



UMZUMBE LOCAL MUNICIPALITY SYSTEMS OF DELEGATIONS

MFMA: DELEGATIONS OF AUTHORITY

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DELEGATIONS

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1. GLOSSARY OF TERMS

“Accountability” means an obligation of an individual to account for his/her activities and to disclose the results in a transparent manner.

“Authority” means a power that is delegated in writing in terms of the applicable governing legislation. It includes a right to command a situation, commit resources, give instructions and expect them to be undertaken and performed. It is always accompanied by an equal responsibility for one’s actions or a failure to act.

“Delegation” means the assignment of authority and responsibility to another person to carry out specific activities.

“Delegated Official” means any person to whom power has been delegated or who has been authorised to perform a duty in terms of a formal written delegation. This includes an official who lawfully acts in the capacity of the delegated official.

“Duty” means the responsibility of conduct, function or performance that arises from an expressed or implied contract or from by virtue of holding an office or position.

“Effectiveness” means the degree to which the objectives are achieved and the extent to which targeted problems are resolved. It relates to doing the “Right Things” to a delegated matter.

“Efficiency” means utilizing the available time and resources and undertaking the delegated matter with the minimal cost against time and the available resources.

“Function” means a task that has to be planned and undertaken to produce required outcomes.

“Limitation” means a restriction being imposed on the performance of a particular power.

“Manager” means an individual who is in charge of a certain group of tasks or a certain subset of an organisation.

“Power” means an instrument transferring or vesting legal authorisation. The ability conferred on a person by law to determine and alter the rights, duties, liabilities and other legal relations of him/her or others.

“Principle Functionary” means any person upon whom a power is conferred or a duty is imposed through an empowering provision in terms of which an administrative action is taken. The principle functionary, in whom the power or duty is vested, remains accountable for the execution of the delegation.

“Responsibility” means a duty or obligation to satisfactorily perform or complete a task, assigned by someone, that one must fulfil and which has a consequent penalty for failure.

1. Background

The President of the Republic of South Africa has identified the need to modernise the public service across all three spheres of Government. The system of delegation has a profound effect and places emphasis on the strategic planning and decision making on both the budgetary and financial management implications and the plan on implementation in which service delivery is undertaken and managed.

In view thereof, it is a legal requirement that the functionality of the system delegations, including its procedure and process must be results and performance driven and must contribute towards effectiveness and efficiency with no delays in service delivery.

The term 'delegation' is derived from Latin. It means that when delegating, a person sends work that is delegated to him/her to another person to plan, undertake and achieve the desired results and outcomes. It is important to note that delegating clearly defines the limits and parameters of authority that go with decision making, by providing the required checks and balances. Delegation therefore means the giving of a specific power, responsibility, function or work to another person within the employ of the municipality.

The act of delegation then involves assigning powers, functions or responsibilities to another person in the employ of the institution with the essential human, technical and relevant other resources so he or she can act on his or her behalf. Authority to exercise discretion is delegated to a person so that, that person can make decisions, use resources, act or dispose of matters at his or her own specific level without having to refer the matter to a higher authority for a decision and implementation.

It must be noted that when you delegate a specific function, you delegate only a power, function and responsibility and not the level of accountability. The MFMA allows the Accounting Officer of a municipality to delegate either to a specific individual or to the holder of a specific post in the municipality in either a permanent or acting capacity. It is therefore important to note that the person acting in a post is equally, severally and/or wholly accountable as the person who normally occupies the post concerned.

Persons in the acting capacity will sign a separate delegation that will accompany his or her letter of appointment. The letter of appointment must also be clear, specific and precise that by signing the delegations, the person accepts accountability for the effective and efficient performance of the tasks attached to the position. Hence, in the implementation and management of the Systems of Delegations in a municipality, the Accounting Officer maintains every level of accountability. Accountability can therefore not be delegated.

The legislative framework that relates to the requirement for the implementation and management of a System of Delegations in terms of the Municipal Finance Management Act (MFMA) (Act 56 of 2003), and Municipal Systems Act (Act 32 of 2000) would also influence the management of the Performance Regulations.

The Municipal Finance Management Act (MFMA), 2003, (Act 56 of 2003) adopts an approach to financial management which focuses on outputs and responsibilities and is part of a broader strategy on improving municipal financial management.

The Act assumes that the political head of a municipality (Mayor) is responsible for policy matters and outcomes which include Municipal Council approval and adoption of the Municipality's budget. The Municipal Manager is responsible for the implementation and outcomes of the MFMA, including being accountable to National, Provincial Legislature and the Municipal Council for the implementation and management of the annual budget. This approach is consistent with the MFMA which relies on a performance driven system of measureable outputs and outcomes.

The MFMA prescribe specific responsibilities that the HOD and Municipal Manager must undertake and manage to ensure the effective, efficient, economic and transparent use of his or her department and or municipality's resources.

The delegations have multiple effects and benefits for both the Accounting Officer (National, Provincial & Municipality) as well as officials to whom powers, functions or responsibilities are delegated to. It must be noted that the delegations would ensure that the workload of the accounting officer would be reduced, thus allowing him/her to focus a greater effort on strategic issues facing the department and or the municipality, whilst delegations serve as a powerful staff motivator by raising official's self-esteem and confidence. It makes officials feel that they are involved in the decision making process where they have an opportunity to articulate their views, thereby making a difference in the workplace. This enhances their knowledge and skills, which in the long term is beneficial to the department and or the municipality and the public sector.

Various factors may influence the implementation and acceptance of the system of delegations. This may include, amongst others, resistance to accept delegations, reluctance to delegate to subordinates, unwillingness to take additional responsibility and misuse and manipulation of delegations. The resistance to accept delegations may be due to the existing workload being excessive and or the responsibilities that are linked to the post.

In certain instances, the Officials may also be unwilling to take on additional responsibility in a non-acting capacity due to the non-payment of remuneration for the additional functions and responsibilities that was not originally attached to the post. In other instances, the Officials may also be unwilling to accept additional responsibility due to the certain implications where decision making may have negative personal consequences.

It is important that delegations reflect the municipality or department's organisational structure. The practice of sub-delegation on a temporary basis is appropriate in circumstances where the official is on official leave for a certain period of time. When the draft budget and policies are tabled in the Municipal Council for approval, it is advisable that the system of delegations for the municipality is tabled simultaneously.

In this regard we make reference to the system of delegations containing all the delegations for the municipality including the financial management delegations in terms of the MFMA. It is also advisable that the systems of delegations be reviewed each time there is a change in the municipal structure that will result in either the centralisation or decentralisation of functions, including when municipalities decides to open satellite offices to enhance service delivery.

2. Legal Framework for Delegations

2.1 Municipal Finance Management Act and Municipal Systems Act (MFMA and MSA)

It is important that all delegations are consistent with the prevailing legal framework. Section 238 of the Constitution of the Republic of South Africa Act 108 of 1996 provides that any executive organ of state in any sphere may delegate any power or function to another executive organ of state provided that the delegation is consistent with the original legislation. The Constitution therefore sets down the qualification that the particular delegation must be consistent with the enabling legislation.

In line with the MSA, the Municipal Council or the Executive Mayor is required to delegate to the accounting officer. It must be noted that any form of written delegations to the accounting officer must not be inconsistent with the powers, functions and responsibilities that is assigned to the Accounting Officer in terms of Chapter 8 of the MFMA. In addition, it is a requirement for the Municipal Council and the Executive Mayor to also be knowledgeable and accountable to section 76 of the MFMA that relates to the duty of the accounting officer to undertake and manage the work output on the MFMA.

In terms of section 79 of the MFMA, the Accounting Officer must compile, implement and manage a system of delegation that is directed towards achieving the results and standards of performance in administrative and operational effectiveness and efficiency and provide seamless internal control mechanisms in the municipality's financial administration.

In addition to the aforementioned senior level duty of the Accounting Officer, the Chief Financial Officer is also provided with the option to in terms of section 82 of the MFMA sub-delegate all of the duties, functions and responsibilities that are referred to in terms of section 81 (1)(b)(d) and (e) of the MFMA. The Chief Financial Officer is allowed to delegate his or her power referred to in the latter section, to an official in the budget and treasury office, to the holder of a specific post in that office or with the concurrence of the accounting officer, to any other official of the municipality or any person contracted by the municipality for the work of the office.

It must be noted that the Delegations with reference to the Section 56 managers, though not explicitly prescribed in the MSA are nonetheless conferred upon them by implications of their performance agreements that is required in terms of the Performance Regulations.

In terms of section 59 of the MSA (Municipal Systems Act), it places the duty of developing and maintaining a system of delegation on the Municipal Council. The duty of the Accounting Officer of a municipality for the implementation and management of a System of Delegation is also guided in terms of section 59 of the MSA. It must be noted that this requirement for adherence by the Accounting Officer remains non-negotiable and should be documented as a key performance area in his/her Performance Agreement.

All delegations must be reviewed annually to achieve its effectiveness to its relevance and entrench accountability on the delegated responsibility. All delegations must be reviewed each time there is a change in political leadership to afford the incoming Municipal Council to determine what to delegate and what not to delegate. For instance, if the designate of the portfolio of MMC for Finance or any other elected Political Office Bearer changes five times in a year, it is imperative for the delegations to be reviewed and updated accordingly.

The functionality of a municipality within the ambit of the MFMA will require optimal implementation and management standards to be achieved on budget, financial and general matters that are pertinent to the aforementioned Act. The MFMA has propelled specific role players to the forefront for its requirements to be achieved. In addition, the Act requires financial

and administrative mechanisms to be implemented through effectiveness and efficiency to achieve the desired results and performance on all aspects of the aforementioned legislation.

In terms of section 60 of the MFMA, the Act has made it non-negotiable and prescriptive, that the Accounting Officer is required to:

- Exercise the functions and powers that is assigned to the Accounting Officer in terms of the MFMA
- Provide guidance and advice on compliance with the MFMA

In view of the aforementioned, the Act would thus place complete accountability on the Accounting Officer to honour its requirements. It must be noted that whilst the MFMA would require non-negotiable standards to be achieved in Accountability for the implementation and management of the MFMA, the Act in terms of section 76 of the MFMA serves to protect the Accounting Officer against any form of interference and obstacles that will prevent this responsibility from either an internal or external source of the municipality.

3. Accountability

In the implementation and management of the System of Delegation in a department, entity or municipality, the Accounting Officer or Accounting Authority maintains every level of accountability. Accountability means giving explanations for any variance in the actual performance from the expectations set. Accountability cannot be delegated. For example, if 'A' is given a task with sufficient authority, and 'A' delegates this task to B and asks him to ensure that task is done well, responsibility rests with 'B', but accountability still rests with 'A'. The top level management is most accountable. The term Accountability, makes reference to being answerable for the end result. Accountability cannot be escaped, it arises from responsibility.

This level of authority is substantiated and best illustrated in section 79 (3) (e) of the MFMA. The MFMA both only make provision for delegations to the accounting officer or accounting authority of departments, entities and municipalities. The MFMA goes further to preclude the Accounting Officer from delegating functions and duties to "any member of the political sphere" in the municipality, in which case the accounting officer will be held accountable and would commit an act of negligence.

In view of the aforementioned understanding, the Accounting Officer would be held accountable by the relevant Authority in the event he/she fails the Accountability Test in the following three (3) aspects:

- i. Implementation and Management, including reviews when necessary of the System of Delegation;
- ii. The MFMA work output, its results and performance with specific reference to placing the department and municipality respectively to deliver on its executive obligations;
- iii. Delegating his/her powers and functions in terms of the MFMA to any political structure and or political office bearer.

In light of the aforementioned, the implementation and management of the System of Delegation is in fact the process to implement the best practices and the "Skill on Accountability". The System of Delegations gives Authority to an Official in the administrative system but with "the essential human, technical and other resources" to plan, fund, implement, and manage the mandate on service delivery in a department, entity or municipality.

The system of delegations that requires the practice on Accountability in an Official has the expectation, that, the said Official is required to adopt and implement all decisions that is pertinent to the delegated duties and function. This would require the, utilisation of the approved resources, achieve the results and performance that was jointly agreed to, complete all work output at the approved level of delegation and report on measurable outcomes that was achieved with certainty.

Since accountability is legislatively enforced in the public service, delegation is often not undertaken lightly and usually involves service-delivery considerations. The requirement for an effective and reliable System of Delegation is to entrench Accountability by firstly providing a clear and vertical division of work output to determine the relationship between the delegator and the delegate or delegation official.

4. Responsibility and Authority

Responsibility is the duty of the person to complete the task assigned to him. A person who is given the responsibility should ensure that he or she accomplishes the tasks assigned to him. If the tasks for which he was held responsible are not completed, then he should not give excuses. Responsibility without adequate authority leads to discontent and dissatisfaction among the person. Responsibility flows from bottom to top. The middle level and lower level management holds more responsibility. The person held responsible for a job is answerable for it. If he or she performs the tasks assigned as expected, he is bound for praises. .

Authority in context of a business organization, authority can be defined as the power and right of a person to use and allocate the resources efficiently, to take decisions and to give orders so as to achieve the organizational objectives. Authority must be well- defined. All people who have the authority should know what the scope of their authority is and they should not misuse it. Authority is the right to give commands, orders and get the things done. The top level management has greatest authority. Authority always flows from top to bottom. It explains how a superior gets work done from his/her subordinate(s) by clearly explaining what is expected of him/her /them and how he/she/they should go about it. Authority should be accompanied with an equal amount of responsibility. Delegating the authority to someone else does not imply escaping from accountability. Accountability still rest with the person having the utmost authority.

5. Effectiveness and Efficiency

In providing an understanding to the term effectiveness and efficiency, it is essential to give an illustration to its characteristics and meaning.

The term Effectiveness relates to understanding the mandate, determining all the right things that must be executed to achieve desired results and outcomes of the Mandate.

The term Efficiency relates to an understanding of determining the timeframes, the techniques and the skills to manage the implementation plan that is directly focussed to achieving the outcomes of a specific mandate. The display in the level of efficiency would guide the adjudicators to comment on the grade of competence and diligence that was on display during the execution of the implementation plan. The efficient performance of work necessitates a realistic delegation of authority extending to the lowest possible level in the hierarchy of the department. To provide

services and accomplish related tasks necessary for it, functionaries need a large degree of delegation, especially where regional and local offices are involved. For this reason, the delegation of authority is closely intertwined with the extent of centralisation or decentralisation of departmental or municipal activities.

In light of the aforementioned understanding, the combination of Effectiveness and Efficiency would require a reliable and clearly defined System of Delegation that would guide the Delegating Principle during the delegation of the powers and duties that is assigned in terms of the MFMA to the next level of management and or authority and simultaneously to monitor and evaluate further delegations to lower levels of the management hierarchy.

It must be noted that the integrity and quality of the desired results and outcomes that are achieved would provide a greater understanding and clarity as to whether the System of Delegation is indeed effective and efficient in its design, implementation and management within all spheres of the department, entity and municipality.

The Effectiveness and Efficiency that is achieved in the implementation and management of the System of Delegation would also be influenced by the size, complexity and magnitude of the constitutional mandate. In addition, the issue of centralization and or decentralization would also influence how the System of Delegation must maintain the right levels in effectiveness and efficiency within the institution.

To provide services and accomplish related tasks necessary for it, functionaries need a large degree of delegation that is supported with the right levels of human, technical and other resources that would position all levels of management to function but with a focus of concentration on the outcomes of the mandate.

The advantages that accrue from a delegations system that mirrors decentralisation of administrative functions can include amongst others:

- The workload of Council or the Accounting Officer in the case of a municipality and other managers are reduced, thus maintaining greater focus on strategic issues;
- The promptness, quality, integrity, reliability in decision making improves due to the fact that decision making is closer to the work at hand and time does not have to be allocated for referring the matter to a higher authority;
- Improved initiatives and job satisfaction amongst middle and junior level managers due to the fact that they are part of the effort to manage the executive obligations and play a lead and direct role on service delivery activities of the institution. In addition the clarity and certainty that is prevalent positions Officials of all levels of Management to be in readiness accept greater responsibilities;
- Employees are encouraged to exercise judgement and accept responsibility which enhances their self-confidence and willingness to take initiative; and
- Building institutional memory at various levels of the organisation.

It should be noted that there are several personnel and managerial factors that can inhibit the implementation and management of the System of Delegation. This would require clarification to entrench stability. They can include:

- The higher the degree of accountability that the legislation demands from the delegator may influence the thinking to centralise activities and a reluctance to delegate to functionaries lower in the municipal hierarchy;
- The delegator displays the uncertainties that insufficient capacity exists in different levels of Management to implement and manage the work output that has been delegated. and
- The delegator displays their uncertainties that their respective performance evaluation could be seriously and negatively affected when staff in the different levels in Management experience seamless difficulties to undertake and manage the work output that has been delegated within the System of Delegation.

Senior managers sometimes inherit organisations or parts thereof that were designed by others. It is possible that the design of the organisation itself inhibits effective delegations. This might necessitate a review of the organising function to determine the root cause of the problem. Organisational impediments to delegation can include:

- The System of Delegation is not effective if the nature of the powers, duties and or task, accompanying the authority and reporting requirements are not clearly explained and the responsible functionary is not identified;
- When senior managers fail to delegate a power or duty, there is the expectation that the responsibility for its execution will eventually be delegated in an irregular manner to others. This would create additional staff, reporting, performance evaluation and communications burdens; and
- In the absence of clear delegation documentation or with poorly developed job descriptions, staff members at all levels of the organisational hierarchy may not have a good understanding of what is expected of them?

6. Clarification of roles and responsibilities

The legal framework surrounding delegations in terms of the MFMA has been described above. In essence, the relationship between the delegator and the delegate is based on the Loyalty and Trust to the mandate on service delivery. Checks, balances, and external authorities will not remedy the situation if both communication and understanding is compromised. To prevent such a scenario from occurring there must be frequent and effective communication between the delegator and delegate.

7. Principle and process for delegation under the MFMA

7.1 Principle for delegation

The delegation process is essential to every manager in a department or municipality. There would be the entrenched mechanism as to how managers involve employees in the municipality's efforts to meet legislative and delivery mandates.

Below are some guidelines that can be used as guidelines to assist managers to be more effective in delegation:

- **Explain the reasons for delegating.** Subordinates should understand that delegation has advantages for themselves, for the manager and for the department;

- **Set clear goals and standards.** Functionaries should participate in the process for formulating goals for the delegated power and should agree with the criteria laid down for measuring their performance. This participation will foster successful delegation;
- **Ensure clarity of authority and responsibility.** Subordinates must understand the powers and duties designated to them, recognise their responsibility and be held accountable for the results;
- **Involve subordinates.** Managers should motivate subordinates by including them in the decision making process, informing them of their progress and enabling them to improve their knowledge and skills in the delegated powers and duties. An informed functionary is more likely to accept well designated powers and duties and perform them properly;
- **Provide the necessary direction and assistance.** Request the completion of tasks incidental to exercising the delegated powers and duties. Managers can see to it that functionaries complete the tasks delegated to them according to the agreed standards and goals;
- **Provide performance training.** The effectiveness of delegation depends on the functionary's ability to perform tasks. Managers should continually evaluate the responsibilities delegated and provide training to help functionaries overcome shortcomings; and
- **Provide feedback to the subordinate.** Timely and accurate feedback should be provided to subordinates on a regular basis. The feedback should include both positive and negative feedback regarding the functionary's performance. The way forward should then be discussed with the subordinate.

7.2 Delegation process

The delegation process is essential to managers of municipalities to assist them to discharge the function and responsibilities that have been delegated to them as well as for the growth and well-being of employees. Delegation does also not take place automatically; it is initiated by the Responsible Principle and implemented by the employee to whom the power is delegated.

Furthermore, the internal and external environment is expected to change rapidly in a municipality. In view thereof, it is imperative that the Responsible Principle and managers review the constantly changing requirements with their subordinates. In the case of newly appointed employees, a greater amount of time will be required to ensure that they understand their jobs and what will be required of them.

The following steps are recommended by which the delegation process can be carried out. It should be noted that the same process described below will also apply to sub-delegation.

- Decide on the powers and duties to be delegated. Duties of a repetitive nature, or minor chores, can easily be delegated. It is important to delegate more challenging tasks in order to develop employees' skills and to build self-confidence.
- Decide who should perform the powers and duties. The time available, competencies and skills required, and experience of the subordinate employee should be taken into account.
- Provide sufficient resources for carrying out the powers, and duties delegated. These include human, financial, technical and other resources physical (such as computers, telephones, office furniture and so on). It must be that the issue of adequate resources must be a prerequisite to the delegated functions and responsibilities that is required to

be undertaken. Without sufficient resources employees will not be able to execute the powers and duties that have been delegated to them.

- Delegate the powers and duties. The manager delegating the powers and duties should empower the functionaries who are responsible and provide all relevant information on the task to be undertaken, including the results and performance that must be achieved. It is essential for the existence of clear channels of communication and lines of authority between the manager and the employee on all matters related to the delegation.
- Establish a reporting system. This is vital because the outcome of the delegation process is information on the performance of the task. This serves as a measure to evaluate its execution and as input for when delegations are reviewed and others considered

It must be noted that notwithstanding the delegation being issued, the accountability remains vested with the Manager. In light of the aforementioned, the Manager should be required to intervene in the event when difficulties arise. It must also be noted that an instance of such an intervention would be the issue of depleting and or unavailable resources.

In addition, if the functionary lacks sufficient experience or the appropriate skills. Managers should be prepared to assist where necessary and the functionary should be made aware it is possible to request assistance.

8. The Role of the Accounting Officer

The Accounting Officer is duty bound and is responsible to plan, implement and monitor not only the functionality of the system of delegation within Senior Management and the municipality but also as to determine whether the right results and performance is achieved under each matter with the system of delegation. It is also the responsibility and function of the Accounting Officer to correct any malfunction in the event there are negative trends in the results and performance that is desirable under each of the matters that are issued with the system of delegation.

In view of the aforementioned, for a municipality, it must be the duty of the Municipal Council and its Committees, the Mayor and the relevant External Role Players to not only serve as the Adjudicators but also to “Alert” the Accounting Officer of deficiencies and the need for remedial measures to be implemented.

It thus remains of essence, that the system of delegation that is managed under the administrative leadership of the Accounting Officer within the department or municipality must by virtue of its design and structure play a lead and direct role to achieve absolute compliance, provide the reliance and stability on accountability, effectiveness and efficiency in the work output on the PFMA and MFMA. The characteristics on the aforementioned key words are illustrated in the “Principles Guide to the Delegations”.

In light of this crucial requirement, it must become inevitable that the duty and responsibility for the implementation and management of the system of delegation must be included as a Key Performance Area (KPA) in the Performance Agreement of the Accounting Officer. In addition, it must become simultaneous, that the system that contains the delegated matters must also be the KPA of the each Senior Manager in their Performance Agreement. This would relate to the results and performance that is achieved in the implementation and management of their relevant delegation by the Accounting Officer from within the System of Delegation. In addition the Team

to the system of delegation is bound by the decorum that is set by the Lines of Authority and the Channels of Communications between the different levels of management within the municipality.

The implementation and management of a system of delegation must never be undertaken as “yet another compliance task” so as to avoid sanctions from either the internal and or external adjudicators.

9. The credentials and key outcomes of the system of delegation

The evaluation exercise and providing comment on a system of delegation must be guided by the ideal and or the desirable norms, standards and requirements that must be achieved and remains non-negotiable to all internal and external role players to the MFMA. The measurement and or benchmark of a system of delegation can only be worthy, good and right when the following aspects form its cornerstones, namely:

- The ideal and desired results and performance that must be achieved on the work output under each matter that is delegated from within the system of delegation;
- The matters that are delegated to a Member of Senior Management are Specific and Unambiguous to the instruction as contained in terms of the MFMA;
- Matters that are delegated to a Member of Senior Management is embraced by a non-negotiable guarantee and security that the implementation and management of the matters has a prerequisite to achieve and maintain absolute levels in Accountability, Effectiveness and Efficiency to the final outcomes of the Matter;
- The approved Time Frames that is set for the evaluation of the system of delegation and which Independent Adjudicator has been appointed to undertake the evaluation on the results and performance that is achieved by the System. When and who implements the findings of the evaluation;
- How the Effectiveness and Efficiency of the system of delegation that contains the matters in terms of the work output on the MFMA, would ensure that the prescribed time frames, norms, standard and requirement that are set for each matter is achieved with certainty;
- That the Functionality of the system of delegation that contains the matters in terms of the MFMA is underpinned and supported by the right Staff Structure (that is designed in relation to the functions that must be undertaken and managed), the provision of the desired Human, Technical and Other Resources during the implementation and management of the System by Members of Senior Management. In addition, the plan by the Accounting Officer with the direct support of the Municipal Council or Executive Authority to implement initiatives to strengthen the functionality of the System of Delegation;
- The implementation and management plan of the Accounting Officer to evaluate whether the Sub-Delegation is consistent to the main matters as contained in the Primary Delegation to the Members of Senior Management and whether the Accounting Officer is a signatory with the relevant Senior Manager to a Sub-Delegation.

In the case of the MFMA, the Municipal Council must ensure that the duty and responsibility of the Accounting Officer with reference to the implementation and management of the system of

delegation as required in terms of section 79 of the MFMA must be included as a Key Performance Area in both the Employment Contract and Performance Agreement of the Accounting Officer. In addition and simultaneous to the aforementioned, the Accounting Officer must include this as a KPA in the Employment Contract and Performance Agreement of Members of Senior Management.

Whether the matters in terms of the MFMA as contained in the system of delegation would significantly contribute to maintaining reliability, result and performance with specific reference to compliance by both the administrative and political spheres to all aspects of the MFMA, and their supporting reforms.

The clarity and specific characteristics that is expressed in the matter in terms of the MFMA, that has been delegated from within the system of delegation must also play a role of vital importance in the event of the suspension of a Member of Senior Management or in the case of a Sub-Delegation to staff of middle and or lower management..

10. The implementation plan and process

The implementation and management must be undertaken by the Accounting Officer with the support and assistance of the Chief Financial Officer and Senior Management at the strategic level. In addition, the Accounting Officer is required to evaluate the results achieved by the Senior Management with regards to the sub-delegations to Managers at the operational level.

The System of Delegations at both the strategic level (Accounting Officer to Senior Management and the operational level (Senior Management and line function Managers) can only be legal for functionality when the issue and receipt of the delegations is secured and protected by the relevant signatories between the parties to the delegations.

The Accounting Officer is required to undertake an evaluation and submit a report to the Municipal Council or Executive Authority with regards to the results and performance that is achieved firstly on the functionality of the system within the municipality or department and secondly how the system has contributed to improved outcomes on the work of both the MFMA on service delivery. The review must be undertaken on at least an annual basis or when there is a change in the legislation.

The Municipal Council or Executive Authority will be required to undertake quarterly review of the results and performance that is achieved by the Political head with a report being tabled in the Municipal Council and Legislature including the relevant structures in Government.

The implementation and management of the delegations that is received within the ambit of the strategic level, it must be included and remain consistent with the Employment Contract and Performance Agreement in the case of Senior Management and in the instance of Managers within the operational level.

The Division – Internal Audit must monitor the implementation and management of the System of Delegations within the institution.

11. Conclusion

The purpose for the implementation and management of the System of Delegations in all departments, entities and municipalities is firstly to achieve and enhance effective and efficient compliance to the MFMA and secondly it is the duty of the Accounting Officer to lead and direct Senior Management with regards to the execution and management of the work output that is required in terms of both Acts.

It must be stated that the Accounting Officer is required to manage the budget, financial and other general matters within the ambit of the System of Delegations to delegate and hold Senior Management responsible for its planning, funding, implementation and reporting on all key outcomes and performance. This remains non-negotiable. In addition, the compliance that is required in terms of the both Acts, which relates to the compilation, implementation and management of a System of Delegation, must be adopted as a Key Performance Area of the Accounting Officer. It must be the duty of the Political heads and the Municipal Council or legislature to undertake quarterly performance reviews that includes the System of Delegations. The System of delegations in terms of both Acts must be a crucial aspect in the Performance agreement of the Accounting Officer and Senior Management in municipalities.

SYSTEMS OF DELEGATIONS

PART 1: FINANCIAL MANAGEMENT DELEGATIONS BY COUNCIL: UMZUMBE MUNICIPALITY

REFERENCES

MFMA - Local Government: Municipal Finance Management Act, 2003

(Act No. 56 of 2003) MSA - Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)

MSCMR - MFMA Municipal Supply Chain Regulations

MIPPPR - MFMA Municipal Investment and Municipal PPP

Regulations MB&RR- MFMA Municipal Budget & Reporting

Regulations- Gazette No. 32141

LEGISLATIVE FRAMEWORK			COUNCIL DELEGATIONS FRAMEWORK		
ITEM NO.	LEGISLATION	POWER OR DUTY	DELEGATED TO	SUB-DELEGATED TO	LIMITATIONS/ CONDITIONS
CHAPTER 3 - Municipal Revenue					
1	MFMA 7(1)	The municipality must open and maintain at least one bank account in the name of the municipality.	Accounting officer	Chief Financial Officer	May only be delegated to the Chief Financial Officer
2	MFMA 7(2)	All money received by a municipality must be paid into its bank account or accounts, and this must be done promptly and in accordance with chapter three of the MFMA and any requirements that may be prescribed.	Accounting officer	Chief Financial Officer	Can be delegated further
3	MFMA 8(1)	A municipality must have a primary bank account.	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

4	MFMA 8(1)(b)	If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account.	Accounting officer	Chief Financial Officer	
5	MFMA 8(3)	A municipality must take all reasonable steps to ensure that all moneys referred to in subsection (2) are paid into its primary bank account of the municipality.	Accounting officer	Chief Financial Officer	Can be delegated further
6	MFMA 8(4)	All allocations due by an organ of state to the municipality or the municipal entity must be made through the parent municipality's primary bank account.	Accounting officer	Chief Financial Officer	
7	MFMA 12(2)	A municipality may open a separate bank account in the name of the municipality for the purpose of a relief, charitable, trust or other fund.	Accounting officer	Chief Financial Officer	
8	MB&RR Reg 12(2)	The municipality/council must make expenditures or donations in support of the objectives for which funds created in terms of section 12 of the Act were established if approved in an annual budget or adjustments budget.	Accounting officer	Chief Financial Officer	Not delegated further
9	MFMA 13(2)	A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be prescribed in terms of subsection (1) by the Minister acting with	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

		concurrence of the cabinet resp. 4 Local Govt.			
10	MFMA 14(2)(a)	A municipality may transfer ownership or dispose of a capital asset only after the municipal council in a meeting open to public - a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services and; b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.	Accounting officer	Chief Financial Officer	
12	MFMA 14 (4)	A municipal council may delegate to the accounting officer of the municipality its power to make the determinations referred to in subsection (2) (a) and (b) in respect of movable capital assets below a value determined by the council.	Accounting officer	Chief Financial Officer	Only assets with a carrying value prescribed in the assets management policy.
13	MFMA 14 (5)	Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive and consistent with the supply chain	Accounting officer	Chief Financial Officer	Only assets with a carrying value prescribed in the assets management policy.

SYTEMS OF DELEGATIONS

		management policy which the municipality must have and maintain in terms of section 111.			
14	MATR Reg 34	A municipality may grant a right to use, control or manage a capital asset only after (a) the accounting officer has in terms of regulation 35 conducted a public participation process regarding the proposed granting of the right; and (b) the municipal council has approved in principle that the right may be granted.	Accounting officer		
CHAPTER 4 - Municipal Budgets					
15	MFMA 16 (1)	The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.	Not delegated		
16	MB&RR Reg 17(1)	A municipal council must consider the full implications, financial or otherwise, of the annual budget and supporting documentation before approving the annual budget.	Not delegated		
17	MFMA (15)	A municipality may, except where otherwise provided in this Act, incur expenditure only- a) in terms of an approved budget; and b) within the limits of the amounts appropriated for the	Not Delegated		

SYTEMS OF DELEGATIONS

		different votes in an approved budget.			
18	MFMA 19(2)	Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider — (a) the projected cost covering all financial years until the project is operational; and (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.	Not delegated		
19	MFMA 19(3)	A municipal council may approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.	Not delegated		-
20	MB&RR Reg 13(2)	The following capital projects may be approved by a council either individually or as part of a consolidated capital programme as contemplated in section 19(3) of the Act: (a) capital projects of which the total projected cost is below 5% of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget not exceeding R250 million;	Not delegated		-

SYTEMS OF DELEGATIONS

		(b) capital projects of which the total projected cost is below 8% of the municipality's revenue, in the case of a municipality with approved total revenue in its current annual budget greater than R250 million but not exceeding R500 million; and (c) capital projects of which the total projected cost is below R50 million, in the case of a municipality with approved total revenue in its current annual budget greater than R500 million.			
21	MFMA 23(1)	When the annual budget has been tabled, the municipal council must consider any views of— (a) the local community; and (b) the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.	Not delegated		
22	MFMA 23(2)	After considering all budget submissions, the council must give the mayor an opportunity— (a) to respond to the submissions; and (b) if necessary, to revise the budget and table amendments for consideration by the council.	Not delegated		

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23	MFMA 24(1)	The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.	Not delegated		
24	MB&RR Reg 17(2)	When approving an annual budget, a municipal council must in terms of section 24(2) (c) of the Act, consider and adopt separate resolutions dealing with each of the matters contemplated in that section.	Not delegated		
25	MFMA 25(1)	The council must reconsider the budget and again vote on the budget, or on an amended version thereof, within seven days of the council meeting that failed to approve the budget.	Not delegated		
26	MFMA 32(2)	The municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure— (a) in the case of unauthorised expenditure, is— (i) authorised in an adjustments budget; or (ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and (b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council	Accounting officer	Chief Audit Executive	

SYTEMS OF DELEGATIONS

		committee, certified by the council as irrecoverable and written off by the council.			
27	MFMA 32 (7)	The council of a municipality must take all reasonable steps to ensure that all cases referred to in subsection (6) are reported to the South African Police Service if— (a) the charge is against the accounting officer; or (b) the accounting officer fails to comply with that subsection 5.6, irregular expenditure that constitute a criminal offence and theft or fraud that occurred in the municipality.	Accounting officer	Chief Audit Executive	If the charge is against the AO, the mayor report the charge to the SAPS
28	MFMA 33(1)	The municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year.	Accounting officer		AO to represent Umzumbe Local Municipality in all contracts

SYTEMS OF DELEGATIONS

29	MFMA 33(1)(b)	If the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year, it may do so only if the municipal council has taken into account— (i) the municipality's projected financial obligations in terms of the proposed contract for each financial year covered by the contract; (ii) the impact of those financial obligations on the municipality's future municipal tariffs and revenue; (iii) any comments or representations on the proposed contract received from the local community and other interested persons; and (iv) any written views and recommendations on the proposed contract by the National Treasury, the relevant provincial treasury, the national department responsible for local government and any national department referred to in paragraph (a)(ii)(cc);	Cannot be delegated		Accounting officer
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SYTEMS OF DELEGATIONS

30	MFMA 33(1)(c)	The municipal council to adopt a resolution in which— (i) it determines that the municipality will secure a significant capital investment or will derive a significant financial economic or financial benefit from the contract; (ii) it approves the entire contract exactly as it is to be executed; and (iii) it authorises the municipal manager to sign the contract on behalf of the municipality.	Cannot be delegated		
31	MB&RR Reg 8	The municipality/council must have a funding and reserves policy which must set out the assumptions and methodology for estimating: a) projected billings, collections and all direct revenues; b) the provision for revenue that will not be collected; c) the funds the municipality can expect to receive from investments; d) the dividends the municipality can expect to receive from municipal entities; e) the proceeds the municipality can expect to receive from the transfer or disposal of assets; f) the municipality's borrowing requirements; and g) the funds to be set aside in reserves.	Accounting officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting

SYTEMS OF DELEGATIONS

32	MB&RR Reg 25(1)	The municipality/council must consider the full implications, financial or otherwise, of the adjustments budget and supporting documentation referred to in regulation 21 before approving the adjustments budget.	Not delegated		
33	MB&RR Reg 25(2)	The municipality/council may approve an adjustments budget dealing with matters referred to in section 28(2)(c) of the Act only if the expenditure was recommended by the mayor in accordance with the framework prescribed in Chapter 5 of these Regulations.	Not delegated		
34	MB&RR Reg 25(3)	When approving an adjustments budget, a municipal council must consider and adopt separate resolutions dealing with each of the matters listed in item 4 of Schedule B.	Not delegated		
35	MB&RR Reg 42	A parent municipality must submit to the National Treasury and relevant provincial treasury particulars of- a) Each public entity's capital budget as approved by the board of directors of the municipal entity; and b) Details of all capital projects of which the total projected cost is greater than R5 million as approved by the board of directors of the municipal entity.	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

36	MB&RR Reg 29	A municipality must add to its budget documentation any other supporting documents not covered in Schedule A if such documents are necessary to fully explain the impact of the annual budget on service delivery and the state of financial affairs of the municipality including its municipal entities.	Accounting officer	Chief Financial Officer	
37	MB&RR Reg 20	A municipality must add to its adjustments budget documents any supporting documents not covered in Schedule B if such documents are necessary to fully explain the impact of the adjustments budget on service delivery and the state of financial affairs of the municipality including its municipal entities.	Accounting officer	Chief Financial Officer	
38	MFMA 37(1)(a)	The municipality must promote co-operative government in their fiscal and financial relations with the national and provincial spheres of government and other municipalities, in accordance with Chapter 3 of the Constitution and the Intergovernmental Fiscal Relations Act.	Accounting Officer	All Senior Managers	
39	MFMA 37(1)(b)	The municipality must provide budgetary and other financial information to relevant	Accounting Officer	Chief Financial Officer	

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		municipalities and national and provincial organs of state.			
40	MFMA 37(1)(c)	The municipality must promptly meet all financial commitments towards other municipalities or national and provincial organs of state.	Accounting officer	Chief Financial Officer	
41	MFMA 39 (3) (b)	The municipality must be given an opportunity to answer the allegations against it, and to state its case, before a committee, before Parliament approves or renews a decision to stop the transfer of funds to a municipality.	Accounting officer		
CHAPTER 6 - Debt					
42	MFMA 45 (1)	A municipality may incur short-term debt only in accordance with and subject to the provisions of this Act.	Accounting officer	Chief Financial Officer	
43	MFMA 45(2)(a)	A municipality may incur short-term debt only if a resolution of the municipal council, signed by the mayor, has approved the debt agreement.	Not Delegated		

SYTEMS OF DELEGATIONS

44	MFMA 45 (3)	For the purpose of subsection (2)(a), a municipal council may— (a) approve a short-term debt transaction individually; or (b) approve an agreement with a lender for a short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that— (i) the credit limit must be specified in the resolution of the council; (ii) the terms of the agreement, including the credit limit, may be changed only by a resolution of the council.	Not delegated		
45	MFMA 45(4)(a)	A municipality must pay off short-term debt within the financial year.	Accounting officer	Chief Financial Officer	
46	MFMA 45(4)(b)	A municipality may not renew or refinance short-term debt, whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.	Accounting officer	Chief Financial Officer	On approval by council
47	MFMA 46(1)	A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of this Act, including section 19.	Accounting Officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

48	MFMA 46(2)(a)	A municipality may incur long-term debt only if a resolution of the municipal council, signed by the mayor, has approved the debt agreement.	Not delegated		
49	MFMA 46(5)	A municipality may borrow money for the purpose of re-financing existing long-term debt, provided that— (a) the existing long-term debt was lawfully incurred; (b) the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed; (c) the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and (d) the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.	Accounting officer		Only if adopted by council

SYTEMS OF DELEGATIONS

50	MFMA 48(1)	A municipality may, by resolution of its council, provide security for— (a) any of its debt obligations; (b) any debt obligations of a municipal entity under its sole control or; (c) contractual obligations of the municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the municipality or such other person for the purpose of achieving the objects of local government in terms of section 152 of the Constitution.	Not delegated		All loans are unsecured
51	MFMA 48(3)(a)	The municipal council must determine whether the asset or right with respect to which the security is provided, is necessary for providing the minimum level of basic municipal services.	Not delegated		
52	MFMA 48(3)(b)	The municipal council must indicate the manner in which the availability of the asset or right for the provision of that minimum level of basic municipal services will be protected.	Not delegated		

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53	MFMA 50(b)	A municipality may guarantee the debt of a municipal entity under its sole control only if the guarantee is authorised by the council in the same manner and subject to the same conditions applicable to a municipality in terms of this Chapter if it incurs debt.	Not delegated		
CHAPTER 10 - Municipal Entities NOT APPLICABLE FOR UMZUMBE LOCAL MUNICIPALITY					
54	MFMA 84(1)(a)	A municipality must determine precisely the function or service that entity would perform on behalf of the municipality, before the entity is established.	Accounting officer		Not delegated further
55	MFMA 84(1)(b)	When considering the establishment of participation in a municipality entity a municipality must make an assessment of the impact of the shifting of that function or service to the entity on the municipality's staff, assets and liabilities. Before the establishment of the entity.	Accounting officer		Cannot be delegated

SYTEMS OF DELEGATIONS

56	MFMA 84(2)(b)	The municipality may establish or participate in a municipal entity after the municipal council has taken into account— (i) the assessment referred to in subsection (1); (ii) any comments or representations on the matter received from the local community, organised labour and other interested persons; (iii) any written views and recommendations on the matter received from the National Treasury, the relevant provincial treasury, the national department responsible for local government or the MEC for local government in the province.	Not delegated		
57	MFMA 87(2)	The parent municipality must consider the proposed budget of the entity and assess the entity's priorities and objectives. If the parent municipality makes any recommendations on the proposed budget, the board of directors of the entity must consider those recommendations and, if necessary, submit a revised budget to the parent municipality not later than 100 days before the start of the financial year.	Not delegated		

SYTEMS OF DELEGATIONS

58	MFMA 89(a))	The parent municipality of a municipal entity must determine the upper limits of the salary, allowances and other benefits of the chief executive officer and senior managers of the entity.	Accounting officer	Not delegated	
59	MFMA 89(b))	The parent municipality must monitor and ensure that the municipal entity reports to the council on all expenditure incurred by that municipal entity on directors and staff remuneration matters, and in a manner that discloses such expenditure per type.	Accounting officer		
60	MFMA 90(2)(a)	Council of the parent municipality to decide on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services.	Not delegated		
61	MFMA 90(2)(b)	Council of the parent municipality to consider the fair market value of the asset and the economic and community value to be received in exchange for the asset.	Not delegated		AO to provide all info.
62	MFMA 90(3)	The municipal council deciding that a specific capital asset is not needed to provide the minimum level of basic municipal services may not be reversed by the municipality or municipal entity after that asset has been sold transferred or otherwise disposed of.	Not delegated		

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63	MFMA 90(4)	Municipal council may delegate to the accounting officer of a municipal entity its power to make the determinations referred to in subsection (2) (a) and (b) in respect of movable capital assets of the entity below a value determined by the council.	Accounting officer		Only assets with a carrying value prescribed in the assets management policy.
64	MFMA 109	If a municipal entity experiences serious/persistent financial problems and the Board of Directors fails to act effectively, the parent municipality must either a) take appropriate steps in terms of its rights and powers over that entity, including its rights and powers in terms of any relevant service delivery or other agreement, b) impose a financial recovery plan c) liquidate and disestablish the entity	Accounting officer		Resolution by council
CHAPTER 11 - Goods and Services					
65	MFMA 111	A municipality and a municipal entity must have and implement a supply chain management policy which gives effect to the provisions of this Part.	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

66	MFMA 112(1)	The supply chain management policy of a municipality or municipal entity must be fair, equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management.	Accounting officer	Chief Financial Officer	Manager: SCM
67	MFMA 113(2)	If a municipality or municipal entity decides to consider an unsolicited bid received outside a normal bidding process, it may do so only in accordance with a prescribed framework.	Council		Cannot be delegated
68	MFMA 120(1)(a)	A municipality may enter into a public-private partnership agreement, but only if the municipality can demonstrate that the agreement will provide value for money to the municipality.	Council		Cannot be delegated; Council resolution Required
69	MFMA 120(1)(b)	A municipality may enter into a public-private partnership agreement, but only if the municipality can demonstrate that the agreement will be affordable for the municipality.	Accounting officer	Chief Financial Officer	
70	MFMA 120(4)(a)	The municipality must conduct a feasibility study that explains the strategic and operational benefits of the public-private partnership for the municipality in terms of its objectives.	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

71	MFMA 120(4)(b)(iii)	The municipality must conduct a feasibility study that describes in specific terms how the proposed agreement will: - a) provide value for money to the municipality. bb) be affordable for the municipality cc) transfer appropriate technical, operational and financial risks to the private party and dd) impact on the municipality's revenue flows in its current and future budget	Accounting officer	Chief Financial Officer	
CHAPTER 12 - Financial Reporting and Auditing					
72	MFMA 121(1)	The municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.	Accounting officer	Senior Manager: Corporate Services	
73	MFMA 122(1)(a)	A municipality and a municipal entity must for each financial year prepare AFS which fairly presents the state of affairs of the municipality or entity.	Accounting Officer	Chief Financial Officer	Manager: Budget and Reporting

SYTEMS OF DELEGATIONS

74	MFMA 122(2)	A municipality which has sole control of a municipal entity, or which has effective control within the meaning of the Municipal Systems Act of a municipal entity which is a private company, must in addition to complying with subsection (1), prepare consolidated annual financial statements incorporating the annual financial statements of the municipality and of such entity. Such consolidated annual financial statements must comply with any requirements as may be prescribed.	Accounting officer	CFO	Manager: Budget and Reporting
75	MFMA 129(1)	The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council has approved the annual report with or without reservations.	Not delegated		
76	MFMA 131(1)	A municipality must address any issues raised by the Auditor-General in an audit report.	Accounting officer	Chief Financial Officer and All Senior Managers	All Managers

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77	MFMA 133(1)(c)(i)	If the AO fails to submit AFS to the AG or the Mayor fails to table the Annual Report the municipal council must request the speaker or any other councillor to investigate the reasons for the failure and report to the council.	Not delegated		
78	MFMA 133(1)(c)(ii)	The municipal council must take appropriate steps to ensure that the financial statements are submitted to the Auditor-General or that the annual report, including the financial statements and the audit report on those statements, is tabled in the council, as the case may be.	Accounting officer	Chief Financial Officer	
79	MFMA 133(1)(c)(iii)	The municipal council may order that disciplinary steps be taken against the accounting officer or other person responsible for the failure.	Not delegated		
Resolution of Financial Problems					
80	MFMA 135(2)	The municipality must meet its financial commitments.	Accounting officer	Chief Financial Officer	
81	MFMA 135(3)	If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately- a) seek solutions for the problem; b) notify the MEC for local government and the MEC for finance in the province; and c) notify organised local government.	Accounting officer		

SYTEMS OF DELEGATIONS

82	MFMA 145(1)	If the financial recovery plan was prepared in a discretionary provincial intervention referred to in section 137, the municipality must- a) implement the approved recovery plan; and b) report monthly to the MEC for local government in the province on the implementation of the plan, in such manner as the plan may determine.	Not delegated		
83	MFMA 146(1)	If the recovery plan was prepared in a mandatory provincial intervention referred to in section 139- a) the municipality must implement the approved recovery plan; b) all revenue, expenditure and budget decisions must be taken within the framework, of, and subject to the limitations of, the recovery plan; and c) the municipality must report monthly to the MEC for finance in the province on the implementation of the plan in such manner as the plan may determine.	Accounting officer		

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84	MFMA 152(1)	If a municipality is unable to meet its financial commitments, it may apply to the High Court for an order to stay, for a period not exceeding 90 days, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality or a municipal entity under the sole control of the municipality.	Accounting officer		
85	MFMA 153(1)	A municipality may apply to the High Court for an order: a) to stay, for a period not exceeding 90 days at a time, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality. b) to suspend the municipality's financial obligations to creditors, or any portion of those obligations, until the municipality can meet those obligations. c) to terminate the municipality's financial obligations to creditors, and to settle claims in accordance with a distribution scheme referred to in section 155.	Accounting officer		

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86	MFMA 166(5)	The members of an audit committee must be appointed by the council of the municipality or, in the case of a municipal entity, by the council of the parent municipality. One of the members, who are not in the employ of the municipality or municipal entity, must be appointed as the chairperson of the committee.	Not delegated		
87	MFMA 171(4) (a)	A municipality must investigate allegations of financial misconduct against the accounting officer, the chief financial officer, a senior manager or other official of the municipality unless those allegations are frivolous, vexatious, speculative or obviously unfounded.	Accounting officer	Chief Audit Executive	If AO, then Mayor must investigate
88	MFMA 171(4) (b)	If the investigation warrants such a step, the municipality must institute disciplinary proceedings against the accounting officer, chief financial officer or that senior manager or other official in accordance with systems and procedures referred to in section 67 of the Municipal Systems Act, read with Schedule 2 of that Act.	Mayor	Chief Audit Executive	
89	MFMA 178(2)	A municipality must within three months of the date on which this section takes effect, submit to the National Treasury a list of all corporate entities in which the municipality or a municipal entity	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

		under its sole or shared control has an interest, specifying details as prescribed by this act.			
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PART 2: DELEGATIONS BY THE MAYOR: UMZUMBE

LOCAL MUNICIPALITY

MUNICIPALITY REFERENCE

MFMA - Local Government: Municipal Finance Management Act, 2003
(Act No. 56 of 2003) MSA - Local Government: Municipal Systems Act,
2000 (Act No. 32 of 2000)

MSCMR - MFMA Municipal Supply Chain Regulations

MIPPPR - MFMA Municipal Investment and Municipal PPP

Regulations MB&RR- MFMA Municipal Budget & Reporting

Regulations- Gazette No. 32141

LEGISLATIVE FRAMEWORK			MAYOR DELEGATIONS FRAMEWORK		
ITEM NO.	LEGISLATION	POWER OR DUTY	DELEGATED TO	SUB-DELEGATED TO	LIMITATIONS/ CONDITIONS
		CHAPTER 4 - Municipal Budgets			
1	MFMA 16(2)	The mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.	Not Delegated		
2	MFMA 21(1)(a)	The mayor of the municipality must co-ordinate the processes of preparing the annual budget and reviewing the municipality's integrated development plan and budget-related policies.	Accounting Officer	Chief Financial Officer	
3	MB&RR Reg 4 (1)	The Mayor of the municipality must establish a budget steering committee to provide technical assistance to the mayor with its responsibilities set out in S53 of the Act	Accounting Officer		

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4	MFMA 21(1)(b)	The mayor of the municipality must table in the council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget, the annual review of the integrated development plan and the municipality's budget-related policies, the tabling and adoption of any amendments to the integrated development plan and the budget-related policies and any consultative processes forming part of the processes.	Not Delegated		
5	MFMA 21(2)(b)	The mayor of the municipality must take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the Municipal Systems Act, taking into account realistic revenue and expenditure projections for future years.	Accounting Officer	Accounting Officer	Manager: IDP
6	MFMA 21(2)(d)	When preparing the Annual budget - The mayor of the municipality must consult — (i) the relevant district municipality and all other local municipalities within the area of the district municipality, if the municipality is a local municipality; ii) all local municipalities within its area, if the municipality is a district municipality; (iii) the relevant provincial treasury, and when requested, the National Treasury.	Accounting Officer	Chief Financial Officer	
7	MFMA 21(2)(e)	The mayor of the municipality must provide information relating to the budget that may be requested to the	Accounting Officer	Chief Financial Officer	

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		National Treasury and any other organ of state.			
8	MFMA 23(2)(a)	The Mayor of a municipality must respond to the budget submissions by all affected stakeholders and if necessary revise the budget & table amendments for consideration by Council.	Accounting Officer	Chief Financial Officer	
9	MB&RR Reg 16(1)	At least 30 days before the start of the budget year the mayor must for purposes of section 23 of the Act table the following documents in the municipal council - (a) a report summarising the local community's views on the annual budget; (b) any comments on the annual budget received from the National Treasury and the relevant provincial treasury; (c) any comments on the annual budget received from any other organ of state, including any affected municipality; and (d) any comments on the annual budget received from any other stakeholders.	Accounting Officer	Chief Financial Officer	
10	MFMA 25(3)	The mayor of the municipality must comply with section 55 of the MFMA if the municipality has not approved an annual budget, including revenue-raising measures necessary to give effect to the budget, by 1 July of any year.	Cannot be delegated		

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11	MFMA 27(1)	The mayor of a municipality must, upon becoming aware of any impending non-compliance by the municipality of any provisions of this Act or any other legislation pertaining to the tabling or approval of an annual budget or compulsory consultation processes, inform the MEC for finance in the province, in writing, of such impending non-compliance.	Accounting Officer		
12	MFMA 27(2)(a)	If the impending non-compliance pertains to a time provision, except S16(1); the mayor may apply to the MEC for finance to extend any time limit/deadline contained in that provision; provided that no such extension may compromise compliance with S16(1)	Not delegated		
13	MFMA 27(3)	The mayor of the municipality must inform the council, the MEC responsible for finance and the National Treasury, in writing, of any actual non-compliance by the municipality of a provision of Chapter 4 of the MFMA and any remedial or corrective measures the municipality intends to implement to avoid a recurrence of such non-compliance.	Not delegated		-
14	MFMA 28(4)	The mayor of the municipality must table an adjustments budget in the council.	Not Delegated		

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15	MB&RR Reg 71(1)	The mayor of the municipality may authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget in emergency or other exceptional circumstances. The mayor of a municipality may authorise expenditure in terms of section 29 of the Act only if - (a) the expenditure could not have been foreseen at the time annual budget of the municipality was passed; and (b) the delay that will be caused pending approval of an adjustments budget by the municipal council in terms of section 28(2)(c) of the Act to authorise the expenditure may - (i) result in significant financial loss for the municipality; (ii) cause a disruption or suspension, or a serious threat to the continuation, of a basic municipal service; (iii) lead to loss of life or serious injury or significant damage to property; or (iv) obstruct the municipality from instituting or defending legal proceedings on an urgent basis.	Accounting Officer	Chief Financial Officer	Reg 72 (c) The amount of expenditure is limited to R15m, if total revenue is greater than R500m
16	MFMA 29(2)(c)	The mayor of the municipality must report to the council at its next council meeting all unforeseeable and unavoidable expenditure which he/she authorised.	Accounting Officer	Chief Financial Officer	-

SYSTEMS OF DELEGATIONS

17	MFMA 31(d)	When funds for a capital programme are appropriated to S16(3) for more than one financial year; expenditure for that programme during a financial year may exceed the amount appropriated for that programme provided amongst other things that the Mayor <u>gives</u> written approval for the increase.	Accounting Officer	Chief Financial Officer	-
18	MB&RR Reg 23(3)	If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2) (b) of the Act in the municipal council to appropriate these additional revenues.	Not Delegated		
19	MB&RR Reg 29	The mayor may table in the municipal council a monthly budget statement submitted to the mayor in terms of section 71(1) of the Act. If the mayor does so, the monthly budget statements must be accompanied by a mayor's report in a format set out in Schedule C.	Accounting officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

20	MB&RR Reg 57	When the mayor of the parent municipality submits the report on the mid-year budget and performance assessment of the municipality in terms of section 54(1) (f) of the Act, the mayor must take all reasonable steps to simultaneously table in the municipal council the reports on the mid-year budget and performance assessments of all municipal entities under the sole or shared control of the municipality.	Accounting officer	Chief Financial Officer	
21	MB&RRReg 60(2)	The mayor must table a copy of any application for an extension to a time provision pertaining to the tabling/approval of the budget referred to in sub regulation (1) at the first meeting of the municipal council following the submission of the application	Not Delegated		
22	MB&RR Reg 63(2)	The mayor must table a copy of any notification referred to in sub regulation (1) at the first meeting of the municipal following the submission of the notification made to the MEC for finance & National Treasury (NT) of any non-compliance with provisions of Chapter 4 of MFMA	Not delegated		-
23	MB&RR Reg 65(3)	The mayor must table a copy of any notification made to the NT & MEC for finance on non-compliance by AO with the time provisions concerning in year reports at the first meeting of the municipal council following the receipt of the notification.	Not Delegated		

SYTEMS OF DELEGATIONS

24	MB&RR Para 67(1)	The mayor of the parent municipality of a municipal entity must put in place systems to monitor whether the entity complies with the time provisions affecting its annual budget, adjustments budget and in-year reports.	Accounting Officer	Cannot be delegated	
25	MB&RRPara 67(2)	At the first council meeting after the end of each quarter, the mayor of a municipality must report to the council on the extent to which each municipal entity of the municipality is complying with the time provisions affecting its budget, adjustments budget and in-year reports, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.	Accounting Officer		
26	MB&RR Reg 69(1)	The mayor of the parent municipality must promptly consider a notification by the CHIEF FINANCIAL OFFICER of the municipal entity of any non-compliance with a time provision concerning the entity's annual budget, adjustment budget or in year reports cannot be delegated. referred to in regulation 68 with a view to take appropriate steps.	Accounting Officer		

SYTEMS OF DELEGATIONS

27	MB&RR Reg 69(2)	When considering such notifications, the mayor must take into account all relevant factors, including - (a) the time provision in respect of which the non-compliance occurred; (b) the extent of the non-compliance; (c) the acceptability of the date by which the municipal entity will remedy its non-compliance; and (d) the steps the entity proposes to take to ensure compliance with the relevant time provision in future.	Cannot be delegated		
28	MB&RR Reg 69(3)	The mayor of the parent municipality may require a chief executive officer of the municipal entity who has submitted a notification referred to in regulation 68 to furnish additional information necessary for the proper consideration of the notification.	Cannot be delegated		
29	MB&RRReg 69(4)	The mayor must table at the first meeting of the municipal council following the receipt of a notification referred to in sub-regulation (1) – (a) a copy of the notification; and (b) a report on steps taken to remedy the non-compliance.	Not Delegated		

SYTEMS OF DELEGATIONS

30	MB&RR Reg 3	The mayor's report accompanying an annual budget must provide - (a) a summary of the medium-term service delivery objectives and the associated medium-term financial implications contained in the annual budget; (b) a summary of linkages between the annual budget, the Intergrated Development Plan and the political priorities at the national, provincial, district and local levels; (c) a summary of infrastructure development objectives; (d) a summary of material amendments made to the annual budget after the consultation processes; and (e) any other information considered relevant by the Mayor.	Accounting Officer	Chief Financial Officer	
CHAPTER 7 - Responsibilities of Mayors					
31	MFMA 52(a)	The mayor of a municipality must provide general political guidance over the fiscal and financial affairs of the municipality.	Not Delegated		
32	MFMA 52(b)	The mayor of a municipality in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities.	May not be delegated		

SYTEMS OF DELEGATIONS

33	MFMA 52(c)	The mayor of a municipality must take reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting
34	MFMA 52(d)	The mayor of a municipality must submit to the council, within 30 days of the end of each quarter, a report on the implementation of the budget and the financial state of affairs of the municipality.	Accounting Officer	Chief Financial Officer	
35	MFMA 53(1)(a)	The mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.	Not Delegated		
36	MFMA 53(1)(b)	The mayor of a municipality must co-ordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget.	Accounting Officer	CBU	Manager IDP
37	MFMA 53(1)(c)(i)	The mayor of a municipality must determine the reasonable steps to be taken to ensure that the municipality approves its annual budget before the start of the budget year.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting.

SYTEMS OF DELEGATIONS

38	MFMA 53(1)(c)(ii)	The mayor of a municipality must determine the reasonable steps to be taken to ensure he/she approves the municipality's service delivery and budget implementation plan.	Accounting Officer	CBU	
39	MFMA 53(1)(c)(iii)	The mayor of a municipality must determine the reasonable steps to be taken to ensure that the annual performance agreements for the municipal manager and all senior managers comply with the MFMA, are linked to the measurable performance objectives approved with the budget and to the service delivery and budget implementation plan and are concluded in accordance with section 57(2) of the Municipal Systems Act.	Accounting Officer	CBU	
40	MFMA 53(2)	The mayor of a municipality must report to the council and the MEC responsible for finance any delay in the tabling of an annual budget, the approval of the service delivery and budget implementation plan or the signing of the annual performance agreements.	Not delegated		-
41	MFMA 53(3)(a)	The mayor of a municipality must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, contained in the service delivery and budget implementation plan, are made	Accounting Officer	CBU	-

SYTEMS OF DELEGATIONS

		public no later than 14 days after the approval of the service delivery and budget implementation plan.			
42	MFMA 53(3)(b)	The mayor of a municipality must ensure that the performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, are made public no later than 14 days after the approval of the municipality's service delivery and budget implementation plan. The mayor of a municipality must submit copies of such performance agreements of the municipal manager, senior managers and any other categories of officials as may be prescribed, to the council and the MEC responsible for local government.	Accounting Officer	CBU	
43	MFMA 54(1)(a)	The mayor of a municipality must make arrangements for the receipt of a monthly statement on the state of the municipality's budget and a mid-year corporate performance assessment report.	Accounting Officer	CBU	
44	MFMA 54(1)(b)	The mayor of a municipality must determine the procedures, including reports required to check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan.	Accounting Officer	All Senior Managers	

SYTEMS OF DELEGATIONS

45	MFMA 54(1)(c)	The mayor of a municipality must determine whether it is necessary to make any revisions to the service delivery and budget implementation plan. The mayor of a municipality must determine the process of formulating revisions to the service delivery and budget implementation plan.	Accounting Officer	All Senior Managers	-
46	MFMA 54(1)(d)(i)	The mayor of a municipality must ensure that the budget is implemented in accordance with the service delivery and budget implementation plan.	Accounting Officer	All Senior Managers	
47	MFMA 54(1)(d)(ii)	The mayor of a municipality must ensure that spending of funds and revenue collection proceeds in accordance with the budget.	Accounting Officer	Chief Financial Officer	
48	MFMA 54(1)(e)	The mayor of a municipality must consider whether the municipality faces any financial problems including any emerging or impending financial problems.	Accounting Officer	Chief Financial Officer	

SYTEMS OF DELEGATIONS

49	MFMA S54 (2)(a)(b)	If the municipality faces any serious financial problems, the mayor must- a) promptly respond to an initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include- i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget; ii) the tabling of an adjustments budget; or iii) steps in terms of Chapter 13; and b) alert the council and the MEC for local government in the province to those problems.	Accounting Officer	Chief Financial Officer	
50	MFMA S54(1)(f)	The Mayor must submit the S72 report to the Council by 31 January each year.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting.
51	MFMA 54(3)	The mayor of a municipality must make public any revisions of the service delivery and budget implementation plan.	Accounting Officer		
52	MFMA 55	The mayor of a municipality must immediately report to the MEC for local government if the municipality has not approved an annual budget by 1 July of any year or if the municipality encounters a serious financial problem.	Accounting Officer	Cannot be delegated	

SYTEMS OF DELEGATIONS

53	MFMA 56	The mayor of a municipality must provide guidance to the municipality to exercise its rights and powers over any municipal entity in which the municipality has sole or shared control.	Not delegated	Not delegated	
54	MFMA 59(1)(a)	The mayor of a municipality may delegate the powers and duties assigned to the executive mayor in terms of the MFMA to another member of the municipality's mayoral committee.	Not Delegated		Only the Mayor may delegate such Power and Duties
55	MFMA 59(2)(b)	The mayor of a municipality may determine the conditions and limitations of any delegations in terms of subsection (1).	Not Delegated		Only the Mayor may determine the condition and limitations of any delegations
56	MFMA 59(3)	The mayor of a municipality may confirm, vary or revoke any decision taken in consequence of a delegation by the executive mayor.	Not Delegated		Only the may confirm, vary or revoke any decision taken in consequence of a delegations
CHAPTER 10 - Municipal Entities					
57	MFMA 87(3)	The mayor of a municipality must table the proposed budget of a municipal entity of which the municipality is the parent municipality in the council.	Not Delegated		

SYTEMS OF DELEGATIONS

58	MFMA 87(6)	The mayor of a municipality must consider an application by the board of directors of a municipal entity of which the municipality is the parent municipality to revise the budget of the municipal entity.	Accounting Officer		
59	MFMA 87(9)	The mayor of a municipality must table the budget or adjusted budget and any adjustments budget of a municipal entity of which the municipality is the parent municipality at the next council meeting.	Not Delegated		
CHAPTER 12 - Financial Reporting and Auditing					
60	MFMA 127(2)	The mayor of a municipality must table in the council the municipality's annual report and the annual report of any municipal entity under the municipality's sole or shared control.	Not Delegated		
61	MFMA 127(3)(a)	The mayor of a municipality must submit to the council a written explanation setting out the reasons for any delay in tabling the municipality's annual report and the annual report of any municipal entity under the municipality's sole or shared control together with components of the AR that are ready.	Accounting Officer		
62	MFMA 131(1)	The mayor of a municipality must ensure that the municipality addresses all the issues raised in an audit report.	Accounting Officer	All Senior Managers	

SYTEMS OF DELEGATIONS

63	MFMA 133(1)(a)	The mayor of a municipality must table in the council a written explanation setting out the reasons for the failure of the AO or of the municipality or municipal entity under the municipality's sole or shared control to submit annual financial statements to the Auditor-General or the mayor's failure to table the annual report of the municipality or a municipal entity in the council.	Not Delegated		
Resolution of financial Problems					
64	MFMA 137(1)(d)	The mayor of a municipality must co-operate with the MEC for local government in resolving any financial problem, and if applicable, implementing the financial recovery plan.	Not Delegated		
65	MFMA 139(1)(b)	The mayor of a municipality may participate in consultations with the MEC for local government regarding the municipality's co-operation in implementing the recovery plan, including the approval of a budget and legislative measures giving effect to the recovery plan.	Not delegated		

SYSTEMS OF DELEGATIONS
PART 3: FINANCIAL MANAGEMENT DELEGATIONS BY THE ACCOUNTING OFFICER & THE CHIEF
FINANCIAL OFFICER: MZUMBE LOCAL MUNICIPALITY

REFERENCE

MFMA - Local Government: Municipal Finance Management Act, 2003 (Act

No. 56 of 2003) MSA - Local Government: Municipal Systems Act, 2000

(Act No. 32 of 2000)

MSCMR - MFMA Municipal Supply Chain Regulations

MIPPPR - MFMA Municipal Investment and Municipal PPP

Regulations MB&RR- MFMA Municipal Budget & Reporting

Regulations- Gazette No. 32141

LEGISLATIVE FRAMEWORK			ACCOUNTING OFFICER DELEGATIONS FRAMEWORK			CHIEF FINANCIAL OFFICER DELEGATIONS FRAMEWORK		
ITEM NO.	LEGISLATION	POWER OR DUTY	DELEGATE TO	SUB-DELEGATE TO	LIMITATION/ CONDITION	DELEGATED TO	SUB-DELEGATED TO	LIMITATION/ CONDITION
	CHAPTER 3 - Municipal Revenue							
1	MFMA 7(1)	The municipality must open and maintain at least one bank account in the name of the municipality.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
2	MFMA 7(2)	All money received by a municipality must be paid into its bank account or accounts, and this must be done promptly and in accordance with chapter three of the MFMA and any requirements that may be prescribed.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

SYSTEMS OF DELEGATIONS

3	MFMA 8(1)	A municipality must have a primary bank account.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
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SYTEMS OF DELEGATIONS

4	MFMA 8(1)(b)	If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account cannot be sub-delegated	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated			
5	MFMA 8(3)	A municipality must take all reasonable steps to ensure that all moneys referred to in subsection (2) are paid into its primary bank account.	Accounting Officer	CFO	Manager: Expenditure			
6	MFMA 8(4)	All allocations due by an organ of state to the municipality or the municipal entity must be made through the parent municipality's primary bank account.	Accounting Officer	CFO	Manager: Expenditure			
7	MFMA 8(5)	The Accounting Officer must submit to the National Treasury, the provincial treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held, and the type and number of the account.	Chief Financial Officer	Manager: Budget and Reporting				
8	MFMA 8(5)	The Accounting Officer must inform the National Treasury and the Auditor-General, in writing, if a municipality wants to change its primary bank account, at least 30 days before effecting the change.	Chief Financial Officer	Manager: Budget and Reportin				
9	MFMA 9(a)	The Accounting Officer must submit to the provincial treasury and the Auditor-General, in writing, within 90 days after the municipality has opened a new bank account, the name of the bank where the account has been	Chief Financial Officer	Manager: Budget and Reporting				

SYTEMS OF DELEGATIONS

		opened, and the type and number of the account.						
10	MFMA 9(b)	The Accounting Officer must submit to the provincial treasury and the Auditor-General, in writing, annually before the start of a financial year, the name of each bank where the municipality holds a bank account, and the type and number of each account.	Chief Financial Officer	Manager: Budget and Reporting				
11	MFMA 10(1)(a)	The Accounting Officer must administer all the municipality's bank accounts, including a bank account referred to in section 12 or 48(2) (d).	Chief Financial Officer	Cannot be delegated further				
12	MFMA 10(1)(b)	The Accounting Officer is accountable to the municipal council for the municipality's bank accounts.			Not Delegated			
13	MFMA 10(1)(c)	The Accounting Officer must enforce compliance with sections 7, 8 and 11.	Chief Financial Officer		Section 10(2) stipulates that the accounting officer may delegate the duties referred to in subsection (1) (c) to the municipality's chief financial officer only.			

SYSTEMS OF DELEGATIONS

14	MFMA 11(1)	The Accounting Officer must grant written authority to a senior financial official of the municipality to withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts.	Chief Financial Officer	Not Sub-delegated				
15	MFMA 11(4)(a)	The Accounting Officer must table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter within 30 days after the end of each quarter.	Chief Financial Officer	Manager : Budget and Reporting				
16	MFMA 11(4)(b)	The Accounting Officer must submit a copy of the report referred to in subsection (4) (a) to the provincial treasury and the Auditor-General within 30 days after the end of each quarter.	Chief Financial Officer	Manager : Budget and Reporting				
17	MFMA 12(2)	A municipality may open a separate bank account in the name of the municipality for the purpose of a relief, charitable, trust or other fund.	Accounting Officer	Chief Financial Officer	-			
18	MFMA 12(3)	Money received by the municipality for the purpose of a relief, charitable, trust or other fund must be paid into a bank account of the municipality, or if a separate bank account has been opened in terms of subsection (2), into that account.	Accounting Officer	CFO	Manager : Budget and Reporting			

SYTEMS OF DELEGATIONS

19	MFMA 12 (4)	The Accounting Officer must grant written authority in accordance with the decisions of the municipal council to withdraw monies in a separate account opened in terms of subsection (2) without appropriation in terms of an approved budget.	Accounting Officer		Council resolution			
20	MFMA 13(2)	A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be prescribed in terms of subsection (1).	Accounting Officer	Chief Financial Officer	SM: Finance Governance			
21	MFMA 14(2)(a)	A municipal council to decide on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services.	Accounting Officer		Municipal Council may delegate to the Accounting Officer.			
22	MFMA 14(2)(b)	A municipality may transfer ownership or dispose of a capital asset only after the municipal council in a meeting open to public - a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services and; b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.	Council					

SYTEMS OF DELEGATIONS

23	MFMA 14 (4)	A municipal council may delegate to the accounting officer of the municipality its power to make the determinations referred to in subsection (2) (a) and (b) in respect of movable capital assets below a value determined by the council.	Accounting Officer		Only assets with a carrying value prescribed in the assets management policy.			
24	MFMA 14 (5)	Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.	Accounting Officer	Asset Disposal Committee				
CHAPTER 4 - Municipal Budgets								
25	MFMA 16(2)	The mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
26	M F M A 2 1(1) (a)	The mayor of the municipality must co-ordinate the processes of preparing the annual budget and reviewing the municipality's integrated development plan and budget-related policies.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

SYTEMS OF DELEGATIONS

27	MFMA 21(2)(b)	The mayor of the municipality must take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the Municipal Systems Act, taking into account realistic revenue and expenditure projections for future years.	Accounting Officer	CBU	Cannot be sub-delegated further			
28	MFMA 21(2)(d)	The mayor of the municipality must consult— (i) the relevant district municipality and all other local municipalities within the area of the district municipality, if the municipality is a local municipality; (ii) all local municipalities within its area, if the municipality is a district municipality; (iii) the relevant provincial treasury, and when requested, the National Treasury.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
29	MFMA 21(2)(e)	The mayor of the municipality must provide information relating to the budget that may be requested to the National Treasury and any other organ of state.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

SYTEMS OF DELEGATIONS

30	MFMA 22(a)	The Accounting Officer must make public the annual budget and the documents referred to in section 17(3). The Accounting Officer must invite the local community to submit representations in connection with the budget.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting			
31	MB&R R Reg 15(1)	When making public the annual budget and supporting documentation in terms of section 22(a) of the Act, read with section 21A of the Municipal Systems Act, the municipal manager must also make public any other information that the municipal council considers appropriate to facilitate the budget consultation process, including - (a) summaries of the annual budget and supporting documentation in alternate languages predominant in the community; and (b) information relevant to each ward in the municipality.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and			
32	MFMA 22(b)	The Accounting Officer must submit the annual budget in both printed and electronic formats to the National Treasury and the provincial treasury; and in either format to any prescribed national or provincial organs of state and to other municipalities affected by the budget.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and			

SYTEMS OF DELEGATIONS

33	MB&RR Reg 15(3)	When submitting the budget to the National Treasury and the relevant provincial treasury in terms of section 22(b) (i) of the Act, the Accounting Officer must also submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form - a) the supporting documentation as tabled in the municipal council; b) the draft service delivery and budget implementation plan; c) any other information as may be required by the National Treasury.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				
34	MB&RR Reg15(4)	The Accounting Officer must send copies of the annual budget and supporting documentation as tabled in the municipal council, in both printed and electronic form- a) any other municipality affected by the annual budget within ten working days of the annual budget being tabled in the municipal council; and b) any other organ of state on receipt of a request from that organ of state.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting			
35	MFMA 23(2)(a)	The Mayor of a municipality must respond to the budget submissions.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

SYTEMS OF DELEGATIONS

36	MFM A 23(2) (b)	The Mayor of a municipality must if necessary revise the budget and table the amendments for consideration by the council.	Cannot be delegated	Cannot be delegated	Cannot be delegated			
37	MFMA 24(3)	The Accounting Officer must submit the approved annual budget to the National Treasury and the provincial treasury.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				
38	MB&RR Reg 20(1)	The Accounting officer must comply with section 24(3) of the Act within ten working days after the municipal council has approved the annual budget.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				
39	MB&RR Reg 20(2)	The Accounting Officer must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form - a) the supporting documentation within ten working days after the municipal council has approved the budget; b) the approved service delivery and budget implementation plan within ten working days after the mayor has approved the plan; c) any other information as may be required by the National Treasury.	Accounting Officer	Chief Financial Officer	-			
40	MFMA 26(4)	The mayor of the municipality must obtain the MEC responsible for finance's approval to withdraw funds from the municipality's bank accounts, if a budget has not been approved on or before 1 July of each year.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

SYTEMS OF DELEGATIONS

41	MFMA 32(2)	The municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure— (a) in the case of unauthorised expenditure, is— (i) authorised in an adjustments budget; or (ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and (b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.	Accounting Officer					
42	MFMA 32 (3)	The AO must inform the Mayor Council & EXCO in writing if he becomes aware that the Mayor, Council or EXCO has taken a decision which if implemented is likely to result in unauthorised, irregular, or fruitless/wasteful expenditure.	Accounting Officer					

SYTEMS OF DELEGATIONS

43	MFMA 32(4)	The Accounting Officer must inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of— (a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality; (b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and (c) the steps that have been taken to recover or rectify such expenditure and to prevent a recurrence of such expenditure.	Accounting Officer		Not Delegated			
44	MFMA 32(6)	The Accounting Officer must report to the South African Police Service all cases of alleged irregular expenditure that constitute a criminal offence and theft and fraud that occurred in the municipality.	Accounting Officer		Not Delegated			
45	MFMA 32 (7)	The council of a municipality must take all reasonable steps to ensure that all cases referred to in subsection (6) are reported to the South African Police Service if— (a) the charge is against the accounting officer; or (b) the accounting officer fails to comply with that subsection.	Council		Not Delegated			

SYTEMS OF DELEGATIONS

46	MFMA 33(1)	The municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year.	Council		Not Delegated			
47	MFMA 33(1)(b)	If the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year, it may do so only if the municipal council has taken into account— (i) the municipality's projected financial obligations in terms of the proposed contract for each financial year covered by the contract;(ii) the impact of those financial obligations on the municipality's future municipal tariffs and revenue;(iii) any comments or representations on the proposed contract received from the local community and other interested persons; and (iv) any written views and recommendations on the proposed contract by the National Treasury, the relevant provincial treasury, the national department responsible for local government and any national departmentreferred to in paragraph (a)(ii)(cc);	Council		Not Delegated			
CHAPTER 5 - Co-operative Government								

SYTEMS OF DELEGATIONS

48	MFM A 37(1) (a)	The municipality must promote co-operative government in their fiscal and financial relations with the national and provincial spheres of government and other municipalities, in accordance with Chapter 3 of the Constitution and the Intergovernmental Fiscal Relations Act.	Accounting Officer	All GM's				
49	MFM A 37(1) (b)	The municipality must provide budgetary and other financial information to relevant municipalities and national and provincial organs of state.	Accounting Officer	Chief Financial Officer				
50	MFM A 37(1) (c)	The municipality must promptly meet all financial commitments towards other municipalities or national and provincial organs of state.	Accounting Officer	Chief Financial Officer				
51	MFMA 37(2)	The Accounting Officer must notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next three financial years by no later than 120 days before the start of its budget year.	Accounting Officer		Not Delegated			
52	MFMA 39 (3) (b)	The municipality must be given an opportunity to answer the allegations against it, and to state its case, before a committee, before Parliament approves or renews a decision to stop the transfer of funds to a municipality.	Accounting Officer	Chief Financial Officer				

SYTEMS OF DELEGATIONS

53	MB&RR Reg 6	The Accounting Officer must take all reasonable steps to ensure that- a) the basis of measurement and accounting policies underpinning the municipality's annual financial statements are the same as those used in the preparation of the municipality's annual budget and supporting documentation, its adjustment budgets and supporting documentation, and its in-year reports; and b) any differences or changes between financial years are explicitly noted.	All General Managers					
54	MB&RR Reg 12	The Accounting Officer must prepare , or take all reasonable steps to ensure the preparation of the budget related policies.	All General Mangers	All Senior Managers				

SYTEMS OF DELEGATIONS

55	MB&RR Reg 8(2)	When developing or amending the funding and reserves policy of the municipality, the Accounting Officer must ensure that the policy: a) is consistent with the most recent actual billings and collections trends; b) takes into account the credit rating of the municipality, if available, the financial position of the municipality, the cost of borrowing and the capacity to repay; c) takes into account all the budget related policies of the municipality, particularly recent amendments to any of those policies; d) takes account of any statutory requirements to set aside funds in reserves; and e) takes account of the transfer and disposal of assets.	Chief Financial Officer	Manager: Revenue, Manager: Budget Planning, Implementation & Monitoring and Senior Manager: Assets and Liabilities				
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SYTEMS OF DELEGATIONS

56	MB&R R Reg 13(1)	Within ten working days after the municipal council has given individual approval for a capital project in terms of section 19(1) (b) of the Act, the Accounting Officer must in accordance with section 21A of the Municipal Systems Act make public- a) the municipal council resolution approving the capital project; and\ b) details of the nature, location and total projected cost of the approved capital project.	Chief Financial Officer					
57	MB&R R Reg 14(2)	When complying with section 68 of the Act, the municipal manager must submit the draft municipal service delivery and budget implementation plan to the mayor together with the annual budget to be considered by the mayor for tabling in terms of section 16(2) of the Act.	Accountin g Officer	All Senior Managers				
58	MB&R R Reg 15(1)	The Accounting officer must assist the mayor in the preparation of the documents referred to in the sub regulation (1) and section 23(2) of the Act. 1) a report summarising the local communities views 2) any comments from NT & PT 3) any comments from any other organ of state or affected municipalities 4) comments from any other stakeholder	Accountin g Officer	Manager: Strategic Management				

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59	MB&RR Reg 18(1)	Within ten working days after the municipal council has approved the annual budget of a municipality, the Accounting Officer must in accordance with section 21A of the Municipal Systems Act make public the approved annual budget and supporting documentation and the resolutions referred to in section 24(2)(c) of the Act.	Accounting Officer	Chief Financial Officer	Manager : Budget Planning, Implementation & Monitoring and Reporting			
60	MB&RR Reg 18(2)	The Accounting Officer must also make public any other information that the municipal council considers appropriate to facilitate public awareness of the annual budget, including- a) summaries of the annual budget and supporting documentation in alternate languages predominant in the community; and b) information relevant to each ward in the municipality.	Accounting Officer	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and reporting.			
61	MB&RR Reg 19	The Accounting Officer must in accordance with section 21A of the Municipal Systems Act make public the approved service delivery and budget implementation plan within ten working days after the mayor has approved the plan in terms of section 53(1)(c)(ii) of the Act.	Accounting Officer					

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62	MB&R R Reg 20(2)	The Accounting Officer must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form - a) the supporting documentation within ten working days after the municipal council has approved the budget; b) the approved service delivery and budget implementation plan within ten working days after the mayor has approved the plan; c) any other information as may be required by the National Treasury.	Accounting Officer					
63	MB&RR Reg 20(3)	The Accounting Officer must send copies of the approved annual budget and supporting documentation, in both printed and electronic form- a) any other municipality affected by the annual budget within ten working days after the municipal council has approved the annual budget; and b) any other organ of state on receipt of a request from that organ of state.	Chief Financial Officer					
64	MB&RR Reg 24(1)	The Accounting officer must comply with section 28(7) of the Act, read together with section 22(b) (i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the municipal council. (Submit to	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				

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		NT & PT, organs of state affected municipality)						
65	MB&RR Reg 24(2)	When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of section 28(7) of the Act, read together with section 22(b) (i) of the Act. the Accounting Officer must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form - a) the supporting documentation referred to in section 28(5) of the Act, within ten working days of the adjustments budget being tabled in the municipal council; b) any other information as may be required by the National Treasury.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				
66	MB&RR Reg 24(3)	The Accounting Officer must send copies of an adjustments budget and supporting documentation, in both printed and electronic form to- a) any other municipality affected by the adjustments budget within ten working days of the adjustments budget being tabled in the municipal council; and b) any other organ of state on receipt of a request from that organ of state.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting.				

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67	MB&RR Reg 26(1)	Within ten working days after the municipal council has approved the adjustments budget, the Accounting Officer must in accordance with section 21A of the Municipal Systems Act make public the approved adjustments budget and supporting documentation and the resolutions referred to in regulation 25(3).	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting.				
68	MB&RRReg 26(2)	The Accounting Officer must make public any other information that the municipal council considers appropriate to facilitate public awareness of the adjustments budget, including- a) summaries of the adjustments budget and supporting documentation in alternate languages predominant in the community; b) information relevant to each ward in the municipality, if that ward is affected by the adjustments budget; and c) any consequential amendment of the service delivery budget and implementation plan that is necessitated by the adjustments budget.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring and Reporting				
69	MB&RR Reg 30(2)	The monthly budget statement of a municipality must be placed on the municipality's website.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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70	MB&RR Reg 27(1)	The Accounting officer must comply with section 28(7) of the Act, read together with section 24(3) of the Act, within ten working days after the municipal council has approved the adjustments budget.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
71	MB&RR Reg 27(2)	The Accounting Officer must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form - a) the supporting documentation within ten working days after the municipal council has approved the adjustments budget; b) the amended service delivery and budget implementation plan within ten working days after the council has approved the amended plan in terms of section 54(1)(c) of the Act; c) any other information as may be required by the National Treasury.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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72	MB&RR Reg 27(2)	The Accounting Officer must send copies of the approved adjustments budget and supporting documentation, in both printed and electronic form to a) any other municipality affected by that adjustment budget within ten working days after the municipal council has approved the adjustment budget; and b) any organ of state on receipt of request from that organ of state.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
73	MB&RR Reg 30(2)	The Accounting Officer must publish on the municipality's website any other information that the municipal council considers appropriate to facilitate public awareness of the monthly budget statement, including- a) Summaries of monthly budget statement in alternate languages predominant in the community; and b) Information relevant to each ward in the municipality.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
74	MB&RR Reg 32	The Accounting Officer must make public any other information the municipal council considers appropriate to facilitate public awareness of the quarterly report on the implementation of the budget and the financial state of affairs of the municipality, including- a) Summaries of quarterly report in alternate language predominant in the	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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		community; and b) Information relevant to each ward in the Municipality.						
75	MB&RR Reg 34(1)	Within five working days of 25 January each year the municipal manager must take the mid-year budget and performance assessment public by placing it on the municipal website.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
76	MB&RR Para 34(2)	The Accounting Officer must make public any other information the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including- a) Summaries of quarterly report in alternate language predominant in the community; and b) Information relevant to each ward in the Municipality.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
77	MB&RR Reg 35	The Accounting Officer must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form- a) The mid-year budget and performance assessment by 25 January of each year; and b) Any other information relating to the mid-year budget and performance assessment as may be required by the National treasury.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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78	MB&RR Reg 46(2)	The Accounting Officer must also make public any other information that the municipal council considers appropriate to facilitate public awareness of the Municipal entity's annual budget, including- a) Summaries of the annual budget and supporting documentation of the municipal entity in alternate languages predominant in the community; and b) Information relevant to each ward in the municipality.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
79	MB&RR Reg 53(1)	Within five working days of the end of each quarter, the municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form all approved adjustments budgets and supporting documentation received from municipal entities during that quarter.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
80	MB&RR Reg 65(1)	The AO of a municipality must notify the Mayor of the municipality, the MEC for finance of the relevant province and the NT if he has failed to comply with a time provision pertaining to any in year report.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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81	MB&RR Reg 35	The Accounting Officer must send copies of the approved annual budget and supporting documentation of a municipal entity, in both printed and electronic form to- a) Any of the municipal affected by the budget within ten working days of receiving the approved budget and supporting documentation from the municipal entity; and b) Any other organ of state on receipt of a request from that organ of state.	Chief Financial Officer					
82	MB&RR Reg 52(1)	The Accounting Officer of the parent municipality must in accordance with section 21A of the Municipal System Act make public the approved adjustments budget of the entity.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
83	MB&R R Reg 52(2)	The Municipal Manager must also make public any other information that the municipal council considers appropriate to facilitate public awareness of a municipal entity's adjustments budget, including- a) Summaries of adjustments budget and supporting documentation of the municipal entity in alternate languages predominant in the community; and	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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		b) Information relevant to each ward in the municipality.						
84	MB&RR Reg 53(2)	The Accounting Officer must send copies of the approved adjustments budget and supporting documentation of a municipal entity, in both printed and electronic form to- a) Any other municipal affected by the adjustments budget within ten working days of receiving the approved adjustments budget and supporting documentation form the municipal entity; and b) Any other organ of state on receipt of a request from that organ of state.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
85	MB&RR Reg 58(1)	The Accounting Officer makes public in accordance with section 21A of the Municipal Systems Act the mid-year budget and performance assessment of all municipal entities.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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86	MB&RR Reg 58(2)	The Accounting Officer must also make public any other information that the municipal council considers appropriate to facilitate public awareness of the Municipal entity's mid-year budget and performance assessment, including- a) Summaries of mid-year budget and performance assessment of the municipal entity in alternate languages predominant in the community; and b) Information relevant to each ward in the municipality	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
87	MB&RR Reg 65(1)	The Accounting Officer of a municipality must notify the Mayor of the municipality, the MEC for finance of the relevant province and the National Treasury if the Municipal Manager has failed to comply with a time provision pertaining to any in-year report.	Cannot be delegated					
88	MB&RR Reg 70	The Accounting Officer must promptly send to the relevant provincial treasury and the National Treasury a copy of notification received from the Chief Executive Officer of a municipal entity referred to in regulation 68 together with a copy of the report referred to in regulation 69(4)(b).	Not delegated					

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	CHAPTER 6 - Debt							
89	MFMA 45 (1)	A municipality may incur short-term debt only in accordance with and subject to the provisions of this Act. .	Accounting Officer	Chief Financial Officer				
90	MFMA 45(2)(b)	The Accounting Officer must sign the agreement or other document which creates or acknowledges a short-term debt for the municipality.			Not Delegated			
91	MFMA 45(3)(b)(iii)	The Accounting Officer must notify the council in writing as soon as practical of the amount, duration and cost of any debt incurred in terms of a credit facility, as well as options for repaying such debt, where the council has approved a credit facility that is limited to emergency use.			Not Delegated			
92	MFMA 45(4)	A municipality - a) must pay off short-term debt within the financial year; and b) may not renew or refinance short-term debt, whether its own debt or that of any other entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.	Accounting Officer	Chief Financial Officer				
93	MFMA 46(1)	A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of this Act, including section 19.	Accounting Officer	Chief Financial Officer				

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94	MFMA 46(2)(b)	The Accounting Officer must sign the agreement or other document which creates or acknowledges a long-term debt for the municipality.	Accounting Officer		Not Delegated			
95	MFMA 46(3)(a)(i)	The Accounting Officer must make public an information statement setting out particulars of the proposed long-term debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided at least 21 days prior to the meeting of the council at which approval for the debt is to be considered.	Accounting Officer	Chief Financial Officer				
96	MFMA 46(3)(a)(ii)	The Accounting Officer must invite the public, the National Treasury and the provincial treasury to submit written comments or representations to the council in respect of the proposed long-term debt.	Accounting Officer	Chief Financial Officer				
97	MFMA 46(3)(b)	The Accounting Officer must submit a copy of the information statement to the municipal council at least 21 days prior to the meeting of the council, together with particulars of— (i) the essential repayment terms, including the anticipated debt repayment schedule; and (ii) the anticipated total cost in connection with such debt over the repayment period.	Accounting Officer	Chief Financial Officer				

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98	MFMA 46(5)	A municipality may borrow money for the purpose of re-financing existing long-term debt, provided that— (a) the existing long-term debt was lawfully incurred; (b) the re-financing does not extend the term of the debt beyond the useful life of the property, plant or equipment for which the money was originally borrowed; (c) the net present value of projected future payments (including principal and interest payments) after re-financing is less than the net present value of projected future payments before re-financing; and (d) the discount rate used in projecting net present value referred to in paragraph (c), and any assumptions in connection with the calculations, must be reasonable and in accordance with criteria set out in a framework that may be prescribed.	Accounting Officer	Chief Financial Officer				
CHAPTER 7 - Responsibilities of Mayors								
99	MFMA 54(1)(a)	The mayor of a municipality must make arrangements for the receipt of a monthly statement on the state of the municipality's budget and a mid-year corporate performance assessment report.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

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100	MFMA 54(1)(c)	The mayor of a municipality must determine whether it is necessary to make any revisions to the service delivery and budget implementation plan. The mayor of a municipality must determine the process of formulating revisions to the service delivery and budget implementation plan.	Accounting Officer	Manager: Strategic Management	Cannot be sub-delegated further			
101	MFMA 54(1)(d)(i)	The mayor of a municipality must ensure that the budget is implemented in accordance with the service delivery and budget implementation plan.	Accounting Officer	All Senior Managers				
102	MFMA 54(1)(d)(ii)	The mayor of a municipality must ensure that spending of funds and revenue collection proceeds in accordance with the budget.	Accounting Officer	All Senior Managers				
103	MFMA 54(1)(e)	The mayor of a municipality must consider whether the municipality faces any financial problems including any emerging or impending financial problems.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
104	MFMA 54(3)	The mayor of a municipality must make public any revisions of the service delivery and budget implementation plan.	Accounting Officer	CBU				

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	CHAPTER 8 - Responsibilities of Municipal Officials							
105	MFMA 62(1)(a)	The Accounting Officer must ensure that the resources of the municipality are used effectively, efficiently and economically.	Accounting Officer	All Senior Managers				
106	MFMA 62(1)(b)	The Accounting Officer must ensure that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards.	Accounting Officer	Chief Financial Officer				
107	MFMA 62(1)(c)	The Accounting Officer must ensure that the municipality has and maintains effective, efficient and transparent systems— (i) of financial and risk management and internal control; and (ii) of internal audit operating in accordance with any prescribed norms and standards.	Accounting Officer		-			
108	MFMA 62(1)(d)	The Accounting Officer must ensure that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented.	Accounting Officer		-			
109	MFMA 62(1)(e)	The Accounting Officer must ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official of the municipality who has allegedly committed an act of financial	Accounting Officer	All Senior Managers				

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		misconduct or an offence in terms of Chapter 15.						
110	MFMA 62(1)(f)(i)	The Accounting Officer must ensure that the municipality has and implements a tariff policy referred to in section 74 of the Municipal Systems Act.	Chief Financial Officer	Manager: Revenue				
111	MFMA 62(1)(f)(iii)	The Accounting Officer must ensure that the municipality has and implements a credit control and debt collection policy referred to in section 96(b) of the Municipal Systems Act.	Chief Financial Officer	Manager: Revenue				
112	MSA 100(a)	The Accounting Officer must implement and enforce the municipality's credit control and debt collection policy and any by-laws enacted in terms of section 98 of the Municipal Systems Act.	Chief Financial Officer	Manager: Revenue				
113	MSA 100(b)	The Accounting Officer must establish effective administrative mechanisms, processes and procedures to collect money that is due and payable to the municipality	Chief Financial Officer	Manager: Revenue				
114	MFMA 62(1)(f)(iv)	The Accounting Officer must ensure that the municipality has and implements a supply chain management policy in accordance with Chapter 11.	Chief Financial Officer	Manager: SCM				

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115	MFMA 63(2)(a)	The Accounting Officer must ensure that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality.	Chief Financial Officer	Manager: Assets and Liabilities				
116	MFMA 63(2)(b)	The Accounting Officer must ensure that the municipality's assets and liabilities are valued in accordance with standards of generally recognised accounting practice.	Chief Financial Officer	Manager: Assets and Liabilities				
117	MFMA 63(2)(c)	The Accounting Officer must ensure that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.	Chief Financial Officer	Manager: Assets and Liabilities				
118	MFMA 64(2)(a)	The Accounting Officer must ensure that the municipality has effective revenue collection systems consistent with section 95 of the Municipal Systems Act and the municipality's credit control and debt collection policy.	Chief Financial Officer	Manager: Revenue				
119	MFMA 64(2)(b)	The Accounting Officer must ensure that revenue due to the municipality is calculated on a monthly basis.	Chief Financial Officer	Manager: Revenue				

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120	MFMA 64(2)(c)	The Accounting Officer must ensure that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical.	Chief Financial Officer	Manager: Revenue				
121	MFMA 64(2)(d)	The Accounting Officer must ensure that all money received is promptly deposited in accordance with this Act into the municipality's primary and other bank accounts.	Chief Financial Officer	Manager: Revenue				
122	MFMA 64(2)(e)	The Accounting Officer must ensure that the municipality has and maintains a management, accounting and information system which— (i) recognises revenue when it is earned; (ii) accounts for debtors; and (iii) accounts for receipts of revenue.	Chief Financial Officer	Manager: Revenue				
123	MFMA 64(2)(f)	The Accounting Officer must ensure that the municipality has and maintains a system of internal control in respect of debtors and revenue, as may be prescribed.	Chief Financial Officer	Manager: Revenue				
124	MFMA 64(2)(g)	The Accounting Officer must ensure that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget-	Chief Financial Officer	Manager: Revenue				

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		related policies and within a prescribed framework.						
125	MFMA 64(2)(h)	The Accounting Officer must ensure that all revenue received by the municipality, including revenue received by any collecting agent on its behalf, is reconciled at least on a weekly basis.	Chief Financial Officer	Manager: Revenue				
126	MFMA 64(3)	The Accounting Officer must inform the National Treasury of any payments due by an organ of state to the municipality in respect of municipal tax or for municipal services, if such payments are regularly in arrears for periods of more than 30 days.	Chief Financial Officer	Manager: Revenue				
127	MFMA 64(4)	The Accounting Officer must take all reasonable steps to ensure— (a) that any funds collected by the municipality on behalf of another organ of state is transferred to that organ of state at least on a weekly basis; and (b) that such funds are not used for the purposes of the municipality.	Chief Financial Officer	Manager: Revenue				

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128	MFMA 65(2)(a)	The Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds.	Chief Financial Officer	Manager: Expenditure				
129	MFMA 65(2)(b)	The Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains a management, accounting and information system which— (i) recognises expenditure when it is incurred; (ii) accounts for creditors of the municipality; and (iii) accounts for payments made by the municipality.	Chief Financial Officer	Manager: Expenditure				
130	MFMA 65(2)(c)	The Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains a system of internal control in respect of creditors and payments.	Chief Financial Officer	Manager: Expenditure				

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131	MFMA 65(2)(d)	The Accounting Officer must take all reasonable steps to ensure that payments by the municipality are made— (i) directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and (ii) either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.	Chief Financial Officer	Manager: Expenditure				
132	MFMA 65(2)(e)	The Accounting Officer must take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.	Chief Financial Officer	Manager: Expenditure				
133	MFMA 65(2)(f)	The Accounting Officer must take all reasonable steps to ensure that the municipality complies with its tax, levy, duty, pension, medical aid, audit fees and other statutory commitments.	Chief Financial Officer	Manager: Expenditure				

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134	MFMA 65(2)(g)	The Accounting Officer must take all reasonable steps to ensure that any dispute concerning payments due by the municipality to another organ of state is disposed of in terms of legislation regulating disputes between organs of state.	Chief Financial Officer	Manager: Expenditure				
135	MFMA 65(2)(h)	The Accounting Officer must take all reasonable steps to ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
136	MFMA 65(2)(i)	The Accounting Officer must take all reasonable steps to ensure that the municipality's supply chain management policy referred to in section 111 is implemented in a way that is fair, equitable, transparent, competitive and cost-effective.	Chief Financial Officer	Manager: SCM				
137	MFMA 65(2)(j)	The Accounting Officer must take all reasonable steps to ensure that all financial accounts of the municipality are closed at the end of each month and reconciled with its records.	Chief Financial Officer	Manager: Expenditure/ SM Finance Governance, Manager Assets & Liabilities, Manager: Budget Planning, Implementation & Monitoring				

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138	MFMA 66	The Accounting Officer must report to the council, in a format and for periods as may be prescribed, on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely— (a) salaries and wages; (b) contributions for pensions and medical aid; (c) travel, motor car, accommodation, subsistence and other allowances; (d) housing benefits and allowances; (e) overtime payments; (f) loans and advances; and (g) any other type of benefit or allowance related to staff.	Chief Financial Officer	Manager: Expenditure				
139	MFMA 67(1)	Before transferring funds of the municipality to an organisation or body outside any sphere of government otherwise then in compliance with a commercial or other business transaction, the AO must be satisfied that the organisation or body:- (a) has the capacity and has agreed— (i) to comply with any agreement with the municipality; (ii) for the period of the	Chief Financial Officer	Manager: Expenditure/ Manager: Budget Planning, Implementation & Monitoring				

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		agreement to comply with all reporting, financial management and auditing requirements as may be stipulated in the agreement; (iii) to report at least monthly to the accounting officer on actual expenditure (iv) against such transfer; and (v) to submit its audited financial statements for its financial year to the accounting officer promptly. (b) implements effective, efficient and transparent financial management and internal control systems to guard against fraud, theft and financial mismanagement, (c) has in respect of previous similar transfers complied with all the requirements of this section.						
140	MFMA 67(3)	The Accounting Officer must enforce compliance with subsection (1) through contractual and other appropriate mechanisms.	Accounting Officer		not delegated			
141	MFMA 67(4)(b)	The Accounting Officer must take all reasonable steps to ensure that the targeted beneficiaries receive the benefit of the transferred funds and Certify to the Auditor-General that compliance by that organisation or body with	Accounting Officer		not delegated			

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		subsection (1)(a) is uneconomical or unreasonable.						
142	MFMA 68	The Accounting Officer must assist the mayor in performing the budgetary functions assigned to the mayor in terms of Chapters 4 and 7. Provide the mayor with the administrative support, resources and information necessary for the performance of those functions.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring	Cannot be sub-delegated further			
143	MFMA 69(1)	The Accounting Officer must implement the municipality's approved budget, including taking all reasonable steps to ensure— (a) that the spending of funds is in accordance with the budget and is reduced as necessary when revenue is anticipated to be less than projected in the budget or in the service delivery and budget implementation plan; and (b) that revenue and expenditure are properly monitored.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
144	MFMA 69(2)	The Accounting Officer must prepare an adjustments budget and submit it to the mayor for consideration and tabling in the municipal council.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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145	MFMA 69(3)	The Accounting Officer must submit to the mayor no later than 14 days after the approval of an annual budget— (a) a draft service delivery and budget implementation plan for the budget year; and (b) drafts of the annual performance agreements as required in terms of section 57(1)(b) of the Municipal Systems Act for the municipal manager and all senior managers.	Accounting Officer	CBU				
146	MFMA 70(1)	The Accounting Officer must report in writing to the municipal council— (a) any impending- (i) shortfalls in budgeted revenue; and (ii) overspending of the municipality's budget; and (b) any steps taken to prevent or rectify such shortfalls or overspending.	CFO	Cannot be delegated further	-	not delegated		

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147	MFMA 70(2)	The Accounting Officer must notify the National Treasury in the prescribed format if a municipality's bank account, or if the municipality has more than one bank account, the consolidated balance in those bank accounts, shows a net overdrawn position for a period exceeding a prescribed period— (a) the amount by which the account or accounts are overdrawn; (b) the reasons for the overdrawn account or accounts; and (c) the steps taken or to be taken to correct the matter.	Chief Financial Officer					
148	MFMA 71(1)	The Accounting Officer must submit to the mayor of the municipality and the provincial treasury, by no later than 10 working days after the end of each month, a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month: (a) Actual revenue, per revenue source; (b) actual borrowings; (c) actual expenditure, per vote; (d) actual capital expenditure,	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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		per vote; (e) the amount of any allocations received; (f) actual expenditure on those allocations, excluding expenditure on— (i) its share of the local government equitable share; and (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and (g) when necessary, an explanation of— (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote; (ii) any material variances from the service delivery and budget implementation plan; and (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.						
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149	MFMA 71(5)	The Accounting Officer must submit , where the municipality has received an allocation referred to in subsection (1) (e) during any particular month must, by no later than 10 working days after the end of that month, that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
150	MFMA 72(1)(a)	The Accounting Officer must assess by 25 January of each year the performance of the municipality during the first half of the financial year	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
151	MFMA 72(1)(b)	The Accounting Officer must submit by 25 January of each year a report on such assessment to— (i) the mayor of the municipality; (ii) National Treasury; and (iii) the provincial treasury.	Chief Financial Officer	SM: Budget Planning, Implementation & Monitoring				
152	MFMA 72(3)(a)	The Accounting Officer must, as part of the review, make recommendations as to whether an adjustments budget is necessary.	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				
153	MFMA 72(3)(b)	The Accounting Officer must, as part of the review, recommend revised projections for revenue	Chief Financial Officer	Manager: Budget Planning, Implementation & Monitoring				

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		and expenditure to the extent that this may be necessary.						
154	MFMA 73(a)	The Accounting Officer must inform the provincial treasury, in writing, of any failure by the council of the municipality to adopt or implement a budget-related policy or a supply chain management policy referred to in section 111; or	Chief Financial Officer					
155	MFMA 73(b)	The Accounting Officer must inform the provincial treasury, in writing, of any non-compliance by a political structure or office-bearer of the municipality with any such policy.	Accounting Officer		not delegated			
156	MFMA 74(1)	The Accounting Officer must submit to the National Treasury, the provincial treasury, and the department for local government in the province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required.	Accounting Officer		not delegated			
157	MFMA 74(2)	The Accounting Officer must report to the mayor and the provincial treasury the inability to comply with any of the responsibilities in terms of this Act, together with reasons.	Accounting Officer		not delegated			

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158	MFMA 75	The Accounting Officer must place on the website referred to in section 21A of the Municipal Systems Act the documents of the municipality listed in subsections 1(a) to (l).	Accounting Officer	CBU				
CHAPTER 9 - Municipal Budget and Treasury Offices								
159	MFMA 81(1)(b)	The chief financial officer must advise the accounting officer on the exercise of powers and duties assigned to the accounting officer in terms of this Act.	Chief Financial Officer			Not delegated		
160	MFMA 81(1)(c)	The Chief Financial Officer must assist the accounting officer in the administration of the municipality's bank accounts and in the preparation and implementation of the municipality's budget.	Chief Financial Officer					
161	MFMA 81(1)(d)	The chief financial officer must advise senior managers and other senior officials in the exercise of powers and duties assigned to them in terms of section 78 or delegated to them in terms of section 79.	Chief Financial Officer			Not delegated		
162	MFMA 81(1)(e)	The chief financial officer must perform such budgeting, accounting, analysis, financial reporting, cash management, debt management, supply chain management, financial management, review and other duties as may in terms of	Chief Financial Officer			All Treasury Senior Managers		

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		section 79 be delegated by the accounting officer to the chief financial officer.						
CHAPTER 10 - Municipal Entities								
163	MFMA 84(1)(a)	A municipality must determine precisely the function or service that entity would perform on behalf of the municipality, before the entity is established.	Accounting Officer	Chief Financial Officer				
164	MFMA 84(1)(b)	A municipality must make an assessment of the impact of the shifting of that function or service to the entity on the municipality's staff, assets and liabilities. Before the establishment of the entity.	Accounting Officer	Chief Financial Officer				
165	MFMA 84(2)(b)	The municipality may establish or participate in a municipal entity after the municipal council has taken into account— (i) the assessment referred to in subsection (1); (ii) any comments or representations on the matter received from the local community, organised labour and other interested persons; (iii) any written views and recommendations on the matter received from the National Treasury, the relevant provincial treasury, the national department responsible for local	Accounting Officer	Chief Financial Officer				

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		government or the MEC for local government in the province.						
166	MFMA 87(2)	The parent municipality must consider the proposed budget of the entity and assess the entity's priorities and objectives. If the parent municipality makes any recommendations on the proposed budget, the board of directors of the entity must consider those recommendations and, if necessary, submit a revised budget to the parent municipality not later than 100 days before the start of the financial year.	Accounting Officer	Chief Financial Officer				
167	MFMA 87(3)	The mayor of a municipality must table the proposed budget of a municipal entity of which the municipality is the parent municipality in the council.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
168	MFMA 87(6)	The mayor of a municipality must consider an application by the board of directors of a municipal entity of which the municipality is the parent municipality to revise the budget of the municipal entity.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
169	MFMA 87(9)	The mayor of a municipality must table the budget or adjusted budget and any adjustments budget of a municipal entity of which the municipality is the parent	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

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		municipality at the next council meeting.						
170	MFMA 89(a))	The parent municipality of a municipal entity must determine the upper limits of the salary, allowances and other benefits of the chief executive officer and senior managers of the entity.	Accounting Officer					
171	MFMA 89(b))	The parent municipality must monitor and ensure that the municipal entity reports to the council on all expenditure incurred by that municipal entity on directors and staff remuneration matters, and in a manner that discloses such expenditure per type.	Accounting Officer					
172	MFMA 90(4)	Municipal council may delegate to the accounting officer of a municipal entity its power to make the determinations referred to in subsection (2) (a) and (b) in respect of movable capital assets of the entity below a value determined by the council.	Accounting Officer					
173	MFMA 101(2)	The Accounting Officer must table a report referred to in subsection (1) in the municipal council at its next meeting. (a report by the AO of the entity on any financial problems of the entity)	Accounting Officer					

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174	MFMA 102(1)	The mayor of a municipality must receive a report of the board of directors of a municipal entity of which the municipality is the parent municipality any irregular expenditure or any fruitless and wasteful expenditure incurred by, or on behalf of, that municipal entity.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
175	MFMA 109(a)	The parent municipality must either take appropriate steps in terms of its rights and powers over that entity, including its rights and powers in terms of any relevant service delivery or other agreement.	Accounting Officer	Chief Financial Officer				
176	MFMA 109(b)	The parent municipality must either impose a financial recovery plan, which must meet the same criteria set out in Section 142 for a municipal financial recovery plan.	Accounting Officer	Chief Financial Officer				
CHAPTER 11 - Goods and Services								
177	MFMA 111	A municipality and a municipal entity must have and implement a supply chain management policy which gives effect to the provisions of this Part.	Accounting Officer	Chief Financial Officer	Manager: SCM			
178	MFMA 113(2)	If a municipality or municipal entity decides to consider an unsolicited bid received outside a normal bidding process, it may do so only in accordance with a prescribed framework.	Accounting Officer	BAC				

SYSTEMS OF DELEGATIONS

179	MFMA 114(1)	The Accounting Officer must notify , in writing, if a tender other than the one recommended in the normal course of implementing the supply chain management policy of a municipality is approved, the Auditor-General, the provincial treasury and the National Treasury the reasons for deviating from such recommendation.	Accounting Officer	Chief Financial Officer	Manager: SCM			
180	MFMA 115(1)(a)	The Accounting Officer must implement the supply chain management policy of the municipality or municipal entity.			Not delegated			
181	MFMA 115(1)(b)	The Accounting Officer must take all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices.	Accounting Officer	Chief Financial Officer	Manager: SCM			
182	MFMA 116(2)(a)	The Accounting Officer must take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipal or municipal entity is properly enforced.	Chief Financial Officer	Manager: SCM				

SYSTEMS OF DELEGATIONS

183	MFMA 116(2)(b)	The Accounting Officer must monitor on a monthly basis the performance of the contractor under the contract or agreement.	Chief Financial Officer	Manager: SCM				
184	MFMA 116(2)(c)	The Accounting Officer must establish capacity in the administration of the municipality or municipal entity to- (i) assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and (ii) oversee the day-to-day management of the contract or agreement.			Not delegated			
185	MFMA 116(2)(d)	The Accounting Officer must report to the council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contractor.	Chief Financial Officer	Manager: SCM				

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186	MIPPPR 8(a)	The Accounting officer of a municipality which has entered into a public-private partnership agreement must, in addition to complying with section 116(2) of the Act, take all reasonable steps to ensure : (a) That the outsourced activity is effectively and efficiently carried out in accordance with the agreement. (b) That municipal property which is placed under the control of the private party in terms of the agreement is appropriately protected against forfeiture, theft, loss, wastage and misuse. (c) That the municipality has contract management and monitoring capacity.	Chief Financial Officer					
CHAPTER 12 - Financial Reporting and Auditing								
187	MFMA 120(1)(a)	A municipality may enter into a public-private partnership agreement, but only if the municipality can demonstrate that the agreement will provide value for money to the municipality.	Accounting Officer	Chief Financial Officer				
188	MFMA 120(1)(b)	A municipality may enter into a public-private partnership agreement, but only if the municipality can demonstrate that the agreement will be affordable for the municipality.	Accounting Officer	Chief Financial Officer				

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189	MFMA 120(4)(a)	The municipality must conduct a feasibility study that explains the strategic and operational benefits of the public-private partnership for the municipality in terms of its objectives.	Accounting Officer	Chief Financial Officer				
190	MFMA 120(4)(b)(iii)(aa)	The municipality must conduct a feasibility study that describes in specific terms how the proposed agreement will provide value for money to the municipality.	Accounting Officer	Chief Financial Officer				
191	MFMA 120(4)(b)(iii)(bb)	The municipality must conduct a feasibility study that describes in specific terms how the proposed agreement will be affordable for the municipality.	Accounting Officer	Chief Financial Officer				
192	MFMA 120(4)(b)(iii)(dd)	The municipality must conduct a feasibility study that describes in specific terms how the proposed agreement will impact on the municipality's revenue flows and its current and future budgets.	Accounting Officer	Chief Financial Officer				
193	MFMA 120(6)(a)	The Accounting Officer must submit the report on the feasibility study together with all other relevant documents to the council for a decision, in principle, on whether the municipality should continue with the proposed public-private partnership.	Accounting Officer	Chief Financial Officer	Cannot be sub- delegated further			

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194	MFMA 120(6)(b)	The Accounting Officer must, at least 60 days prior to the meeting of the council at which the matter is to be considered, in accordance with section 21A of the Municipal Systems Act— (i) make public particulars of the proposed public-private partnership, including the report on the feasibility study; and (ii) invite the local community and other interested persons to submit to the municipality comments or representations in respect of the proposed public-private partnership.	Accounting Officer	CBU	not delegated			
195	MFMA 120(6)(c)	The Accounting Officer must solicit the views and recommendations of— (i) the National Treasury; (ii) the national department responsible for local government; (iii) if the public-private partnership involves the provision of water, sanitation, electricity or any other service as may be prescribed, the responsible national department; and (iv) any other national or provincial organ of state as may be prescribed.	Accounting	Chief Financial Officer	Cannot be sub-delegated further			

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196	MIPPPR 4(1)	When complying with part 1 of Chapter 11 of the act, the accounting officer of the municipality must solicit the views and recommendations of the National Treasury and relevant provincial treasury on: (a) The proposed bid documentation at least 30 days before bids are publicly invited. (b) The evaluation of the bids received and of any preferred bidder at least 30 days before any award is made.	Chief Financial Officer		Cannot be sub-delegated further			
197	MIPPPR 6(1)	The Accounting Officer must sign the public-private partnership agreement on behalf of the municipality.	Chief Financial Officer		Cannot be sub-delegated further			
198	MIPPPR 6(2)	The Accounting Officer may sign a public-private partnership if section 33 of the Act has been complied with.			Cannot be sub-delegated further			
199	MIPPPR 9(2)	At least 60 days before a public-private partnership agreement is amended, the accounting officer must solicit the view and recommendations of the National Treasury and the relevant provincial Treasury on the reasons for the amendment. The period may be shortened if the National Treasury and relevant provincial treasury respond early.	Chief Financial Officer					

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200	MSCMR14(1) (a)(i)	The Accounting Officer must keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality or municipal entity through written or verbal quotations and formal written price quotations.	Chief Financial Officer					Senior Manager SCM	
201	(MSCR) 14(1)(a)(i)	The Accounting Officer must invite prospective providers of goods and services to apply for evaluation and listing as accredited prospective providers at least once a year through newspapers commonly circulating locally, the website of the municipality or municipal entity ad any other appropriate ways.	Chief Financial Officer					Senior Manager SCM	
202	MSCMR 16(d)	The Accounting Officer must record the names of the potential providers requested to provide such quotations with the quoted prices.	Chief Financial Officer					Senior Manager SCM	
203	MSCMR 22(2)	The Accounting Officer must determine a closure date for the submission of bids which is less than the 30 or 40 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.	Accounting Officer			Not Delegated			

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204	MSCMR 23(c)	SCM policy must require the accounting officer: (i) To record in a register all bids received in time. (ii) To make the register available for public inspections, and (iii) To publish the entries in the register and the bid results on the website of the municipality or municipal entity.	Chief Financial Officer					Senior Manager SCM
205	MSCMR 29(6)	The Accounting Officer may refer any recommendations made by the evaluation committee or the adjudication committee for consideration of the recommendation at any stage of a bidding process.				Not Delegated		
206	MSCMR 29(7)	The Accounting Officer must comply with section 114 of the Act within 10 working days.	Chief Financial Officer					Senior Manager SCM

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207	MSCMR 32(1)	The Accounting Officer must procure goods and services for the municipality or municipal entity under a contract secured by another organ of state, but only if: (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state. (b) The municipality or municipal entity has no reason to believe that such contract was not validly procured. (c) There are demonstrable discounts or benefits for the municipality or entity to do so. (d) That other organ of state and provider has consented to such procurement in writing.	Accounting Officer		Not delegated			
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SYTEMS OF DELEGATIONS

208	MSCMR36(1) (a)	The Accounting Officer must dispende with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only:(i) In an emergency.(ii) If such goods or services are produced or available from a single provider only.(iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile.(iv) Acquisition of animal for zoos.In any other exceptional case where it is impractical or impossible to follow the official procurement processes.	Accounting Officer		Not delegated			
209	MSCMR 36(1)(a)	The Accounting Officer must ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.	Accounting Officer		Not delegated			
210	MSCMR 36(2)	The Accounting Officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and report them to the next meeting of the council, or board of directors in the case of municipal entity, and include as	Accounting Officer		Not delegated			

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		a note to the annual financial statement.						
211	MSCMR 47(2)	The Accounting Officer must promptly report any alleged contravention of sub regulation (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer		Not delegated			
212	MSCMR 48	The Accounting Officer must promptly disclose to the National Treasury and the relevant Provincial Treasury any sponsorship promised, offered or granted to the municipality or municipal entity, whether directly or through a representative or intermediary, by any person who is: (a) Provider or prospective provider of goods and services to the municipality or municipal entity. (b) Recipient or prospective recipient of goods disposed or to be disclosed, of by the municipality or municipal entity.	Accounting Officer		Not delegated			

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213	MSCMR 50(3)	The Accounting Officer is responsible for assisting the appointed person to perform his or her functions effectively.	Accounting Officer					
214	MFMA 121(1)	The municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.	Accounting Officer	Manager: Strategic Management				
215	MFMA 121(3)(e)	The Accounting Officer must include in the annual report an assessment of any arrears on municipal taxes and service charges.	Accounting Officer	Manager: Strategic Management				
216	MFMA 121(3)(f)	The Accounting Officer must include in the annual report an assessment of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year.	Accounting Officer	Manager: Strategic Management				

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217	MFMA 122(1)(a)	A municipality and a municipal entity must for each financial year prepare annual financial statements which fairly presents the state of affairs of the municipality or entity.	Accounting Officer	Chief Financial Officer				
218	MFMA 122(2)	A Municipality which has sole control of a municipal entity, or which has effective control within the meaning of the Municipal Systems Act of a municipal entity which is a private company, must in addition to complying with subsection (1), prepare consolidated annual financial statements incorporating the annual financial statements of the municipality and of such entity. Such consolidated annual financial statements must comply with any requirements as may be prescribed.	Accounting Officer	Chief Financial Officer				
219	MFMA 124(1)(a)	The Accounting Officer must include particulars to the notes to the annual financial statements of the salaries, allowances and benefits of political office-bearers and councilors of the municipality, whether financial or in kind, including a statement by the accounting officer whether or not those salaries, allowances and benefits are within the	Accounting Officer	Chief Financial Officer				

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		upper limits of the framework envisaged in section 219 of the Constitution.						
220	MFMA 126(1)(a)	The Accounting Officer must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Accounting Officer	Chief Financial Officer				
221	MFMA 126(1)(b)	The Accounting Officer must prepare , in the case of a municipality referred to in section 122(2), consolidated annual financial statements in terms of that section and, within three months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Accounting Officer	Chief Financial Officer				
222	MFMA 127(2)	The mayor of a municipality must table in the council the municipality's annual report and the annual report of any municipal entity under the municipality's sole or shared control.	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			
223	MFMA 127(3)(a)	The mayor of a municipality must submit to the council a written explanation setting out the reasons for any delay in tabling the municipality's annual report and the annual report of	Accounting Officer	Chief Financial Officer	Cannot be sub-delegated further			

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		any municipal entity under the municipality's sole or shared control.						
224	MFMA 128	The Accounting Officer must: (a) Monitor whether the accounting officer of any municipal entity under the sole or shared control of the municipality has complied with sections 121(1) and 126(2); (b) Establish the reasons for any non-compliance; and (c) Report any non-compliance, together with the reasons for such non-compliance, to the council of the parent municipality, the relevant provincial treasury and the Auditor-General.	Accounting Officer	Chief Financial Officer				
225	MFMA 129(1)	The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127. adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council has approved the annual report with or without reservations.	Council		Not delegated			

SYSTEMS OF DELEGATIONS

226	MFMA 129(2)(a)	The Accounting Officer must attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report.	Accounting Officer					
227	MFMA 129(2)(b)	The Accounting Officer must submit copies of the minutes of those meetings to the Auditor-General, the provincial treasury and the provincial department responsible for local government in the province.	Accounting Officer	Senior Manager: Corporate Services				
228	MFMA 129(3)	The Accounting Officer must make public in accordance with section 21A of the Municipal Systems Act an oversight report referred to in subsection (1) within seven days of its adoption.	Accounting Officer	Senior Manager: Strategic Management				
229	MFMA 131(1)	The mayor of a municipality must ensure that the municipality addresses all the issues raised in an audit report.	Accounting Officer	All Senior Managers				
230	MFMA 132(2)	The Accounting Officer must submit the documents referred to in subsection (1)(a) and (b) to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report in terms of section 129(1).	Accounting Officer	Manager : Strategic Management				
231	MFMA 133(1)(c)(i)	The municipal council must request the speaker or any other councillor to investigate	Council		Not delegated			

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		the reasons for the failure and report to the council.						
232	MFMA 133(1)(c)(ii)	The municipal council must take appropriate steps to ensure that the financial statements are submitted to the Auditor-General or that the annual report, including the financial statements and the audit report on those statements, is tabled in the council, as the case may be.	Council		Not delegated			
233	MFMA 133(1)(c)(iii)	The municipal council may order that disciplinary steps be taken against the accounting officer or other person responsible for the failure.			Not delegated			
CHAPTER 13 - Resolution of Financial Problems								
234	MFMA 135(2)	The municipality must meet its financial commitments.	Accounting Officer		Cannot be sub-delegated further			
235	MFMA 135(3)(a)	A municipality must immediately seek solutions for the problem, if it encounters a serious financial problem or anticipates problems in meeting its financial commitments.	Accounting Officer		Cannot be sub-delegated further			
236	MFMA 135(3)(b)	A municipality must immediately notify the MEC for local government and the MEC for finance in the province, if it encounters a serious financial problem or anticipates problems in meeting its financial commitments.	Accounting Officer		Ca not be sub-delegated further			

SYSTEMS OF DELEGATIONS

237	MFMA 135(3) (c)	A municipality must immediately notify organised local government, if it encounters a serious financial problem or anticipates problems in meeting its financial commitments.	Accounting Officer		Cannot be sub-delegated further			
238	MFMA 139(2)	The mayor of a municipality must receive a request made by the provincial executive to the municipal financial recovery service to determine the reasons for the crisis in the municipality's financial affairs, to assess the municipality's financial state and to prepare an appropriate recovery plan for the municipality.	Accounting Officer		Cannot be sub-delegated further			
239	MFMA 145(1)(a)	The municipality must implement the approved recovery plan.	Accounting Officer		Cannot be sub-delegated further			
240	MFMA 145(1)(b)	The municipality must report monthly to the MEC for local government in the province on the implementation of the plan, in such manner as the plan may determine.	Accounting Officer		Cannot be sub-delegated further			
241	MFMA 146(1)(a)	The municipality must implement the approved recovery plan, if the recovery plan was prepared in a mandatory provincial intervention referred to in section 139.	Accounting Officer		Cannot be sub-delegated further			

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242	MFMA 146(1) (c)	If the recovery plan was prepared in a mandatory provincial intervention referred to in section 139 the municipality must report monthly to the MEC for finance in the province on the implementation of the plan in such manner as the plan may determine.	Accounting Officer		Cannot be sub-delegated further			
243	MFMA 152(1)	If a municipality is unable to meet its financial commitments, it may apply to the High Court for an order to stay, for a period not exceeding 90 days, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality or a municipal entity under the sole control of the municipality.	Accounting Officer		Cannot be sub-delegated further			
244	MFMA 153(1)(a)	A municipality may apply to the High Court for an order to stay, for a period not exceeding 90 days at a time, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality.	Accounting Officer		Cannot be sub-delegated further			
245	MFMA 153(1)(b)	A municipality may apply to the High Court for an order to suspend the municipality's financial obligations to creditors, or any portion of those obligations, until the municipality can meet those obligations.	Accounting Officer		Cannot be sub-delegated further			

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246	MFMA 153(1) (c)	A municipality may apply to the High Court for an order to terminate the municipality's financial obligations to creditors, and to settle claims in accordance with a distribution scheme referred to in section 155.	Accounting Officer		Cannot be sub-delegated further			
General Treasury Matters								
247	MFMA 166(1)	Each municipality and each municipal entity must have an audit committee subject to subsection (6)	Accounting Officer		Cannot be sub-delegated further			
248	MFMA 166 (2)	An audit committee is an independent advisory body which must: advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity on matters relating to- (i) internal financial control and internal audits; (ii) risk management; (iii) accounting policies; (iv) the adequacy, reliability and accuracy of financial reporting and (v) performance management; (vi) effective governance; information; (vii) compliance with this Act, the annual Division of Revenue Act and any (viii) performance	Audit Committee	Cannot be delegated				

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		evaluation; and other applicable legislation: (ix) any other issues referred to it by the municipality or municipal entity: review the annual financial statements to provide the council of the municipality or, in the case of a municipal entity. The council of the parent municipality and the board of directors of the entity, with an authoritative and credible view of the financial position of the municipality or municipal entity. its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation: (c) respond to the council on any issues raised by the Auditor-General in the audit report; (d) carry out such investigations into the financial affairs of the municipality or municipal entity as the council of the municipality, or in the case of a municipal entity, the council of the parent municipality or the board of directors of the entity, may request: and (3) In performing its functions, an audit committee- (e) perform such other functions as may be prescribed						
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249	MFMA 166 (5)	The members of an audit committee must be appointed by the council of the municipality or, in the case of a municipal entity, by the council of the parent municipality. One of the members who is not in the employ of the municipality or municipal entity, must be appointed as the chairperson of the committee. No councillor may be a member of an audit committee.	Council	Cannot be delegated				
250	MFMA 178(2)	A municipality must within three months of the date on which this section takes effect, submit to the National Treasury a list of all corporate entities in which the municipality or a municipal entity under its sole or shared control has an interest, specifying details as prescribed by this act.	Accounting Officer	Chief Financial Officer				

SYSTEMS OF DELEGATIONS
PART 4: SUPPLY CHAIN MANAGEMENT DELEGATION OF POWERS AND DUTIES IN TERMS OF MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS

REG. NR	CRYPTIC DECRITION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB - DELEGATED
3 (1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
3 (1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
3 (1)(c)	Submit when considered necessary, proposals for the amendment of the policy to the council	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
3 (2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies, and submit to the council that guideline standard, or any modified version thereof, as a draft policy.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
3 (2)(b)		Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management

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	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.			
REG. NR.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB- DELEGATED
3 (2)(C)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
3(4)	Must, in terms of section 62 (1) (f) (iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
5(2) (a)	Make a final award above R 10 million (VAT included).	Municipal Council	Accounting Officer (after considering recommendation of Bid Adjudication Committee)	May not be sub – delegated.
5(2)	Make a final award above R200 000 (VAT included), but not exceeding R10 million (VAT included).	Municipal Council	Accounting Officer	Bid Adjudication Committee

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5(2)	Make a final award not exceeding R 200 000 (VAT included) but excluding the appointment of consultants	Municipal Council	Accounting Officer	Chief Financial Officer
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REG. NR	CRYPTIC DESCRIPTION OF POWER OF DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB- DELEGATED
5(3)	Submit to the official referred to in subsection (4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including- a) The amount of the award; b) The name of the person to whom the award was made; c) The reason why the award was made to that person; and d) The BEE and Locality of the Bidder		Applicable to the relevant entities or individuals delegated with the power to make a final award in terms of Regulation 5 (2).	
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council	Power reserved by Council	
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management

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6(2)(a)(ii)	Submit to council a report from any municipal entity made in terms of this Regulation 6(2) (a)(ii) regarding implementation of the municipal entity's supply chain management policy.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
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REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
6(2)(a)(iii)	Immediately submit a report to council whenever there are serious and material problems in the implementation of the supply chain management policy, including such a report from any municipal entity as envisaged by this Regulation 6 (2)(a)(iii)	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
7(1)	Establish a supply chain management unit.	Municipal Council	Chief Financial Officer	Manager: Supply Chain Management
7(2)	Establish a joint supply chain management unit between the parent municipality and a	Municipal Council	Chief Financial Officer	Manager: Supply Chain Management

SYTEMS OF DELEGATIONS

	municipal entity under its sole or shared control			
11(3)	Must make public the fact that the municipality procures goods or services contemplated in section 110(2) of the MFMA.	Municipal Council	Head: Supply Chain Management	Manager: Procurement, tenders and contract management
12(2)(a)	Allow the Accounting Officer to lower, but not to increase, the different threshold values specified in subregulation (1)	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
REG. Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
12(2)(b)	Direct that: (i) written quotations be obtained for any specific procurement of a transaction value lower than R 2000; (ii) formal written price quotations be obtained for any specific procurement of a transaction value lower than R 10 000; or (iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than R 200 000.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management

SYTEMS OF DELEGATIONS

14(1)(a) (i)	Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality through written quotations and formal written price quotations.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
14(1)(a) (ii)	Invite prospective providers of goods or services at least once a year through newspapers commonly circulating locally, the website of the municipality and any other appropriate ways, to apply for evaluation and listing as accredited prospective providers	Accounting Officer	Head: Supply Chain Management	Manager: contract Management (SCM Manager)

REG. Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
14(1)(b)	Specify the listing criteria for accredited prospective providers	Accounting Officer	Head: Supply Chain Management	Manager: Supply Chain Management
14(1)©	Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.	Accounting Officer	Head: Supply Chain Management	Manager: Supply Chain Management

SYTEMS OF DELEGATIONS

14(2)	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Accounting Officer	Manager: Supply Chain Management	SCM Officers
16©	If it is not possible to obtain at least three written quotations, record	Accounting Officer	Manager: Supply Chain Management	SCM Officers
16(d)	Record the names of potential providers requested to provide written quotations with their quoted prices.	Accounting Officer	Manager: Supply Chain Management	SCM Officers

REG. Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
17(1) (c) i	Record the reasons for not obtaining at least three formal written price quotations.	Chief Financial Officer	Manager: Supply Chain Management	SCM Officers
17(1) (c) ii	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Manager: Supply Chain Management	SCM Officers

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17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Manager: Supply Chain Management	SCM Officers
17(2)	Report to the CFO within three days of the end of the month on any approvals given during that month by that the designated officials referred to in subregulation (1) (c).	Chief Financial Officer	Manager: Supply Chain Management	SCM Officers
18 (b)	Must promote ongoing competition amongst providers, including by inviting providers to submit quotations on a rotation basis, when using the list of accredited prospective providers.	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
18 (c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management

REG. Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written price quotations and formal written price	Chief Financial Officer	Supply Chain Management	

SYTEMS OF DELEGATIONS

	quotations accepted by the official acting in terms of a sub-delegation.			
22(2)	Determine a closure date for submission of bids which is less than the 30 or 14 day requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.	Accounting Officer	Chief Financial Officer	Manager:Supply Chain Management
23 (c)	(i) record in a register all bids received in time; (ii) make the register available for public inspection; (ii) publish the entries in the register and the bid results on the website of the municipality	Accounting Officer	Manager:Supply Chain Management	SCM Officers
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation- a) does not allow any preferred bidder a second or unfair opportunity; b) is not to the detriment of any other bidder; and c) does not lead to a higher price than the bid submitted.	Accounting Officer	Manager: Supply Chain Management	SCM Officers

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	Minutes of such negotiations must be kept.			
REG Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
26(b)	Appoint the members of the bid specification, evaluation and adjudication committees, and taking into account section 117 of the MFMA.	Accounting Officer	Not delegated	
26(1) (c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer	Not delegated	
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer	Chief Financial Officer	Manager:Supply Chain Management
27(1)	Compile specifications for the procurement of goods or services by the municipality.	Bid Specification Committee	Bid Specification Committee	Not to be sub-delegated
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Not delegated	

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REG. Nr.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
28(1)(a)	Evaluate bids in accordance with- (i) the specifications for a specific procurement; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f) and as prescribed in terms of The Preferential Procurement Policy Framework Act	Bid Evaluation Committee	Bid Evaluation Committee	Not to be sub-delegated
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Bid Evaluation Committee	Bid Evaluation Committee	Not to be sub-delegated
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Bid Evaluation Committee	Bid Evaluation Committee	Not to be sub-delegated

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REG. NR.	CRYTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
28(1)(d)	Submit to the adjudication committee a report and recommendations regarding the award of the bid or other related matter.	Bid evaluation committee	Bid Evaluation Committee	Not to be sub-delegated
29(1)(a)	Consider the report and recommendation of the bid evaluation committee where the award value exceeds R200 000 (VAT incl).	Accounting officer	Bid Adjudication Committee	Not to be sub-delegated
29(1)(b) (i)	For bid above R10 million, the BAC will make recommendation to the Accounting Officer to make the final award.	Accounting officer		Not to be sub-delegated
29(1)(b) (ii)	Make another recommendation to the Accounting Officer on how to proceed with the relevant procurement.	Bid Adjudication Committee	Bid Adjudication Committee	Not to be sub-delegated
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer	Not delegated	

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29(5)(a)	If a bid adjudication committee decided to award a bid other than the one recommended by the bid evaluation committee must prior to awarding the bid- (i) Check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal services charges are not in arrears, and (ii) Notify the accounting officer.	Bid Adjudication Committee	Bid Evaluation Committee	Not to be sub-delegated
REG. NR.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
29(5)(b)	(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in Regulation 29(5) (a); and (ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to the committee for reconsideration.	Accounting officer	Accounting Officer	
29(6)	Refer any recommendation made by the evaluation committee made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation	Accounting officer	Accounting officer	

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29(7)	Comply with section 114 of the MFA within ten working days.	Accounting officer	Accounting officer	
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting officer	Manager:Supply Chain Management	Manager: ICT
31(2)	Enter into a written agreement to Regulate the services rendered by, and the payments made to, SITA.	Accounting Officer	Manager:Supply Chain Management	Manager: ICT
REG. NR.	CRYTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
31(3)	Notify SITA together with a motivation of the IT needs of the municipality if – a) The transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million(VAT included); or	Accounting Officer	Manager:Supply Chain Management	Manager: ICT

SYSTEMS OF DELEGATIONS

	b) The transaction value of a contract to be procured by the municipality whether for one or more years exceeds R50 million.			
31(4)	Submit to the council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	Manager: Supply Chain Management	Manager: ICT
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if- a) The contract has been secured by that organ of state by means of a competitive bidding process application to that organ of state; b) The municipality has no reason to believe that such contract was not validly procured; c) There are demonstrable discounts or benefits for the municipality; and d) That other organ of state and the provider have consented to such procurement in writing.	Accounting Officer	Not delegated	

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REG. NR.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
35(1)	Procure consulting services up to the value of R200 000 (VAT included) provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.	Accounting Officer	Manager: Supply Chain Management	
35(1)	Procure consulting services up to the value of R200 000 (VAT included) provided that any Treasury guidelines in respect of consulting services are taken into account when such procurements are made.	Accounting Officer	Bid Adjudication Committee	
35(4)	Ensure that copyright in any document procured, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultancy services is vested in the municipality.	Municipal Council	Manager: Supply Chain Management	
36(1)(a)	Dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only- i. In an emergency; ii. If such good or services are produced or available form a single provider only;	Accounting Officer	Chief Financial Officer	

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	iii. For the acquisition of special works of art or historical objects where specifications are difficult to compile; iv. Acquisition of animals or zoos; or v. In any other exceptional case where it is impractical or impossible, to follow the official procurement processes.			
36(1)(b)	Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated power or duties which are purely of a technical nature.	Accounting Officer	Not to be sub delegated	
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
36(2)	Record the reason for any deviations in terms of Regulations 36(1)(a) and (b) report them to the next meeting of the council and include as a note to the annual financial statements	Accounting Officer	Manager:Supply Chain Management	SCM Officers
37(2)	Decide to consider an unsolicited bid but only if- a) The product or services offered is a demonstrably or proven unique innovative concept; b) The product or services will be exceptionally beneficial to, or have	Municipal Council	Accounting Officer	

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	exceptional cost advantages for, the municipality; c) The person who made the bid is the sole provider of the product or services, and d) The reasons for not going through the normal bidding processes are found to be sound by the accounting officer			
37(3)	Make public in accordance with section 21A of the Municipal Systems Act the decision to consider an unsolicited bid that complies with Regulation 37 (2) together with- (a) reasons as to why the bid should not be open to other competitors; (b) an explanation of the potential benefits for the municipality were it to accept the unsolicited bid; and (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.	Municipal Council	Accounting Officer	
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
37(4)	Submit written comments received pursuant to Regulation 37(3), including any response from the unsolicited bidder, to the	Municipal Council	Accounting Officer	

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	National Treasury and relevant provincial treasury for comment.			
37(5)	Consider the unsolicited bid	Bid Adjudication Committee	Bid Adjudication Committee	Not to be delegated
37(5)	Award the bid or make recommendations to the accounting officer depending on the delegations to the adjudication committee	Accounting officer or Adjudication committee	Bid Adjudication Committee for bids up to R10 million (VAT included) and Accounting Officer for bids above R10 million (VAT included) after consideration of recommendation of Bid Adjudication Committee	
37(7)	Take into account when considering an unsolicited bid- i. Any comments submitted by the public; and ii. Any written comments and recommendations of the National Treasury or the relevant provincial treasury.	Bid Adjudication Committee	Bid Adjudication Committee	Not to be sub-delegated
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National	Accounting Officer	Chief Financial Officer	

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	Treasury the reason for rejecting or not following any recommendation of the National Treasury or provincial treasury in regards to the unsolicited bid.			
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system	Accounting Officer	Chief Financial Officer	Manager: Supply Chain Management
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favoritism, unfair or irregular practices or failure to comply with the supply chain management policy, and when justified- i. Take appropriate steps against such official or other role player; or ii. Report any alleged criminal conduct to the South African Police Service.	Accounting Officer	Chief Financial Officer	Manager: Internal Audit
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Manager: Supply Chain Management	SCM Officers
38(1)(d)	Reject any bid from a bidder- i. If any municipal rates and taxes or municipal services charges owed by	Accounting Officer	Bid Evaluation Committee	

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	that bidder or any directors to the municipality are in arrears for more than three months; ii. Who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.			
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directions, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting officer	Bid Evaluation Committee	
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
38(1)(f)	Cancel a contract awarded to a person if- i. The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or ii. An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.	Accounting Officer	Bid Adjudication Committee	Manager: Legal Services
38(1)(g)				

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	Reject the bid of any bidder if that bidder or any of its directors- i. Has abuse the supply chain management system of the municipality or has committed any improper conduct in relation to such system; ii. Has been convicted for fraud or corruption during the last five years; iii. Has willfully neglected or reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or iv. Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (no 12 of 2004).	Accounting officer	Bid Adjudication Committee	
38(2)	Inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of Regulation 38(1)(b)(ii), (e) or (f).	Accounting officer	Manager:Supply Chain Management	SCM Officers
43(2)	Check with SARS whether a person's tax matters are in order before making an award to such person	Municipal Council	Manager:Supply Chain Management	SCM Officers
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
45				Manager: SCM

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	Disclose on the notes to the annual financial statements of the municipality particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the services of the state in the previous twelve months, including- a. The name of that person b. The capacity in which that person is in the services of the state; and c. The amount of the award	Municipal Council	Chief Financial Officer	
46(3)(a)	Keep a register of all declarations in terms of Regulation 46(2)(d) and (e).	Accounting Officer	Manager: Supply Chain Management	SCM Officers
46(3)(b)	Ensure that declarations from the accounting officer in terms of Regulation 4(2) (d) and (e) are recorded in the register.	Mayor	Not to be delegated	
46(5)	Adopt the National Treasury's code of conduct for supply chain management practitioners and other role player involved in supply chain management.	Municipal Council	Accounting officer	SCM Manager
47(2)	Report any alleged contravention of Regulations 47(1) to the National Treasury for considering whether the offending person, and any representation or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of person	Accounting officer	SCM Officers	SCM Officers

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	prohibited from doing business with the public sector.			
REG. NR	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	SUB-DELEGATED
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipal whether directly or through a representative or intermediary, by any person who is- a) A provider or prospective provider of good or services to the municipality; or b) A recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.	Accounting officer	SCM Officers	SCM Officers
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes and to deal with objections, complaints or queries as described more fully in Regulation 50(1).	Accounting officer	Accounting officer	
50(3)	Responsible to assists the person appointed in terms of Regulations 50(1) to perform his or her functions effectively.	Accounting officer	Accounting officer	

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PART 5: Other Delegations

LEGISLATIVE FRAMEWORK			COUNCIL DELEGATIONS FRAMEWORK		
ITEM NO.		POWER OR DUTY	DELEGATED TO	SUB-DELEGATED TO	LIMITATIONS/ CONDITIONS
1	Gatherings Act, No 205 of 1993 2(4)(a)	Appoint Responsible Officer and Deputy Responsible Officer	Accounting Officer	N/A	N/A
2	Fire Brigade Services Act 99 of 1987	Appoint Chief Fire Officer	Accounting Officer	N/A	N/A
3	MSA	Approve applications for rates rebates in terms of Council's Rates Policy.	CFO	Manager Budget	
4	MSA 118(i)(a)	Sign and Issue rates clearance certificates	CFO	Manager Budget	
5	MSA	Approve applications for rates rebates in terms of Council's Rates Policy.	CFO	Manager Budget	

LEGISLATIVE FRAMEWORK			COUNCIL DELEGATIONS FRAMEWORK		
ITEM NO.		POWER OR DUTY	DELEGATED TO	SUB-DELEGATED TO	LIMITATIONS/ CONDITIONS

SYTEMS OF DELEGATIONS

1	Gatherings Act, No 205 of 1993 2(4)(a)	Appoint Responsible Officer and Deputy Responsible Officer	Accounting Officer	N/A	N/A
2	Fire Brigade Services Act 99 of 1987	Appoint Chief Fire Officer	Accounting Officer	N/A	N/A

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ANNEXURE A DELEGATIONS

DELEGATION OF POWERS, FUNCTIONS AND RESPONSIBILITIES IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003; LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 32 OF 2000; DIVISION OF REVENUE ACT; MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS BY THE ACCOUNTING OFFICER OF UMZUMBE LOCAL MUNICIPALITY TO THE CHIEF FINANCIAL OFFICER OF UMZUMBE MUNICIPALITY AND FURTHER DELEGATION OF THOSE POWERS, FUNCTIONS AND RESPONSIBILITIES TO THE MANAGERS WITHIN THE BUDGET AND TREASURY OFFICE IN THE MUNICIPALITY.

By virtue of the authority vested in me in terms of section 79 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) read in conjunction with section 59 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000), I,, in my capacity as Municipal Manager of the Umzumbe Local Municipality, hereby delegate the powers, functions and responsibilities, contemplated in the attached Annexure, to the Chief Financial Officer and authorise the Chief Financial Officer to sub-delegate these powers, functions and responsibilities to the specific managers within the budget and treasury office in the municipality.

It should be noted that further sub-delegation by the specific managers responsible for their respective divisions within the budget and treasury office must only be done with my concurrence. **GENERAL**

In the absence of a permanent incumbent in the post of Chief Financial Officer or any other post, the powers, function and duties shall be exercised by the official acting in a temporary capacity in the relevant post. It should be noted that the official acting in a temporary capacity in the relevant post will be equally accountable for the performance of the tasks attached to the position. The powers function and duties must be exercised according to current accepted policies and principles.

SIGNED AT ON THIS DAY OF20....

ACCOUNTING OFFICER

DATE:

CHIEF FINANCIAL OFFICER

DATE:

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SUB-DELEGATION OF POWERS, FUNCTIONS AND DUTIES IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003; DIVISION OF REVENUE ACT; LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000; MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS DELEGATED BY THE CHIEF FINANCIAL OFFICER OF UMZUMBE MUNICIPALITY TO THE MANAGER: MUNICIPAL BUDGETS WITHIN THE BUDGET AND TREASURY OFFICE OF UMZUMBE LOCAL MUNICIPALITY.

By virtue of the authority vested in me by section 82(1) of the Municipal Finance Management Act, 2003 (Act 56 of 2003), I,....., in my capacity as Chief Financial Officer of the Umzumbe Local Municipality, hereby sub-delegate the powers, functions and responsibilities to the incumbent of the position Manager: XXXXXXXX or the acting official of the indicated post. The incumbent of the position of Manager: XXXXXXXX must sub-delegate to lower level officials, but only with my concurrence.

CHIEF FINANCIAL OFFICER

DATE:

(Name of position)

DATE: