

## DIRECTORATE OF FINANCE



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CHIEF FINANCIAL OFFICER

**The Finance Directorate  
comprises of the following  
departments:**

<b>FOCUS</b>	<ul style="list-style-type: none"><li>• Asset and Risk Management</li><li>• Budget &amp; Treasury</li><li>• Revenue Management</li></ul>
<b>OBJECTIVES</b>	<b>OVERALL OBJECTIVES</b> <ul style="list-style-type: none"><li>• The management of municipal assets and risks.</li><li>• The management of municipal revenue.</li><li>• The management of municipal budget.</li><li>• The performance of the treasury function.</li><li>• The maintenance of internal financial control.</li><li>• The production of financial performance reports.</li></ul>

## DEPARTMENTAL OBJECTIVES

### BUDGET & TREASURY

- Improving budgeting systems.
- Accurate performance reporting.
- Develop internal control measures.
- Develop strong and vibrant budget committees in the various directorates.
- Compliance with legislation
- Implementation of ABC costing and ABC Management.
- In-Year reporting.
- Improving budgets per Directorate and department.
- Budget priorities.

#### PERFORMANCE INDICATORS

- Balanced budget aligned to the Municipal IDP.
- Full compliance with the legislation.
- Budget owned by communities and stakeholders.

## REVENUE MANAGEMENT DEPARTMENT

- Install new valuation program and clean up of erf data information to balance valuation and rates systems.
- Improve the accuracy of accounts.
- To collect monthly all the monthly charges raised and stop the total arrears from increasing.
- Decentralized customer care functions throughout BCM.
- Ensure provision of office equipment and facilities to all customer care centres.
- Increase pay points and vending points.
- Compile customer care strategy.
- Organize relevant training for customer care staff.
- Prepare procedures manuals.
- Complete a new General valuation for all properties within the Buffalo City Municipal Area.
- To keep on improving the accuracy of the accounts.
- To reduce the total arrears by 10% per annum.
- Improve security at pay points to safeguard cash, equipment and staff.
- Conduct Customer Care Education Programmes in conjunction with relevant departments.

#### PERFORMANCE INDICATORS

- Rates raised and Interim Valuation done by July each year. Ensure property data information is up to date.
- Meter reading done on time and monthly accounts sent out on time.
- The monthly debtors age analysis will indicate the total arrear debt situation each month.
- Monthly Income reports-total receipts and sales (W and E.).
- Collection Ratio-Budget compared to Actual receipts on all services. i.e rates, refuse, sewerage etc.
- Monthly consumer queries and complaints statistics.



## **ASSET AND RISK DEPARTMENT**

- Prepare the monthly and annual financial statements.
- Implement and maintain financial accounting controls.
- Monitor the adherence to policies, procedures and accounting practices.
- Implement and maintain prescribed asset management policies and procedures.
- Balance and reconcile asset registers and regularly update the computerized asset management system.
- Review the asset registers and update the insurance portfolio.
- Implement improvements to the existing accounting systems.
- Process all creditor payments including salary, wage, staff benefit, trade and sundry payments.
- Scrutinise and assess all tender documentation.
- Develop Supply Chain Management Systems.

### **PERFORMANCE INDICATOR**

- Production of financial statements that comply with the applicable legislation.
- Number and type of audit queries.
- Production of assets and advances that are reconciled and balanced.
- Production of updated insurance portfolio.
- Value of losses sustained due to assets not adequately insured.
- Production of updated policies and procedures.
- Timely payment of all creditors including salaries, wages and staff benefits.
- Number and type of payments complaints documented.
- Number of procurement recommendations approved.

### **PRIORITY AREA**

- The Financial viability and sustainability of Buffalo City Municipality

### **OBJECTIVES**

- Effective, coordinated and efficient financial management through streamlined expenditure process and increased revenue, funding streams and improved expenditure management.

### **STRATEGIES**

- Revenue raising strategies.
- Asset management strategies.
- Financial management strategy.
- Cost – effective strategies.

### **PERFORMANCE INDICATOR**

- General valuation complete and implemented.
- Implementation of corrective actions in terms of the report on the current debtor's book
- Produce a GAMAP Compliant Fixed Asset Register
- Establish a GAMAP Technical Committee and Steering Committee
- IMFO Balance Sheet converted into a GAMAP compliant Balance Sheet.
- Comply with GAMAP AC statements.
- New rating tariffs and policies approved by council