PIXLEY KA SEME

DISTRICT MUNICIPALITY

CASH AND INVESTMENT POLICY

PIXLEY KA SEME DISTRICT MUNICIPAL CASH AND INVESTMENT POLICY

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1. SCOPE OF POLICY

Municipal investment practice is guided by several influence sources, including legislation, IMFO recommendations and local municipal policy.

Investment of surplus cash is subject to certain restrictions, such as investments being allowed only at approved banking institutions, the maximum amount that held at any one of such institution, the term of said investment, the method of placement and the payment of commission for placement of an investment.

This policy will aim to outline the above mention procedures concerning investments at the Pixley Ka Seme District Municipality.

2. OBJECTIVE OF THE POLICY

The Council of the Municipality is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently. The council therefore has a responsibility to invest these public revenues knowledgeably and judiciously, and must be able to account fully to the community in regard to such investments.

The investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the investment policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus.

3. LEGAL FRAMEWORK

This policy will be implemented within the legal framework of the Constitution and relevant national legislation outlined hereunder:

- Constitution of the RSA, (Act 108 of 1996);
- The Local Government Municipal Systems Act, 2000 (Act No. 32 of 2000); and
- The Local Government Municipal Finance Management Act, (Act No. 56 of 2003).

4. PRESCRIBED FRAMEWORK AND APPROVED INSTITUTIONS

4.1 Prescribed framework

The Minister, acting with the concurrence of the Cabinet member responsible for local government, may prescribe a framework within which municipalities must:

(a) conduct their cash management and investments; and

(b) invest money not immediately required.

4.2 List of approved institutions

Those approved for the placement of municipal investments are:

- ABSA
- FIRST RAND
- STANDARD BANK

The municipal council may place further restrictions on approved institutions, but will not place funds at institutions excluded from those approved. Further restrictions will include the prerequisite that an approved institution must have an established operation and be commercially active in the municipal district.

5. SURPLUS CASH

Surplus cash will be defined as the excess funds available to the municipality, which are not required to meet short-term obligations, and which safely may be withdrawn from current cash reserves without jeopardising the municipality's daily operational capability.

Investment of surplus cash presupposes that cash is transferred from the current account to an investment account.

6. CASH MANAGEMENT

Adequate and effective cash management is one of the main functions of the Chief Financial Officer or his/her delegate.

6.1 Debtor Collections:

All funds due to the municipality must be collected in good time and banked on a monthly basis. Large sums of money received must be deposited into the bank account on the same day the payment is received.

It is important that all monies owing to the Municipality are correctly reflected in the debtor's system. The following control measures are necessary:

- A well managed debtors and banking control system will ensure that funds owed to the Municipality are received and banked; and
- It is also important to review the outstanding balances on a monthly basis to determine if the debt collection process is successful.

All monies collected by the Municipality must be banked in the primary bank account of the Municipality.

The receipts of all monies collected by the Municipality shall be acknowledged forthwith by the issue of a numbered official receipt or by a computer-generated receipt in the case of direct deposits into the primary bank account of the Municipality.

6.2 Payment of Creditors

Creditors will be paid within 30 days of receipt of the invoice and not the invoice date. A date stamp must be put on the invoice on the date of the receipt of the invoice.

Invoices will only be been paid after the completion of the supply chain process.

6.3 Receipt of Payments

6.3.1 Receipt of money over the counter

The municipality did not receive any money over the counter but if it should happen, the money will be acknowledged and a pre-numbered receipt will be issued.

6.3.2 Receipt of money by post

- When money is received by post, the Registry Clerk shall record it in the postal register in the presence of a witness.
- The postal register together with all remittances received must be send to the designated official in the Finance Department, on the same day.
- The designated official on receipt of the postal register, together with the remittances, will submit it to the cashier for receipting.
- The Cashier will receipt all remittances and issue official receipts.

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- All documents relating to remittances received in the mail must be filed for audit purposes.

6.4 Bank and Cash

6.4.1 All bank accounts of the municipality, primary as well as investments, must be in the name of Pixley Ka Seme District Municipality.
6.4.2 New bank accounts may be opened if required and approved by the CFO.
6.4.3 All bank accounts must be accounted for in the accounting system.

6.5 Management of Inventory

The Municipality have no inventory.

6.6 Management of Debt

The Municipality may only incur debt in terms of the Municipal Finance Management Act, 2003, Chapter 6. The Municipality may incur two types of debt, namely short-term and long-term debt.

6.6.1 Short-term debt:

6.6.1.1 The Municipality:

- May incur short-term debt only in accordance with and subject to the Provisions of the MFMA, Section 45(1), and only when necessary to bridge:
  (a) Shortfalls within a financial year which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or
  (b) Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.
- May incur short-term debt only if:
  (a) A resolution of the Municipal Council, signed by the Mayor, has approved the debt agreement; and
  (b) The Accounting Officer has signed the agreement or other document which creates or acknowledges the debt.
- Must pay off short-term debt within a financial year; and
- May not renew or refinance its short-term debt.

6.6.1.2 No lender may extend credit to the Municipality for the purpose of renewing or refinancing debt that must be paid off in terms of the above, unless such extension was agreed and approve by Council. If a lender wilfully extends credit to the Municipality for the purpose of renewing or refinancing debt, the Municipality is not bound by the contract in terms of which the credit was extended to the Municipality.

6.6.2 Long-term debt:

6.6.2.1 The Municipality may incur long-term debt in terms of Section 46(1) of the MFMA only for the purpose of capital investment in property, plant and equipment to be used for the purpose of achieving the objects of local government as set out in Section 152 of the Constitution, and only if:

(a) A resolution of the Municipal Council, signed by the Mayor, has approved the debt agreement; and

(b) The Accounting Officer has signed the agreement or other document which creates or acknowledges the debt.

(c) The Accounting Officer of the Municipality has complied with Section 21A of the Municipal Systems Act, by making public an information statement setting out the particulars of the proposed debt, the purpose for which the debt is to be incurred and the particulars of any security to be provided, at least 21 days prior to the meeting of the Council at which approval for the debt is to be considered.

6.6.2.2 Section 152 of the Constitution reads as follows: "The objects of local government are:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government."

7. PROCEDURES FOR INVITATION AND SELECTING OF BIDS

The Chief Financial Officer shall be responsible for investing the surplus revenues of the Municipality, and shall manage such investments in consultation with the Accounting Officer as the case may be, and in compliance with any policy directives formulated by the council and prescriptions made by the Minister of Finance.

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In making such investments the Chief Financial Officer, shall at all times have only the best considerations of the municipality in mind, and, except for the outcome of the consultation process with the Accounting Officer, as the case may be, shall not accede to any influence by or interference from councillors, investment agents or institutions or any other outside parties. Any gift received by any employee of the municipality should be declared to council.

Written tenders are obtained every five years for banking services and all the bank accounts of the Municipality are held at the financial institution receiving the tender.

7.1 Roles and Responsibilities

Accountability and transparency in the investment management process are the specific responsibility of the financial management function. No external investment managers will be used by the municipality. The person responsible for municipal investments will do so in a manner as if the investment was his/her own and he/she will be a person of prudence, discretion and intelligence.

The Accounting Officer must ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investing framework.

8. INVESTMENT PRINCIPLES

8.1 Limiting exposure

Risk management principles advise investors to spread their risk in a reasonable manner. Limited to approve institutions or instruments means that risk is already reduced to those perceived to be the most stable at that time.

Risk management will also take into account the fact that comparative rates of return and investment cycles may combine to cause limits to be exceeded for short periods, with justifiable reason. Surplus cash may be received shortly before an existing investment matures and the interest rate offered by that bank may be significantly more favourable than other banks in the same market.

8.2 Commission Disclaimer

All investments made on the basis of placement certificates will verify the amount, term, interest rate, interest due, maturity date and method of payment of interest.

Certificates will individually state that no commission has been paid to any party for the placement of the investment with that institution. Where individual certificates do not meet this requirement a general statement to that effect from the relevant institution will be obtained.

Any official or person connected with the municipality who receives a commission for placement of investments with an institution will be guilty of misconduct and be liable to prosecution.

8.3 Investment Term

Investments will generally be of a short-term nature, vary between 30 and 120 days. The best rates will be obtained in this way. Cash flow and liquidity positions will be managed by packaging investments in smaller amounts and maturity dates will be linked to operational peak periods.

Lower interest rates received for medium term investments will be justified by the nature of the investment for example when held as contra security by the bank for other guarantees or when held as cash backing for a specific fund.

From time to time it may be in the best interest of the municipality to make longer-term investments in secure stock issued by the National Government, Eskom or any other institution, or by another reputable municipality. In such cases the Chief Financial Officer, must be guided by the best rates of interest pertaining to the specific type of investment, which the municipality requires, and to the best and most secure instrument available at the time.

No investment with a tenure exceeding twelve months shall be made without the prior approval of the Executive Mayor and without guidance having been sought from the municipality's bankers or other credible investment advisors on the security and financial implications of the investment concerned.

8.4 Investment Placement

Investments will be placed on the basis of once-off quotations of money market rates at the time of placing surplus funds.

Each locally approved banking institution eligible for such investment trade will be contracted telephonically and asked to quote their current treasury rates for the relevant amount and term of placement. Banks will be required to respond on such quotes within a given time to enable the placement to be done by midday.

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Surplus funds will be placed depending on the banks' responses and quoted rates, without any attempt to trade one bank off against another in order to secure better interest rates.

8.4.1 Types of Investments

The Pixley Ka Seme District Municipality may use different types of investments to ensure that the investment will be of optimal benefit to the municipality either long-term or short-term. In such cases the Chief Financial Officer will be guided by the best rates of interest pertaining to the specific type of investment and to the best and most secure instrument available at the time.

The following investment types may be utilised:

- Call and Fixed Deposits
- Money Market
- Property
- Capital Projects
- Municipal Bonds

8.5 Interest on Investments

The interest accrued on all the municipality's investments shall, in compliance with the requirements of GRAP, be recorded in the first instance in the municipality's current account as ordinary operating revenues, and may thereafter be appropriated, at the end of each month, to the fund or account in respect of which such investment was made. All interest earned on Council investments shall be credited to Council's current account.

Accrued interest on active investments shall, unless otherwise specified by the Accounting Officer, be paid on the last working day of each month. Closing interest shall be paid with the maturing capital on the expiry date.

8.6 Control over Investments

The Chief Financial Officer shall ensure that proper records are kept of all investments made by the District Municipality. Such records shall indicate the date on which the investment is made, the institution with which the monies are invested, the amount of the investment, the interest rate applicable and the maturity date. If the investment is liquidated at a date other than the maturity date, such date shall be indicated.

The Chief Financial Officer shall ensure that all interest and capital properly due to the district municipality are timeously received, and shall take appropriate steps or cause such appropriate steps to be taken if interest or capital is not fully or timeously received.

The Chief Financial Officer shall ensure that all investment documents and certificates are properly kept.

9. RISK MANAGEMENT

Although the objective of the Chief Financial Officer in making investments on behalf of the municipality shall always be to obtain the best interest rate on offer, this consideration must be tempered by the degree of risk involved in regard to both the financial institution and the investment instrument concerned.

This policy will aim to protect against the following risks:

- Fraudulent transactions
- Mismanagement of cash, investments and inventory
- Non-performance because of inadequate cash flows
- Reputational damage caused by late, incomplete or non-payment of creditors

No investment shall be made with an institution where the degree of risk is perceived to be higher than the average risk associated with investment institutions. Deposits shall be made only with registered deposit-taking institutions.

No investment will be made for speculation purposes but exclusively for sound investment. Investments will be made with primary regard to the liquidity needs of the municipality and to the probable income derived from the investment. Risk control will include the following:

- The municipality will liquidate an investment that no longer has the minimum acceptable rating as specified in this policy.
- The municipality will ensure that all investments are with credit-worthy institutions.
- The municipality will take all reasonable steps to diversify its investment portfolio across institutions, types and maturities.
- All investments will be made in the Municipality's name and the municipality is not allowed to borrow money for investment purposes.
- Accurate, complete and up-to-date cash management programme will ensure that:
  - Fraudulent activities in payments and receipts are promptly detected
  - Emergence of cash flow problems timeously identified
  - Proper budgetary management is possible

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- Allows assessment of effectiveness of credit control and revenue collection
- Indicates whether other organs of state and outside institutions are properly meeting their obligations to the municipality

10. REPORTING AND MONITORING

The MFMA prescribes that all investments made by municipalities be subject to prescriptions to be set by National Treasury, and that all investments so made are to be notified to National Treasury by both the investing municipality and the accepting institution.

Therefore, internal documentation prescribed by treasury control will be prepared for each individual investment, reflecting the relevant investment details and the register entry number. These documents will be signed by the CFO and the Accounting Officer as authorisation for the investment. A copy will be placed on the relevant file and National Treasury will be notified of the investment within 10 working days. The original document will be filed in the investment register and marched with the institution's certificate.

A report will be submitted by the CFO to Council describing the portfolio of the municipality's investment at month end.

The following will be set out in the monthly investment report:

- Opening balance of the investment at the beginning of the financial year;
- Investments made for the month;
- Interest received for the month;
- Withdrawals for the month; and
- Closing balance at the end of the month.

11. CONTRA ALLOCATION OF INTEREST EARNED

Where funds are received from other authorities for specific projects, the municipality will isolate such funds and allocate interest earned on investments to the project if it was a condition of the allocation. If not, interest earned will be for the account of the municipality.

12. COMMENCEMENT

This Policy takes effect on 01 July 2024.

13. ANNEXURE 1: PARAPHRASE OF REQUIREMENTS OF MUNICIPAL FINANCE MANAGEMENT ACT NO. 56 OF 2003

Note: In terms of Section 60(2) of the Municipal Systems Act No. 32 of 2000 the council may delegate the authority to take decisions on making investments on behalf of the district municipality only to the executive mayor, executive committee or chief financial officer. The foregoing policy is based on the assumption that such authority has been delegated to the chief financial officer.

SECTION 7: OPENING OF BANK ACCOUNTS

Every municipality must open and maintain at least one bank account. This bank account must be in the name of the municipality, and all monies received by the municipality must be paid into this bank account, promptly and in accordance with any requirements that may be prescribed.

A municipality may not open a bank account:
- otherwise, then in the name of the municipality;
- abroad; or
- with an institution not registered as a bank in terms of the Banks Act 1990.

Money may be withdrawn from the municipality's bank account only in accordance with the requirements of Section 11 of the present Act.

SECTION 8: PRIMARY BANK ACCOUNT

Every municipality must have a primary bank account, and if the municipality has only one bank account, that account is its primary bank account. If the municipality has more than one bank account, it must designate one of those bank accounts as its primary bank account.

The following must be paid into the municipality's primary account:
- all allocations to the municipality;
- all income received by the municipality on its investments;
- all income received by the municipality in connection with its interest in any municipal entity;
- all money collected by a municipal entity or other external mechanism on behalf of the municipality; and
- any other monies as may be prescribed.

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The accounting officer of the municipality must submit to the National Treasury, the Provincial Treasury and the Auditor-General, in writing, the name of the bank where the primary bank account of the municipality is held, and the type and number of the account. If the municipality wants to change its primary bank account, it may do so only after the accounting officer has informed the National Treasury and the Auditor-General, in writing, at least 30 days before making such change.

SECTION 9: BANK ACCOUNT DETAILS TO BE SUBMITTED TO PROVINCIAL TREASURY AND AUDITOR-GENERAL

The accounting officer of the municipality must submit to the Provincial Treasury and to the Auditor-General, in writing, within 90 days after the municipality has opened a new bank account, the name of the bank where the account has been opened, and the type and number of the account and annually, before the start of each financial year, the name of each bank where the municipality holds a bank account, ant the type and number of each account.

SECTION 10: CONTROL OF MUNICIPAL BANK ACCOUNTS

The Accounting Officer of the municipality must administer all the municipality's bank accounts, is accountable to the municipal council for the municipality's bank accounts, and must enforce compliance with Sections 7, 8 and 11 of the present Act.

The Accounting Officer may delegate the duties referred to above only to the municipality's Chief Financial Officer.

SECTION 11: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS

Only the Accounting Officer or the Chief Financial Officer of the municipality (presumably where this power has been appropriately delegated), or any other senior financial official of the municipality acting on the written authority of the Accounting Officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts. Such withdrawals may be made only to:

- defray expenditure appropriated in terms of an approved budget;
- defray expenditure authorised in terms of Section 26(4) (this Section deals with situations in which the budget was not timeously approved, and the province has been compelled to intervene);
- defray unforeseeable and unavoidable expenditure authorised in terms of Section 29(1);

- in the case of a bank account opened in terms of Section 12, make payments from the account in accordance with Section 12(4);
- pay over to a person or organ of state money received by the municipality on behalf of such person or organ of state, including money collected by the municipality on behalf of such person or organ of state by agreement, or any insurance or other payments received by the municipality for such person or organ of state;
- refund money incorrectly paid into a bank account;
- refund guarantees, sureties and security deposits;
- make investments for cash management purposes in accordance with Section 13;
- defray increased expenditure in terms of Section 31; or
- for such other purposes as may be prescribed.

(Note that Section 11(1) does not expressly provide for the withdrawal of monies to pay creditors, where the relevant obligations arose in terms of the previous budget; to repay loans; or to consumer deposits).

Any authorisation to a senior financial official to withdraw money or to authorise the withdrawal of money from a bank account must be in accordance with the framework as may be prescribed. The Accounting Officer may not authorise any official other than the Chief Financial Officer to withdraw money or to authorise the withdrawal of money from the municipality's primary bank account if the municipality has a primary bank account which is separate from its other bank accounts.

The Accounting Officer must, within 30 days after the end of each quarter, table in the council a consolidated report of all withdrawals made other than withdrawals to defray expenditure appropriated in terms of the approved budget, and submit a copy of the report to the relevant Provincial Treasury and the Auditor-General.

SECTION 12: RELIEF, CHARITABLE, TRUST OR OTHER FUNDS

No political structure or office bearer of the municipality may set up a relief, charitable, trust or other fund of whatever description, except in the name of the municipality. Only the Municipal Manager may be the Accounting Officer of any such fund.

A municipality may open a separate bank account in the name of the municipality for the purpose of such relief, charitable, trust or other fund. Money received by the municipality for the purpose of such fund must be paid into the bank account

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of the municipality, or if a separate bank account has been opened for such fund, into that account.

Money in a separate account opened for such fund may be withdrawn from the account without appropriation in terms of the approved budget, bur only by or on the written authority of the accounting officer, acting in accordance with decisions of the council, and for the purposes for which, and subject to any conditions on which, the fund was established or the money in the fund was donated.

SECTION 13: CASH MANAGEMENT AND INVESTMENTS

The Minister, acting with the concurrence of the cabinet member responsible for local government, may prescribe a framework within which municipalities must conduct their cash management and investments, and invest money not immediately required.

A municipality must establish an appropriate and effective cash management and investment policy in accordance with any framework that may be so prescribed.

A bank where the municipality at the end of the financial year holds a bank account, or held a bank account at any time during such financial year, must, within 30 days after the end of such financial year, notify the Auditor-General, in writing, of such bank account, indicating the type and number of the account, and the opening and closing balances of that account in that financial year. The bank must also promptly disclose any information regarding the account when so requested by the National Treasury or the Auditor-General.

A bank, insurance company or other financial institution which the end of the financial year holds, or at any time during the financial year held, an investment for the municipality, must, within 30 days after the end of the financial year, notify the Auditor-General, in writing, of that investment, including the opening and closing balances of that investment in that financial year. Such institution must also promptly disclose any information regarding the investment when so requested by the National Treasury or the Auditor-General.

SECTION 17: CONTENTS OF ANNUAL BUDGETS AND SUPPORTING DOCUMENTS

The following documents must accompany each tabled draft annual budget (inter alia):

- a projection of cash flows for the budget year by revenue source, divided into calendar months; and
- particulars of the municipality's investments.

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SECTION 22: PUBLICATION OF ANNUAL BUDGETS

The Accounting Officer must make public, immediately after a draft annual budget is tabled, the budget itself and all the prescribed supporting documents, and invite comments from the local community in connexion with such budget (and documents).

SECTION 36: NATIONAL AND PROVINCIAL ALLOCATIONS TO MUNICIPALITIES

In order to provide predictability and certainty about the sources and levels of intergovernmental funding for municipalities, the Accounting Officer of a national or provincial department and the accounting authority of a national or provincial public entity responsible for the transfer of any proposed allocations to a municipality, must be no later than 20 January of each year notify the National Treasury or the relevant Provincial Treasury as may be appropriate, of all proposed allocations and the projected amounts of those allocations to be transferred to each municipality during each of the next 3 financial years.

The Minister or the MEC responsible for finance in the province must, when tabling the national annual budget in the national assembly or the provincial annual budget in the provincial legislature, make public particulars of any allocations due to each municipality in terms of that budget, including the amount to be transferred to the municipality during each of the next 3 financial years.

SECTION 37: PROMOTION OF CO-OPERATIVE GOVERNMENT BY MUNICIPALITIES

In order to enable municipalities to include allocations from other municipalities in their budgets and to plan effectively for the spending of such allocations, the accounting officer of every municipality responsible for the transfer of any allocation to another municipality, must, by no later than 120 days before the start of its budget year, notify the receiving municipality of the projected amount of any allocation proposed to be transferred to that municipality during each of the next 3 financial years.

SECTION 45: SHORT-TERM DEBT

The municipality may incur short-term debt only in accordance with and subject to the provisions of the present Act, and only when necessary to bridge shortfalls within a financial year during which the debt is incurred, in expectation of specific

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and realistic income to be received within that financial year; or to bridge capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long-term debt commitments.

The council may approve a short-term debt transaction individually, or may approve an agreement with a lender for a short-term credit facility to be accessed as and when required, including a line of credit or bank overdraft facility, provided that the credit limit must be specified in the resolution of the council; the terms of the agreement, including the credit limit, may be changed only by a resolution of the council; and if the council approves a credit facility limited to emergency use, the accounting officer must notify the council in writing as soon as practicable of the amount, duration and cost of any debt incurred in terms of such a credit facility, as well as the options available for repaying such debt.

The municipality must pay off short-term debt within the financial year in which it was incurred, and may not renew or refinance short-term debt, whether its own debt or that of any municipal entity, where such renewal or refinancing will have the effect of extending the short-term debt into a new financial year.

SECTION 46: LONG-TERM DEBT

A municipality may incur long-term debt only in accordance with and subject to any applicable provisions of the present Act, and only for the purpose of capital expenditure on property, plant or equipment to be used for the purpose of achieving the objects of local government as set out in Section 152 of the Constitution; or refinancing existing long-term debt subject to the requirements of Section 46(5).

SECTION 47: CONDITIONS APPLYING TO BOTH SHORT-TERM AND LONG-TERM DEBT

The municipality may incur debt only if the debt is denominated in rand and is not indexed to, or affected by, fluctuations in the value of the rand against any foreign currency.

SECTION 64: REVENUE MANAGEMENT (EXCERPTS)

The accounting officer of the municipality is responsible for the management of the revenue of the municipality.

The accounting officer, must, among other things, take all reasonable steps to ensure that all money received is promptly deposited in accordance with the requirements of the present Act into the municipality's primary bank account.

The accounting officer must also ensure that all revenue by the municipality, including revenue received by any collecting agent on its behalf, is reconciled on at least a weekly basis.

The accounting officer must take all reasonable steps to ensure that any funds collected by the municipality on behalf of another organ of state are transferred to that organ of state at least on a weekly basis, and that such funds are not used for purposes of the municipality.

SECTION 65: EXPENDITURE MANAGEMENT (EXCERPTS)

The accounting officer of the municipality is responsible for the management of the expenditure of the municipality.

The accounting officer must take all reasonable steps to ensure, among other things, that payments made by the municipality are made direct to that person to whom they are due, unless agreed otherwise for reasons as may be prescribed, and either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit.

The accounting officer also ensure that all money owing by the municipality is paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.

The accounting officer must further ensure that the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework.

EXECUTIVE MAYOR:	
DATE POLICY REVIEWED:	**27 MARCH 2024**
DATE POLICY APPROVED:	**16 MAY 2024**
RESOLUTION:	**R 2024-05-16 (9.5)**