

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance *Office of the Head of Department*

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Departement van Finansies

Kgoro ya Matlotlo

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REF: DOF 12/1/1

### PROVINCIAL TREASURY CIRCULAR 4 OF 2013

#### TO:

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (DR NONHLANHLA MKHIZE)  
THE **ACTING** ACCOUNTING OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR J SILINDA)  
THE **ACTING** ACCOUNTING OFFICER: VOTE 3: FINANCE (MR JB MBATHA)  
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR D MAHLOBO)  
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS NL SITHOLE)  
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (DR V DLAMINI)  
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)  
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR KM MOHLASEDI)  
THE ACCOUNTING OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MR T SIBUYI)  
THE ACCOUNTING OFFICER: VOTE 10: HEALTH (MR RM MNISI)  
THE ACCOUNTING OFFICER: VOTE 11: CULTURE SPORT AND RECREATION (MS SP MJWARA)  
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI)  
THE **ACTING** ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR S MTSWENI)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR T NKOJOANA)  
THE **ACTING** CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS P SEMENYA)  
THE CHIEF FINANCIAL OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MD SHIPALANA)  
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MR C DLAMINI)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS JP HLATSWAYO)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR C. MNISI)  
THE **ACTING** CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR S MATSEBULA)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MR BH NGOMA)  
THE **ACTING** CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS B MOJAPELO)  
THE **ACTING** CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORT AND RECREATION (MS P KHOZA)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS P MORGAN)  
THE **ACTING** CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MS S SEFALA)

## TREASURY CIRCULAR ON SETTLEMENT OF PAYMENT OF SECURITY COSTS

The above subject matter has reference.

The following table was presented by the Provincial Treasury to the Executive Council Lekgotla recently on spending on Goods and services as at 31 January 2013.

GOODS AND SERVICES																
	Main Budget 2012/13	Total Adjustments	Adjusted Budget	Actual to the end of Jan 2013	Outcome as % Budget	Projections to end of Mar 2013	(Over) / under- spending	% (Over) / under- spending	Main Budget 2011/12	Total Adjustments	Adjusted Budget	Actual to the end of Jan 2012	Outcome as % Budget	Projections to end of Mar 2012	(Over) / under- spending	% (Over) / under- spending
R Thousands																
Social Services	3 629 239	62 240	3 691 479	3 153 102	85.4%	626 110	(87 733)	-2.4%	4 008 714	(267 047)	3 741 667	2 844 534	76.0%	892 201	4 932	0.1%
EDUCATION	1 376 033	90 843	1 466 876	1 313 793	89.6%	154 861	(1 778)	-0.1%	1 416 801	(86 109)	1 330 692	1 038 362	78.0%	284 356	7 974	0.6%
HEALTH	2 110 106	(40 003)	2 070 103	1 713 803	82.8%	442 255	(85 955)	-4.2%	2 427 936	(185 982)	2 241 954	1 663 376	74.2%	578 578	-	0.0%
SOCIAL DEVELOPMENT	143 100	11 400	154 500	125 506	81.2%	28 994	-	0.0%	163 977	5 044	169 021	142 796	84.5%	29 267	(3 042)	-1.8%
Non-Social Services	2 423 829	125 551	2 549 380	2 223 955	87.2%	522 979	(197 554)	-7.7%	1 973 862	259 655	2 233 517	1 836 762	82.2%	354 530	42 225	1.9%
OFFICE OF THE PREMIER	42 889	8 716	51 605	37 010	71.7%	14 425	170	0.3%	26 636	14 483	41 129	24 803	60.3%	16 690	(364)	-0.9%
LEGISLATURE	82 929	15 716	98 645	72 549	73.5%	32 397	(6 301)	-6.4%	60 237	38 185	98 422	61 729	62.7%	33 352	3 341	3.4%
FINANCE	116 122	773	116 895	80 887	69.2%	34 785	1 223	1.0%	91 012	12 275	103 287	74 259	71.9%	23 365	5 663	5.5%
CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS	61 423	5 695	67 118	45 160	67.3%	21 958	-	0.0%	83 668	28 263	111 931	73 775	65.9%	28 404	9 752	6.7%
AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION	213 699	(13 072)	200 627	176 562	88.0%	22 820	1 245	0.6%	205 455	(2 431)	203 024	187 418	92.3%	19 938	(4 332)	-2.1%
ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM	73 153	3 569	76 722	62 890	82.0%	12 500	1 332	1.7%	65 373	15 271	80 644	68 062	84.4%	20 039	(7 457)	-5.2%
PUBLIC WORKS, ROADS AND TRANSPORT	1 245 621	52 660	1 298 281	1 147 483	88.4%	228 869	(78 071)	-6.0%	1 252 085	45 342	1 297 427	1 144 228	88.2%	158 755	(5 556)	-0.4%
COMMUNITY SAFETY, SECURITY AND LIAISON	430 450	52 811	483 261	495 938	102.6%	105 016	(117 693)	-24.4%	48 193	72 982	121 175	66 831	55.2%	13 936	40 408	33.3%
CULTURE SPORT AND RECREATION	112 543	554	113 097	75 589	66.8%	37 498	-	0.0%	120 775	11 200	131 975	106 165	80.4%	25 078	732	0.6%
HUMAN SETTLEMENT	45 000	(1 871)	43 129	29 877	69.3%	12 711	541	1.3%	20 428	24 075	44 503	29 492	66.3%	14 973	38	0.1%
TOTAL	6 053 068	187 791	6 240 859	5 377 057	86.2%	1 149 089	(285 287)	-4.6%	5 982 576	(7 392)	5 975 184	4 681 296	78.3%	1 246 731	47 157	0.8%

According to the table above the Department of Community Safety Security and Liaison has already exceeded the allocated budget.

Several engagements have been held between the Provincial Treasury and all affected departments.

The meeting of 18 February 2013 which included Heads of Departments resolved that the Provincial Treasury provide guidance on the process that needs to be followed in resolving the security costs matter.

Given the fact that the adjustment process has already been concluded, the only available option is that of claim and recovery basis.


The Treasury Circular therefore directs that the Department of Community Safety Security and Liaison claims from the departments that have not cleared their outstanding amounts, namely Department of Health, Co-operative Governance and Traditional Affairs, Department of Economic Development, Environment and Tourism, Department of Agriculture, Rural Development and Land Administration, Department of Public Works, Roads and Transport.

The entity that has dealt and concluded the Supply Chain processes should be the one that must make payments to services providers. The Department of Community Safety Security and Liaison must claim from the other respective departments for security services that have been rendered on their behalf.

The Department of Community Safety Security and Liaison has dealt with supply chain issues and as such should then be the one claiming from the other votes. This is intended to avoid any audit queries that may arise as a result of paying amounts where supply chain issues were dealt with elsewhere.

In line with this Treasury Circular, the departments that have not cleared outstanding amounts on security costs are directed to do so as a matter of urgency.

Kind regards,

  
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MR JB MBATHA  
ACTING HEAD OF DEPARTMENT  
DATE 28 / 2 / 2013