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Your Ref:

Room 827, Bram Fischer Building

Tel: +27(0)51 405 8555, Fax: +27(0)51 405 8108 Our Ref: Acting CFO: Council Item

Date: 22 November 2022

THE COUNCIL SPEAKER CLLR STEFANI LOCKMAN-NAIDOO

COUNCIL ITEM: APPOINTMENT OF ACTING CHIEF FINANCIAL OFFICER (CFO)

1. PURPOSE

The purpose of this submission is to seek Council approval for the appointment of an acting Chief Financial Officer (CFO).

2. BACKGROUND

The Acting City Manager, Mr Tebogo Motlashuping, received letter dated 10 November 2022 from the Deputy Director-General IGR advising him that the National Treasury has resolved to redeploy Mr Timothy Sediti in an acting capacity for period not beyond 30 November 2022. The correspondence indicate that Mr Sediti has been appointed as a Technical Advisor at Municipal Financial Service Unit at National Treasury and has requested that he be replaced to be closer his family in Gauteng.

As part of the request by the Minister of CoGTA and subsequent approval by Council to extend secondment of Heads of Department including the Chief Financial Officer, National Treasury decided to second Mr Lutanyani Denge as replacement of Mr Timoty Sediti due to his unavailability. Mr Denge acting is for the period of two (2) months, with effect from 01 December 2022 until 31 January 2023 subject to Council approval. Copy of the letter to acting City Manager, Mr Motlashuping by National Treasury is hereto attached as **Annexure "A"**.

3. DELIBERARTIONS

The relevant piece of legislation that regulates the appointment (or acting appointments) of managers directly accountable to the municipal manager is as follows, namely: Local Government: Municipal Systems Amendment Act, Act No 3 2022.

Section 56 (1) (a)(ii) of Amendment Act provides that a municipal council, after consultation with the municipal manager, must appoint an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed.

The power of appointing acting managers directly accountable to the municipal Manager rest with the Council, hence the approval of Council of the acting appointment of Mr Lutanyani Denge as the CFO of the Mangaung Metropolitan Municipality is necessary and required to comply with legislation.

4. RECOMMENDATIONS

It is recommended that Council:

4.1 Note the letter from National Treasury and appoints Mr Lutanyani Denge as an Acting Chief Financial Officer (CFO) of the Mangaung Metropolitan Municipality with effect from 01 December 2022 until 31 January 2023.

Submitted by:

Adv. Nkateko Mpangane

Acting HQD: Corporate Services

Date: 23/11/2022

Approved / Not Approved ...

Mr Tebogo Motlashuping Acting City Manager Date: 23 川クロコ

Ratified / Not Ratified

Ms Gugu Malaza

National Cabinet Representative

Date: 25/11/2522

Cir Mxolisi Siyonzana Executive Mayor

Date:





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FROM: Mr. Jan Hattingh, Tel: 012 315 5009, Email: jan.hattingh@treasury.gov.za

Ref No.: MAN/7

Mr. T Motlashuping
The Acting City Manager
Mangaung Metropolitan Municipality
P.O. Box 3704
BLOEMFONTEIN
9300

Dear Mr. Motlashuping

CHANGE OF OFFICIALS TO ACT IN THE POSITION OF THE CHIEF FINANCIAL OFFICER AT THE MANGAUNG METRO

The outcomes of the Council meeting held on 07 November 2022 and subsequent correspondence via social media with regard to the changes instituted by the National Treasury to the position of Acting Chief Financial Officer at the Mangaung Metro refers.

Kindly be informed that the National Treasury has agreed to re-deploy Mr. Timothy Sediti as the Acting Chief Financial Officer to the Mangaung Metro for the month of November 2022. In this time, Mr Sediti will manage the hand-over processes to his replacement Mr Lutanyani Denge. Effective from 01 December 2022, Mr Sediti will return to his position as a Technical Advisor in the Municipal Finance Recovery Services Unit and Mr Denge will assume responsibility as the Acting Chief Financial Officer of the metro until the end of January 2023 by which time it is expected that a Chief Financial Officer will be appointed by the municipality.

We would also like to advise that Mr Sediti's services as the Acting Chief Financial Officer will not be extended beyond November 2022 as he has also requested that he be replaced in order to be closer to his family in Gauteng. It is therefore necessary that Council approves the appointment of Mr Lutanyani Denge as the Acting Chief Financial Officer with effect from 01 December 2022. Once the appointment is approved by Council and a copy of the resolution submitted to the National Treasury, the National Treasury will then proceed with consideration of the request for a roll-over of conditional grants by the municipality.



I trust that both Mr Sediti and Mr Denge will receive the necessary support from the administration during the hand-over process. The contents of the letter from the Minister of Finance dated 27 October 2022 with regard to Mr Denge's appointment as the Acting Chief Financial Officer is hereby withdrawn and is replaced by the new arrangement outlined in this letter.

We trust that this communication provides you with sufficient time to inform the Council about the imminent changes and ensure that the matter is included as an agenda item of the ordinary council meeting scheduled for the end of November 2022 as this will enable compliance required to process the rollovers under consideration.

I hope you will find the above in order.

Yours Sincerely

MALIJENG NGQALENI

DEPUTY DIRECTOR-GENERAL: INTERGOVERNMENTAL RELATIONS

DATE: 10 NOVEMBER 2022

Executive Mayor: Mangaung Metro CC:

MSalem

Cllr. Siyonzana

Speaker of Council: Mangaung Metro

Cllr. Lockman-naidoo

Director-General: Department of Corporative Governance

Ms Avril Williamson