



provincial treasury

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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PROVINCIAL TREASURY CIRCULAR NO. 46 OF 2019

TO:

THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MS CN NKUNA)
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)
THE ACTING MUNICIPALMANAGER: THABA CHWEU LOCAL MUNICIPALITY (MR MS SS MATSI)
THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (MR S SIBOZA)
THE MUNICIPAL MANAGER: STEVE TSHWETE LOCAL MUNICIPALITY (MR B KHENISA)
THE MUNICIPAL MANAGER: THEMBISILE HANI LOCAL MUNICIPALITY (MR O NKOSI)
THE MUNICIPAL MANAGER: VICTOR KHANYE LOCAL MUNICIPALITY (MR WV MAGQAZA)
THE MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MS EK TSHABALALA)
THE ACTING MUNICIPAL MANAGER: EMALAHLENI LOCAL MUNICIPALITY (MR H MAISELA)
THE MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR NTG KUBHEKA)
THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS M SKOSANA)
THE MUNICIPAL MANAGER: CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY (MR MA DLAMINI)
THE MUNICIPAL MANAGER: DIPALESENG LOCAL MUNICIPALITY (MR IP MUTSHINYALI)
THE MUNICIPAL MANAGER: DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY (MR L TSHABALALA)
THE MUNICIPAL MANAGER: GOVAN MBEKI LOCAL MUNIPALITY (MR FS MNDEBELE)
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MS G MHLONGO NTSHANGASE)
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR MM KUNENE)
THE ACTING MUNICIPAL MANAGER: MSUKALIGWA LOCAL MUNICIPALITY (MR GJ MAJOLA)
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)

HEAD: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: (MR P NYONI)
THE PROVINCIAL EXECUTIVE OFFICER: SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION: (MS GA LANGA)
THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT: PROVINCIAL TREASURY
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE: PROVINCIAL TREASURY
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT: PROVINCIAL TREASURY

PROVINCIAL TREASURY CIRCULAR NO. 46 OF 2019

IMPLEMENTATION OF MUNICIPAL COST CONTAINMENT REGULATIONS, 2019

The above subject matter refers.

The Local Government: Municipal Cost Containment Regulations (MCCR) were promulgated on 7 June 2019 and came into effect on 1 July 2019. The Regulations were issued by the Minister of Finance as the regulating authority on such matters in terms of the Municipal Finance Management Act, No. 56 of 2003 (MFMA).

The Regulations were further supported and clarified through the issuance of MFMA Circular 97. It is therefore our understanding that the Regulations remain effective as of 1 July 2019 and compliance with it is mandatory.

The Provincial Treasury would therefore want to encourage Municipalities to develop and adopt policies that are consistent with the Regulations as failure to do so will result in non-compliance and expenditure which is not in line with the Regulations will be inconsistent and classified as irregular expenditure.

Furthermore, any official that takes a decision contrary to the Regulations will commit an act of financial misconduct in terms of Section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

You are therefore requested to submit quarterly and annual cost savings disclosure reports in terms of MFMA Circular 97.

For any enquiries please send an electronic mail to the MFMA helpdesk (mfma@treasury.gov.za).

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Email address: ennkuna@gmail.com and ennkuna@mpg.gov.za.

Your co-operation in this regard is appreciated.

Regards


MS GUGU MASHITENG
ACTING HEAD: PROVINCIAL TREASURY
DATE: 07 / 10 /2019