



**SALGA**

*South African Local Government Association*

# **SALGA's Municipal Finance Programme**

## **CFO Forum Lekgotla**

**5 & 6 December 2011**



# SALGA National Strategic Plan

## Overall Objective

**“Effective municipal financial management and equitable intergovernmental fiscal system”**



# SALGA National Strategic Plan

- **Fiscal Review that aligns funding to local government mandate**

Lobby NT and Parliament for an equitable intergovernmental fiscal system through participation in the LGFF review

- **Efficient revenue and expenditure management in LG**

Support municipalities in establishing efficient revenue and expenditure management systems

- **Strengthened financial management regime for local government**

Support municipalities in improving financial management

## Issues Raised at the Budget Week Workshop

- Rigid regulations e.g. supply chain management
- Cost of compliance
- Impact of non-financial processes e.g. EIAs
- Outdated IT systems
- Lack of skills and capacity
- Unfunded mandates e.g. DMAs, libraries, housing
- Equitable share calculations (and the problem with population figures)
- Impact of global economic climate and rising debt
- Increases in SALGA fees
- Communication between spheres of government



## SALGA WC Municipal Finance Priorities

- **Auditor General Requirements**
- **Take over Eskom Billing**
- **Revise Municipal Fiscal Model**
- **Reduce outstanding debtors**



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## Other activities

- **Capacity limitation**
  - **Appointment of Programme Manager: Municipal Finance**
  
- **Continue with tariff support**
  
- **Annual Business**



**Thank you !**

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