



PRESENTATION TO WC CFO FORUM REGARDING PROGRESS ON TRAINING INTERVENTIONS- WESTERN CAPE MUNICIPALITIES

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Purpose of Presentation

- To inform WC CFO Forum on the progress of the Training Interventions
- To request continuous support and buy-in in the Implementation of the Interventions
- To pledge our commitment towards Municipalities

Interventions (Terms of Reference)

- Reporting on pre-determined objectives
- Corporate governance training
- Supply chain management
- Municipal financial management information
- Standard operating procedures
- GRAP 17
- Agricultural policy to influence IDPs
- Cash and Investment Management
- Development of BTO structures guidance document

Background and rationale

- In terms of section 5 (3) of the Municipal Finance Management Act, 2003, the Provincial Treasury is mandated to **assist, guide and monitor** and enforce compliance to the said Act.
- In relation to the above, the Provincial Treasury: is mandated to provide **support and training** to the municipalities in the Western Cape, as an endeavour to build capacity at the municipalities within the Western Cape Province.

Predetermined Objectives

The goal of this intervention is to improve municipalities' maturity levels on the reporting of pre-determined objectives, including non-financial information to a prerequisite level of 3 based on the criteria set by Western Cape Provincial Treasury: Local Government Budget Office, as well as alignment with Provincial Strategic Objective 10. This includes the development of policies and procedures for implementation consistent with the National Treasury framework to manage programme performance and to facilitate the implementation of the performance management system. It also includes training PMS Managers, IDP Managers, Financial Practitioners and Internal Auditors

- Consist of 3 phases:
 - Development of Predetermined Objectives Framework (PDOF).
 - Development of Training Material
 - Training

Progress

- PDOF Completed
- Development of Material 90% completed
- Training to be rolled out in February 2013.

Corporate Governance Training

The goal of the project is to improve service delivery through the capacitation of Provincial Treasury and Municipal employees in the area of Financial Corporate Governance. The purpose of this project is to enhance the maturity of sound financial governance within the various Municipalities

Progress

- Training Material developed during 2011 with participation from certain Municipal Officials(Reference Group).
- Training rolled out October-November 2012 at Kromme Rhee and George
 - 60 Municipal Officials
- Positive Feedback from Participants

Supply Chain Mngt

The goal of the project is to strengthen SCM controls and build capacity at the Municipalities Supply Chain Management units through rolling out a comprehensive Supply Chain Management training, in terms of the approved training manuals.

Progress

- Training Material developed during 2011/2012 with participation from certain Municipal Officials (Reference Group).
- Decision taken during 2012/2012 that material be divided into 3 distinct groups ie:
 - SCM Practitioners
 - SCM Users and
 - Snr Mngt
- Material workshopped 5-7 December 2012 with the 3 groups
- Training to be rolled out during 2013/2014.

Municipal Finance Mngt

The goal of this project is to achieve sound financial management capacity at the municipalities within the Western Cape Province. To realize this, the following objectives are set for this intervention:

- a) To train officials within both the Provincial Treasury as well as the municipalities in the Western Cape to properly comprehend, interpret, offer opinions and manage municipal budgets;
- b) To capacitate Provincial treasury officials to be able to provide hands-on support to municipalities with respect to the preparation of annual budgets; and
- c) To develop and implement training in comprehensive local government budget implementation, including in-year monitoring.

Progress

- Training Material developed during 2011 with participation from certain Municipal Officials (Reference Group).
- Training rolled out October-November 2012 at Elsenburg and George.
 - 60 Municipal Officials
- Positive Feedback from Participants
 - Requested hands on support

Standard Operating Procedures

The goal of this intervention is to enhance PSO 12 and Strategic Objectives 31 of the Provincial Treasury to enable sound financial management at municipalities by improving the standards of accounting and financial reporting (requiring integrity of financial data).

Progress

- Started with project during 2011/2012.
- Project was for the development of Sops for 4 Accounting Cycles
- Due to amount of work in developing the SOPS it was agreed that we only compile a SOPS for the Expenditure Cycle.
- Material developed with participation from certain Municipal Officials (Reference Group.
- Completed flow chart and Narrative at end of November 2012.

GRAP 17

The goal of the project is to enhance GRAP 17 technical knowledge at municipalities by conducting GRAP 17 training in terms of approved training manuals and to elevate the financial accounting capacity of all municipalities to at least level 3 and in the process ensure compliance with Provincial Strategic Objective 12

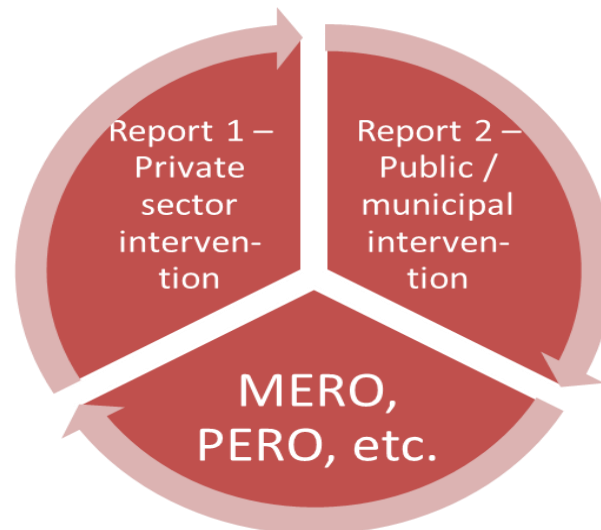
Progress

- Material developed during 2011/2012 with participation from certain Municipal Officials (Reference Group).
- Training presented during 2011/2012 at Paternoster and George
- Positive Feedback from Participants
 - Requested that training be rolled out on an annual basis.

Agricultural policy to influence IDPs

The goal of the project is to develop an economic review of the Agriculture sector and its contribution to the local economic development; to determine the impact of the Agriculture sector development on socio-economic challenges such as job creation and poverty alleviation and as such, assist with the development of a local economic development plan for municipalities.

- Consist of 2 phases:
 - Conduct Research on Western Cape Agriculture, main commodities, enabling factors, etc. from a private sector perspective (Completed)
 - Conduct Research on Western Cape Agriculture, main commodities, enabling factors from a public sector perspective



Cash and Investment Mngt

The goal of this project is to ensure capacity building in municipalities and Provincial Treasury of the Western Cape for the improvement of Cash Management to ensure compliance prudent for financial management and effective leadership.

Progress

- In progress with the Development of Training Material
- Envisage to roll out Training during February-March 2013

Development of BTO structures guidance document

The objective of the project is to provide guidance to municipalities regarding the development of efficient and effective BTO structures. The issuance of the four (4) guidance documents will assist in the improvement of BTO structures which will positively contribute towards the achievement of the PT objective which is driving municipal BTO offices to function at a level 3 financial management capability (FMC) rating.

Progress

- Busy with the Development of the Guidance Document
- Envisage to issue the structures guidance document by end of March 2013
- Training roll out during 2013/2014.

Concluding Remarks

- Positive Engagements
- Commitment
- Participation- Delegates from Municipalities

**“Its actually not only about
the training,
its all about partnerships
to improve basic service delivery and to build
capacity towards clean audits and beyond
compliance.”**

Conclusion

- USB-Ed wishes you a Blessed Christmas and a Prosperous New Year with your Family

