



HEAD OF DEPARTMENT

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**TO: MUNICIPAL MANAGERS
CHIEF FINANCIAL OFFICERS
KWAZULU-NATAL MUNICIPALITIES
KWAZULU-NATAL MUNICIPAL ENTITIES**

PROVINCIAL TREASURY CIRCULAR PT/MF 06 OF 2018/19

PUBLICATION OF INFORMATION ON MUNICIPAL WEBSITES

PURPOSE

The purpose of this Circular is to bring to the attention of the Accounting Officers of municipalities of their responsibility in respect of placing all the information on the municipal websites as per the requirement of Section 75 of the Municipal Finance Management Act (MFMA) as well as Section 21A of the Municipal Systems Act (MSA).

INTRODUCTION

Websites are integral part of the infrastructure to the municipalities and must be viewed as one of key communication strategies for the dissemination of information. If properly managed, websites must not only allow easy access to information but must serve as a tool which facilitates the participation of the community and all relevant stakeholders into the public processes of the municipality. Effective and well managed websites assist the municipalities to improve the principles of transparency and accountability regarding their operations. It is therefore important for the municipalities to maintain their websites and regularly update them with the latest and accurate information.

BACKGROUND

In terms of Sections 21A and 21B of the MSA read together with Section 75(1) of the MFMA, municipalities are required to place on their official websites, the information which is required to be made public in line with the requirements of the legislations stated above.

As per Section 75(1) of the MFMA, the municipalities are required to place the following documents on their municipal websites:

- a) *The annual and adjustments budgets and all budget-related documents;*
- b) *All budget-related policies;*
- c) *The Annual Report;*
- d) *All performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act;*
- e) *All service delivery agreements;*
- f) *All long-term borrowing contracts;*
- g) *All supply chain management contracts above a prescribed value;*

- h) An information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during the previous quarter;*
- i) Contracts to which subsection (1) of Section 33 apply, subject to Subsection (3) of that Section;*
- j) Public-private partnership agreements referred to in Section 120;*
- k) All quarterly reports tabled in the council in terms of Section 52(d); and*
- l) Any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed.*

Section 75(2) of the MFMA further requires that the documents must be placed on the website not later than five working days after its tabling in the Council, or on the date in which it must be made public, whichever occurs first.

DISCUSSION

Through the perusal of municipal websites, the Provincial Treasury noted that while some of the information indicated above such as the 2018/19 Budgets and Integrated Development Plans (IDPs) were placed on the municipal websites, the majority of the municipalities have to date, not placed on their websites, the following information in the current 2018/19 financial year.

- Draft 2017/18 Annual report;
- The 2018/19 Performance agreements;
- List of disposed assets;
- Long-term borrowing contracts;
- 2018/19 Service Delivery and Budget Implementation Plans (SDBIPs);
- Supply Chain Management contracts;
- MFMA Section 33(1) Contracts, subject to subsection (3) of that section;
- Public-private partnership agreements (if applicable);
- MFMA Section 52(d) Quarterly reports; and
- Budget related policies.

With regards to the budget related policies, the municipalities are also expected to place in their website all the budget related policies once approved together with the annual budget and other related documents: In this regard, it was also noted that not all the budget related policies which are not limited to the following, were placed on municipal websites of some municipalities.

- Tariff policy;
- Rates policy;
- The Credit control and debt collection policy;
- Cash management and investment policy;
- Borrowing policy;
- Funding and reserves policy;
- Long term borrowing policy;
- Supply chain management policy;
- Management and disposal of assets policy;
- Infrastructure investment and capital projects policy;
- Indigent policy;
- Provision of Free basic services policy;
- Budget implementation and monitoring policy; and
- Water and Electricity management policy.

For any information which is not applicable based on the operations of the municipality in a particular financial year, it is recommended that the municipality must include in their website, a list indicating all the activities which are not applicable to the municipality and as a results there will not be any relevant documents in respect thereof to be placed on the website. As an example, if the municipality

is not intending to dispose any asset in the 2018/19 financial year in line with Section 14(2) of MFMA, this may be indicated in the list as follows “The *municipality is required by Section 75 of MFMA to publish a list of disposed assets, however this is not applicable as the municipality is not intending to dispose of any assets in 2018/19 financial year.*”

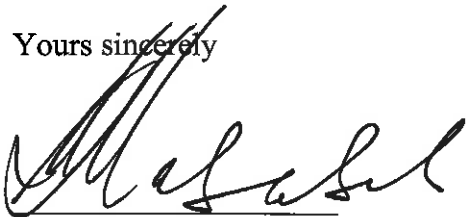
As per Section 21B (3) of the MSA, it is the responsibility of the Municipal Manager to ensure that the official website of the municipality is maintained and regularly updated. This could be done for example per month, quarterly, etc. depending on the time schedule of the municipality, with the relevant information. It is therefore, important for each municipality to have the appropriate technical support to ensure that the website is functional, user friendly, easy to navigate and timeously updated with accurate information.

It is recommended that the municipalities should incorporate within their organisational plans such as the Schedule of key deadlines, the dates on which to place the information on their websites. The National Treasury’s MFMA Finance Management Calendar reflect the indicative dates of some of the key municipal processes which produce the documents required to be placed on municipal websites. This calendar could therefore, be also useful in determining the dates for the entire financial year on which to place information on the municipal website as per Section 75 of the MFMA.

CONCLUSION

The Accounting Officers are required to review the information placed on their websites to ensure that they place immediately, all the outstanding documents and budget related policies as indicated earlier as per the requirement of Section 75(1) of MFMA. The placement of updated and accurate information on the municipal websites will not only assist in the achievement of greater participation by all stakeholders in the affairs of the municipality, but will also empower the community while promoting greater level of transparency and accountability.

Yours sincerely



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