

TO: THE EXECUTIVE COMMITTEE

FROM: MUNICIPAL MANAGER

DATE: 16 SEPTEMBER 2019

**SUBJECT: NATIONAL TREASURY NOTICE 317 OF 2019 COST
CONTAINMENT REGULATIONS**

PURPOSE

The purpose of this submission is to seek its approval by the Council.

DISCUSSION

In terms of notice 317 of 2019 gazette No. 42514, each municipality must develop or revise and implement a cost containment policy which must -

- (a) in the case of a municipality, be adopted by the municipal council, and in the case of a municipal entity, by the board of directors as part of its budget related policies;
- (b) define a municipality or municipal entity's objectives for the use of consultants; and
- (c) be consistent with the Act and these Regulations.

(2) The cost containment policy of a municipality or a municipal entity contemplated in sub - regulation (1) must -

- (a) be in writing;
- (b) give effect to these regulations;
- (c) be reviewed annually, as may be appropriate;
- (d) be communicated on the municipality's or municipal entity's website; and
- (e) set out -
 - (i) monitoring measures for ensuring implementation of the policy;
 - (ii) procedures for the annual review of the policy; and
 - (iii) consequences for non -adherence to the measures contained therein.

The submitted policy was approved with other policies for 2019-2010 financial year, however draft cost containment regulation was used to that effect.

FINANCIAL IMPLICATION

- Compliance with the gazette
- Savings of municipal financial resources.

RECOMMENDATIONS

Approval by the council

CONTACT PERSON

Date: -----

TSHIVULE M.M

CHIEF FINANCIAL OFFICER