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PROVINCIAL TREASURY CIRCULAR NO. 1 OF 2019

TO:-

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA (ACTING): VOTE 1: (MR KM MOHLASEDI)
SECRETARY: PROVINCIAL LEGISLATURE OF MPUMALANGA: VOTE 2 (MR L MWALE)
HEAD: PROVINCIAL TREASURY (ACTING): VOTE 3: (MS GM MASHITENG)
HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4: (MR PS NYONI)
HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (ACTING): VOTE 5: (MR LS MONARENG)
HEAD: ECONOMIC DEVELOPMENT AND TOURISM (ACTING): VOTE 6: (MR NM SEBITSO)
HEAD: EDUCATION: VOTE 7: (MS MOC MHLABANE)
HEAD: PUBLIC WORKS, ROADS AND TRANSPORT (ACTING): VOTE 8: (MS SL XULU)
HEAD: COMMUNITY SAFETY, SECURITY AND LIAISON: VOTE 9: (MR W MTHOMBOHI)
HEAD: HEALTH: VOTE 10: (DR S MOHANGI)
HEAD: CULTURE, SPORT AND RECREATION: VOTE 11: (MR GS NTOMBELA)
HEAD: SOCIAL DEVELOPMENT: VOTE 12: (MR MV MAHLALELA)
HEAD: HUMAN SETTLEMENTS: VOTE 13: (MR K MASANGE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR SS SHONGWE)
TREASURY: VOTE 2: PROVINCIAL LEGISLATURE (MR C MABUNDA)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR MA KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR SEB MATSEBULA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENT AFFAIRS (MR M LETSWALO)
THE CHIEF FINANCIAL OFFICER: VOTE 6 (ACTING): ECONOMIC DEVELOPMENT AND TOURISM (MS H THRUSH)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR A THELA)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS H MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MS S SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR P MAMOGALE)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORT AND RECREATION (MR M THOBELA)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS BM MOJAPELO)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SB NYOKA)

PROVINCIAL TREASURY CIRCULAR NO. 1 OF 2019

FOLLOW UP ON ARREAR PAYMENTS TO MUNICIPALITIES FOR RATES AND SERVICES

In terms of Circular 49 issued by Provincial Treasury in August 2018 on the above matter, each Department was supposed to respond in writing to the Head: Provincial Treasury on progress made on resolving the matter. The Circular is attached for ease of reference.

In terms of Section 64(3) of the Municipal Finance Management Act, No 56 of 2003, the Accounting Officer must immediately notify the Provincial Treasury of any payments due by an organ of state to the municipality in respect of municipal rates and taxes or municipal services, if such payments are in arrears for a period of more than 30 days

Each Department was requested to urgently settle arrear amounts due to Municipalities. To date Provincial Treasury has not received any formal disputes that must be taken forward to District wide engagements. Failure to adhere to the above request will result in the withholding of a portion of your Department's Equitable Share to settle the arrear debts owed to Municipalities.

As resolved at PCF of 10 July 2018, Provincial Treasury will be invoking Section 18(2)(g) of the Public Finance Management Act, No. 1 of 1999 which includes the withholding of funds to address a persistent or material breach of the Act, in this case the non-payment of outstanding municipal accounts by a Department .

Each Department is requested to respond in writing to the Head: Provincial Treasury as a matter of urgency on or before **18 January 2019**.

Your co-operation is always appreciated.

Regards



MS GUGU MASHITENG
ACTING HEAD: PROVINCIAL TREASURY
DATE: 07/01/2019