

CHRIS HANI DISTRICT MUNICIPALITY



CHRIS HANI
DISTRICT MUNICIPALITY
SUSTAINING GROWTH
THROUGH OUR PEOPLE

UNALLOCATED, UNIDENTIFIED and UNCLAIMED DEPOSITS POLICY

Adopted in an Ordinary Council meeting held on 24 May 2024

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1. DEFINITIONS

“Council” means a municipal Council established in section 18 of the Municipal Structures Act and referred to in section 157(1) of the Constitution.

“creditor” means a person to whom money is owed to by the municipality.

“customer” means any person comprising:

(a) resident of the municipality;

(b) ratepayer of the municipality;

(c) any civic organization involved in the municipality; and/or

(d) any visitor or other people who make use of services or facilities provided by the municipality.

“primary bank account” means a bank account referred to in section 8(1) of the Municipal Finance Management Act.

“register” means the official register kept to receipt all unclaimed deposits.

“municipality” means the Chris Hani District Municipality established in terms of section 155 of the Constitution.

2. INTRODUCTION

Unclaimed monies is a challenge faced by the municipality where monies are deposited into the municipal bank account or paid which cannot be identified nor are claimed by any consumer or creditor of the municipality.

Monies are unclaimed for various reasons and commonly arise amongst other things from the following:

- Monies deposited into the municipal bank account without any correct reference number or documentary proof.
- Monies payable to consumers or creditors which were either not claimed or banked.
- Creditors/consumers are unaware of their legal right to the monies.
- Cannot be identified and allocated to an account or vote.

The importance of the recognition or identification of each transaction in order to reflect the substance of each transaction and to ensure the municipality maintains a sound accounting system.

Revenue Management

Revenue management involves all the procedures necessary to ensure that the income of the municipality is properly planned and fully accounted for, and that cash once received is safeguarded and banked promptly.

In terms of Section 64 (2) (e) (Revenue Management) of the Municipal Finance Management Act, Act 56 of 2003;

“the municipality has and maintains a management, accounting and information system which-

- (i) recognises revenue when it is earned;
- (ii) accounts for debtors; and
- (iii) accounts for receipts of revenue;”

Municipal Bank Account Deposits, Direct Transfers and Electronic Banking

- Identify all the direct credits on the bank statement, such as direct deposits by ratepayers, consumers and levy payers, subsidies and grants paid by National and Provincial Governments, interest on investments and miscellaneous credits. Process these credits by capturing to the respective votes on the system.
- Identify full details of these credits timely to avoid having to account for these credits in the Unallocated Deposits Account;
- Record all unidentified credits (receipts) in a suitable register to facilitate future claims against the amount and follow up; and
- Balance the unidentified receipts register to the Unallocated Deposits Account in the general ledger on a monthly basis.

3. OBJECTIVES OF THE POLICY

- The objectives of the policy are to:
- To provide a framework on how to deal with unknown, unallocated and unclaimed monies in the municipal bank accounts.
- To reduce the liability of the municipality.
- To provide guidelines to identify unidentified deposits in the municipal bank accounts.

3. LEGISLATIVE FRAMEWORK

Municipal Finance Management Act, 56 of 2003; Section 64

4. IDENTIFICATION OF UNALLOCATED and UNCLAIMED MONIES

4.1 An unclaimed direct deposit is any amount of money legally paid into the municipal bank account without any reference or documentary proof on how the monies should be allocated and that remains unclaimed or unallocated for a period of three (3) months.

4.2 Unclaimed monies are any amounts of money legally payable to a creditor and that have not been claimed or banked within a period of three (3) months.

4.3 An unclaimed deposit is any amount of money legally paid by a customer as security for municipal services for the use of facilities which have not been claimed within a period of three (3) months.

5. REGISTER OF UNCLAIMED MONEY

5.1 After all processes to identify the unallocated monies have been exhausted and the period as mentioned in paragraph 4 has expired unclaimed and/or unallocated monies will be receipted in a register kept by the municipality.

5.2 The register will be maintained and updated regularly and be kept for a period of **three (3)** years.

5.3 After the unclaimed and/or unallocated monies have been captured in the register the rightful owner thereof can claim the monies within a period of **three (3)** years from date the monies were deposited or become unclaimed subject to documentary proof being provided by the claimant of the monies.

5.4 The value of unclaimed monies and/or unallocated direct deposits will be recognized as a liability in the financial statements of the municipality.

6. UNCLAIMED MONEY TO BE PAID AS GENERAL REVENUE

6.1 Should unclaimed monies not be claimed within the period of **three (3)** years the monies will be written off from the register and be receipted as revenue in that financial year.

6.2 The following process must be followed before any monies are receipted as revenue:

(1) The register maintained will be advertised in the media in terms of Section 21A of the Systems Act, 32 of 2000 that it will lie open for public inspection;

(2) Such register must lie open for inspection for a further period of **three (3)** months;

(3) The register will be made available for inspection at the main municipal buildings;

(4) The prescribed form must be completed with documentary proof should any monies be claimed by a customer or creditor; and

(5) After the **three (3)** months period a report will be submitted to Council on the unclaimed monies to be written off from the register and be transferred to general revenue.

(6) All unidentified credits (receipts) should be recorded in a suitable register to facilitate future claims against the amount and followed up.

7. REVIEW

This policy will be reviewed annually to ensure that it complies with changes in applicable legislation and the operating requirements of the municipality.

8. SHORT TITLE


This policy shall be called the Unallocated, Unidentified and Unclaimed Deposits Policy of the Chris Hani District Municipality.

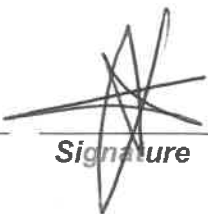
9. EFFECTIVE DATE

This Policy takes effect on the 01ST of July 2024

Policy Adopted at the Chris Hani District Municipality Council meeting, dated 24 May 2024.

**Council Resolution number: C143
2023-2024**

Signed by Municipal Manager: G. Mashiyi  _____
Initial & Surname *Signature* *Date*

Signed by Speaker of Council: J. CENGANI  _____
Initial & Surname *Signature* *Date*



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DISTRICT MUNICIPALITY
SUSTAINING GROWTH
THROUGH OUR PEOPLE

*Office of the Municipal Manager
Supply Chain Management*

TEL: 045 808 4662 /63 /54 /55
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Email: bmagadla@chrishanidm.gov.za

PRIVATE BAG X 7121
QUEENSTOWN, 5320

Closing Time:

Eng: B. Magadla
Date: 04 June 2024

REQUEST FOR FORMAL WRITTEN QUOTATION

Kindly furnish me with a written quotation for the supply of the goods/services as detailed in the enclosed schedule.

The quotation must be submitted on the letterhead of your business and can either be faxed or delivered by hand.


The following conditions will apply:

- Price(s) quoted must be valid for at least thirty (30) days from date of your offer.
 - Price(s) quoted must be firm, must be inclusive of VAT and furnish your **CSD number**.
 - Service providers must be registered with the **CIDB for a Grade 1 GB or higher class** of General Building works for building in order for their quotations to be responsive, attach a copy.
 - For all transactions exceeding **R15 000**, must be accompanied by a valid **Original Tax Clearance Certificate or PIN**
 - **Certified BEE Certificate**
 - **Declaration form (MBD 4.1)** and a Confirmation of **Banking Details**.
 - **First preference will be given to the service provider who is registered in Central Supplier Database.**
 - **Supplier must attach the MBD 6.2 declaration form for local content.**
 - **The link www.csd.gov.za**
 - **Chris Hani District Municipality does not bind itself to accept the lowest, only or any other Bid and reserves the right to accept the whole or part of the Bid**
 - **No Quotations will be considered from persons in the service of the state**
 - **Quotations are to be submitted at 42 Cathcart Road, Queenstown, 5320, Emailed: chdmquotations@chrishanidm.gov.za and Faxed: 045 839 2355**
- PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT (PPPFA) WILL BE AWARDED AS FOLLOWS:**

Price	-80
PPPFA	-20
Total	-100

Failure to comply with these conditions may invalidate your offer.

Please supply us with your bank details in your quotation. Please Fax them to this number 086 499 0273.

NO	DESCRIPTION	quantity	Unit Price
1.	 <p>8 X 1.5-Watt LED Clusters Ultra Slim Aerodynamic Design Clear Lenses For Stealth Appearance 15 Selectable Flash Patterns Universal Gutter Brackets and Adjustable Feet 5 Button Control Box 1035mm Standard Length Customized Lengths are Optional. 12V And 24V DC Units</p>	01 LED Light	R4570.00
2.	2x 3inch 240W LED Work Light Bar Spot Fog Lamp Offroad Driving Truck SUV ATV USA •	02 lights	R 690.00
3.	Precut Window Tint for Isuzu i-280 Extended Cab 2006 (All Windows Any Shade) (For: Isuzu)	01 bakki	R 991.26

Requested by: Manager.

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Name & Surname

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Signature

Recommended by: Director.

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Name

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Signature

Approved by: Chief Financial Officer.

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Name

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Signature

Approved by: Municipal Manager.

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Name

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Signature

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Name & Surname

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Signature

Recommended by: Director.

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Name

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Signature

Approved by: Chief Financial Officer.

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Name

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Signature

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Name

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Signature