be optimised, especially customer-focused technologies and innovations. For example there are a number of opportunities in revenue management, such as e-mail and SMS billing. WIFI is also important in terms of connectivity and communicating with consumers. This will help empower people in terms of informing them and making them aware of issues that impact on them. This will help strengthen our democracy, public

participation and transparency, and may even help reduce the number of service delivery protests that the country has been experiencing. Technologies and innovations also improve productivity which can lead to lower staff costs, and better value for money. However, when doing the cost-benefit analysis of any project, the impact on the environment must be included.

### Skills Development & Capacity Building

The recruitment and retention of the next generation of leaders in the Treasury should not only be the job of Human Resources. The entire treasury should focus on developing the full potential of future finance officers, and not rely solely on the human resources department. Succession planning plays a crucial role in creating a sustainable organization. Municipalities need to ensure that the finance, auditing, risk and accounting professions remain attractive to younger people. Skills such as data interpretation and analytics for modeling service design, are becoming increasingly important. The future generation must be motivated and municipal officials must lead by example through their own sense of energy, resilience and optimism.

### Conclusion

**The continued support of all members and relevant role players and stakeholders on the above issues is crucial. There is a lot of work to do and together we can grow CIGFARO to new heights and add value to all members. We should leave a legacy that the next generation can be proud of.**



**sage**

# Your mSCOA Solution Partner

(RT25-2016 Panel Member)

**Sage Evolution and Sage HR & Payroll for your integrated mSCOA business processes**  
*Implemented by fellow panel members, OS Holdings and Camelsa Consulting Group.*

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- Budgeting for the full organogram
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or visit us at stand number 84.





2016/10/04 4:17 PM



Yusuf Aboojee – Senior Manager: Strategy & Special Projects – MBD

If done right, outsourcing of certain municipal functions can help to deliver better services for less. It allows municipal officials to shift their focus from hiring and managing of employees as well as the purchasing and maintaining of equipment, to measuring, managing and reporting on results achieved by employees. Furthermore, municipal officials can focus on ensuring that equipment is fully utilized. Most importantly, key areas of service delivery can be measured and managed. There are a number of municipalities that have benefited from outsourcing non-core functions to external service providers. In general municipalities face certain challenges, for which they could find outsourcing solutions. The following table outlines the two typical situations.

Obviously it is essential to first correctly identify the reasons for not meeting objectives. Management should ensure that the real problems, rather than symptoms are addressed. Once done, the procurement process should commence and the most cost effective service provider company should be identified. This process should be driven according to project management principles and practices.

***“Well,” said the woman, “you don’t know where you are or where you’re going. You have risen to where you are, due to a large quantity of hot air. You made a promise, which you’ve no idea how to keep, and you expect people beneath you to solve your problems. The fact is you are still in exactly the same position you were before we met, but now, somehow, it’s my bloody fault.”***



# Advancing municipalities and the communities they serve

## OUR SERVICES

### Skills Development

Developing skills of the South African workforce, helping to bridge the unemployment gap

•

### Centre of Excellence

Training site for municipal officers - focusing on mSCOA, GRAP, SebataEMS and ProMun

•

### Water Meter Reading and Audit

Assisting municipalities in enhancing revenue collection on water services

•

### Accounting and Professional Services

Assisting municipalities improve their readiness for financial year-end proceedings and clean audits

## OUR PARTNERS

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•

### Mubesko

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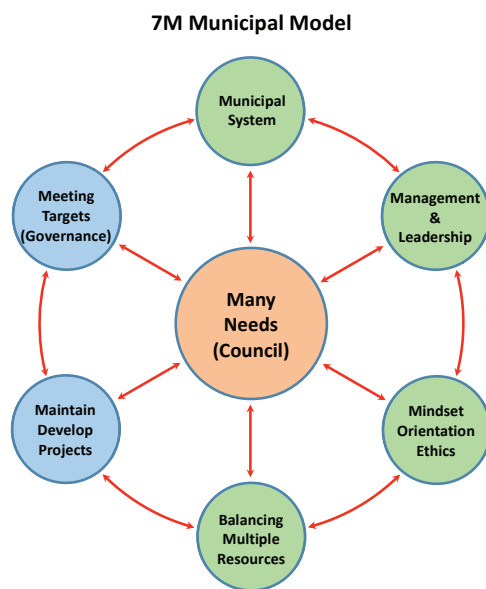


Sebata Municipal Solutions is one of South Africa's largest providers of integrated technologies to municipalities, public entities and provincial government





With the IMFO conference approaching its conclusion, we finalise the 7M model and address the last two elements, shown in the blue circles, required toward an integrated and functional municipal management process.



situations. It requires proven ability under real life circumstances. This is what is generally referred to as experience.

The main problem in gaining experience is that it is time and resource consuming, that it may be physically and financially risky and is often dangerous. So, while on-the-job training is generally recognised as the most effective form of training; it is more often than not impractical.

What then are the alternatives in developing people effectively using a fast-track approach? The answer is provided by the application of a number of proven accelerated learning techniques. Fundamental to these is the concept of experiential learning.

The ultimate form of experiential learning is through the use of simulation, a discipline developed largely in the systems engineering

- It can be a fun experience where participants enjoy and remember their learning

Simulated project training programmes can be conducted almost anywhere and are cost-effective in training managers. Project management training has the advantage that many different aspects of management and leadership can be incorporated into a programme.

A final reminder about any human development process comes from Peter Honey, who stated that: The end of learning is action, not knowledge.

The last circle refers to the meeting of targets and the governance required to ensure this. In the first article on day 1 of the conference, special mention was made of the role of municipal councils in ensuring that management is held accountable. Far too often in recent years, senior managers have received performance bonuses, in spite of relatively poor performance.

Part of the assessment of management performance deals with the effectiveness and efficiency of budgetary expenditure. The Auditor General's report clearly indicates what fruitless, wasteful and illegal expenditures have been made. A clean audit and one with no disclaimers is an indicator of effective performance.

However, there is a second, and perhaps more important side to the coin: The assessment of overall performance of the management team in terms of service delivery, meeting of developmental objectives and whether the municipality is changing, innovating and becoming more competitive in attracting investment.

**To conclude this article: The human mind, when it is open, is capable of infinite growth. When it is closed, it shrivels until ultimately it self-destructs. The open, positive mind can yield limitless wisdom and ingenuity. But the closed, shrinking mind produces nothing and fails in everything - Konosuke Matsushita, Japanese Industrialist.**

The primary function of municipalities is the delivery of service to the community. Arguably the biggest single contributor to satisfactory service delivery is a secure and stable supporting infrastructure (both hard and soft) that results from successful development and maintenance projects. However, the biggest single guarantor to success, is the competence of the people responsible for the actual delivery of these services.

Unfortunately, it seems that a lack of project management execution is one of the primary factors in current municipal service delivery problems. Fundamental to this is the lack of competence as discussed in yesterday's article "Managers, Mindsets and Balancing of Resources".

Transformation for whatever reason (be it the result of technological, political, or socio-economic change, evolution or reengineering) very often results in the degeneration or draining of skills. The regression in municipal performance over the last decades can largely be ascribed to this factor.

Emphasis on formal education, knowledge-based training programmes and even most skills development programmes, do not seem to provide the expected results in the short term. A solution that has gained extensive popularity in recent years entails the replacement of the human factor with technology. Unfortunately, this has often led to a further depletion and lowering of the competence base.

Competence can be defined as the ability to repeatedly produce effective results in real

environment. Most people are familiar with the use of flight simulators in aviation. Pilots learn to fly in a relatively risk free and low cost environment. Simulated training has proved to be the single most effective development technique in enhancing human performance in the shortest possible time and in a cost-effective manner.

Simulation fundamentally entails the replication of real life situations in a controlled environment that demand authentic responses from participants within compressed time frames. Cause-effect relationships, the forming of a holistic perspective and innovative decision making, are integral elements of this approach.

A simulated project can provide the opportunity for a holistic perspective over the complete life-cycle of a project as well its overall organisational impact.

Some of the advantages of a simulated learning programme in project management are:

- Based on a real-life-situation in a safe and controlled environment
- Focused on the ultimate objective within an organisational context
- Optimally utilising experiential learning principles and accommodating different learning styles
- Following the complete project life-cycle and providing measurable outcomes
- Providing for collaborative teamwork and individual involvement with extensive feedback
- Accommodating participants from

# Simulated learning and governance in municipalities

Peter Michel, Project Support Group

COMPETITION Sponsored by:

**Munsoft – Municipal Financial Software  
& ProSGro – Project Support Group**

For R2000: Answer the following question  
From Today's Newspaper:

***“What ten letter word (starting with S) is an effective method through which project management skills can be developed rapidly?”***

Answer: .....

Name .....

Municipality .....

Please place entry in Box 3 at the CIGFARO  
Stand in the Exhibition Hall before 10 am  
on 5 October 2016



# What does it take to be a great municipal CFO?

KPMG has conducted a global study, **View from the Top** that highlights the necessary acumen required for municipal CFOs to meet sector and industry requirements and standards.

[kpmg.com/za/industries/government-public-sector](http://kpmg.com/za/industries/government-public-sector)

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# Doing small things right

Professor André de Villiers

We all love talking big concepts like setting tight municipal budgets, limiting expenditure and meeting austerity measures set by National Treasury. Do these remain merely nice words?

The reality is that when there is a threat that a government cannot honour its debt obligations, austerity measures become imperative. It all starts with getting the mindset of managers and staff in a municipality right. Yesterday's paper referred to mindsets and memes.

A brief interview with Bharthie Ranchoddas, Corporate Executive for Finance at EThekweni City Council, really highlights how the mindset of austerity should be established.

Starting with the EThekweni Council, where a firm decision was adopted that the National Treasury Circular on austerity measures must be implemented in full spirit and down to the letter.

Every head of department and senior manager was given a clear instruction on the do's and don'ts. Starting with the simple daily practice of drinking morning coffee or tea. It would not be an automatic benefit of staff to have free coffees and teas. Small clubs were thus started and funded by staff.

On the theme of conferences. CIGFARO's annual conference is a very costly event for a municipality. Total cost per delegate could easily top R20 000 when travelling to other cities. Applying a cost/benefit analysis might well show that sending a large delegation is no longer warranted. EThekweni made a decision that the number of delegates attending any conference or training session will be significantly cut. Those attending must report back and transfer the knowledge gained.

Expenditure on refreshments have been curtailed with a maximum amount of R75 to be spent in exceptional cases. No alcohol may be served.

In future the cost of hiring sound equipment for schools, sports and arts events will be carefully scrutinised. Limited capital expenditure on buying such equipment may far be less than the cost of hiring in for every event. In parks rain water harvesting will be done. The expenditure on stray animals and the use of SPCA facilities will be carefully scrutinised before the grant is approved.

The following quotation proves that it is about the mindset: **"Austerity is not a short term disruption to balance the books. It is the demolition of our welfare state (Anon)".**

It is plainly a case of doing more with less...

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## CHOPPER TECH

Chopper Technologies (Chopper Tech) is a South African based company providing customized electronic solutions which include the following:

- Product Design
- Product Manufacturing
- Product Testing
- Production of Product
- Monitoring and after Sale Support

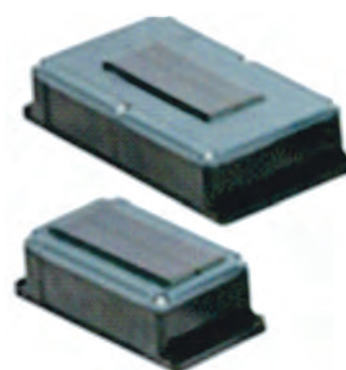
Our success comes from our vast knowledge and ability to fully immerse ourselves in our client's unique electronic and/or data supply needs.

Chopper Tech is proud to hold a prestigious Level 2 BBEEE status.

**Our Service Portfolio includes but isn't limited to:**

- Research & Development of electronic monitoring equipment to facilitate real time data transfer for the Department of Water Affairs for the past 12 years.
- Development of complicated power supply systems.
- Several projects for South African National Defence Force (SANDF)

## Product Profile



### Level Quality Camera

LQC's (Level Quality Cameras or bulk meters) are able to monitor water flow/ level and quality from

#### Dam to Reservoir to Domestic Meters

These LQC'S will report anomalies to a control center via GSM/ Satellite/ Radio (i.e. water loss, water theft, burst pipes). This is ideally suited to save costs where measuring stations are out of reach of the LQC unit, but within the radio range.

## Smart Water Meter

Smart Water Meter which is able to monitor flow of water as well control water flow from a central location using GSM/ Satellite / Radio networks. The meter allows for two way communication ensuring complete control and management in the following ways:

- Accurate Billing in real time.
- Dispenses Government allocation of 6 kilo liters (South African allocation) per customer thereafter moving to trickle flow and is prepaid ready.
- Customer can chose to purchase further allocation.
- Can change daily allocation during crises and has the ability to carry over.
- Battery powered,
- Extended battery life,
- Easily replaceable battery,
- Water tight,
- Controls the restrictor valve,
- Performs real time water metering,
- Two way communication with the Control Centre,
- Any tampering of the valve system will result in the valve shutting off access.
- IP65 and IP68 compliant.
- NRCS Type approved No. 1527 and tested in terms of SANS 10378:2012.
- Radio system has ACASA approval.



# Partnering with public sector to move South Africa forward.



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## Addressing Unaffordability of Services & Communication at Municipalities

Yusuf Aboojee – Senior Manager:  
Strategy and Special Projects - MBD

Amongst the many key points made during Deputy Mayor of EThekweni Metropolitan Municipality, Fawzia Peer's opening address, two stood out clearly. Firstly, the unaffordability of services and secondly the need for more effective communication between the municipality and the community being served.

On unaffordability of services, the Deputy Mayor mentioned that all tariffs must be cost reflective and realistic in terms of providing a reasonable level of service. At the outset, service delivery is one of the key mandates of the South African Government. Furthermore, the Constitution of the Republic of South Africa clearly states that all consumers are entitled to efficient and effective services. Municipalities need to recover the costs for providing services so they can remain sustainable in the long run. These relate to costs associated with supplying a service and include the initial infrastructure costs, the operating costs and the maintenance costs.

However, recouping a cost is easier said than done. There are some municipalities that are good at collection, EThekweni has collection rates of over 100%, while rural municipalities struggle with much lower collection rates. Unaffordability is among the major reasons for non-payment along with unemployment and disputes. If one looks at the current breakdown of what South Africans spend their salary on, it provides an interesting picture:

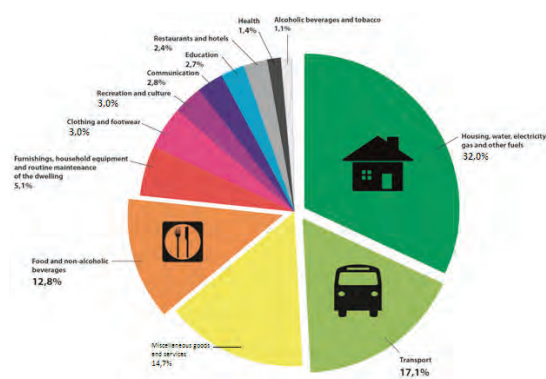


Figure 1: Source: STATS SA

The figure above obviously refers to an average household, if there is such one. We know that poor households spend much more, percentage wise on food, whilst higher income households spend more on housing and cars.

Any change in the price of services will have a direct effect on the already shrinking disposable incomes of most households. With the majority of an individual's salary going towards a home and utilities, municipalities need to consider that any price increases may result in non-payment. Municipalities need to also ensure that they price services correctly and that tariff structures are reflective of the income demographic of their constituency. Furthermore, municipalities must negotiate pricing with suppliers through bulk purchases.

The Deputy Mayor, stated that consumers want to have access to all mediums of communication available in order to interact and or pay bills. With the majority of municipalities not having proper communication strategies and no proper query logging in place, it is no wonder there is a disconnect between the municipalities and their customers.

The key to success is a well notified customer, which is only possible when communication is effective. **Informed customers make informed decisions.** Customers that are able to log faults using other media besides telephones and able to track the status of queries will become happier and will become better paying customers. Customers who can also view account information and make payments using all types of media will also become better payers.

A recent pilot project showed that a certain municipality did not have a payment accepting process at one building and always requested the customer go to another building some distance away to make payment. Approximately 50% of the individuals that left the building never went to the next building to make payment, resulting in a loss of revenue. The inconvenience factor may have been too high.

It is therefore evident that municipalities need to ensure that they explore all methods of communication as well as the convenience factor. **Municipalities need to be customer oriented if they want accounts to be paid.**

[www.bytes.co.za](http://www.bytes.co.za)



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# Gala Dinner



# Competition



- Starts 2 Oct at 10:00
- Ends 5 Oct at 10:00

## PRIZE DRAW ON 5 OCT AT MOTIVATIONAL SPEAKER SESSION

This is yet another initiative from IMFO to improve the value IMFO delivers to its exhibitors. The objective is to attract delegates to participating stands, plenary sessions and to read the daily IMFO Newspaper.

The ultimate vision is to offer an opportunity for all exhibitors to participate in the competition. This competition is run as a pilot in 2016, with only the major sponsors and stakeholders.

### Organisations participating this year



### In summary the process will be as follows:

1. Visit and enter the competition with your mobile number at any of the stands of the participating Exhibitors ( IMFO, AGSA, CCG, RUMAS and SEBATA).
2. Each participating Exhibitor's questionnaire will have about five questions with possible answers – please note that it has either a single or multiple correct answers. You are encouraged to enter into a discussion with the exhibitor representatives for the correct answers.
3. Upon completion of the questionnaire, contestants will receive a SMS informing them to which stand to proceed to next. This will continue until the contestants have completed the questionnaires of all 5 participating Exhibitors. You will receive a sms confirming your completion of the questionnaires. (You should complete these 5 questionnaires by 17:00 on 3 Oct 2016 (day 2) of the conference.
4. On day 3 of the Conference contestants must visit any one of the participating Exhibitor's stands to complete the final questionnaire (focused on IMFO related matters). You will receive a sms reminding you to complete the final questionnaire.
5. Once all these questionnaires are completed, eligible contestants will be considered for the prize.
6. Final price draw will be at the Motivational Speaker session on 5 Oct 2016 by the IMFO President.

### Further details about the competition rules

1. The competition is open to all IMFO registered delegates
2. No director, employee, agent or consultant of participating Exhibitors, their spouses, life partners, business partners or immediate family members, or the supplier of goods and services in connection with this competition may participate.
3. By entering this competition each entrant acknowledges that he/she has read the rules applicable to this competition and agrees to be bound thereby.
4. The entrant is reminded that their submissions may be used by participating Exhibitors in contacting the entrants subsequent to the IMFO Conference.
5. Eligible winners are contestants who visited all stands, completed all the questions on all the questionnaires correctly and did so within the allowed time.
6. Multiple entries will be disqualified.
7. IMFO is not liable for the failure of any technical element relating to this competition that may result in an entry not being successfully submitted.
8. The winner must collect his/her prize in person. Should he/she not be present, a runner up will be drawn from eligible winners by the organisers.
9. Winners must identify themselves by means of an ID document or other acceptable identification means and confirm receipt of their prize.
10. The judges' decision will be final and binding and no correspondence will be entered into.