



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

1 July 2007

Guideline for Municipal Competency Levels: Chief Financial Officers

Municipal Regulations on Minimum Competency Levels

issued in terms of the

Local Government: Municipal Finance Management Act,
2003

Introduction

This guideline is one of a series to explain the *Local Government Municipal Finance Management Act, 2003: Municipal Regulations on Minimum Competency Levels* for accounting officers, senior managers, finance officials, and other officials responsible for supply chain management of municipalities and municipal entities. Sections 83, 107 and 119 of the MFMA require officials to meet prescribed competency levels in financial and supply chain management and should be read with the Municipal Regulations on Minimum Competency Levels. This guide also complements the performance management regulations issued under the Municipal Systems Act by the Department of Provincial and Local Government.

Minimum competencies: chief financial officers

Competencies required of every chief financial officer of a municipality and municipal entity must be understood within the broader context of the MFMA. Specific roles and responsibilities are assigned to the chief financial officer of a municipality in chapter 9 of the MFMA and additionally in a number of sections throughout the Act. In the case of a municipal entity, chapter 10, Part 5 prescribes general duties of officials exercising financial management responsibilities and where it appoints a chief financial officer these competency requirements will apply to that person.

The Regulations require the chief financial officer to meet minimum competency requirements in the three categories below and each is discussed further in this guideline:

- Proficiency in the competency areas, as prescribed in the Regulations and described in these guidelines (see table)
- Higher education qualification
- Work related experience

The three categories are further divided into two streams according to the municipal capacity (High, Medium and Low as prescribed) and budget size. Chief financial officers employed by all low capacity municipalities, medium capacity municipalities with an annual budget below R500 million, and municipal entities with an annual budget below R500 million have less stringent competency criteria to apply than the remaining municipalities and municipal entities with higher capacity and budgets.

Please note that municipal capacity was prescribed for the implementation of the MFMA and published in government gazette No 26511 on 1 July 2004.

Financial and supply chain management competencies

Generally speaking, the skills required of officials are categorised into 11 competency areas, they are:

1. Strategic leadership and management
2. Strategic financial management
3. Operational financial management
4. Governance, ethics and values in financial management
5. Financial and performance reporting
6. Risk and change management
7. Project management
8. Legislation, policy and implementation
9. Stakeholder relations
10. Supply chain management

11. Audit and assurance

The table contained within this guideline provides a comprehensive guide to the knowledge and skills required of the chief financial officer to effectively implement the MFMA, in each of the 11 competency areas. The knowledge and skills are drawn directly from the MFMA and the roles and responsibilities assigned or delegated to the official. The table has been used to identify relevant Unit Standards on which the Regulations are based.

The Regulations prescribe Unit Standards (US ID) that match the skills and knowledge required in respect of each competency area. In some cases the Unit Standard prescribed does not fully address the range of skills required for a particular competency area. The table however, provides comprehensive guidance on the required skills and knowledge and in time Unit Standards will be developed or expanded to address any gaps. It is important therefore, to read both the Regulations and these guidelines together to ensure officials are appropriately skilled for their positions.

Unit Standards referred in the Regulations are registered by the South African Qualifications Authority (SAQA) and form part of the following higher education qualifications:

- The Certificate in Municipal Financial Management (Qualification ID No. 48965)
- National Diploma: Public Finance Management and Administration (Qualification ID No. 49554)

The Unit Standards specify minimum training outcomes and provide guidance on the specific abilities that the official must demonstrate.

Higher education qualifications

A chief financial officer must have or attain by 1 January 2013 a higher education qualification as follows:

| Qualification | Municipal capacity and budget |
|---|--|
| At least NQF level 6, or Certificate in Municipal Financial Management (SAQA qualification ID No. 48965) | <ul style="list-style-type: none">• All Low capacity municipalities• Medium capacity municipalities with annual budgets of a value below R500 million for the current year• Municipal entities with annual budgets of a value below R500 million for the current year |
| At least NQF level 7, or Chartered Accountant (SA) | <ul style="list-style-type: none">• All High capacity municipalities• Medium capacity municipalities with annual budgets of a value equal to or above R500 million for the current year• Municipal entities with annual budgets of a value equal to or above R500 million for the current year |

Foreign qualifications obtained outside the Republic of South Africa and qualifications that have not been accredited by the South African Qualifications Authority (SAQA) held by existing officials and applicants for new positions must be submitted to SAQA for evaluation.

“NQF” refers to the National Qualifications Framework prescribed by regulations issued in terms of the South African Qualifications Authority Act, 1995 (Act 58 of 1995).

The following table provides examples of qualifications within the various NQF levels and should be used as a guide only. The criteria for determining the NQF level of qualifications is available on the SAQA website (see below for contact details).

| NQF | Bands | Examples of Qualifications |
|------------|--------------------------------|--|
| 8 | Higher education and training | Doctorates and research masters |
| 7 | Higher education and training | Higher degree: Honours, postgraduate certificate & diploma |
| 6 | Higher education and training | First three-year degrees & higher diplomas |
| 5 | Higher education and training | Two year diplomas and occupational certificates |
| 4 | Further education and training | High School/College/NGO certificates/Grade 12 |
| 3 | Further education and training | School/College/NGO certificates |
| 2 | Further education and training | School/College/NGO certificates |
| 1 | General education and training | Grades 4-9, ABET 1-4 |

Work related experience

Officials must be able to demonstrate previous work related experience. This can be at a senior management level or middle management level depending on the position, the municipality's capacity and/or the budget size. Regulation 1 contains a definition of middle and senior management levels.

Where an official claims previous work related experience outside the local government sphere the municipality or municipal entity will need to evaluate past work experience to ensure it is indeed substantially similar to the local government sphere. Experience should be verified by contacting past employers, obtaining copies of job descriptions and viewing examples of past work where appropriate.

| Work related experience | Municipal capacity and budget |
|---|--|
| Minimum of 5 years at middle management level | <ul style="list-style-type: none"> • All Low capacity municipalities • Medium capacity municipalities with annual budgets of a value below R500 million for the current year • Municipal entities with annual budgets of a value below R500 million for the current year |
| Minimum of 7 years at senior and middle management level (2 of the 7 years must be at senior management level). | <ul style="list-style-type: none"> • All High capacity municipalities • Medium capacity municipalities with annual budgets of a value equal to or above R500 million for the current year • Municipal entities with annual budgets of a value equal to or above R500 million for the current year |

Implementation of the Regulations

When the regulations become effective, there will be existing chief financial officers in municipalities and municipal entities that do not meet the prescribed competencies. The municipality or entity must ensure that the competencies of existing officials are assessed

promptly in order to identify and address gaps. Where an existing official does not meet the prescribed higher education qualification and/ or required minimum competency level in the required unit standards, he/ she should enrol for appropriate SAQA recognised qualifications and address all other gaps on or before 1 January 2013.

The municipality and municipal entity may only recruit new chief financial officers that meet the prescribed competencies, higher education and prior experience requirements. During the implementation period however, new officials that do not meet the prescribed competency levels may be recruited provided the official's continued employment is subject to a condition that the official attains the requirements no later than 1 January 2013. This will require the official to attain the higher education qualification and the required minimum competency level in the required Unit Standards for each competency area on or before 1 January 2013.

After 1 January 2013 no person may be employed that does not meet the requirements of the Regulations.

Performance agreements

The attainment of prescribed competencies and qualifications should be incorporated into the job description and evaluation criteria as reflected in the annual performance agreement of existing and any new chief financial officer of a municipality or municipal entity. When doing so it is important to consider the following:

- The development plan and learning pathway of the chief financial officer should be reflected in his or her annual performance agreement to ensure that existing competency gaps are met within the prescribed timeframes;
- New candidates applying for the position of chief financial officer must have their competencies assessed in accordance with the Regulations prior to their appointment. Any advert to invite applications for this position should make reference to the required competencies for this position.

Assessment of competency levels

All assessments of competencies must be undertaken by assessors accredited by the Local Government Sector Education Training Authority (LGSETA) in terms of SAQA guidelines and NQF-registered Unit Standards and criteria.

| LGSETA can be contacted as follows | | SAQA can be contacted as follows: | |
|------------------------------------|--|-----------------------------------|--|
| Website | www.lgseta.co.za | Website | www.saqa.org.za |
| Postal address | Box 1964 Bedfordview 2008 | Postal address | SAQA Postnet 248 Private bag X06 Waterkloof, Pretoria 0145 |
| Physical address | 4/6 Corporate Park Building, 4 th floor Skeen Boulevard Bedfordview 2007 | Physical address | 1067 Acadia St Hatfield 0083 |
| Telephone numbers | 011 456 8574 (reception) 011 450 4948 (fax) | Telephone numbers | 012 431 5000 (reception) 012 431 5147 (fax) 086 010 3188 (help desk) |

SAQA provides guidelines for the assessment of NQF-registered Standards and criteria for the registration of assessors. Officials in possession of qualifications obtained outside the Republic of South Africa will have to submit their qualifications to SAQA for evaluation.

Monitoring and reporting competency levels

The accounting officer is responsible to monitor and take all necessary steps to ensure compliance with the Regulations, including regular reporting.

Each municipality is required to furnish half yearly implementation returns to the National Treasury and relevant provincial treasury for the period ending 31 December and 30 June. The return is to be in the format of the Schedule to the Regulations and, where applicable, include consolidated information on all its municipal entities. The consolidated returns are to be furnished by no later than 30 January and 30 July respectively. The annual report of the municipality must reflect the information as at the end of the financial year to which it relates.

Municipal entities must submit the return in the Schedule to its parent municipality (by no later than 20 January and 20 July) in order for the parent to consolidate the information and meet its reporting obligations. The annual report of the municipal entity must reflect the information as at the end of the financial year to which it relates.

Use of the table

General: The following table provides guidance on the implementation of the Municipal Regulations on Minimum Competency Levels and will assist with the interpretation of skill levels and areas of competency of the specific position. The table must be read in conjunction with the Regulations.

Municipal Entities: In applying the following table, unless indicated otherwise, a reference to a municipality, a municipal council, a mayor (or executive mayoral committee) or an accounting officer (the municipal manager) must be read as referring to a municipal entity, the board or directors of a municipal entity, the chairperson of the Board of Directors of a municipal entity or the accounting officer (chief executive officer) of a municipal entity, respectively.

In applying the following table, unless indicated otherwise, a reference to a municipality's integrated development plan (IDP) must be read as referring to a municipal entity's strategic plan or strategic business plan and a reference to a municipality's service delivery and budget implementation plan (SDBIP) must be read as referring to a municipal entity's service delivery agreement (SDA) with the parent municipality.

Table: Description of competency areas for Chief Financial Officers in municipalities and municipal entities

| Competency area | Competencies required | Knowledge and Skills |
|---|---|---|
| 1. Strategic leadership and management | Within the Budget and Treasury Office, the ability to contribute to service delivery systems of a complex nature and to manage the achievement of municipal strategies and goals. | <ul style="list-style-type: none"> • Providing visible, supportive & effective leadership • Motivating and empowering staff to deliver on municipal strategies and goals. • Fostering a positive and creative management culture. • Contributing to the alignment of strategies and goals with national and provincial policies and within the district. • Managing and overseeing implementation of an effective performance management system. • Utilising strategic planning methods and tools |
| | Within the area of responsibility, the ability to formulate and influence short, medium and long-term service delivery plans to deliver on municipal strategies and goals. | <ul style="list-style-type: none"> • Providing direction and contributing to the development and review of credible plans including the integrated development plan (IDP) and service delivery and budget implementation plan (SDBIP). • Ensuring, within area of responsibility, the alignment of municipal strategies and goals. • Assessing and monitoring the impact of financial and non-financial changes on plans including national and provincial policy statements and changes. • Implementing plans within the local government legal framework. • Identifying and managing risk in plans. • Based on the past and current performance and financial position of the municipality, advise on plans and strategies and goals. |
| | The ability to provide supportive leadership to the accounting officer and senior management team. | <ul style="list-style-type: none"> • Working closely in conjunction with senior management to support the accounting officer • Contributing and advising the accounting officer and senior management on policy objectives to ensure clear purpose and direction. • Evaluating and reporting to the accounting officer and senior management on the alignment and achievement of strategies and goals in respect of activities, service delivery and performance. • Formulating, in conjunction with the accounting officer and senior management, a clear vision, mission and strategies and goals • Establishing a culture of learning within the finance function. |
| | Within the area of responsibility, the ability to develop and maintain strategic alliances with various stakeholders. | <ul style="list-style-type: none"> • Developing and maintaining strategic alliances within the cooperative governance framework. • For the purpose of achieving the Constitutional mandate of local government, developing and maintaining strategic alliances with organisations and bodies outside government. • Communicating the municipality's mission and vision to various stakeholders. |

| Competency area | Competencies required | Knowledge and Skills |
|--|---|--|
| 2. Strategic financial management | The ability to guide the management of an effective, economic and efficient finance function, supported by effective financial management policies and practices. | <ul style="list-style-type: none"> • Formulating and implementing finance strategies, which enhance good financial management and decision-making practices across the finance function. • Developing and implementing financial policies and systems to ensure efficient and effective financial administration and control. • Developing, implementing and maintaining financial management guidelines, financial instructions, credit control procedures, debt collection and related financial policies. • Within the area of responsibility, managing the control of assets according to policies and procedures. • Managing and overseeing implementation of an effective performance management system within the finance function. • Applying best practice management accounting techniques within the finance function • Supporting the accounting officer to oversee the financial management, tax implications and performance of service delivery mechanisms (internal and external (including municipal entities in the case of a municipality)) and outsourced service agreements. |
| | The ability to forecast revenue and expenditure and assessing the impact thereof on a municipality's financial position and performance. | <ul style="list-style-type: none"> • In conjunction with the accounting officer, preparing multi-year revenue and expenditure forecasts aligned with the strategic plans and budget and advising the impact thereof on service delivery, performance and financial position. • In conjunction with the accounting officer, developing sustainable strategies to address revenue shortfalls in alignment with strategic plans. |

| Competency area | Competencies required | Knowledge and Skills |
|--|--|--|
| 3. Operational financial management | The ability to commission and operate financial systems. | <ul style="list-style-type: none"> • Formulating specifications, commissioning and overseeing the maintenance of appropriate and accurate financial operating systems, including the areas of debt, cash, investment-, asset and liability management, revenue management expenditure management, audit- and analytical requirements and statutory deductions. • Generating, regular reporting, measuring and monitoring of financial information to ensure financial control and to measure and monitor performance. • Ensuring adequate control of financial operating systems. • In conjunction with the accounting officer, and through the financial operating systems, analyse and report on the financial position, borrowing and performance of the municipality and how that impacts on the implementation of the annual budget and on the service delivery and budget implementation plan (SDBIP) . • In conjunction with the accounting officer, determining requirements for in-house or outsourced or shared service agreements for the operation of financial systems. • Regular review of the efficiency and effectiveness of financial operating systems to align with the changing needs of the municipality. |
| | The ability to maintain sufficient working capital (cash flow/short-term liquidity) to meet the needs of the municipality. | <ul style="list-style-type: none"> • Monitoring the effects of changes, including legislation, inflation and resource allocations, on the working capital. • Prioritising working capital to align with strategies and goals. • Monitoring and reporting on working capital, including how that affects investment options, revenue and debt collection. • Monitoring and reporting, through analysis, the implications of borrowing and the significance thereof to service delivery programmes and possible influences on the financial markets. • Applying 'best practice' risk management practices to the management of working capital. |

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| | <p>The ability to manage the budget preparation and implementation process and provide technical expertise in this regard</p> | <ul style="list-style-type: none"> • In the case of a municipality: <ul style="list-style-type: none"> ○ Advising the accounting officer on the time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the IDP, budget related policies and related consultative processes. ○ In conjunction with the accounting officer ensuring that the budget process aligns the budget and related budget policies to the integrated development plan (IDP) and service delivery and budget implementation plan (SDBIP) of the municipality • In the case of a municipal entity: <ul style="list-style-type: none"> ○ Advising and supporting the accounting officer with the budget process and annual review of related policies and related consultative processes with the parent municipality. This includes the alignment of the entity's budget with its strategic plan and the service delivery agreement (SDA) and the integrated development plan (IDP) of its parent municipality. ○ Supporting the accounting officer to ensure the proposed budget is submitted to the parent municipality and that any recommendations of the council of the parent municipality are considered by the board of directors prior to approval of the budget. • Preparation, adoption and implementation of the budget and providing support to the accounting officer throughout the budget process. • Ensuring compliance to the legislative framework governing municipal budget and formats. • Knowledge of financial planning, taxation, budgeting and forecasting and the interrelation thereof. |
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| Competency area | Competencies required | Knowledge and Skills |
|--|--|--|
| <p>4. Governance, ethics & values in financial management</p> | <p>The ability to support and implement good governance in the area of responsibility.</p> | <ul style="list-style-type: none"> • Support and implement clear roles and responsibilities, separation of powers and regular reporting lines for all role players within the area of responsibility to ensure transparency and accountability. • Knowledge and understanding of governance and ethics in financial management, embodied in the King Report on Corporate Governance, as it applies to the local government legal framework. • Supporting the accounting officer in the generation and sharing of knowledge and learning to enhance the collective knowledge, capacity and skills of officials and councillors or directors • Support the formulation of and implement the codes of conduct for all role players within the area of responsibility, which shall as a minimum include financial management, supply chain management and the codes of conduct set out in the Local Government: Municipal Systems Act. • Support the implementation of systems to encourage and enforce good governance, ethics and the codes of conduct. These systems could include mechanisms to report misconduct, fraud, corruption, favouritism and non-compliance with legislation and disclosure of conflicts of interest, inducements, rewards, gifts, hospitality and favours. Ensuring that investigations are conducted within 30 days of discovery of allegations and that cases that may constitute a criminal offence are reported to the South African Police Service. • Ensuring that codes of conduct, roles and responsibilities and reporting lines are clearly communicated, understood and observed by all role players within the area of responsibility. • Leading by example and promoting high standards of ethical behaviour by acting with fidelity, honesty, integrity and in the best interests of the municipality and maintaining the confidentiality of information. |

| Competency area | Competencies required | Knowledge and Skills |
|---|--|---|
| 5. Financial and performance reporting | The ability to implement and manage the financial reporting process of the municipality. | <ul style="list-style-type: none"> • Knowledge and understanding of the legislative framework governing financial reporting in local government, including generally recognised accounting practice (GRAP). • Manage the timely preparation, submission and publication of statutory reports, including the annual financial statements, annual report, in-year reports (e.g. in the case of a municipality monthly (section 71) and mid-year reporting (section 72), withdrawals from bank accounts (section 11(4)) etc. • Ensure that the content of financial reporting is specific (unambiguous), measurable, accurate and valid, reliable and time specific. • Support the accounting officer to analyse and evaluate the financial reports to understand the impact on, and to guide planning in respect of strategies and goals including the financial position, borrowings, performance, implementation of the annual budget and service delivery and budget implementation plan (SDBIP), tariff-, rates-, credit control, debt collection-, supply chain management-, and relevant policies. |
| | The ability to implement and manage the performance reporting process of the municipality. | <ul style="list-style-type: none"> • Knowledge and understanding of the local government legislative framework governing performance reporting. • Within the area of responsibility implementing and maintaining a performance management system. In the case of a municipal entity also regularly monitoring, measuring, reviewing and reporting its performance to its parent municipality. • Within the area of responsibility timely preparation, submission and publication of statutory reports relating to performance. For example the annual performance report (section 121(3) of the MFMA), mid year performance reporting (section 72 of the MFMA) of a municipality and in the case of a municipal entity, an assessment of the entity's performance (section 121(4) of the MFMA), mid year performance reporting (section 88 of the MFMA) • Within the area of responsibility, ensure that the content of performance reporting is specific (unambiguous), measurable, accurate and valid, reliable and time specific. • Within the area of responsibility support the accounting officer to analyse and evaluate the performance reports to understand the impact on, and to guide planning in respect of, strategies and goals including the implementation of the budget and service delivery and budget implementation plan (SDBIP) and policies. • Within the area of responsibility support the accounting officer to analyse and evaluate the performance of: <ol style="list-style-type: none"> 1. service delivery mechanisms (internal and external) and outsourced service agreements against performance targets, and 2. in the case of a municipality, of each of its municipal entities against the service level agreement and performance targets for that entity, |

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| | | <ul style="list-style-type: none">• Within the area of responsibility, ensuring that there is a link between the performance indicators and targets and the integrated development plan (IDP), service delivery and budget implementation plan (SDBIP) and the individual performance agreements of officials.• Within the area of responsibility, ensuring that the remuneration and appraisal system is performance based and that all performance bonuses are only awarded after consideration of actual performance of the municipality against the performance targets for a specific period.• Regularly benchmark the performance of the Budget and Treasury Office function against the performance of similar and/or comparable Budget and Treasury Office's to improve and guide in the planning and delivery of services. |
|--|--|---|

| Competency area | Competencies required | Knowledge and Skills |
|--------------------------------------|---|--|
| 6. Risk and change management | The ability to understand risk and guide the management of risk for the municipality within the area of responsibility. | <ul style="list-style-type: none"> • Contributing to and supporting the accounting officer with the establishment and maintenance of effective, efficient and transparent systems of financial and risk management and internal control. • Contributing to and supporting the accounting officer with the implementation of a risk management- and fraud prevention plan • Contributing to and supporting the accounting officer with regular risk assessments and ensuring that risks are prioritised according to highest versus lowest potential risk • Mitigating risks within the area of responsibility in accordance with the prioritisation of risk • Within the area of responsibility contributing to the management of risk (including the possible transfer of risk) and consideration of potential risks relating to mechanisms for service delivery (both internal and external), outsourced service agreements. In the case of a municipality it must also consider its municipal entities and Public-and-Private Partnerships (PPPs) and the transferring of funds to organisations and bodies outside government • . • Analysing the reports of the internal audit unit and the audit committee applicable to the area of responsibility when considering risk and risk management |
| | The ability to guide the management of change for the municipality within the area of responsibility. | <ul style="list-style-type: none"> • Understanding the local government environment (including legislative, social, political and economic) and the ability to analyse the financial and non-financial impact of changes in the external and internal environment that could affect the municipality/municipal entity and recognising when this necessitates change • Managing and implementing change management within the area of responsibility • The ability to be proactive and find creative and innovative solutions to change • Consultation with and management of various stakeholders particular to the change • Managing and resolving any resistance to change • Contributing and supporting the accounting officer with the alignment of strategies and goals with the need for change |

| Competency area | Competencies required | Knowledge and Skills |
|------------------------------|---|--|
| 7. Project management | The ability to provide direction and guide project management within the area of responsibility | <ul style="list-style-type: none"> • Knowledge and understanding of project budgeting, human resource management, change management, negotiation skills, service delivery mechanisms (internal and external) and outsourced service agreements (including in the case of a municipality Public-and-Private Partnerships), and the legal framework governing the various services • Within the area of responsibility, knowledge and basic understanding of the operation and technical workings of local government services and facilities • Supporting the accounting officer to analyse, evaluate and select project proposals. This includes, within the area of responsibility, aligning the selection of projects and project outcomes with the integrated development plan (IDP), the budget and service delivery and budget implementation plan (SDBIP) • Within the area of responsibility, ensuring an analytical and methodical structuring of projects and project planning. This is to ensure adequate control over projects and the efficient, effective and economic implementation and completion thereof to a high quality and standard • Oversee and manage the establishment of project- and contract management capacity within the area of responsibility. This includes building capacity through appropriate training and the allocation of resources. • Ensuring clear lines of accountability, regular monitoring, measuring and reporting on the performance of projects and contracts within the area of responsibility, including regular reporting to the accounting officer • Within the area of responsibility, ensuring regular reporting by external mechanisms and all contractors and service providers, including the availability of adequate information for the municipality to meet its statutory reporting obligations • Contributing to and supporting the accounting officer with the establishment and maintenance of a contract register • Contributing to and supporting the accounting officer to establish a contract management process to ensure that, prior to their commencement, contracts and amendments to contracts are in writing, include appropriate contract terms and conditions (including section 116 contract requirements (MFMA)) and contain performance based contract remuneration • Oversee the implementation of project plans within the area of responsibility • Contributing to the resolution of problems and disputes within the area of responsibility, as and when required • Supporting the accounting officer in consulting and securing stakeholder and community support for and involvement in projects where relevant. |

| Competency area | Competencies required | Knowledge and Skills |
|---|---|---|
| 8. Legislation, policy and implementation | The ability to support and contribute to the formulation of policy and By-laws by the municipal council | <ul style="list-style-type: none"> • Knowledge and understanding of the municipality's environment (internal and external), the Constitution, national and provincial legislation and policy, and the legislative framework governing local government as well as the municipality's By-laws and policies • Excellent verbal communication and writing skills and an ability to research and analyse complex information • Supporting the accounting officer and contributing to the process of adopting policies and making By-laws. This includes advising accounting officer on the financial and non-financial impact of proposed By-laws and policies OR in the case of a municipal entity supporting the accounting officer with the process of adopting policies including advising on the financial and non-financial impact of proposed policies • Within the area of responsibility, supporting the accounting officer with the administrative aspects of the process for adopting policies and in the case of a municipality also making By-laws • Supporting the accounting officer and contributing to the conceptualisation, formulation and drafting of policies and in the case of a municipality also By-laws in alignment with the integrated development plan (IDP), the Constitution, national and provincial legislation and policy, and the legislative framework governing local government, having regard to cooperative government. This process should include consideration of and alignment with existing policies and By-laws and be within budget constraints. |
| | The ability to implement, manage and oversee the implementation of legislation and policy within the area of responsibility | <ul style="list-style-type: none"> • Implementing and overseeing the implementation and enforcement of policies and By-laws, within the area of responsibility • Supporting the accounting officer and contributing to the establishment and maintenance of a register of non-compliance with legislative requirements. This includes, within the area or responsibility, regularly reporting these to the accounting officer and other role players. For example, instances of non-compliance with the MFMA are required to be reported to the National Treasury • Regularly monitor and report to accounting officer on the implementation of policies and compliance of the municipality with legislative requirements • Regularly reviewing and, where necessary, proposing to accounting officer amendment of policies and in the case of a municipality also By-laws, within the area of responsibility, to ensure their relevance and alignment with the strategies and goals • Within the area of responsibility, monitor and ensure enforcement of municipal By-laws, including penalties and fines for non-compliance • For purposes of the area of responsibility, regularly consider the impact of amendments to the Constitution, national and provincial legislation and policy, and the legislative framework governing local government on the municipality's By-laws and policies |

| Competency area | Competencies required | Knowledge and Skills |
|---------------------------------|--|---|
| 9. Stakeholder relations | Within the area of responsibility, the ability to guide, establish and maintain appropriate stakeholder relations. | <ul style="list-style-type: none"> • Within the area of responsibility, knowledge and understanding of stakeholders and recognising the varying relations required with stakeholders and the impact on the municipality and the municipality's impact on its stakeholders. • Within the area of responsibility, establishing and maintaining effective and relevant external stakeholder relations. This would include relations with the community, local businesses, public benefit organisations and other spheres of government including neighbouring municipalities and relations for purposes of external service delivery mechanisms, outsourced service agreements, etc and in the case of a municipality, Public-Private Partnerships (PPPs).. • Within the area of responsibility, establishing and maintaining clear roles and responsibilities, service levels, reporting lines and communications with the accounting officer, senior managers and other departments within the municipality and in the case of a municipality also its municipal entities, to ensure effective and relevant internal stakeholder relations. • Within the area of responsibility, ensuring stakeholder consultation (internal and external) and advising the accounting officer on stakeholder consultation as envisaged and required by the Municipal Systems Act and the MFMA. This includes managing stakeholder expectations. |

| Competency area | Competencies required | Knowledge and Skills |
|------------------------------------|---|---|
| 10. Supply Chain Management | The ability to manage and oversee a fair, equitable, transparent, competitive and cost effective supply chain management function | <ul style="list-style-type: none"> • Knowledge and understanding of the legislative framework governing the supply chain management function (including the Municipal Supply Chain Management Regulations, the Preferential Procurement Policy Framework Act, 2000, etc) • Supporting the accounting officer with the preparation of the supply chain management policy in accordance with the Municipal Supply Chain Management Regulations. This includes: <ul style="list-style-type: none"> ○ Contributing to the alignment of the supply chain management policy of the municipal entity with the parent municipality's policy ○ Contributing to the annual review of the supply chain management policy and practices and proposing amendments to the accounting officer • Promptly reporting any deviation of the supply chain management policy from the guideline standard to the accounting officer and ensure reporting to the National Treasury and the relevant provincial treasury • Advising the accounting officer on the establishment of supply chain management capacity, a Supply Chain Management Unit and a committee system (minimum bid specification-, bid evaluation- and bid adjudication committee). This includes building capacity through appropriate training and the allocation of resources. • In the case of a municipality, supporting the accounting officer to monitor councillor involvement in municipal tender committees (section 117 MFMA) • Implementing and monitoring delegations for supply chain management powers and duties in accordance with the Municipal Supply Chain Management Regulations. This includes establishing clear lines for regular reporting |
| | The ability to manage the supply chain management function | <ul style="list-style-type: none"> • Implementing and managing the implementation and enforcement of the supply chain management policy throughout the municipality to ensure supply chain management that is fair, transparent, competitive and cost effective • Supporting the accounting officer with establishing and maintaining registers to support the supply chain management function, including details of all tenders received and awarded, disclosure of sponsorships, inducements, rewards, gifts and favours, awards to close family members and persons in the service of the state, etc. This includes disclosure and reporting thereof (website, annual financial statements, etc.) • Supporting the accounting officer with the resolution of supply chain management related disputes, objections, complaints and queries • Ensuring unsolicited bids are only considered in accordance with the framework contained in the Municipal Supply Chain Management Regulations • Supporting the accounting officer to establish, implement and monitor measures to combat abuse of the supply chain management system, fraud, corruption, favouritism and unfair and irregular practices |

| Competency area | Competencies required | Knowledge and Skills |
|--------------------------------|---|---|
| 11. Audit and Assurance | <p>The ability to support the audit process, in order to obtain the optimum level of assurance from the Auditor-General</p> | <ul style="list-style-type: none"> • Providing administrative support for the effective functioning of the internal audit unit and audit committee. This includes ensuring access to the financial records and other relevant information of the municipality or municipal entity • Analysing the reports and advice of the internal audit unit and the audit committee and taking appropriate action • Coordinating and ensuring the distribution, analysis and management response to the reports and advice of the internal audit unit, audit committee and external auditors, across the municipality or municipal entity • Through consistent and sound financial management, timely prepare and submit accurate annual financial statements for auditing and the annual report(s) for the municipality and/or its entities to the Auditor-General (refer chapter 12 of the MFMA). In the case of a municipality with sole / effective control of a municipal entity this includes consolidated financial statements of the municipality and such municipal entities • Providing appropriate administrative support to the Auditor-General and access to all relevant information required to conduct the audit. • Assisting to ensure that the Auditor-General has communication with and access to the internal audit unit, audit committee and their reports. This is to ensure coordination between internal and external audit and to prevent a duplication of work • Ensuring and managing appropriate communication with the Office of the Auditor-General • During the audit, timeously responding to and coordinating and managing the responses of various departments to audit queries and requests for additional information • Analysing the audit report and advice of the Auditor-General and taking appropriate action • In the case of a municipality, supporting the accounting officer to publish the oversight report, containing council's comment on the annual report(s) of the municipality and any of its municipal entities, within seven days of its adoption (section 129(3) of the MFMA) • The audit process provides the municipal council, the board or directors and stakeholders with the level of assurance that can be placed on finances of the municipality and/or entity. The chief financial officer in conjunction with the accounting officer, should consistently ensure improvement of financial management practices of the municipality and/or municipal entities to strive to obtain the optimum level of assurance from the Auditor-General. |