



# CIGFARO

Chartered Institute of Government Finance, Audit and Risk Officers

JOURNAL

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# 8

**“ETHICALLY  
ACTIVE”**

Jackson Ngcelwane

**16** Municipalities vs Eskom's tariffs

**18** CIGFARO VIRTUAL CONFERENCE  
2020



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## Greeting Colleagues

We meet again in these uncertain times. What a ride 2020 has been for all of us. A year ago, everything was so different. We were at Durban ICC attending the 90<sup>th</sup> CIGFARO annual conference. Looking back, had we known what 2020 has in store for us – things would have been so different, I assume.

Due to the unfortunate pandemic this year – we are unable to meet as usual for our annual conference. Our government in March declared South Africa on National State of disaster due to the pandemic and has since been on lockdown with very strict regulations that we must follow.

One of the regulations included the limitations to all forms of gathering, hence we find ourselves going with the new norm of hosting conferences. This year for the very first time, our annual conference will be hosted virtually under the **COVID-19 QUO VADIS** theme, we will have 15 sessions, 3 sessions on each day from the 19-23 October 2020. Each session will be dealing with its own topic for a full 2 hours.

We have included the CIGFARO Virtual Conference on page 18. Our theme for this Journal issue “Ethically Active” and on page 8 we have one of our Board Member Jackson Ngcelwane who writes about what it means to be ethically active as a CIGFARO member. We also have an interesting article from our host sponsor - Ntiyiso Consulting, written by Miyelani Holeni focusing on “Data - the new oil of the 21<sup>st</sup> century”.

We would like to express our gratitude to all our sponsors for the virtual conference, we appreciate the continued support. Our Host sponsor - Ntiyiso Consulting and Platinum sponsor – CCG Systems, we appreciate the relationship we have built over the years and we hope that we can only grow stronger from here.

To our delegates who have been supporting us throughout the years, we take note that this year has not been easy and we appreciate the loyal support, though we may not be able to meet as per usual this year but we hope that the same spirit that we have given over the years will be felt this year as well as we connect from our different connecting points.

**Welcome to the first 2020 CIGFARO Virtual Conference.**

#CIGFARO2020Virtual  
#VirtualConference2020

*Ciao!*

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## JOURNAL THEME: Ethically Active

### Dear Members and Colleagues

I have read some time ago a very interesting slogan on Social Media, those of you who are familiar with social media might have also seen it and it goes like this "This year 2020 contains a virus and we need to reformat and reload it" It has certainly some meaning for us in the sense that we are still in the midst of the COVID-19 pandemic and we have seen the increases in positive COVID-19 cases but also the devastating deaths it caused as result. My prayers go out to those of you who have lost loved ones or friends during this time.

When we go on a journey to highlight our Ethical behaviour it is with a view to put emphasis on our toxic environment, we are currently operating in. When we look at the report of the Auditor General on Municipalities, we see there is a deterioration in the audit outcomes for Municipalities and the Public Sector in general. The number and value of Irregular, Fruitless and Wasteful expenditure has increased over the spectrum for the public sector, and unless we are serious in bringing this to an end it will continue to increase in the future.

Ethical behaviour go hand in hand with integrity and it is always notable that where people act with integrity that the presence of unethical behaviour is far less than other public sector organisations and or departments. South Africa now needs a group of leaders who know what it means to manage and direct the ship on course through ethical behaviour and with integrity.

Martin Luther King Jr. said, "the time is always right to do what is right", this is the attitude that all of us should apply and live by. I encourage you to go through this edition of the Journal and apply the principles discussed as a lifelong maxim. 

**PEET DU PLESSIS**  
**CIGFARO PRESIDENT**



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### “There is light at the end of the tunnel”

We are entering a season of hope. The Medical Experts have advised the nation that the Corona Virus thrives under cold weather hence the infection rate increases at an alarming rate during that climate season. It is no longer newsworthy to inform people about the detrimental effects of this Covid 19 pandemic, on all spheres of life.

We at CIGFARO, do convey our sincere condolences to all families that have suffered great losses due to this virus. There are CIGFARO Members who have lost their loved ones, have been infected and some losing their jobs whilst being breadwinners. Some are now earning a much lesser salary which has deflated their motivation levels. Creditors are always calling

making requests for payment and/or rescheduling of loans. This is a great loss and difficult moments for the entire CIGFARO Family. We do feel the brunt, directly so.

The new season is now painting a picture of a drop in new virus infection cases as well as an improvement in the recovery rate. The cold weather is also fading away making way for the hot weather which will assist in the fight against this monster virus. There is reported progress, even though not at the desired space, on the trial testing of the much awaited vaccine. **“We’re not giving up. How could we! Even though on the outside it often looks like things are falling apart on us, on the inside, where God is making new life, not a day goes by without his unfolding grace. These hard times are small potatoes compared to the coming times, the lavish celebration prepared for us. There’s far more here than meets the eye. The things we see now are here today, gone tomorrow. But the things we can’t see now will last forever.”** (2 Corinthians 4: 16-18 MSG).

The other side of the painted picture is the accelerated introduction of innovation and creativity now commonly referred to as **“the new normal”**. The 4<sup>th</sup> industrial Revolution (4IR) imperatives are now to be implemented at a much faster pace to mitigate the unavoidable risks we are faced with. The sunrays are beginning to shine a bit at the end of the dark Covid 19 tunnel we have been confined to. We now have to follow in the footsteps of the late John F. Kennedy, when during the years of 1962 he popularised the great proverb; **“Remain hopeful: there’s always something good and useful after a long period of hardship and despair.”**

**We Shall Overcome Someday!**

**ABBEY TLALETSI**  
**CIGFARO CEO**

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## To be “ethically active” as CIGFARO members by Jackson Ngcelwane, CIGFARO Board member



I'm certain that you will agree that, as most of us are employed by various spheres of government, whether it is local / provincial / national or their entities, our main Agenda is one, i.e. Serving the Public with diligence and respect. We are the “servants” of our communities, regardless of colour, creed, status in society, political affiliation, etc.

I'm also certain that you will agree that the institute is our pride and our brand that we represent wherever we go, as members. As honoured members of the institute we are expected to act ethically wherever we are and on whatever we do, be it representing our families, employers, churches, communities, the institute, etc.

In my view “ethics” are about the moral principles that govern a person's behaviour or how the person conducts him or herself on a daily basis. Ethics are critically important in our daily lives, as they are like mirrors against our walls that we utilise to keep checking how smart we are. Ethics are a critical subject that should be taught from primary school level so that, at a young age, we all

learn to understand or differentiate the right from wrong. Ethics are concerned with the kinds of values and morals an individual or a society finds desirable or appropriate.

As the majority of us are practitioners in Local Government, we understand that this sphere of government is highly regulated. The regulatory framework that we operate under is aimed at successfully promoting “ethical behaviour”. There are many examples that one can cite, however, I would mention only two important examples quoting from the Municipal Finance Management Act (56 of 2003), (i.e. Section 78(1)(c) and 171(2)(d)).

Section 78(1)(c) of the MFMA forbids us not to create any expenditure that may be classified as unauthorised, irregular, fruitless and wasteful. That simply tells you to please ensure that you apply due diligence when approving an expenditure, whether you are an Accountant, Director, Chief Financial Officer, etc. you have an ethical responsibility, as you are handling “public finances”. Remember that there are consequences for your failure.

In my view “ethics” are about the moral principles that govern a person’s behaviour or how the person conducts him or herself on a daily basis. Ethics are critically important in our daily lives, as they are like mirrors against our walls that we utilise to keep checking how smart we are.

Section 171(2)(d) goes further to even state that, as a Chief Financial Officer, it is an offence to provide misleading documents deliberately to an accounting officer just to “save your skin”. Lessons to learn herein is that, “Though shalt not commit lies as that is unethical”.

At times we fall into a trap of acting unethically with an intention to be “rewarded” in one way or another and in the process we get compromised. Imagine a situation where you are appointed in a position resulting from the deals made with those in charge of the recruitment and selection process. You must always remember that, as soon as you are appointed in that position you will be expected to “pay-back” or deliver the promised agenda. Your inability to deliver, “rightly or wrongly”, results to your isolation or being targeted. The lesson to learn herein is “Never allow anyone to stage a toyi-toyi on your behalf for your appointment, prepare yourself for an interview and market yourself to the best of your ability”. With that approach in mind, I guarantee that you will have peaceful nights or “sleep like a baby”.

As members of the institute I encourage you to always act ethically, and avoid our names being thrown in the dust. We must be able to differentiate between what is “right and wrong”, and avoid situations where you continuously cut corners in order to succeed, as that has a potential of compromising your good name. Let us be men and women of integrity that, at all times, promote ethical leadership. As we all know “Integrity is not something you show others, but is how you behave behind other people’s backs”.

As the current generation of members of CIGFARO, let us continue to build a lasting legacy for the next generation or cadre-ship to come. As the late Mr Mandela stated “What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead”.

Let us all continue to bring light in all the corners that we are in, regardless of the current state of COVID-19 pandemic. We are indeed in this together, so “Ethically speaking let us all be Ethically Active”. **C**



SALGA coordinated a training on oversight role which should be played by various councillors serving in the finance portfolio on the 24th of August 2020, the latter was informed by the roll out of the MSCOA implementation in 2017, to check and assess if various committees, designated to oversee the MSCOA responsibilities are functional. The workshop facilitated by National Treasury had 106 delegates from Gauteng and Western Cape municipalities, National and Provincial Treasuries, Public Affairs Research Institution (PARI) and Ndalo Risk Management Company.

MSCOA was introduced as a tool to ensure that municipalities are able to work together and also to learn from each other. In the past, the local government sphere had numerous financial systems which were utilised by respective municipalities and information sharing or skills transfer could not be applied, as municipalities would experience different challenges which needed different solutions, hence National Treasury saw a need to standardise the financial systems for uniformity purposes. Councillors were advised that municipal financial systems should not be replaced without a due diligence of Information Communication and Technology (ICT) and proper

evidence that shows a need for replacement, furthermore to that, municipalities were also advised that the power of MSCOA is based on the monitoring of municipal budgets and project management. Based on the performance report reflected by National Treasury on both provinces, the following were noted as common challenges which could be addressed by political leadership:

- Inadequate ICT infrastructure to support and enable mSCOA implementation
- Inadequate budget to purchase all modules of the financial system which impacted on the municipality's ability to achieve the seamless integration of sub-systems to mSCOA
- Municipalities still utilising their legacy systems, despite purchasing a new financial system and paying service and licencing fees to a new system provider. This is wasteful expenditure and some of the legacy systems are not even in existence anymore and therefore not meeting the mSCOA requirements
- Some municipalities are not doing their part (e.g. data cleansing, testing version changes, capturing transactions, etc.) which causes delays and impacts on system implementation
- Municipalities insist on integration of 3<sup>rd</sup> party systems that were not included in the tender specifications – impact on customisation of financial systems
- Further change management is required as mSCOA has not been fully embraced as yet and is still seen as a finance reform and not a business reform
- Non-payment of vendors by municipalities, resulting in support services (i.e. not access to the actual financial system) being suspended by the vendor until payment has been received
- Concerning is the number of municipalities that change financial systems with significant cost implications without the necessary due diligence

Lessons to be pocketed by Gauteng and Western Cape municipalities in their respective Councils:

- Municipalities should resuscitate the MSCOA committees within their respective council with the objective of assessing and reviewing compliance related matters within the seven (7) MSCOA segments.

- There is a need to introduce change management in the planning, budgeting, procurement and implementation process to be aligned to MSCOA requirements.
- Internal Controls should be put in place to hold both administration and political leadership accountable through the application of consequence management.
- Municipalities should ensure that there is value for money by assessing the quality of the product or project rendered in their respective municipalities within its core mandate of service delivery as per the approved SDBIP.
- National Treasury should develop a customised MSCOA guideline or a booklet for Councillors, which would be used as a tool to monitor the roll out of MSCOA requirements within their respective councils.

The three panellist that comprised of Mr Nkosinathi September (SALGA), Mr Zolani Zonyani (Gauteng Provincial Treasury) and Mr Mtutuzeli Buwa in their respective contributions made reference on strengthening the oversight role of councillor in the mSCOA process, importance of due diligence in monitoring the operational efficiency, effectiveness and economic use of municipal resources and further advised that councillors have to develop professional working relationship with other assurance bodies that includes Internal Audit committee and Audit Committee to strengthen Internal controls

In her closing remarks, Dr Tracy Ledger from PARI emphasised that most municipalities are under financial distress and Covid 19 made it worse, therefore it is imperative for councillors to tighten their oversight role and not tick a box for compliance purposes. She further elaborated that MSCOA was designed to promote value for money, therefore there is a need for finance councillors to go back to basics in applying the constitutional obligations (Batho Pele principles), by ensuring that citizens are provided with quality service at the affordable rate (social wage). 

## Data is the new Oil of the 21<sup>st</sup> Century

by Miyelani Holeni, Ntiyiso Consulting

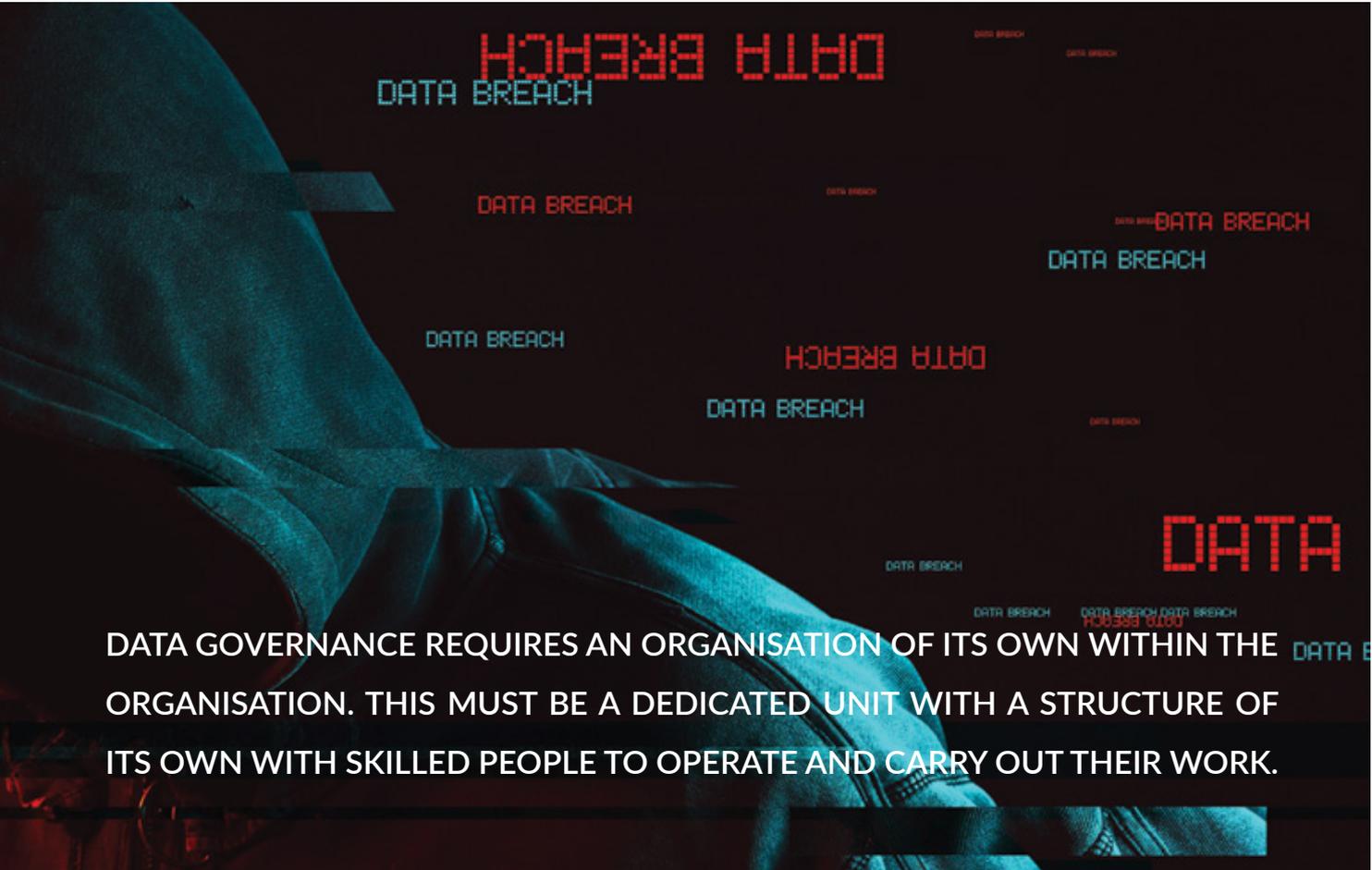


On the 19<sup>th</sup> of August 2020, Business Insider SA reported that "personal details of 24 million South Africans may have been hacked after an attack on a credit bureau". This is a staggering act of theft of data of millions of economically active consumers whose personal data is now in the hands of possible fraudsters who may use this data to scam companies and individuals. This has brought panic into the financial and banking sector, but the impact of this will be felt across the entire economy. A myriad of questions can be asked of Experian, the credit bureau that suffered this breach but fundamentally, there is one question that requires an answer. The question is...what are data management practices, principles or ethos used by this organisation or for that matter any other organisation? What is emerging from this recent breach of data security is that organisations require a data governance framework to be implemented.

To put this into context, for institutions that are considered to be well run, good governance is in the centre of the leadership and management ethos. The same goes for institutions that understand

the value of data; they possess a visible and unapologetic ethos of managing data in a methodical manner. Managing data in a proper manner has thus borrowed similar principles used to manage an entire organisation. Isaac Sacolick who runs a successful data management firm describes data governance as a methodical way of addressing risk and as a platform to drive alignment and new capabilities. These principles imply that there's a lot more to data management and data governance in the melting pot of these practices.

Data governance requires three key elements in the form of people who work on the data, processes for managing the data and technology for storing the data. It is within the three key elements that eight key items that make up data governance are located. Data governance is constituted by these key items that must exist and work alongside people, processes and technology within an organisation. Firstly, data governance requires an organisation of its own within the organisation. This must be a dedicated unit with a structure of its own with skilled people to operate and



DATA GOVERNANCE REQUIRES AN ORGANISATION OF ITS OWN WITHIN THE ORGANISATION. THIS MUST BE A DEDICATED UNIT WITH A STRUCTURE OF ITS OWN WITH SKILLED PEOPLE TO OPERATE AND CARRY OUT THEIR WORK.

carry out their work. Secondly, data policies must be drafted and implemented fully. These policies will address processes such as the creation, capturing, analysing, transforming, deploying, storing, retrieving and sharing of data. The third item is that data must be stored in an organised manner to facilitate access, it must be catalogued. A catalogue of data, be it a file structure in the format of a tree structure or data architecture diagrams is useful to developers and database managers who will maintain the data accordingly.

It goes without saying that data should not be captured for the sake of just storing it, thus it must be arranged such that it can be analysed easily by users. The fourth item is that data requires proper definitions and descriptions that lends themselves to being user friendly but protected from external forces. Most organisations rely on "traditional" methods of sourcing data and this is driven by the actions of the customer opening an account, sending a query etc. Most organisation have not yet come into the realization that additional data must be sourced to help them

understand the customer, services that customers may require etc. A clear, coherent policy and strategy of sourcing of data to enrich existing data sets is the fifth critical factor that helps with providing context to data and to reveal hidden patterns.

Data quality is the sixth item in data governance and happens to be the most visible of the items. Data quality is an indicator of the state of the data and will indicate to the user whether the data is usable or not. Typical examples of poor data quality manifest when a member of staff captures data and omits a digit, or misspell a name or surname or capture a name in a field for surname etc. At this stage, it is already too late to influence the quality of data as it has already been captured. Data cleansing is often applied as a panacea to solving poor data quality problems! While it is useful to undertake this exercise, it must not be done in isolation. This must be fixed at the source where data was captured, in fact data structures may need to be redefined and validation rules be applied to facilitate a methodical process of capturing the data correctly and in full. A data cleansing project starts with defining

Data is the new Oil of the 21<sup>st</sup> Century *continued...*  
by Miyelani Holeni, Ntiyiso Consulting



the master data required by the organisation, the policy to espouse the formats and the system to be configured to take in the data with validation of the correctness of the data.

The seventh and eighth items are twins as they work together towards harmonizing the workings and securing the data. Data operations is about providing the tools, processes and organisational structures to support the management of data. While data security is about securing the data by defining profiles of people who can access the data that they require to do their work and to prevent unauthorised people from accessing any aspects of the data. Caution must be raised that the field of data management is becoming complex but, it can be overcome by following key principles. It is easy to accumulate data and store it until it is overwhelming and simply an overload. Data must be used to derive insights that are hidden to the "naked eye". The more the data, the better it is to derive trends and insights.

Data has shifted from being in the domain of clerical or administrative people and it has certainly moved from the information and management department to the whole organisation. Today we have new positions that are coming up in order to manage data, such as Data Analysts, Data Architects, the latest being Data Scientists. New fields are developing such as big data and are adding to the many fields such as data warehousing, analytics, mining and others. The "holy grail" of managing data remains the people, the processes in the form of policies and procedures and the technology that hosts the capturing, storage and retrieval of data. Managing data requires a culture, a mindset and principles that roll together to form a data governance framework.

Organisations now have a new asset class, **"Personal data is the new oil of the Internet and the new currency of the digital world."** Data for personal, product, service, and even compliance is now an important item within organisations, and it is standing out as an asset, an intangible asset class of value. **C**

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## Municipalities vs Eskom's tariffs

by Antoinette Slabbert



Although the National Energy Regulator (Nersa) changed their mind in June, it still wants to bring the tariffs that municipal end consumers pay for power in line with the much lower Eskom retail tariffs.

Municipalities welcome the standardization but believe that Eskom should increase its lower tariffs to the level of the municipal tariffs, rather than the municipalities lowering their tariffs to those of Eskom.

Rapport reported earlier that the price consumers pay for electricity varies greatly between Eskom distribution areas and municipalities. This often plays a big role in where industries are established.

A large factory that works day and night for five days a week and would pay R44,5 million for power purchased directly from Eskom but will pay more than R64 million for the same power to City Power in Johannesburg. In Cape Town it costs R54,4 million

(without incentives), in Tshwane R52,7 million and in Nelson Mandela Bay R47,4 million, says David Mertens of the Nelson Mandela Bay business chamber.

According to Eric Bott, director of Green Energy Management Solutions, households in Soweto who buy power from Johannesburg's City Power pay about 25% more than their neighbours, who get it directly from Eskom. Eskom's tariffs, as determined by the Electricity Regulation Act, are based on the cost of its efficient operations plus a reasonable profit. This provision also applies to municipalities, but Nersa has so far not actually enforced it.

Although Nersa has annually provided in its guidelines a recommended tariff band for each category of consumers and municipalities had to explain nicely if they deviate from it, municipalities have so far paid little attention to the task of conducting careful cost studies. While not actually permissible, municipalities use revenue from power sales to subsidize other



Municipalities are currently lacking revenue from power sales that could enable them to refurbish infrastructure because industries would rather settle in an Eskom distribution area.

services. According to Mertens, the Chamber of Commerce believes that municipal power tariffs rarely have a rational basis.

Earlier this year, Nersa's plan was to use the Eskom tariffs, which are based on cost studies, as the upper limit for the recommended tariff bands, and to force municipalities that object to them to determine the true cost of their power supply. The aim was to protect consumers from excessive power tariffs and ensure a competitive electricity market in the light of plans to unbundle Eskom into separate power generation, transmission and distribution companies.

In the reasons for its final decision on the guidelines, Nersa says it had to abandon these plans for the time being because there was too little time between its decision on 29 April and the implementation of the new tariffs on 1 July to make the structural changes and to adjust accounting systems.

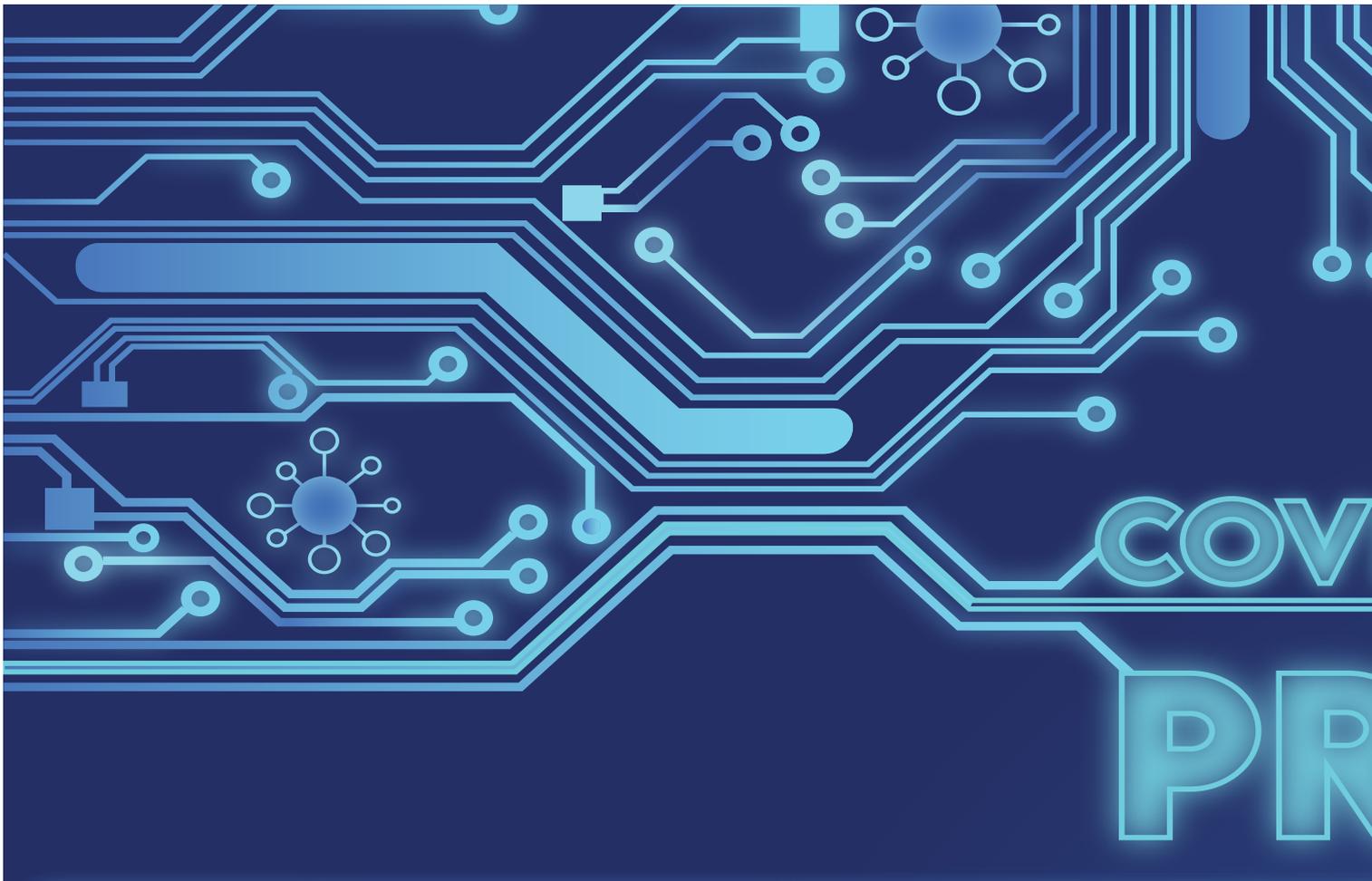
Peet du Plessis, Head of the Revenue Management Unit of the Chartered Institute of Government Finance Audit and Risk

Officers (CIGFARO), welcomes Nersa's plans to close the gap between Eskom and municipal retail tariffs.

He says the underlying problem, however, is that municipalities have the constitutional right to distribute power in their areas and set tariffs. Any service provider that provides municipal services must enter into a service level agreement with the municipalities, which will determine the tariffs and standards. Eskom refuses.

This position is also supported by the municipal association SALGA. Du Plessis says this is the issue that Nersa needs to focus on. CIGFARO believes that each municipality's situation is unique, and they should be able to determine their own power tariffs without Nersa supervision. If Eskom does now want to sign the service level agreements, it must abandon power distribution and leave it to the municipality, says Du Plessis. Municipalities are currently lacking revenue from power sales that could enable them to refurbish infrastructure because industries would rather settle in an Eskom distribution area. [C](#)

*This article was first published in Afrikaans in Rapport newspaper on August 30, 2020.*



TIME	MONDAY 19	TUESDAY 20	WEDNESDAY 21
<b>08:30 – 10:30</b>	<ul style="list-style-type: none"> <li>•Opening of the Virtual Conference and</li> <li>•Keynote Speaker</li> </ul>	Assets - Mitigating asset management risks for sustainable service delivery	Revenue - Maintaining sustainable service delivery
<b>11:00 – 13:00</b>	Revenue Collection recovery after COVID	Compliance - Legal Compliance in a post COVID-19 environment – what applies?	4IR - Strategic Sector
<b>14:00 – 16:00</b>	SCM strategies for efficient service delivery post COVID-19	Audit & Risk - Internal Audit Risk Based Focus for the COVID-19 Recovery period	SCM - Surviving the COVID-19 from

# CIGFARO

## VIRTUAL EXPERIENCE

### 19-23 OCTOBER 2020

## COVID-19 QUO VADIS

## PROGRAM



### WEDNESDAY 21

Revenue - How to  
maintain Financial  
Sustainability and  
providing customer relief

Technologically Savvy  
Strategies for the Public  
Sector

COVID-19  
Recovery – how to deal with  
challenges remaining  
from the Lockdown period

### THURSDAY 22

Assets - Roadmap to  
Lifecycle approach for  
managing local  
government assets

Audit & Risk - Risk Manage-  
ment strategies that miti-  
gate the impact of COVID-19

SCM - 'Cyber-smarts' for SCM  
practitioners – the future of  
SCM with virtual meetings,  
e-procurement processes  
and related 4IR advances

### FRIDAY 23

Revenue - Zero Based  
Budgeting and/or tariff  
Model review

Assets - Alignment of  
Finance & Engineering  
Outcomes for effective &  
efficient service delivery

4IR - Practical productivity  
and performance  
management incorporating  
4IR advances



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# STEP UP LEVEL MIGRATE



## NEW DESIGNATIONS

Email us: [membership@cigfaro.co.za](mailto:membership@cigfaro.co.za) | Call us: +27 11 394 0879 | Visit: [www.cigfaro.co.za](http://www.cigfaro.co.za)



@CIGFARO\_editor



CIGFARO

**Dear member,** as you are aware CIGFARO Professionalised their membership designation as follows:

## PREVIOUSLY

Student (SIMFO)

Junior (JIMFO)

Licentiate (LIMFO)

Associate (AIMFO)

Senior Associate (SAIMFO)

General (GIMFO)

## NEW

Student (Student-CIGFARO)

Registered Government Finance Practitioner (RGFP)

Registered Government Internal Auditor (RGIA)

Registered Government Risk Practitioner (RGRP)

Registered Government Finance Technician (RGFT)

Registered Government Internal Audit Technician (RGAT)

Registered Government Risk Technician (RGRT)

Professional Government Finance Officer (PGFO)

Professional Government Internal Auditor (PGIA)

Professional Government Risk Officer (PGRO)

Chartered Government Finance Officer (CGFO)

Affiliate (Affiliate-CIGFARO)

At the Annual General Meeting which was held on 7 October 2019 it was announced that we will close the window period for migration at the end of October 2019, the institute however extended the period to the Financial Year-End being 31 March 2020 to allow Members to pay their Membership fees and submit the necessary documentation for migration;

1

Migration Application

2

Signed Code of Conduct

3

Updated CV



Members who have not complied with the window period will be terminated as members of the Institute.

**For more information** please contact the Membership Department on 011-394-0879  
or email: [membership@cigfaro.co.za](mailto:membership@cigfaro.co.za)

# Invite the CRF to your New Member Inductions

We are present in all 9 provinces and the largest and fastest growing local government fund in South Africa. We welcome all local government officials and councillors nationwide.

**Risk Assessment** – Do the funds available to your employees fulfil the following criteria – if not, it may be time for you to enter a new era of excellence.

## Does your Fund offer retirement solutions to all your employees and Councillors?

Once members join the CRF, they want to stay for life. We therefore introduced annuity options at retirement which enable our members to stay at the Fund they trust when they retire. We offer three annuity options: An In-fund Pension option, an In-Fund Living Annuity and a Trustee endorsed out of Fund Living Annuity. We appointed retirement benefit counsellors to spend time explaining these options to members.

## Is your Fund affordable?

The CRF offers flexible contribution rates making provision for retirement affordable. We also welcome voluntary additional contributions which allow members to boost their retirement savings.

## Top investment returns?

We provide long term, market leading, investment returns. Since inception in 1996 we have outperformed inflation by more than 7%, confirming the CRF as the leader amongst Local Government Funds.

## Innovative investment options to ensure choice as well as protecting members' investments

At the CRF we offer advanced investment options including an Aggressive Portfolio for younger members who can afford risk and have many years left before retirement. At the other end of the scale we also offer more conservative investment options for members approaching retirement. We are a progressive Fund and also have a Shari'ah investment option in place. Our Life Stage Investment Strategy is available to all CRF members who prefer not to make their own individual investment choices. The aim of the Life Stage Investment Strategy is to minimise members' investment risk according to their age and years left before retirement. All of this is available to our members at some of the lowest costs in the industry.

## Financial Advice

To assist members in making the right investment choices, the CRF has appointed Financial Advisors to assist with any advice including investments, annuities and risk benefit categories.

## Does your Fund keep their members informed via open communication channels?

Through member education and communication, CRF members are empowered to make informed and responsible decisions regarding their retirement savings, ensuring that they have access to all the communication tools to assist them on their road to retirement. These include:

- A dedicated Support email system
- Member Newsletters
- Electronic Newsflashes
- A comprehensive Website
- Daily Member Centre from 8 am to 4.30pm



- HR Officers that are trained on CRF benefits
- Member Help Desks and Member Education Workshops
- Financial Education Workshops
- Annual Reports
- Access to Retirement Benefit Counsellors
- SMS Notifications
- CRF App and Web Access
- Regional Office in George with more to open soon

## Are your employees covered in the event of death, disability or dread disease?

We offer CRF members exceptional death, disability, dread disease and funeral cover. We offer 7 different benefit categories. Visit the CRF website [www.crfund.co.za](http://www.crfund.co.za) for detailed information on the benefits available to members.

## Funeral Benefit

All contributing members under the age of 75 years have funeral cover of R50 000! Their immediate families are also covered. For full details, visit [www.crfund.co.za](http://www.crfund.co.za).

## Home loans

We can assist members to obtain their dream home. Qualifying members can apply for a pension fund backed housing loan of up to 60% of their Fund value. Members who wish to get a foot on the property ladder could also consider our bond registered loan option which incorporates some attractive value added benefits for qualifying members.

## Does your Fund practice good governance?

Our Fund is registered in terms of the Pension Funds Act ensuring that we are compliant with legislation, regulations and that we practice good governance.

## The CRF is proud of its slogan:

Helping you manage your future!

Isn't it time you associate with the Fund that offers you all the components you need in choosing the best retirement benefits for your Municipality?



*Helping you manage your future!*

Tel: 0861 CRFUND (0861 273 863) | WhatsApp: 021 915 3500

Email: [support@crfund.co.za](mailto:support@crfund.co.za) | Website: [www.crfund.co.za](http://www.crfund.co.za)

Consolidated Retirement Fund for Local Government Reg No: 12/8/32689/2

P.O. Box 4740 Tyger Valley 7536 | CRF Building, 4 Bridal Close, Tyger Falls, 7530

# Transform municipal financial performance management.

Streamline mAhead – A unified mSCoA data driven platform for management reporting, analysis, scenario modeling and forecasting.



## Accelerate

Accelerate the performance management process through automation of tedious, error prone tasks performed in spreadsheets and overcome the limitations of hind-sight based reporting.

- Forecast and re-forecast faster and more frequently at any level of detail.
- Use the break-back functionality to retain original contributions to the total and drill through from the total to underlying detail.



## Simplify

Simplify the complexities associated with establishing and maintaining an analytical model, forward looking calculations and reports. Integration with your mSCoA compliant GL permits you to simply refresh the data with one click to readily:

- Access the ready to use mSCoA data model.
- Use the built-in forecasting methods.
- View predefined dashboards, alerts and reports.
- Model scenarios.



## Empower

Empower decision makers by simulating alternative courses of action, enabling comparison and identification of the best route ahead with anticipated change.

- Gain agility through the ability to respond to unforeseen circumstances and emergencies more rapidly.
- Gain insight into future impact on finances by modeling expected consumer usage and payment behaviour.

To learn more about Adapt IT's Streamline mAhead, visit: [www.adaptit.com/epm](http://www.adaptit.com/epm)  
 Contact us at [Bantsheng.Matimba@adaptit.com](mailto:Bantsheng.Matimba@adaptit.com), [Deliana.Labuschagne@adaptit.com](mailto:Deliana.Labuschagne@adaptit.com) or [Kamal.Ambaram@adaptit.com](mailto:Kamal.Ambaram@adaptit.com)

## LEGAL CORNER - Rates Relief – What does the Legislation Allow?

by Louise Muller, Director: Valuations, City of Cape Town



Our City, as any other municipality in South Africa (and probably across the world) is being pressurised to provide Rates relief specifically.

This focus on rates relief can be understood as the service charges for water and electricity services (for example) are predominantly based on usage. However, there are minimal mechanisms available to the average rate-payer to reduce the rates burden.

This protection of the rates revenue, giving relief only to those that really need it, is rightly done through legislation as rates income is one of the few “own income” streams to local government. The rates

income of a municipality reduces the burden on the national fiscus to fund every activity required of the local government sphere. This right and responsibility is clearly spelt out in the Constitution (Section 229). The Constitution also clearly states that there is no obligation on the national government to compensate provinces or municipalities that do not raise revenue commensurate with their fiscal capacity and tax base (Section 227 of the Constitution).

The main sources of funding to local government are:

- the revenue from the provision of services against cost reflective tariffs;
- the provision of a basket of limited free services to the poor against the funding provided through the equitable share;
- where authorised, the levying of rates; and
- various capital and operating grants from National and/or Provincial government.



Local government has the right to raise loans to fund infrastructure but these have to be paid back through the municipal income streams. It is therefore desirable to only use loans to fund infrastructure development that will bring in revenue through the levying of tariff services to those who can pay. If loans are used to develop infrastructure for the those who cannot pay for services, the debt has to be serviced through normal municipal funding (rates and tariff income).

This can cause major increases in rates and tariffs without commensurate expansion of income producing services. This creation of non-income producing infrastructure through loaned financing is the downfall of many municipalities that offset other essential expenditure items, such as maintenance and revenue protection measures, in order to pay off the loans while keeping the tariff and rates increases within affordable levels.

Ideally, grants should be used to develop the infrastructure that will not necessarily be income producing, while the loaned funds are used to create income producing infrastructure that will raise the necessary service charges to fund the loans, provide the services adequately and ensure the ongoing maintenance and revenue protection measures through debt management and credit control, are sustained.

In coming back to the rates relief that so many are requesting, it must be confirmed that the Local Government: Municipal Property Rates Act (MPRA), Act 6 of 2004, does make provision for rates relief through exemptions, reductions and rebates. While the relief is allowed for, it is quite a closed list that limits the relief options. The wording of section 15 (1) refers to the fact that certain categories of property owners or property categories can

be exempted from a rate levied on a property, or be granted a rebate on or a reduction in the rates payable.

The general principle is that any rates relief in the form of a rebate or a reduction or an exemption has to apply to every owner of property in a specific property category or to the specific owners of properties.

The MPRA gives a fairly closed listing of property categories with a process of applying to the Minister at least 15 months before the start of the municipal financial year to create one or more sub-categories within the categories legislated. Further, a municipality may determine additional categories of rateable property provided that this determination does not circumvent the categories of rateable properties already legislated (Section 8 of the MPRA).

The categories of owners of properties that may receive exemptions, rebates or reductions includes indigent owners; property owners dependent on pensions or social grants; owners temporarily without income; owners of residential properties with a market value lower than an amount determined by the municipality; owners of agricultural properties who are bona fide farmers; or owners of property situated within an area affected by:

- a disaster within the meaning of the Disaster Management Act, 2002 (Act 57 of 2002); or
- any other serious adverse social or economic conditions.

While it is clear that disasters and the severe economic or social conditions can be addressed through exemptions, rebates and reductions it must be borne in mind that the provision is legislation is that this benefit must be given to all owners of property within the area affected. Considering we are in a declared national disaster covering the whole of South Africa, every single property owner would be required to be provided any relief measures provided for in terms of this provision. The same could be argued for relief from economic conditions if the relief is to be provided in terms of the current economic climate – every property owner in the area has to be provided the relief considered.

Any relief measures to any categories of property owners and any owners of property in the specified categories has to be spelt out in the approved Rates Policy, which is supported by any provisions in the tariff and rates By-law. The Rates Policy is one of the supporting policies to the Annual Municipal Budget – and rightly so as the income and income foregone, as provided for in the provisions of the Rates Policy and the supporting tax rates (rates-in-the-Rand), has to be calculated annually and taking into consideration the municipal collection rate, used determine if the income from rates will sustain those services to be funded from the rates. This means that the various ratios of rates that can be implemented have to be applied to the relevant properties where it is permissible to charge rates in order to determine the expected income from rates, Further, all the known or potential exemptions, reductions and rebates, have to be costed and reflected as income foregone in the budget.

The bottom line is that the legislation limits municipalities from giving away the very lifeblood rates funding for service delivery in a municipality. This limitation is understandable considering that this is the income by which services are provided where standard tariffs cannot be applied. More often than not, these are the services that are 'community good' services taken for granted such as clinic services, roads, traffic and street lights, direction signs, road markings and even, in some cases, enhanced library services.

Considering that disasters are unpredictable and it is not sustainable for a municipality to have resources available for addressing any potential disaster, the Constitution clearly assigns Disaster Management as a national and provincial competence.

The funding to assist municipalities with local disasters, a great relevantly recent example being the Knysna fires, comes from Provincial or National government. This is where the relief to property owners must be sought for the current nationally declared disaster. **C**



interfile

MAKE A DIFFERENCE

# INTERFILE e-GOVERNMENT & SMART CITY

Interfile is the leading e-Government and Smart City solution provider with the most advanced EBPP and eServices solutions. Every citizen in South Africa interacts with an Interfile creation at some stage; whether it's paying your taxes, getting an ID document, claiming unemployment benefits or just paying your municipal bill.

## INTERFILE IS

- › **AN ENABLER** of the 1st government system to allow presentment and payment of bills utilising WhatsApp.
- › **THE ONLY** company with direct integration to National Treasury BAS.
- › **THE FIRST** company to enable national government to accept payments via credit card.

With 17 years of knowledge and experience it has enabled Interfile to replicate systems and technologies across multiple payment instruments to provide solutions at lower costs and quicker time to market than any potential competitor.

## INTERFILE IS COMMITTED TO

- › Enable you to increase customer satisfaction
  - › Help you enhance revenue, increase business efficiency and engage customers in new ways
  - › Enable real-time reconciliation and payments across multiple payment instruments
  - › Automate business processes to improve efficiencies and reduce costs
  - › Drive Smart Cities and citizen engagement forward
  - › Make a difference to the lives of South Africans and bring convenience to the people
- AND MUCH MORE*

## SOME OF INTERFILE'S SOLUTIONS

- › Smart Cities
- › Electronic Bill Presentment and Payment (EBPP)
- › Intelligent Electronic Meter Readings
- › Claims Management
- › Indigent Management
- › Vehicle Pound management

## LET'S GET IN TOUCH

Web: <https://www.interfile.co.za> E-mail: [info@interfile.co.za](mailto:info@interfile.co.za) Tel: 011 361 4000

***"Bringing convenience to the people"***

# WEBINAR TRAINING SCHEDULE 2020

EVENT	DATE	METHOD	CIGFARO		TIME
			MEMBER	NON-MEMBER	
<b>NATIONAL BUDGETING WEBINAR</b>					
Budgeting National Workshop (Mscoa)	4-6 November	Zoom Webinar	R 200.00 R 350.00	R 350.00 R 648.00	2 Hours 2x2 Hours
<b>Property Rate:</b> Withholding of clearance certificates (MSA S118), more specifically when debt has prescribed  Credit Control and Debt Management strategies that really work.	12 November	Zoom Webinar	R 200.00	R 350.00	2 hours (10:00 – 12:00)
<b>Risk Management:</b> Implementing an Effective Risk Management Program in a Service Delivery Organization- From Risk Process to People Impact	19 November	Zoom Webinar	R 200.00	R 350.00	2 hours (10:00 – 12:00)
<b>Valuation Roll Property Categories:</b> Practical challenges with implementing section 8 of the MPRA due 30 June 2022	26 November	Zoom Webinar	R 200.00	R 350.00	2 hours (10:00 – 12:00)
Training: Tariff Tools	03 December				

<b>INTERNAL AUDIT MATTERS WEEK</b>					
<b>Internal Audit:</b> Refreshers on the Development of audit plans	07 December	Zoom Webinar	R 200.00	R 350.00	10:00 – 12:00
Risk Management	08 December	Zoom Webinar	R 200.00	R 350.00	10:00 – 12:00
<b>Performance Management</b>	09 December	Zoom Webinar	R 200.00	R 350.00	10:00 – 12:00
<b>Internal Audit</b> • Corporate Governance refreshers and updates • King IV Principles of Corporate Governance Tool	10 December	Zoom Webinar	R 200.00	R 350.00	10:00 – 12:00
MFMA Governance Updates					
<b>Property Rate:</b> Cemetery management operating procedures	10 December	Zoom Webinar	R 200.00	R 350.00	10:00 – 12:00

<b>2021</b>					
<b>Inter-Provincial seminars</b> February 2021 (5 Provinces)	February	Face-to-Face with the option of Virtual	R 200.00	R 350.00	2 hours (10:00 – 12:00)
<b>Theme</b> – COVID-19 Recovery Plans and how provinces dealt with the epidemic					
<b>Conference week:</b> Theme – COVID-19 Qua Vadis					
<b>Audit &amp; Risk Indaba</b> How Internal Auditors handled the epidemic	08 - 09 March	Face-to-Face with the option of Virtual			
<b>COVID Conference</b> How it affected the Public Sector and what recovery plans was successful	10 - 12 March				
Exhibition	8 - 12 March				



# CIGFARO

Chartered Institute of  
Government Finance, Audit & Risk Officers



## DIGITAL PLATFORMS

"CIGFARO is now on Digital Platforms. We are inviting you to join our CIGFARO Virtual Events & Webinar sessions where members and non-members will gain technical and practical solutions in 2 hours. With Just a Click Away, we guarantee you to gain knowledge at a reasonable rate. All you need is a mobile device, and a strong internet connection. See you there!"

Ms Getrude Nkhoma,  
Training and Development.

### CONTACT US:

+27 (82) 895 8077

+27 (11) 394 0879

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

[registration@cigfaro.co.za](mailto:registration@cigfaro.co.za)



# REPORTING REQUIREMENTS - LOCAL GOVERNMENT

## OCTOBER

NO	REPORTING REQUIREMENT	LEGISLATION	LEGISLATION DEADLINE	RESPONSIBLE PERSON	TO WHOM
1	Change of Primary Bank account details	MFMA 8(5)	30 Days before effecting	Accounting Officer	Nat Treas, Prov Treas, AG
2	Details of a new bank accounts	MFMA 9(a)	90 Days after opening	Accounting Officer	Prov Treas, AG
3	Cons report - all withdrawels each quarter	MFMA (11(4)	Within 30 days	Accounting Officer	Prov Treas, AG
4	Unauthorised, irregular, wasteful or fruitless expenditure	MFMA 32(4)	Promptly	Accounting Officer	Mayor, MEC (Loc Govt), AG
5	Advertise/advise new long-term debt	MFMA 46(3)(a)(ii)	Promptly	Accounting Officer	Nat Treas, Prov Treas, Public
6	Implementation of the budget & financial state of affairs	MFMA 52(d)	Within 30 days of each quarter	Mayor	Municipal Council
7	Serious financial problems	MFMA 54(2)	Promptly	Mayor	Mun Counc, MEC (Loc Govt)
8	Impending shortfalls in budgeted revenue & over-spending & steps taken to prevent / rectify	MFMA 70(1)	Promptly	Accounting Officer	Municipal Council
9	Overdrawn bank accs, reasons, rectifying	MFMA 70(2)	Promptly	Accounting Officer	Nat Treas
10	Statement: Budget etc per requirements	MFMA 71(1)	1-10 Days after month-end	Accounting Officer	Mayor, Prov Treas
11	Failure to adopt / implement budget related policies	MFMA 73	Promptly	Accounting Officer	Prov Treas
12	Returns, documents, information, explanations & motivations as prescribed	MFMA 74(1)	As prescribed	Accounting Officer	Nat Treas, Prov Treas, AG, Lgovt
13	Entity - details of a new bank account	MFMA 86(1)(a)	90 Days after opening	Entity Acc Officer	Acc Officer of parent Mun
14	Entity - Stmt: budget etc per requirements	MFMA 87(11)	1-10 Days after month-end	Entity Acc Officer	Acc Officer of parent Mun
15	Entity - Impending shortfalls & steps	MFMA 101(1)	Next meeting	Entity Acc Officer	BOD of entity, Parent Mun & Counc
16	Table report above	MFMA 101(2)	Next Council meeting	Accounting Officer	Municipal Council
17	Entity - Unauthorised, irregular, wasteful or fruitless expenditure	MFMA 102(1)	Promptly	BOD of entity	Mayor, Mun Mngr of parent mun
18	Entity - Returns, documents, information, explanations & motivations as prescribed	MFMA 101(1)(b)	As prescribed	Entity Acc Officer	Nat Treas, Prov Treas, AG, Lgovt
19	Entity - Improper interference by Cllrs	MFMA 103	Promptly	Entity Acc Officer	Speaker of parent mun Council
20	Deviations from a recommended tender	MFMA 114(1)	Promptly	Accounting Officer	Nat Treas, Prov Treas, AG
21	Entity - Deviations from a recom. tender	MFMA 114(1)	Promptly	Entity Acc Officer	Nat Treas, Prov Treas, AG
22	Entity - Submit annual report	MFMA 127(1)	1-6 months after Fin Y-end	Entity Acc Officer	Municipal Manager
23	Table mun & entity annual report	MFMA 127(2)	1-7 months after Fin Y-end	Mayor	Municipal Council
24	Reasons for delay of tabling annual report	MFMA 127(3)(a)	Promptly	Mayor	Municipal Council
25	Submit Annual report	MFMA 127(5)	Immediately after report is tabled in Council	Accounting Officer	AG, Prov Treas, Prov Lgovt
26	Non-compliance & reasons of non-complia	MFMA 128©	Promptly	Accounting Officer	Mun Council, Prov Treas, AG
27	Submit copies of Council mtngs (annual report discussions)	MFMA 129(2)	Promptly	Accounting Officer	AG, Prov Treas, Prov Lgovt
28	All monthly returns (MFMA, DORA, etc)		10 Days after month-end	Acc Officer etc	Nat Treas
29	All Quarterly returns (MFMA, DORA, etc)		20 Days after end of Qtr	Acc Officer etc	Nat Treas
30	Quarterly statistics of Local Government	Stats Act (1999/16)	3 Weeks after qrtr end	Acc Officer etc	Statistics SA
31	Actual & expected Cap Exp	Stats Act (1999/16)	3 Weeks after qrtr end	Acc Officer etc	Statistics SA

# NOVEMBER

NO	REPORTING REQUIREMENT	LEGISLATION	LEGISLATION DEADLINE	RESPONSIBLE PERSON	TO WHOM
1	Change of Primary Bank account details	MFMA 8(5)	30 Days before effecting	Accounting Officer	Nat Treas, Prov Treas, AG
2	Details of a new bank accounts	MFMA 9(a)	90 Days after opening	Accounting Officer	Prov Treas, AG
3	Unauthorised, irregular, wasteful or fruitless expenditure	MFMA 32(4)	Promptly	Accounting Officer	Mayor, MEC (Loc Govt), AG
4	Advertise/advise new long-term debt	MFMA 46(3)(a)(ii)	Promptly	Accounting Officer	Nat Treas, Prov Treas, Public
5	Serious financial problems	MFMA 54(2)	Promptly	Mayor	Mun Counc, MEC (Loc Govt)
6	Impending shortfalls in budgeted revenue & over-spending & steps taken to prevent / rectify	MFMA 70(1)	Promptly	Accounting Officer	Municipal Council
7	Overdrawn bank accs, reasons, rectifying	MFMA 70(2)	Promptly	Accounting Officer	Nat Treas
8	Statement: Budget etc per requirements	MFMA 71(1)	1-10 Days after month-end	Accounting Officer	Mayor, Prov Treas
9	Failure to adopt / implement budget related policies	MFMA 73	Promptly	Accounting Officer	Prov Treas
10	Returns, documents, information, explanations & motivations as prescribed	MFMA 74(1)	As prescribed	Accounting Officer	Nat Treas, Prov Treas, AG, Lgovt
11	Entity - details of a new bank account	MFMA 86(1)(a)	90 Days after opening	Entity Acc Officer	Acc Officer of parent Mun
12	Entity - Stmt: budget etc per requirements	MFMA 87(11)	1-10 Days after month-end	Entity Acc Officer	Acc Officer of parent Mun
13	Entity - Impending shortfalls & steps	MFMA 101(1)	Next meeting	Entity Acc Officer	BOD of entity, Parent Mun & Counc
14	Table report above	MFMA 101(2)	Next Council meeting	Accounting Officer	Municipal Council
15	Entity - Unauthorised, irregular, wasteful or fruitless expenditure	MFMA 102(1)	Promptly	BOD of entity	Mayor, Mun Mngr of parent mun
16	Entity - Returns, documents, information, explanations & motivations as prescribed	MFMA 101(1)(b)	As prescribed	Entity Acc Officer	Nat Treas, Prov Treas, AG, Lgovt
17	Entity - Improper interference by Cllrs	MFMA 103	Promptly	Entity Acc Officer	Speaker of parent mun Council
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19	Entity - Deviations from a recom. tender	MFMA 114(1)	Promptly	Entity Acc Officer	Nat Treas, Prov Treas, AG
20	Entity - Submit annual report	MFMA 127(1)	1-6 months after Fin Y-end	Entity Acc Officer	Municipal Manager
21	Table mun & entity annual report	MFMA 127(2)	1-7 months after Fin Y-end	Mayor	Municipal Council
22	Reasons for delay of tabling annual report	MFMA 127(3)(a)	Promptly	Mayor	Municipal Council
23	Submit Annual report	MFMA 127(5)	Immediately after report is tabled in Council	Accounting Officer	AG, Prov Treas, Prov Lgovt
24	Non-compliance & reasons of non-complia	MFMA 128©	Promptly	Accounting Officer	Mun Council, Prov Treas, AG
25	Submit copies of Council mtngs (annual report discussions)	MFMA 129(2)	Promptly	Accounting Officer	AG, Prov Treas, Prov Lgovt
26	All monthly returns (MFMA, DORA, etc)		10 Days after month-end	Acc Officer etc	Nat Treas

# REPORTING REQUIREMENTS - LOCAL GOVERNMENT

## DECEMBER (2<sup>ND</sup> QUARTER OF FINANCIAL YEAR)

NO	REPORTING REQUIREMENT	LEGISLATION	LEGISLATION DEADLINE	RESPONSIBLE PERSON	TO WHOM
1	Change of Primary Bank account details	MFMA 8(5)	30 Days before effecting	Accounting Officer	Nat Treas, Prov Treas, AG
2	Details of a new bank accounts	MFMA 9(a)	90 Days after opening	Accounting Officer	Prov Treas, AG
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5	Serious financial problems	MFMA 54(2)	Promptly	Mayor	Mun Council, MEC (Loc Govt)
6	Impending shortfalls in budgeted revenue & over-spending & steps taken to prevent / rectify	MFMA 70(1)	Promptly	Accounting Officer	Municipal Council
7	Overdrawn bank accs, reasons, rectifying	MFMA 70(2)	Promptly	Accounting Officer	Nat Treas
8	Statement: Budget etc per requirements	MFMA 71(1)	1-10 Days after month-end	Accounting Officer	Mayor, Prov Treas
9	Failure to adopt / implement budget related policies	MFMA 73	Promptly	Accounting Officer	Prov Treas
10	Returns, documents, information, explanations & motivations as prescribed	MFMA 74(1)	As prescribed	Accounting Officer	Nat Treas, Prov Treas, AG, Lgovt
11	Entity - details of a new bank account	MFMA 86(1)(a)	90 Days after opening	Entity Acc Officer	Acc Officer of parent Mun
12	Entity - Stmt: budget etc per requirements	MFMA 87(11)	1-10 Days after month-end	Entity Acc Officer	Acc Officer of parent Mun
13	Entity - Impending shortfalls & steps	MFMA 101(1)	Next meeting	Entity Acc Officer	BOD of entity, Parent Mun & Council
14	Table report above	MFMA 101(2)	Next Council meeting	Accounting Officer	Municipal Council
15	Entity - Unauthorised, irregular, wasteful or fruitless expenditure	MFMA 102(1)	Promptly	BOD of entity	Mayor, Mun Mngr of parent mun
16	Entity - Returns, documents, information, explanations & motivations as prescribed	MFMA 101(1)(b)	As prescribed	Entity Acc Officer	Nat Treas, Prov Treas, AG, Lgovt
17	Entity - Improper interference by Cllrs	MFMA 103	Promptly	Entity Acc Officer	Speaker of parent mun Council
18	Deviations from a recommended tender	MFMA 114(1)	Promptly	Accounting Officer	Nat Treas, Prov Treas, AG
19	Entity - Deviations from a recom. tender	MFMA 114(1)	Promptly	Entity Acc Officer	Nat Treas, Prov Treas, AG
20	Entity - Submit annual report	MFMA 127(1)	1-6 months after Fin Y-end	Entity Acc Officer	Municipal Manager
21	Table mun & entity annual report	MFMA 127(2)	1-7 months after Fin Y-end	Mayor	Municipal Council
22	Reasons for delay of tabling annual report	MFMA 127(3)(a)	Promptly	Mayor	Municipal Council
23	Submit Annual report	MFMA 127(5)	Immediately after report is tabled in Council	Accounting Officer	AG, Prov Treas, Prov Lgovt
24	Non-compliance & reasons of non-complia	MFMA 128©	Promptly	Accounting Officer	Mun Council, Prov Treas, AG
25	Submit copies of Council mtngs (annual report discussions)	MFMA 129(2)	Promptly	Accounting Officer	AG, Prov Treas, Prov Lgovt
26	All monthly returns (MFMA, DORA, etc)		10 Days after month-end	Acc Officer etc	Nat Treas



## NEDBANK PUBLIC SECTOR BANKING REMAINS COMMITTED TO SUPPORTING LOCAL GOVERNMENT THROUGH TOUGH TIMES.

Nedbank is passionate about local government and looking forward to being part of the 2020 Chartered Institute of Government Finance, Audit & Risk Officers (CIGFARO) virtual conference.

There are other encouraging signs as the economy continues to pick up the pieces as the country eases lockdown restrictions.

'At Nedbank we remain open for business and continue to play our part in the curb against the spread of the virus. We are committed to supporting our clients during these challenging times through various relief options and thought-leadership engagements aimed at identifying sectors that can rebound quicker and contribute to job creation,' says Phumela Xanywa, National Head of Public Sector Banking at Nedbank Business Banking.

The bank's bigger-picture approach to business banking addresses every aspect of an organisation's needs, and Nedbank has already partnered with several public-sector entities throughout the country. 'Our partnership with the public sector and our aspirations to become the sector's bank of choice is growing exceptionally. We are the bank of choice of four out of the eight metropolitan municipalities in the country – eThekweni, Ekurhuleni, City of Cape Town and Mangaung. And this year three municipalities have appointed us as their primary banker – JB Marks Local Municipality, Maphumulo Local Municipality and Dr Ruth Segomotsi Mompoti District Municipality,' says Xanywa.

Another initiative the bank is proud of is its partnership with the Department of Small Business Development (DSBD) in helping spaza shops and general dealers to access funding support. Nedbank was the first bank to partner with the DSBD to facilitate the Spaza Shops and General Dealers Support Scheme through the Small Enterprise Finance Agency's Khula Credit Guarantee Scheme.

'As a bank, we are cognisant of the fact that small businesses are at the heart of our economy, and to be able to play a role in stimulating local economic growth is important to us as an organisation,' says Xanywa.

Our dedicated team of public sector specialists are ready to engage on how Nedbank can partner with you to support your public sector requirements.

For more information talk to your business manager or contact us on [publicsector@nedbank.co.za](mailto:publicsector@nedbank.co.za).



**Phumela Xanywa**  
National Head: Public Sector,  
Nedbank Business Banking

As South Africans and the battered economy slowly recover from the Covid-19 pandemic, which has affected us all, there is a glimmer of hope for our resilient nation that comes at the back of various relief efforts, including the South African Reserve Bank (SARB) cutting interest rates by 300 basis points since the start of the year.

see money differently

**NEDBANK**



**COMPANY  
OVERVIEW**

Founded in 2005, Ntiyiso Consulting is an authentically African and globally wired management consulting firm that seeks to empower institutions that enable Africa’s development. Ntiyiso Consulting helps improve cash positions of large and medium-sized municipalities; turns around or improves the revenue, profitability or social mandate performance of large and medium organisations; and unlocks economic opportunities on behalf of communities and regions.

We deliver sustainable and evidence-based solutions through five subsidiaries, viz. Ntiyiso Revenue Consulting, Ntiyiso Business Consulting, Ntiyiso Industrialisation Consulting, Ntiyiso Aviation Services and Ntiyiso Digital Services.

Ntiyiso means ‘TRUTH’ in Xitsonga. Ntiyiso Consulting is, therefore, naturally inclined to deliver the most trusted solutions to its clients.

**NTIYISO CONSULTING LEADERSHIP TEAM:**



**ALEX MABUNDA**  
Group Chief Executive  
Officer



**ANDISA RAMAVHUNGA**  
Group Chief Advisor



**MIYELANI HOLENI**  
Group Chief Advisor

**NTIYISO CONSULTING SUBSIDIARIES**



**NTIYISO  
REVENUE  
CONSULTING**

Through Revenue Consulting, we improve cash positions of large and medium-sized municipalities. Here we optimise all or some components of the revenue value chain.



**NTIYISO  
BUSINESS  
CONSULTING**

Through Business Consulting, we turn around or improve the revenue, profitability or social mandate performance of large and medium organisations. We achieve this by aligning the organisational ecosystem viz. strategy, leadership, people, architecture, routines and culture.



**NTIYISO  
INDUSTRIALISATION  
CONSULTING**

Through Industrialisation Consulting, we unlock economic opportunities on behalf of communities and regions. We achieve this through end-to-end project conceptualisation and development. We also develop strategic economic development plans and infrastructure master plans.



**NTIYISO  
DIGITAL  
SERVICES**

Through Digital Services, we develop innovative solutions and empower organisations to offer convenience and improved customer service to their clients. We achieve this through the use of next generation technology and industry experience.



**NTIYISO  
AVIATION  
SERVICES**

Through Aviation Services, we provide drone-based solutions which empower clients to make strategic decisions. We achieve this through the use of drone technology, data analytics, robotics, artificial intelligence and Internet of Things (IOT).

**TRUTH | TRUST | RESULTS**