



**Western Cape
Government**

Provincial Treasury

LGFGRO 2012/13 Approach

CFO Forum

11 June 2012

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Overview

Objective

- Annual FGRO Reporting to the municipality prior to LG MTEC 3
- Individual components assessed the municipality based on predetermined and agreed criteria
- Findings in each LG FGRO Report was presented to the relevant municipality in Feb 2012
- LG FGRO Report - 2011 to be used as an internal document by treasury, local government and municipality for areas of improvement

Assessment Area's

- Corporate Governance
- Supply Chain and Movable Asset Management
- Accounting

PT's remedial steps to support

Corporate Governance

- Training programme focusing on assurance
- Capacitation through quarterly CRO and CAE forum
- On-site training workshops on how to draft, implement and monitor the effectiveness of adopted delegations.

SCM/MAM

- Monitoring of conformance to SCM policy and prescripts through annual SCM Virtuous Cycle assessments
- Review municipal SCM and asset management policies
- SCM helpdesk, SCM forums and workshops and associated training

Accounting

- Rolling out and monitoring SOPs
- Review of skills transfer and AFS training interventions
- FG to address municipal specific related accounting queries through an accounting helpdesk.

Approach for 2012/13

- The assessment will be combined with Department of Local Government and the Department of Provincial Treasury.
- The report will be split into two sections which will read as:
 - Section A: Department of Local Government
 - Section B: Department of Provincial Treasury
 - Financial Governance
 - Supply Chain Management and Moveable Assets
 - Local Government Accounting
- The engagement will coincide with the Mid-Year Reviews and it will also cover the areas on PDO and FMIP discussion.

Process going forward

- The following are the high level dates that we are working towards:
- Terms of Reference and MGRO Chapter 2 to be signed off by Provincial Treasury's Head of Department: Dr JC Stegmann.
- Section A and B to be consolidated by the 15 January 2013.
- Reports to be issued by 10 February 2013.
- Engagement dates are fixed between 15 February and 05 March 2013.
- The cabinet report needs to be submitted no later than 31 March 2013.

Questions



Thank you