



REVENUE PROTECTION AND CASH MANAGEMENT



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Chartered Institute of
Government Finance, Audit & Risk Officers

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***PRESENTER
MAHLAKOLA F***

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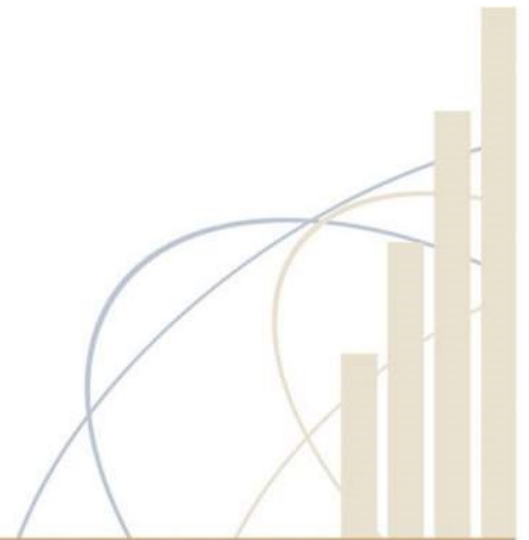
REVENUE PROTECTION

Revenue Protection –

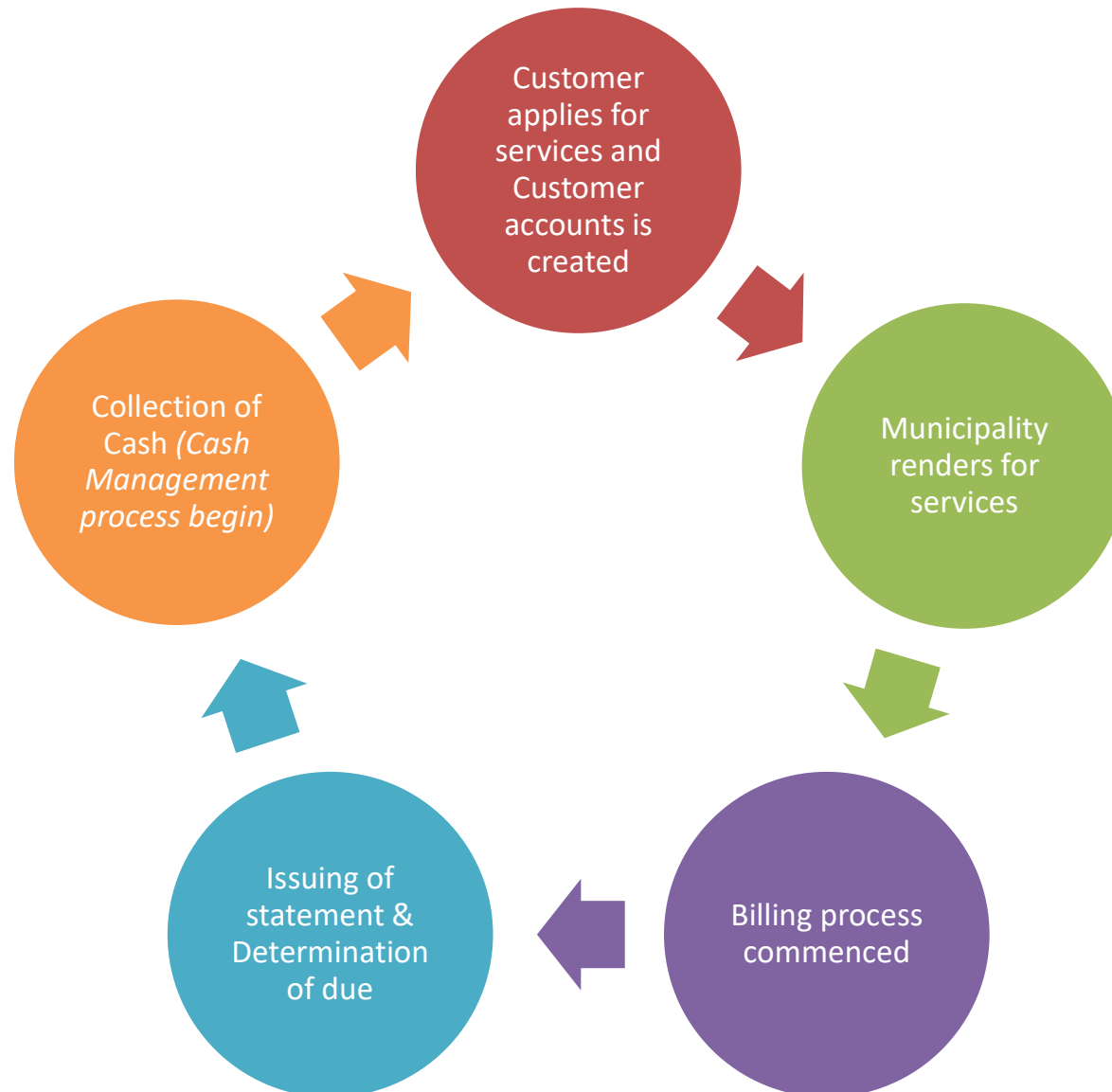
steps taken to prevent, minimize, eliminate or recover the loss of revenue owing to theft, non-payment or any other similar causes, for services supplied as defined by NRS -055

Revenue Protection Audits-

process of verifying the integrity of a metering installation including the meter, the associated equipment, seals and data



REVENUE COLLECTION PROCESS



ESTABLISHMENT OF REVENUE PROTECTION UNIT(RPU)

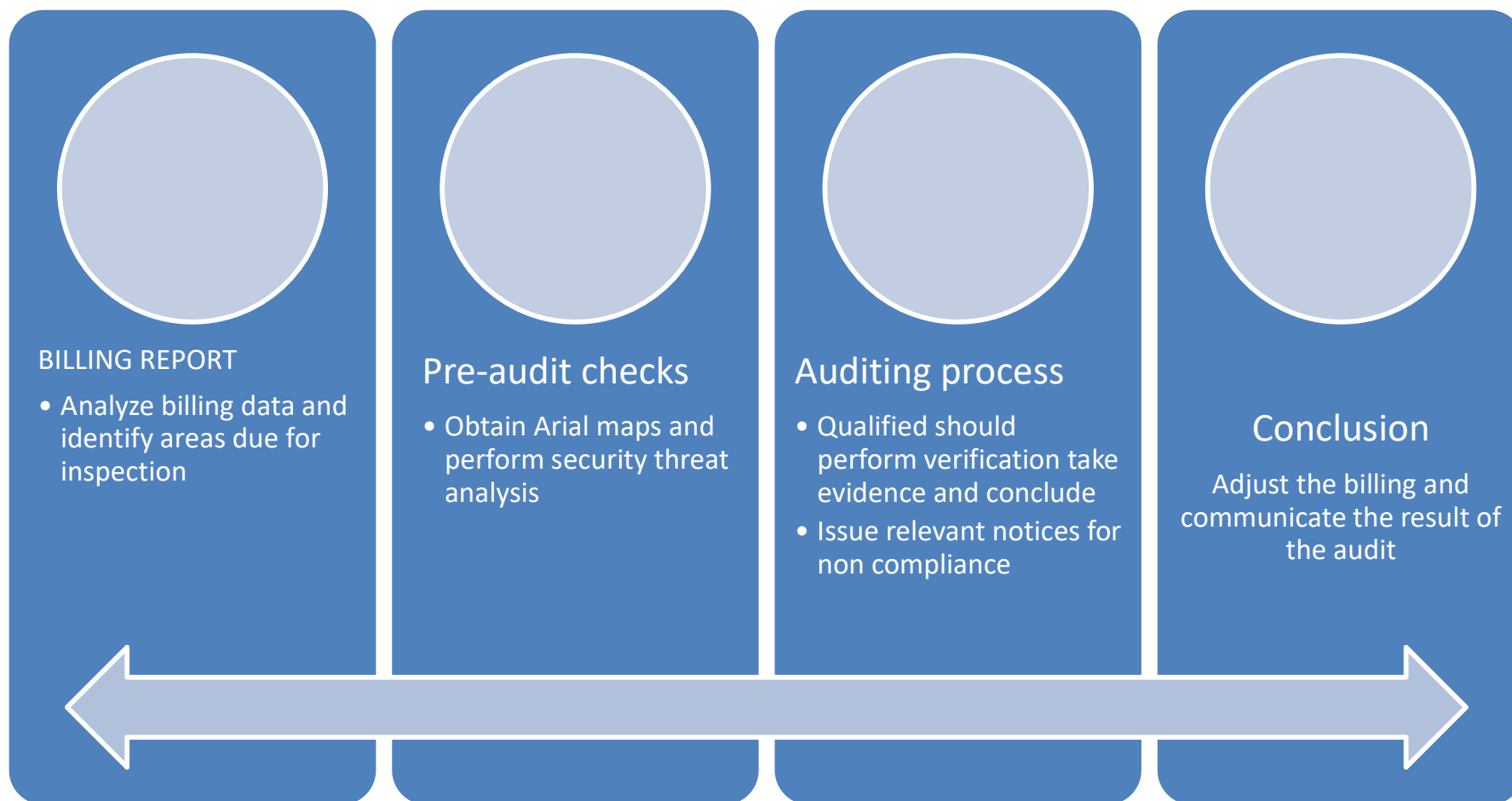
Municipalities must establish revenue protection unit to prevent revenue losses and maximisation of revenue.



RPU Responsibilities / Activities

- | | | |
|--|--|--|
| <ul style="list-style-type: none">☐ Raid audits☐ Customer services☐ Billing and Credit control☐ Tariff development☐ Investigation process☐ Meter management☐ Data analysis☐ Penalties and fines | <ul style="list-style-type: none">☐ Disputes and appeals on illegal connections☐ Remedial processes☐ Legal process☐ Housing, township development☐ Energy management, repairs☐ Development of new by-laws | <ul style="list-style-type: none">☐ Revenue enhancement and completeness☐ Development Controls (illegal land use management)☐ Building Inspections (building compliances) |
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RPU DATA ANALYSIS AND VERIFICATION PROCESS

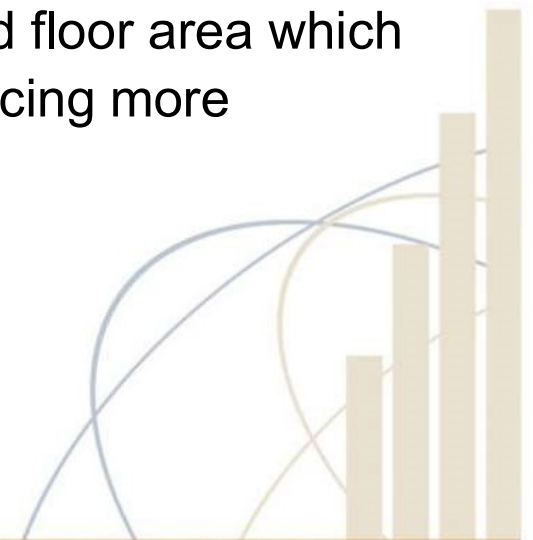


RPU SUCCESS STORIES

Reduction of Revenue related Audit findings – By performing data cleansing , completeness check and monitor action plan in order to ensure that all revenue bottle necks are addressed

Increase the revenue collection rate from 80% to 90% through targeted debt collection interventions, including disconnection campaigns, government account disconnection drives, and the blocking of prepaid vending meters for accounts in arrears where there is no access to meters due to intimidation

Review of sewer and refuse tariff for business and non residential stands in the billing was based on the number of sewer points and floor area which it was not supported to using the size of the stands ,by placing more reliance of valuation roll and GIS data



RPU SUCCESS STORIES



Polokwane Municipality takes drastic steps to recover R252m | Review

[Visit](#)

 **Polokwane Municipality**
04 Jun •

DEAR DEBTORS, THE MUNICIPALITY HAS LEARNED YOUR ADDRESS

The bill collector has left the WhatsApp group and arrived in person.

Polokwane Municipality has today turned up the volume on its revenue collection campaign, with the Energy, Water and Revenue teams embarking on a city-wide cut-off operation targeting businesses, commercial properties and government entities owing millions of rands in municipal debt.

For some, the lights may still be on, but the conversation has become very serious.

Upon arrival, property owners are served with a final notice and afforded an opportunity to settle their accounts before the switch is flipped and the taps run dry.

Today's operation has already targeted 12 accounts with a combined outstanding debt of R12 908 978.

As the old saying goes, municipal services are like a taxi ride - you cannot jump off at your destination and tell the driver you will pay next month.



MUNI BLOCKS PREPAID METERS - PressReader



Cash Management Process

Customers
pays an
account

- Via Cash or Debit Card and Eft

Cashier records money into cash book indicating method of payment

CASH UP
PROCES
S

- End of Day Supervisor counts the money collected vs recorded
- Shortages or Surplus are recorded
- Banking is prepared for CIT collection or Drop safe

Bankin
g Proces
s

- Money banked reflect in the Bank Statement
- Recon process commenced Cash Book vs Bank
- Upload bank statement and clear all deposit to correct account
- Allocate unidentified receipts to the correct register

Reconciling
items

- Identify long unreconciling items and clear
- Investigate all reconciling and validate them
- Investigate all unallocated deposit

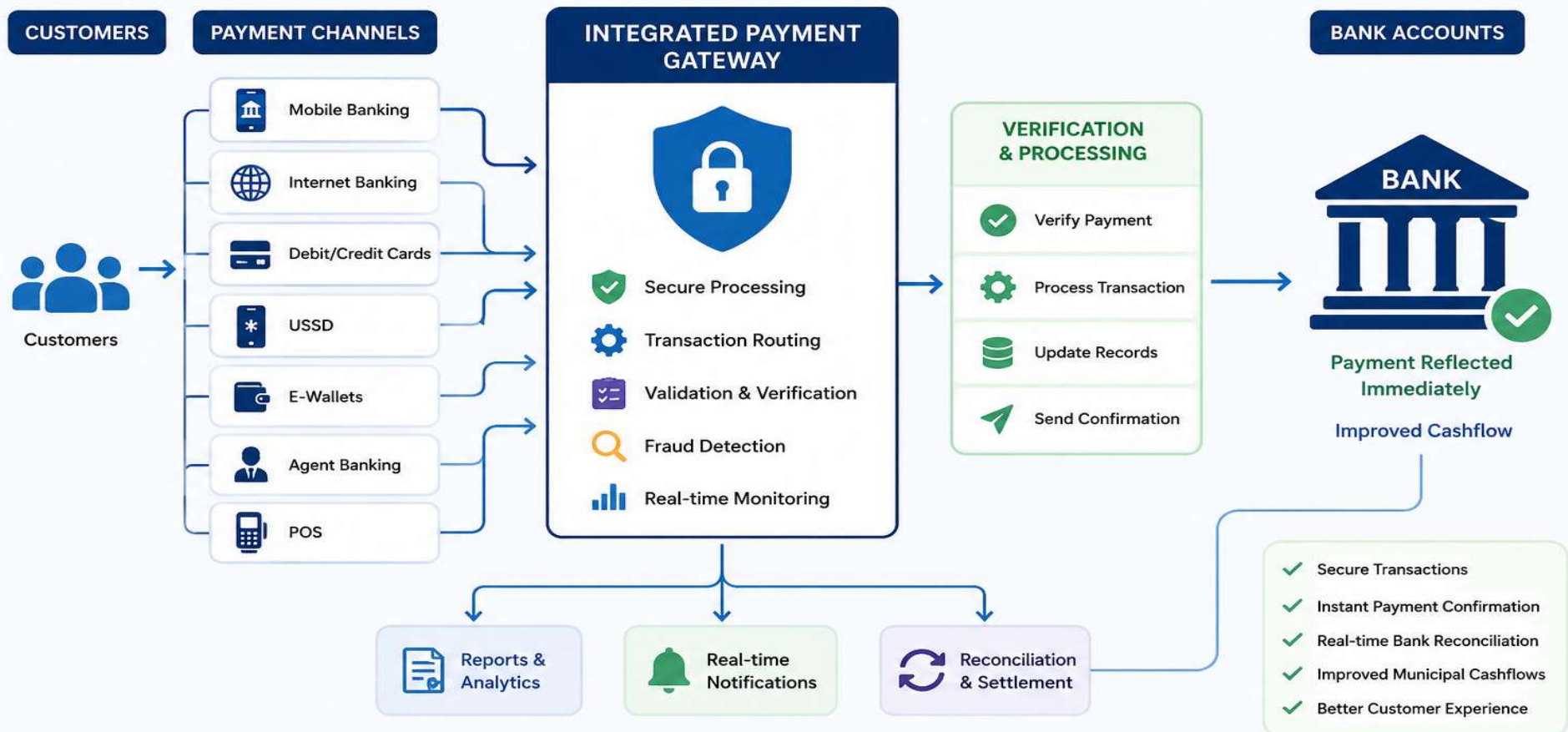


CASH MANAGEMENT GOVERNANCE

- Develop and implement a Cash Management Policy to establish clear procedures for the handling, safeguarding, and management of cash.
- Perform daily reconciliations to promptly detect fraud, discrepancies, and any missing cash.
- Introduce multiple payment channels to improve accessibility and convenience for customers when making payments.
- Establish an integrated payment gateway that verifies payments and reflects them immediately in municipal bank accounts, thereby improving cash flow and revenue collection efficiency.

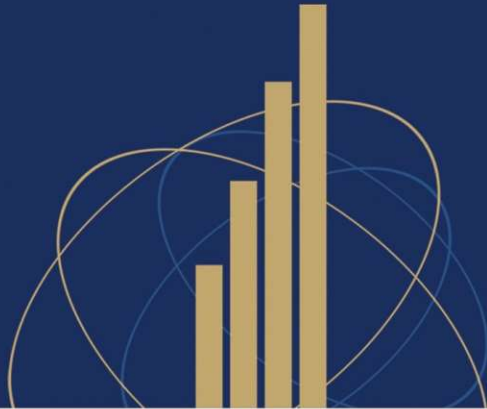
INTEGRATED PAYMENT GATEWAY

Secure. Real-time. Seamless Transactions.





Q & A



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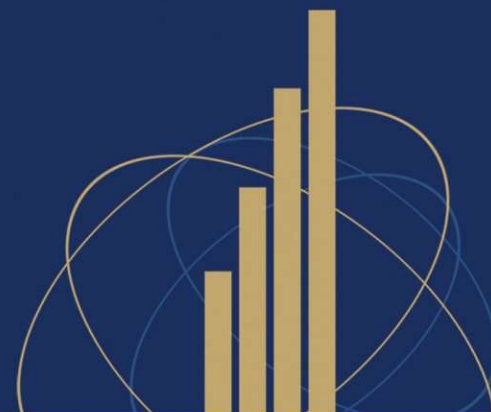
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Thank You!



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