

1.3. MMT Strategic Objectives

The specific objectives of the MMT project are to:

- Enable the Department to focus on core functions within the Courts and Masters Offices by partnering to leverage on the capacity of the partnership;
- Provide a sound system of financial management and reporting;
- Significantly reduce cash handling by Departmental Officials and ultimately remove all forms of cash handling from front end customer interface locations;
- Integrate with related other services at a Court level;
- Integrate the solution with existing/proposed systems and other infrastructure;
- Ensure appropriate security and systems infrastructure for Cash Hall facilities that are established in terms of the PPP;
- Enhance service delivery in line with the principles of Batho Pele;
- Develop and implement a general customer enquiry capability (Call Centre);
- Effect Business Process Re-engineering & Change Management, SMME & BEE empowerment around MMT;
- Attract appropriate Private Sector skills and other resources to assist the Department in addressing challenges associated with MMT and to transfer these to the department over the contract term;
- Attract appropriate funding partners;
- Create a Centralised Data repository to facilitate cluster interoperability and enterprise reporting on a national level; and
- Automate, where possible in order to maximise efficiency, payment integration, internal control and financial and management reporting within as short a timeframe as possible.

The primary objective of the DoJ&CD is to eliminate ALL Departmental cash handling at the court level. During the existence of the PPP, the partners may be requested to consider contract variations to give effect to this objective, as well as other variations considered appropriate in the light of enhanced technology options or for other reasons.

1.4. Status Quo

A sound system of financial management is not in place and the Department does not adequately discharge the trust placed in it by the public to securely manage their monies that it processes on their behalf in terms of valid court orders. This position is untenable and has been in existence for decades. As a matter of urgency the Department is required to fulfil the instruction of SCOPA to create a sound system of financial management.

2. OUTPUT SPECIFICATIONS

2.1. Executive Overview

Over a number of years various compliance and governance agencies have expressed concern about the soundness of financial management of monies held in trust by the DoJ&CD. SCOPA, The Justice Portfolio Committee, the Auditor-General, the DoJ&CD Audit Committee and other external and internal bodies recognised the need for substantial change to systems and processes that have been in place for decades.

The DoJ&CD responded with the launching of a Performance Enhancement Programme and tested private sector interest on MMT matters with an RFI in 2002. A PPP was registered, Transaction Advisors were appointed, TA1 approval was granted in September 2004 and bidders were short listed in response to the MMT-RFQ submissions. This MMT-RFP seeks to select a preferred bidder with whom to complete the defined process towards implementation of the PPP.

The MMT PPP seeks to eliminate trust money cash handling at Cash Halls throughout South Africa.

As far as possible all financial aspects of the trust monies process will be managed by the Private Sector while Department officials in Cash Halls will manage the related administrative/legal processes.

For Monies held in Trust (Guardian's Fund, Maintenance, Fines, Bail, Money paid into court etc), the DoJ&CD needs through the partnership or otherwise to, *inter alia*,

- Report correctly on the finances – produce annual financial statements on each trust type (with a clean audit report from the A-G)
- Ensure service quality (including Batho Pele):
 - Analyze management information with a view to improving service quality
 - Timely reconciliation of Trust Monies
 - Conduct communications to the public, media, other role-players such as other government organizations (e.g. SAPS and DCS)
 - Obtain feedback on service quality
 - Identify and manage risks
 - Ensure continuity of service
 - Internal audits, risk assessments and fraud prevention plans for the MMT in conjunction with DoJ&CD internal audit
 - Have easy access to consolidated data
 - Promote the DoJ&CD Anti-Corruption Hotline service
 - Promote the establishment of a broadly based service point footprint with emphasis on under serviced rural regions

- Manage financial information relating to each case where monies are held in trust (Guardian's Fund, Maintenance, Fines, Bail, Payments into court, etc):
 - Open the financial component of a Maintenance, Bail, Fines, Guardian Fund or other cases
 - Monitor these cases (track)
 - Maintain these cases (amend/ update, incl. interest calculations)
 - Close these cases
 - Administer the bail receipt process
 - Correctly allocate and update records of Maintenance, Bail, Fines, Guardian Fund or other case money received
 - Avoid risk of financial losses by identifying uncleared deposits and only process these amounts further once they are cleared.
 - Correctly allocate Maintenance case money to the correct beneficiary in terms of the maintenance court order
 - Correctly allocate fines case money to the correct organization in terms of the agreed business rules
 - Correctly allocate other case (payments into court, payments per civil judgment) money to the correct organization or beneficiary according to authorized instructions
 - Correctly allocate and record bail paid into a trust account
 - Issue instructions to allocate bail money to National Treasury when bail is declared forfeit
 - Issue pay-out instructions in terms of court order instructions, agreed business rules or when properly authorized
 - Have the ability to check outstanding monies owed and due to a person – single customer view (will enable set-off of money owed, e.g. investigate the possibility of meeting maintenance due from bail monies available, where appropriate)
 - Improve service delivery by enabling single point update of information per individual (e.g. if phone number changes, only a single update required and new information available for all cases where that individual is involved)
 - Information to enforce compliance of maintenance payments (e.g. list of defaulters)
 - Information to enforce compliance of payment arrangements on fines, where applicable
 - Archiving and retrieval of archived case records
 - Improve service delivery to clients through proactively providing information, where authorised, on MIT
 - Improve service delivery through support for efficient MIT query resolution
 - Improve service to employers re garnishee orders
 - Correctly allocate and record new funds to each case for a specific beneficiary to be administered by the Guardian's Fund
 - Correctly allocate and record moneys to be paid-out to a beneficiary/guardian after evaluating each request
 - Issue correct short term investment instructions for money held in the Guardian's Fund commercial bank account according to legal, DoJ&CD, and NT requirements (i.e. with PIC)
 - Correctly allocate interest / returns on investments every month to each case administered by the Guardian's Fund
 - Enable monthly and annual statements for each case administered by the Guardian's Fund, including statements for various taxation purposes, where required
 - Maintain confidentiality and privacy of MMT information
 - Correctly handle unclaimed money according to legal, DoJ&CD, and NT requirements (transfer to NT after a certain period)
- Accept trust money paid-in (convenient, safe, controlled):
 - Accept payments of money for Maintenance, Bail, Fines, and other trust monies where the person making the payment is not or is in custody including arrangements to accommodate requirements at circuit courts, mobile payment units, etc.
 - Accept payments of money to the Guardians Fund (Pay-in)

- Confidence that any risks threatening the successful operation of the PPP have been operationally mitigated

For some Vote Account purposes (e.g. witness fees, translator fees, petty cash, payment of certain grants) the DoJ&CD needs to have cash in all courts, and therefore needs:

- A bank account, including cash transport services, at every court for voted fund purposes to enable the courts to conveniently replenish cash-on-hand and/or to bank surplus cash

This MMT PPP seeks a Build, Operate and Transfer PPP arrangement to deliver required services and therefore needs a Private Partner (P)

- Facilitate MMT related change in the DoJ&CD and its customer base
- Manage the PPP together with the DoJ&CD in a sound and professional way

have been allocated to maximise the effectiveness, efficiency and productivity of the partnership structure. The DoJ&CD during the PPP contract period will be invited to offer as a further