



SALGA
South African Local Government Association

**OUTCOMES OF THE NATIONAL MUNICIPAL MANAGERS
FORUM, BOJANALA DISTRICT MUNICIPALITY
29 – 30 APRIL 2013**

THEME: CONSOLIDATING MUNICIPAL AUDITS TOWARDS 2014

ITEM	RESPONSIBILITY	OUTCOME / RESOLUTION
Opening and Welcome	Cllr Mabale-Huma PEC Member SALGA NW	The Chief Whip of Rustenburg Local Municipality, Cllr Mabale-Huma delivered an opening address on behalf of the Executive Mayor, who could not attend due to other pressing matters. She welcomed all Municipal Managers to the city and confirmed support to the co-ordinated forum for Municipal Managers to claim their role in shaping up the future of Local Government.
Consolidating Municipal Leadership for Improved Financial and Performance Outcomes	Cllr Mabale-Huma PEC Member SALGA NW	Cllr Mabale-Huma delivered a key note address on behalf of the chairperson of SALGA North West PEC, Cllr Kaone Lobelo, who could not be present due to other commitments.
Reflections and Programme Overview	Mr Lance Joel Chief of Operations SALGA	Mr Lance Joel gave a brief overview on behalf of the CEO, Mr X George, who could not attend due to an unavoidable commitment.
Panel Discussion on Improving Municipal Audits The panel discussion provided an opportunity for the Auditor General to share preliminary audit findings for 2011/12 with Municipal Managers. Municipalities with good audit outcomes then shared their experiences followed by support mechanisms from National Treasury, CoGTA, SALGA and a private company (EOH) that has worked with several municipalities in this regard. The outcomes of this session include <ul style="list-style-type: none"> • Inform MM on preliminary audit outcomes • Sharing of best practices by municipalities • Inputs to consolidate support mechanisms towards good audits by all municipalities. 	Panellists: Mr Berry Wheeler Auditor General SA (Presentation) Mr Henry Prins Municipal Manager, West Coast DM (Presentation) Mr Willie Fouche Municipal Manager, Steve Tshwete LM (Presentation) Mr Muthotho Sigidi DDG COGTA Mr Jonathan Patrick Act ED: Economic Dev. & Planning, SALGA Mr Lesley Reddy Director EOH	The panellists made inputs on municipal audits and members were given an opportunity to further discuss and make inputs, which included amongst others the following: <ul style="list-style-type: none"> • MMs must ensure that monthly financial statements and other related matters are done by CFOs as it is their basic responsibility; • Where consultants are used, skills transfer programmes to municipal staff must be in place; • MMs must source and maintain good quality Audit Committee members for their municipalities; • MMs must fill vacancies of CFOs and other financial personnel in municipalities; • The issue of “Cost of Compliance” must be addressed in the next meeting and allow municipalities to share experiences on how they are managing the matter.
Professionalization Framework for Local Govt	Mr Rio Nolutshungu: ED: Municipal Institutional Dev.	The municipal managers noted the presentation and raised questions of clarity and inputs, which included amongst others the

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<p>A series of consultation processes on the concept of professionalizing local government has led SALGA and COGTA collaborating on the development of a framework to professionalize the sector as proposed. Municipal Managers shall be briefed on the framework and updated on progress towards its implementation</p>	<p>SALGA (Presentation)</p>	<p>following:</p> <ul style="list-style-type: none"> • Discuss further this issue in the next meeting; • Provide more information on minimum competencies, recognition of prior learning, and the exemption and extension of the regulations together with the consequences of non-compliance; • It was agreed that MMs should further discuss this matter in Provincial MM Forums and provide feedback to the National MM Forum.
<p>Induction for Senior Managers in Municipalities</p> <p>An induction framework aimed at facilitating the coordination of senior management induction sessions at a provincial level has been developed by SALGA and was approved by its governance structures. The MM forum is requested to take note of this and facilitate engagement at municipal level to ensure smooth rollout of the programme.</p>	<p>Mr Rio Nolutshungu: ED: Municipal Institutional Dev. SALGA (Presentation)</p>	<ul style="list-style-type: none"> • The presentation was noted. It was further requested that MMs should comment on the matter by the 10th May to allow SALGA to send consolidated comments by the 13th May.
<p>Progress Regarding Task and Wage Curve</p> <p>The HR Conference in March 2013 endorsed the approach on the implementation of Job Evaluation. Some municipalities already contracted “directly” with Deloitte & have encountered challenges thus requiring SALGA to engage the service provider on the planned process going forward. The SALGA NEC directed that, notwithstanding the Labour Appeal Court process, a parallel process to try and resolve the matter “out of court” should still be explored. The parties have already engaged in this regard and a facilitator proposal has been issued.</p>	<p>Mr Rio Nolutshungu: ED: Municipal Institutional Dev. SALGA (Presentation)</p>	<ul style="list-style-type: none"> • Progress on the matter was noted. It was undertaken that the updates and developments on the matter would be forwarded to the municipalities in a way of circulars.
<p>Municipal Systems Amendment Act Pursuant to the objective of professionalising LG, DCOG & NT drafted minimum competence</p>	<p>Mr A C Mpela Municipal Manager Umsobomvu LM (Presentation)</p>	<ul style="list-style-type: none"> • Mr Mpela made a presentation on the intended/unintended consequences of the Municipal Systems Act. • The presentation was noted and SALGA was requested to investigate further and

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<p>regulations to give effect to the Systems Amendment Act. The regulations came into effect on 1 January 2013; however Municipal Managers have expressed confusion wrt implementation thereof. This session seeks to find clarity on how to proceed with the implementation.</p>		<p>report in the next meeting.</p>
<p>Public Administration Bill</p> <p>The Department of Public Administration intends to finalise the Public Administration Bill by June 2013 leaving very little time for consultation. Due to the evolution of local government as a sector since the SALGA position paper was developed in 2007 as well as the fact that the collective bargaining role of SALGA be affected by the Bill, it is proposed that SALGA reconsider its position in this regard and that new consultation with members be embarked upon to ensure that the SALGA position is in accordance with the view of its members. Municipal Managers are requested to make inputs that will guide SALGA's approach on the matter.</p>	<p>Mr Lance Joel: Chief of Operations SALGA (Presentation)</p>	<p>The meeting discussed the matter and raised questions of clarity and comments, which included amongst others, the following:</p> <ul style="list-style-type: none"> • Principle of accountability not adequately dealt with in the bill; • Different levels of positions, bonuses and other related issues to be clearly outlined in the Bill; • Cost implications together with the risks of creating a single public service administration to be clearly outlined; • More clarity be provided on the powers of the each sphere of government with regard to remuneration matters. <p>It was agreed that:</p> <ul style="list-style-type: none"> • MMs be given more time to make consultations on the matter; • More engagements be undertaken by SALGA with the Parliamentary processes and incorporate further comments from Municipalities/Municipal Managers; • The DPSA be invited to make a presentation at the next MMs Forum meeting.
<p>Licensing of Businesses Bill</p> <p>The bill indicates that it seeks to “build local government into an efficient, frontline agency capable of integrating the activities of all spheres of government. Indicating that all spheres of government must cooperate with one another, support and strengthen the capacity of municipalities to manage their own affairs”.</p>	<p>Ms Lorette Tredoux: ED: Governance & IGR, SALGA (Presentation)</p>	<p>Preliminary comments were provided on the Bill, which included the following:</p> <ul style="list-style-type: none"> • The implementation and scope of the Bill to be reviewed and to be funded if the function is to be performed by municipalities; • Monitoring and Evaluation support to be provided by the DTI; • Renting/Leasing of licences by refugees/foreigners to be clearly regulated. <p>It was agreed that:</p> <ul style="list-style-type: none"> • MMs be given more time to make consultations on the matter;

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		<ul style="list-style-type: none"> • More engagements be undertaken by SALGA with the Parliamentary processes and incorporate further comments from Municipalities/Municipal Managers; • The DTI be invited to make a presentation in the next MM Forum meeting.
<p>Local Government 20 Year Review</p> <p>The department of Performance Monitoring and Evaluation in The Presidency is conducting a 20 Year Post Democracy Review (1994 – 2014). The review is based on the following three focus areas:</p> <ul style="list-style-type: none"> • The journey since 1994 • What are the achievements and reasons to celebrate • What areas still require improvement and how can we improve as a state <p>National and provincial departments have been invited to undertake their own reflection in this regard. In this context SALGA, is reflecting on the journey of Local Government in the same period. The Forum shall be appraised on SALGA's reflections and requested to make inputs towards enriching reflections regarding the sector.</p>	<p>Ms Wendy Ovens: Independent Researcher (Presentation)</p> <p>Mr Stan Wallace Municipal Manager Theewaterskloof LM</p>	<ul style="list-style-type: none"> • The presentations from Ms Ovens and Mr Wallace were noted.
<p>Panel Discussion on Improving Support to Municipalities</p> <p>An alarming number of municipalities have recently become subject to Section 139 intervention processes. While Section 139 processes allow the intervention, if the correct procedures are followed, it also makes reference that substantive requirements in the invocation must be met. In many instances there is a case to be argued on whether these requirements have been met. Further to this, SALGA is of the view that where a municipality is placed under administration, this must follow a process of engaging, supporting</p>	<p>Panellists:</p> <p>Adv Modibedi Phindela, NCOP (Presentation)</p> <p>Mr Johann Mettler: Municipal Manager, Drakenstein LM</p> <p>Mr Monde Juta Madibeng LM (Presentation)</p>	<p>The matter was noted by the meeting and the following inputs were made:</p> <ul style="list-style-type: none"> • The recourse on the non-provision of support by other spheres as outlined in the Constitution be clearly outlined, i.e. holding other spheres of government accountable for not supporting municipalities; • The powers of Local Government to propose an intervention on a Provincial or National Department be clearly outlined; • The approach on interventions be improved in that the support be provided prior to disbanding a Council • It was also noted that Municipalities are also empowered to call for assistance from other spheres and should not wait for an intervention.

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<p>and monitoring a municipality showing distress before invoking drastic measures and recognising Section 139 interventions as a measure of last resort.</p> <p>Through this Session the intention is to interrogate Section 139 processes with a view to clearly defined the processes to be followed; the involvement of all relevant stakeholders; the early warning signs and the root causes; and the role of the municipal manager during the intervention</p>		
<p>Municipal Barometer</p> <p>The Municipal Barometer is municipal data portal anchored on a local data partnership aimed at improving municipal planning, governance, oversight and benchmarking through making municipal level data easily accessible to municipalities and key stakeholders in a cost effective manner. The portal shall be demonstrated to the MM Forum with an anticipated outcome of receiving feedback on the portal, data needs of municipalities and whether the required indicators / data have effectively been captured in the portal.</p>	<p>Mr Seana Nkhahle ED: Corporate Strategy & Research, SALGA</p>	<ul style="list-style-type: none"> • The presentation was deferred to the next National MM Forum.
<p>Concluding Remarks</p>	<p>Mr Seana Nkhahle: Executive Director: CSR</p>	<ul style="list-style-type: none"> • Mr Nkhahle gave a brief overview on the agreements of the MMs on the items as discussed and also gave a way forward on how the matters will unfold; • It was also agreed that the next meeting be hosted in KZN by the EThekweni Metro in Durban.
<p>Closure</p>	<p>Cllr Mpho Khunou: Executive Mayor of Rustenburg.</p>	<ul style="list-style-type: none"> • The Executive Mayor encouraged the MMs to use sections of the MFMA to detect red flags with regard to finance accountability and other related matters; • He further thanked all present and wished all well in their journeys back home.