

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER 1459**

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**Mr M Swart (DA) to ask the Minister of Finance:**

Whether National Treasury provides training to financial managers at local government level to improve the overall financial controls and reporting of municipalities; if not, why not; if so, what does the training programme entail?

NW1817E

**REPLY**

National Treasury is providing training support to all financial officials responsible for municipal finances.

With regard to the formal aspects of training and support to municipal finance officials, we have issued regulations that provide for minimum competencies that certain key officials must possess by 2013, through the Municipal Minimum Competency Regulations, (Government Gazette 29967, 15 June 2007). Awareness-raising workshops with municipal officials have been held across the country on the implementation of these regulations.

The positions identified are those of the Accounting Officers, Municipal Managers, Chief Financial Officers, Senior Managers, Heads of Supply Chain Management and other officials responsible for financial management in a municipality and its entities as provided for in the MFMA, Act 56 of 2003.

To ensure that these formal requirements are achieved, we have:

- Compiled and distributed all relevant training material and assessment instruments supporting the required training;

- Jointly with the LGSETA made available the services of 41 training providers across the country for easy access by municipal officials, to support middle and senior management training, targeting NQF levels 5 and 6;
- We are also being supported by SAICA with training of junior and middle management level officials, targeting NQF levels 3 and 4, focusing on developing practical accounting skills;
- Discussions have been held with PALAMA and the DBSA Vulindlela Academy to roll out other formal training programmes for municipal officials in financial management.

On the informal aspects of training the National Treasury has rolled out a number of training programmes for municipal officials across the country, including the following:

- General Financial Management training including all aspects of the MFMA and its Regulations since 2004 in which 1400 municipal officials have participated so far;
- Supply Chain Management undertaken by the SAMDI (PALAMA) since 2006 and attended by more than 1100 municipal officials to date;
- Asset Management, Disposal and Transfers Training conducted by Treasury officials since 2008 which has been attended by 800 officials so far;
- Training in Medium Term Budgeting and in-year reporting for municipalities conducted by Treasury officials since 2008 and attended by more than 350 municipal officials;
- Generally Recognised Accounting Practice (GRAP) training since 2008 provided to more than 250 officials, with further sessions planned for November 2009.

A programme to assist in skills development and implementation of the reforms has been in progress since 2005. Over 570 graduate interns from various disciplines, such as Accounting, Economics, Public Finance and Auditing, have been placed in municipalities. The Internship programme is supported by the training of mentors and interns.

To enhance accessibility and to further supplement municipal resources, all municipalities are allocated funds from the Financial Management Grant.