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PROVINCIAL TREASURY CIRCULAR NO. 14 OF 2017

TO:-

DIRECTOR GENERAL: VOTE 1: OFFICE OF THE PREMIER MPUMALANGA (MR T MDAKANE)
SECRETARY: VOTE 2: PROVINCIAL LEGISLATURE (MR L MWALE)
HEAD: VOTE 3: PROVINCIAL TREASURY (MS NZ NKAMBA)
HEAD: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR PT NYONI)
HEAD: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIROMENTAL AFFAIRS (MS S XULU)
HEAD: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MR MW MKHIZE)
HEAD: VOTE 7: EDUCATION (MS MOC MHLABANE)
HEAD: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MR KM MOHLASEDI)
HEAD: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIASON (MR W MTHOMBOHI)
HEAD: VOTE 10: HEALTH (DR S MOHANGI)
HEAD: VOTE 11: CULTURE, SPORT AND RECREATION (MR W MNISI)
HEAD: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI)
HEAD: VOTE 13: HUMAN SETTLEMENTS (MR K MASANGE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR S SHONGWE)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR C MABUNDA)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR M KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR SEB MATSEBULA)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIROMENTAL AFFAIRS (MR SM MASEKO)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (MR CT DLAMINI)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MS G MASHITENG)
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS HN MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIASON (MS SA SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR C MNISI)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 11 CULTURE, SPORT AND RECREATION: (MR NC MAMARU)
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MR JB MBATHA)
THE ACTING CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR TC MASHILE)

OFFICIAL VEHICLES FOR MEMBERS OF THE EXECUTIVE COUNCIL

This circular is applicable to all Provincial Departments and Provincial Treasury. All Accounting Officers and Head of Provincial Treasury are required to disseminate the contents of this circular to all Chief Financial Officers of Departments that fall under their jurisdiction.

1. Purchase of official vehicle

- 1.1 Members at Provincial level may be provided with **one** vehicle for use at their seat of office. (Chapter 5: 1.2.2 of the Ministerial Handbook for Members of the Executive and Presiding Officers)
- 1.2 Departments may purchase official vehicle/s **directly from manufacturers and/or their dealerships** only when the currently provided official vehicle for that office has reached 120 000 km or 5 years, whichever comes first. The total purchase price per vehicle must include VAT, accessories and a comprehensive motor maintenance contract/plan of up to 120 000 km or 5 years. (Chapter 5: 1.2.3 of the Ministerial Handbook for Members of the Executive and Presiding Officers).
- 1.3 The total purchase price of the vehicle chosen by the Member may not exceed in respect of a: Deputy Minister / MEC: 70% of the inclusive annual remuneration package of a Deputy Minister as may be amended from time to time on recommendation of the Commission for the Remuneration of Political Members (Grade E1, Notch 3)". (Chapter 5: 1,2,4 (b) of the Ministerial Handbook for Members of the Executive and Presiding Officers)
- 1.4 Departments should procure and manage the official vehicle in accordance with any rules and regulations of the relevant Department within the framework of the Public Finance Management Act, No. 1 of 1999 and its prescripts. (Chapter 5: 1.2.6 of the Ministerial Handbook for members of the executive and presiding officers)

2. Disposal of official vehicle

- 2.1 Departments may dispose of their official vehicles if the official vehicle for that office has reached the 120 000 km or 5 years, whichever comes first. (Chapter 5: 1.2.3 of the Ministerial Handbook for Members of the Executive and Presiding Officers)
- 2.2 Disposal of movable assets must be at market-related value or by way of price quotations, competitive bids or auction, and whichever is most advantageous to the state, unless determined otherwise by the relevant treasury. (Treasury Regulation 16A7.1)

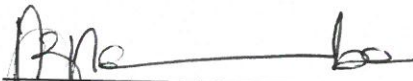
3. Use of Trade in

- 3.1 Trade-in of official vehicles may not form part of the purchase price. All money received by the Provincial Government must promptly be paid into the Provincial Revenue Fund, except money reasonably excluded by this Act or another Act of Parliament. (Public Finance Management Act, No.1 of 1999 as amended, Section 21 (a)).

4. Deviations

- 4.1 Any deviation from the above must be on the recommendation of the Commission for the Remuneration of Political Members. (Chapter 5: 1.2.4 (b) of the Ministerial Handbook for Members of the Executive and Presiding Officers)
- 4.2 Approval must be obtain from Provincial Treasury in case of any deviation from the normal competitive bids in cases of emergency or sole supplier (National Treasury instruction note 3 of 2016/17 section 8).

Your co-operation in this regard is appreciated.



MS NZ NKAMBA
HEAD: PROVINCIAL TREASURY
DATE: 11/03/2017