

MPUMALANGA PROVINCIAL GOVERNMENT

Building No. 4
No. 7 Government Boulevard
Riverside Park Extension 2
Nelspruit
1200
South Africa



Private Bag X 11205
Nelspruit, 1200
Tel: 013 766 8683
Fax: 013 766 9460
Int: +27 13 766 8683
Int: +27 13 766 9460
Email: mohlalama@mpg.gov.za

Department of Finance *Office of the HOD*

Litiko LeteTimali UmNgango weZeemali Departement van Finansies Kgoro ya Matlotlo

Enquiries : Ms Beverly Gunqisa X8682
Ref No : DOF 12/1/1

PROVINCIAL TREASURY CIRCULAR NO 01 OF 2014

TO:

THE ADMINISTRATOR: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR E NGOMANE)
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR VN MPILA)
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR VD NGCOBO)
THE ACTING MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR Z SKHOSANA)
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY
(MR PB MALEBYE)
THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (ADV H MBATHA)
THE ACTING MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MS T SHOBA)
THE ADMINISTRATOR: EMALAHLENI LOCAL MUNICIPALITY (MR T VAN VUUREN)
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNICIPALITY (MR MF MAHLANGU)
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MR L TSHABALALA)
THE ACTING MUNICIPAL MANAGER: MBOMBELA LOCAL MUNICIPALITY (MR LS DITSHEGO)
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR AN MAHLANGU)
THE ACTING MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR M ZUNGU)
THE ACTING MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MR AG ZIMBWA)
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)
THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR WD FOUCHE)
THE ACTING MUNICIPAL MANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR G NKOSI)
THE MUNICIPAL MANAGER: THEMBSILE HANI LOCAL MUNICIPALITY (MR JI SINDANE)
THE MUNICIPAL MANAGER: UMJINDI LOCAL MUNICIPALITY (MR DP MSIBI)
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MS RM MAREDI)

THE DIRECTOR GENERAL: DR NONHLANHLA MKHIZE
THE HEAD OF DEPARTMENT: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
THE GENERAL MANAGER: SUSTAINABLE RESOURCE MANAGEMENT: DEPARTMENT OF FINANCE
(MS G MILAZI)
THE GENERAL MANAGER: FINANCIAL GOVERNANCE: DEPARTMENT OF FINANCE
(MS J BEZUIDENHOUT)
THE ACTING GENERAL MANAGER: ASSETS AND LIABILITIES MANAGEMENT: DEPARTMENT OF
FINANCE (MR R MASAMBO)

2013/14 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT VISIT

Section 72 of the in full (MFMA) requires the Accounting Officer of a municipality to assess the performance of the municipality for the first half of the financial year. This assessment must be done by 25 January of each year.

Section 72(1)(b) requires the municipality to submit the assessment report to the Executive Mayor of the municipality, the National Treasury and the relevant Provincial Treasury in the province.

In line with the Provincial Treasury's monitoring and oversight responsibilities as enshrined in the Constitution, we advise you of our intention to engage with your municipality during January 2014. The purpose of the engagement is to review your municipality's mid-year performance before the adjustment budget is passed as per Sections 28 and 72(3)(a) of the MFMA. Specifically, the review will focus on, among other things, the following:

- The 2012/13 annual report outcome and key achievements during the period against published targets:
 - Financial outcome against budget;
 - Performance against targets; and
 - Audit opinion by the Auditor General.
- Review of the 2013/14 mid-year results against targets set in the Integrated Development Plan (IDP) and the targets set in the Service Delivery and Budget Implementation Plan (SDBIP). The review will focus on municipal-wide, departmental and line management targets and the alignment of the SDBIP with senior management performance agreements. The review should also be against the background of the second quarterly financial results that should be available by the time of the visits.
- Infrastructure delivery achievements against the Infrastructure Plan of the municipality;
- Spending on all the conditional grants and progress to achieving the conditions. An assessment will be made of national and provincial grants as well as grants from other organs of state and donor funds;
- The preparation of adjustment budgets and inputs thereto;
- The 2014/15 budget schedule and progress in achieving the milestones and timelines specified in the schedule; and
- The readiness of the Municipality to fully conform to the new budget and reporting regulations, especially the budget formats released by the National Treasury on 27 June 2008.

It will be highly appreciated if you could ensure that your presentation is structured along the areas outlined above and copies of your municipality's presentations are forwarded to us at least 2 working days before the day of the meeting.

The Provincial Treasury regards the budget and performance assessments as a municipal-wide responsibility and, as a consequence, expects your municipality's Heads of Departments and other Section 57 Managers to be part of the engagement.

Kindly confirm that the date indicated as per the below schedule, is acceptable to the management of your Municipality. If not, provide us with an alternative date but be mindful that it might affect the other stakeholders that the Provincial Treasury intends to invite to these engagement sessions.

Below is the schedule of dates to be confirmed by the municipality:

MUNICIPALITY	DATE	TIME	PROPOSED VENUE
Ehlanzeni District Municipalities			
Bushbuckridge LM	04 February 2014	10:00	Bushbuckridge Council Chamber
Thaba Chweu LM	05 February 2014	10:00	Thaba Chweu Council Chamber
Umjindi LM	13 February 2014	09:00	Umjindi Council Chamber
Ehlanzeni District	13 February 2014	14:00	Ehlanzeni District Council Chamber
Nkomazi LM	14 February 2014	10:00	Nkomazi Council Chamber
Nkangala District Municipalities			
Thembisile Hani LM	15 January 2014	11:00	Thembisile Hani Council Chamber
Dr JS Moroka LM	30 January 2014	11:00	Dr JS Moroka Council Chamber
Victor Khanye LM	31 January 2014	10:00	Victor Khanye Council Chamber
Emakhazeni LM	03 February 2014	09:00	Emakhazeni Council Chamber
Emalahleni LM	03 February 2014	14:00	Emalahleni Council Chamber
Steve Tshwete LM	17 February 2014	09:00	Steve Tshwete Council Chamber
Nkangala District	17 February 2014	14:00	Nkangala District Council Chamber

MUNICIPALITY	DATE	TIME	PROPOSED VENUE
Gert Sibande District Municipalities			
Chief Albert Luthuli LM	06 February 2014	09:00	Chief Albert Luthuli Council Chamber
Msukaligwa LM	06 February 2014	14:00	Msukaligwa Council Chamber
Dr Pixley Ka Isaka Seme LM	07 February 2014	11:00	Dr Pixley Ka Isaka Seme Council Chamber
Dipaleseng LM	10 February 2014	09:00	Dipaleseng Council Chamber
Lekwa LM	10 February 2014	14:00	Lekwa Council Chamber
Govan Mbeki LM	11 February 2014	11:00	Govan Mbeki Council Chamber
Mkhondo LM	12 February 2014	11:00	Mkhondo Council Chamber
Gert Sibande District	18 February 2014	11:00	Gert Sibande District Chamber

Please confirm receipt of this letter and acceptance of its contents with Mr Edwin Nkuna at telephone number (013) 766 8703, cellphone 084 8888 660 or by e-mail to ennkuna@mpg.gov.za

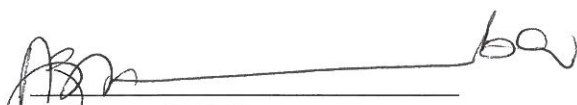
NB: Please submit your Mid-Year Budget and performance assessment report to the Provincial Treasury by no later than 28 January 2014.

The following should be noted:

- Thembisile Hani Local Municipality has requested Provincial Treasury to provide guidance in the preparation of the mid-year budget and performance assessment report, hence, the Municipality will be assisted with effect from 15 January 2014.
- Mbombela Local Municipality will be engaged by National Treasury and Provincial Treasury will form part of the engagement, hence the Municipality will be required to provide all the required information prior to the engagement.

We look forward to a fruitful and constructive engagement.

Kind Regards.



MS NZ NKAMBA
HEAD OF DEPARTMENT
DATE: 17/1/2014