**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2647 [NW2936E]**

**DATE OF PUBLICATION: 7 SEPTEMBER 2018**

**2647. Mr K J Mileham (DA) to ask the Minister of Finance:**

Whether each (a) municipal manager and (b) chief financial officer of each municipality in the country meet the minimum competencies as specified in regulations 15 and 18 of the Municipal Regulations on Minimum Competency Levels; if not, in each case, (i) why not, (ii) which municipal managers and/or chief financial officers do not meet the minimum competencies and (iii) what steps have been taken to enforce compliance with these regulations?

 NW2936E

**REPLY**:

1. Not all municipal managers and chief finance officers in municipalities are compliant with the regulations, which is subject to on-going discussion, monitoring and reporting between national government, provinces and municipalities.
2. **The Table 1** below indicates the levels of compliance for 257 municipalities across the nine provinces for the **municipal manager** (MM) **and Chief Financial Officer (CFO**) positions, as provided by the municipalities.
3. The information points to high vacancy rates, high staff turnover, and municipalities needing to expedite appointment processes.
4. See as reflected in the Table 1.
5. National Treasury has played an advocacy and supportive role to-date in promoting compliance of the regulations through engagements at various MM and CFO forums, including the MFMA joint meeting where Provincial Treasuries, Cooperative Governance, SALGA and office of the Auditor-General are represented.

**TABLE 1**

Status of the Minimum Competency Levels for MMs and CFOs as at 30 August 2018

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Province** | **Number of Municipalities** | **Accounting** **Officers** **(AO)** | **AO Meet****Minimum Competency** | **Chief Financial Officers****(CFO)** | **CFO Meet Minimum Competency** |
| Eastern Cape | 39 | 27 | 11 | 26 | 11 |
| Free State | 23 | 20 | 9 | 25 | 13 |
| Gauteng | 11 | 11 | 6 | 25 | 3 |
| KwaZulu- Natal | 54 | 34 | 17 | 41 | 11 |
| Limpopo | 27 | 20 | 5 | 22 | 6 |
| Mpumalanga | 20 | 12 | 9 | 16 | 6 |
| Northern Cape | 22 | 29 | 12 | 27 | 7 |
| North West | 31 | 16 | 8 | 11 | 3 |
| Western Cape | 30 | 24 | 17 | 25 | 19 |
| **TOTAL** | **257** | **193** | **94** | **218** | **79** |

***Source****: National Treasury minimum competency levels database*

The details of the municipalities’ municipal managers and CFOs that are not compliant have been attached as **Annexure A** to this response.

Additional resources have been sourced through donor funds for selected smaller municipalities and the Financial Management Grant is made available to all municipalities needing assistance. There are at least a 100 regionally based Local Government Sector Education and Training Authority accredited training providers listed on the National Treasury website to also support regional based training.

After extensive consultation processes, the Minister of Finance will promulgate an amendment to, amongst others, regulations 15 and 18 of the Municipal Minimum Competency Regulations, to allow all officials 18 months from date of appointment to obtain the relevant competency levels. It will be mandatory for all municipal councils to make the latter a condition of employment in the employment contracts of effected officials. These proposed amendments will be promulgated shortly.