

Garden Route Rate Payers Alliance Group 15 May 2024

**Community Awareness Platform
Via Software Systems &
National Taxpayers Union (NTU)**

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Garden Route Rate Payers Alliance Group

The 3 Steps to Improve the Municipal Problems of South Africa in order of importance.

- 1) Work with municipality most important**
- 2) Create community awareness - Forum**
- 3) National Taxpayers Union (NTU) system**



Steps to Fix Municipalities in RSA

1. **First step is always explore cooperation with the Municipality**
2. *Explore the GOOD Cop BAD Cop Scenario (Best of Both Worlds)*
3. *Create awareness of the finances of Municipalities (SMF) Forum*
4. *Fact Check the outcome - Publish the findings to Community*
5. *When this fails – No reaction like in Mossel Bay Municipality Case*
6. *NTU Background (Why municipalities in South Africa will fail)*
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Step One (I) : *Communication with the Municipality*

Here are some pointers on how to ensure municipalities work effectively:

1) Strengthen Municipal Finances and Investment:

Municipalities need to have strong financial systems and investment plans in place. Economic growth, job creation, and local economic development initiatives depend on municipal finances.

2) Good Governance:

Good municipal governance is a prerequisite for effective functioning. This includes transparency, accountability, and effective decision-making processes.

3) Infrastructure and Basic Services:

Municipalities need to provide the infrastructure and basic services that support a favourable investment climate. This includes utilities like water and electricity, transportation, public safety, and more.

Step One (2): Communication with the Municipality

Here are More pointers on how to ensure municipalities work effectively:

4) Community Participation:

Municipalities should ensure that communities have an effective say on decisions affecting them and the space to play a role in implementing them. This can be achieved through public consultations, town hall meetings, and other forms of community engagement.

5) Urban Development:

Urban development is critical for growth and investment. Municipalities, especially those in intermediate cities, can play a key role in this area.

6) Address Service Delivery Issues:

Issues with service delivery, such as water and electricity outages or poor quality of roads, can have a direct negative impact on local economic development. Municipalities need to address these issues promptly to ensure their smooth functioning.

Remember, the effectiveness of a municipality is not just about its internal workings, but also about how well it engages with and serves its community. It's a collective effort that requires the participation of everyone involved.

When this approach has been tried and tested, and if it did not work, proceed to the next steps. Most importantly, never burn bridges. Always be willing to work together.



The Steps to Success

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Step Two: *GOOD Cop BAD Cop - (Best of both Worlds)*

Hope for the best - BUT - Plan for the worst outcome

GOOD Cop Praise!

- *Help and Support projects.*
- *See what you can achieve in meetings.*
- *Constructive Criticism is important.*
- *Build constructive relationships it is needed.*
- *Good healthy relations the most important.*
- *Be understanding the helping friend.*
- *Be the Nice Guy the soft approach.*

BAD Cop Ask Why?

- *Investigate Financial Statements.*
- *Investigate Budgets and Reports.*
- *Publish findings to community in formats easy to understand.*
- *Ask the Questions about our trust money.*
- *Demand the answers on public platform like the forum.*
- *If not answered go to the press / FM radio if needed.*
- *Create an independent structure for the BAD Cop.*



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Step 3.1: Create Awareness

Creating Awareness of the Finances of Municipalities in South Africa

1) Introduction:

Municipal finance is a critical aspect of local governance, playing a pivotal role in the provision of basic services, infrastructure development, and overall economic growth. This document aims to create awareness about the state of finances of municipalities in South Africa.

2) Current State of Municipal Finances:

The financial health of municipalities in South Africa has been a cause for concern. The 2021/22 financial results revealed that the state of local government finances and financial management is not improving. Even though the number of municipalities in financial distress decreased from 165 in 2020/21 to 157 in 2021/22, the overall state of municipal finances remains worrisome.

3) Key Financial Indicators

The National Treasury provides current and historical municipal budget and financial performance data. This data spans over 16 years, covering financial years from 2008-2009 to 2023-2024. It includes budgeted and actual figures for income and expenditure, cash flow, and more. This data can serve as a valuable resource for understanding the financial position of municipalities.

Step 3.2: Create Awareness

Creating Awareness of the Finances of Municipalities in South Africa (Continue)

4) Challenges and Solutions

Several issues impact the financial health of a municipality. These include audit outcomes, governance issues, non-payment of third parties by municipalities, inadequate budgets for repairs and maintenance, significant electricity and water losses, and spending of conditional grants.

Addressing these issues requires a multi-faceted approach. Interventions in municipalities, support and reforms provided by the National Treasury, and initiatives like the Municipal Finance Improvement Programme (MFIP IIIx) and Cities Support Programme (CSP) are some of the measures being taken.

5) Conclusion

Creating awareness about the finances of municipalities in South Africa is crucial for promoting transparency, accountability, and effective decision-making. It is a collective effort that requires the participation of everyone involved. By understanding the financial position of municipalities, we can work towards improving their financial health and ensuring the effective delivery of services to the community.

Step 3.3: Create Awareness

How the MPOA is creating Awareness using SMF:

Understand SMF basics in action – Categories, Boards and Topics

First Topic: [29 May 2022 - Why did we start the forum](#)

Topic 37: [27 January 2024 - Why all municipalities are at risk to fail in RSA](#)

Topic 25: [11 January 2024 - All correspondence with Mossel Bay municipality](#)

Board 54: [6 Boards - Correspondence with other institutions regarding Mossel Bay](#)

Categories: [Understanding Categories of the Mossel Bay Property Owners Forum \(MPOF\)](#)

Step 3.4: Simple Machines Forum (SMF) System

[Link to the SMF training videos and meetings](#)

NOTE: Password is required to access training videos

SMF training program only for members of the national investigators team

To register for the training program, send e-mail to: admin@mgev.co.za with (1) Your name and Surname (2) Town or City you live in (3) Do your community have a ratepayer's association?

- *Video 1 - Creating Member*
- *Video 2 - Creating and Managing Categories, Boards and Child Boards*
- *Video 3 - Content Available to Guests*
- *Video 4 - New Topic Notifications*
- *Video 5 - Posting, Editing and Announcing a Topic*
- *Video 6 - Searching for, Moving and Deleting a Topic*
- *Video 7 - Replying to a Topic*
- *Video 8 - Sending a Topic to Someone else*
- *All meeting recordings of the investigators team are also in the Vimeo video showcase.*



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Step 4: *Fact check and work as a team*



Make sure of your references

Refrain from publishing any information unless you are completely certain of its factual accuracy.



Get other members to help

The more members you can engage and actively involve in assisting with research and fact-checking, the better.



Get moderator to check language

A strategy that has proven effective for others is to engage a proficient language expert who can review and ensure optimal grammar and language usage in writing.

Step 4: Publish Info to the Community and Further



August Bergquist
Sunday Times



Victoria Lindqvist
Cape Talk Radio



Allan Matson
Radio South Cape FM



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Step 5 – When step One - Work with municipality - Fails

The reason why agreements with municipalities fail can be endless but can include the following

A New Party Takes Office

One of the most significant challenges inherent in our present system is the transitory nature of agreements with municipalities. Such agreements only endure for the duration of the ruling party's term in power. This instability can lead to a lack of continuity and progress, posing a substantial problem.



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Step 6: Why municipalities in South Africa will fail – Source

The biggest disaster that South Africa experienced from 1994 to 1996 was the incorporation of Politics into the Municipalities. The result is:

1. Complaints about service delivery are seen as Political Talks. This is a Service Delivery Crisis.
2. Unqualified people are elected to posts. Poor Decision Making the result.
3. Politicians appoint friends and family in key posts. Poor Service Delivery the result.
4. Politicians interfere with the management of the Municipality. Nepotism, the disaster.
5. Council decisions in the interest of the Party, not the community. Result is an unhappy community.
6. Interference in community projects for political points. Volunteers become discouraged.
7. Negative media must be avoided at all costs. Local newspapers more and more reports are biased.
8. Politician compensation. In 1994, The Council was a community service. Free service v/s unaffordable expenses.
9. Communities no longer decide about their towns. Pretoria dictates from top to bottom.
10. Politicians the king. Community the Subjects. What a regrettable reality.
11. Politicians and elections bring uncertainty and instability. The system must be changed.
12. Kempton Park v/s Kelder high court ruling very important. Municipalities ruined by ruling. Debt Collection not necessary for Municipalities in South Africa!
13. Politics will not save South Africa. NBU Dispute System Plus. The Constitution, Article 235 the solution. Politics will not solve RSA's problems.
14. Kamiesberg Municipality receives R70m from De Beers for town's restoration. Municipality takes the funds and assets and restores nothing? The Detail. Ruling Municipality gets away with Fraud!!



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Step 7: Why municipalities will fail in South Africa

Kelder Case

**No debtors Control
needed for
municipalities in
RSA**

Koster, Derby Case

**Promulgation claims
is 100% Legal**



Olga Rademan Case

**No service
delivery no
payment.**

Kamiesberg mun. vs KBBV Case

**Municipalities in
RSA no need to
honor agreements**



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Step 8: Novtel Municipality Financial System:

MPOA – Strategic planning for 2024 – Explains the Novtel Municipal system in detail

Please note: This presentation is currently only available in Afrikaans

How the National Taxpayers Union NTU works on the MPOA Forum

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Step 9 Novtel Customer Relations Management (CRM) System

Everything about Novtel Relations Management (CRM) can be read on the website

Key Features

- Fully functional as a stand-alone package
- Seamlessly integrates with Microsoft Office, Sage Evolution, Sage Pastel Partner & Xpress
- Manage external communications with Customers & Suppliers
- Manage internal communications, staff incidents and activities
- Built-in auto reminder system
- Tracks all complete and incomplete tasks, plus task history
- Powerful filtering capabilities
- Send individual or bulk E-mails and SMS's



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Step 10: The Cost of the Systems

SMF – On-Line

Once Off Costs:

- Install and Setup SMF: **R600.00**

Recurring Costs:

- Hosting: **R649.00 per Year OR R59.00 per Month – 5 GIG – 5 Domains**
- Domain: **R85.00 Per Year**
- Support: **R550 Per Year OR R60.00 per Month**

NTU - Legal

LEGAL SUPPORT NTU:

- 2.5 % Legal Support:
- 2.5 % Recover Legal Costs:
- **R6 000 000 currently**
- **Until recovered**
- Total 5% of income generated
- By the NTU system:

Novtel 5% Monthly For:

OPERATIONAL SYSTEMS:

- Novtel Municipal System:
 - Novtel CRM System:
 - Novtel Training:
 - Novtel Support:
- % RATE BASED ON INCOME GENERATED**

ACCOUNTING SYSTEMS:

- SAGE Pastel Extra – Get Sponsor
- Xero Accounting – Get Sponsor

Questions and Answers



THANK YOU!



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