**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN REPLY**

**QUESTION NUMBER 2440**

**Mr I M Groenewald (FF Plus) to ask the Minister of Cooperative Governance and Traditional Affairs**

(1) Whether she receives regular reports on qualified appointments of chief financial officers (CFO) and municipal managers (MM); if not, what is the position in this regard; if so, what (a) percentage of (i) CFOs and (ii) MMs currently employed by municipalities comply with the minimum qualifications as prescribed by the Municipal Finance Management Act (MFMA), Act 56 of 2003, and (b) total number of (i) CFO and (ii) MM positions at municipalities countrywide are currently vacant and/or filled by acting CFOs and/or MMs;

(2) whether municipalities report to her the use of accounting consultants; if not, what is the position in this regard; if so, what is the total number of municipalities that are currently employing the services of accounting consulting firms to (a) prepare their annual financial statements and/or (b) fulfil the role of internal auditors at municipalities? NW2778E

**REPLY:**

1. The Minister receives reports on appointments of senior managers including Chief Financial Officers (CFO) and Municipal Managers (MMs) on periodic basis in terms of section 54A(3) and section 56(2)(a) of the Municipal Systems Act, (Act No.32 of 2000) as amended in 2022, read together with Regulation 17 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers (Government gazettee No. 37245) ,
2. (i) and (ii) The Municipal Regulations on minimum competency levels as promulgated in Government Gazette No. 29967 and amended by Government Gazette No. 41996 of 2018 in terms of Municipal Finance Management Act, (Act 56 of 2003) is administered by the Minister of Finance.
3. According to information received from provinces, the following are the total number of filled and vacant positions for municipal managers and chief financial officers as at end March 2023:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Position  | Total filled  | Total vacant  | Not submitted  | **Total**  |
| Municipal Manager  | 194 | 62 | 1 | **257** |
| Chief Financial Officer | 178 | 78 | 1 |

1. To ensure effective use of consultants, the Minister of Finance promulgated the Local Government: Municipal Cost Containment Regulations and these Regulations introduced a requirement for the development of a consultancy reduction plan. The development of this consultancy reduction plan is now a prerequisite and needs to be approved by the municipal council before any consultant can be appointed, especially in instances where capacity exist within a specific municpality. Compliance with this Regulation is monitored by the National Treasury and hence it is suggested that the specific question relating to consultancy usage is reffered to the Minister of Finance.

**End.**