



provincial treasury

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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PROVINCIAL TREASURY CIRCULAR NO. 52 OF 2018

TO:-

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1 (ACTING): (MR KM MOHLASEDI)
HEAD: PROVINCIAL TREASURY: VOTE 3: (MS NZ NKAMBA)
HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4: (MR PS NYONI)
HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS: VOTE 5 (ACTING): (MR LS MONARENG)
HEAD: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6 (ACTING): (MR NM SEBITSO)
HEAD: EDUCATION: VOTE 7: (MS MOC MHLABANE)
HEAD: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8 (ACTING): (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: OFFICE OF THE PREMIER: VOTE 1: (MR SS SHONGWE)
THE CHIEF FINANCIAL OFFICER: PROVINCIAL TREASURY: VOTE 3 (MR MA KHOZA)
THE CHIEF FINANCIAL OFFICER: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4: (MR SEB MATSEBULA)
THE CHIEF FINANCIAL OFFICER: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENT AFFAIRS: VOTE 5: (MR M LETSWALO)
THE CHIEF FINANCIAL OFFICER: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6 (ACTING): (MS H THRUSH)
THE CHIEF FINANCIAL OFFICER: EDUCATION: VOTE 7: (MS G MASHITENG)
THE CHIEF FINANCIAL OFFICER: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8: (MS H MDAKA)
THE CHIEF FINANCIAL OFFICER: COMMUNITY SAFETY, SECURITY AND LIAISON: VOTE 9 (MS S SEFALA)
THE CHIEF FINANCIAL OFFICER: HEALTH VOTE 10: (MR CB MNISI)
THE CHIEF FINANCIAL OFFICER: CULTURE, SPORT AND RECREATION: VOTE 11: (MR M THOBELA)
THE CHIEF FINANCIAL OFFICER: SOCIAL DEVELOPMENT: VOTE 12: (MR JB MBATHA)
THE CHIEF FINANCIAL OFFICER: HUMAN SETTLEMENTS: VOTE 13: (MR SB NYOKA)

2018 MEDIUM TERM EXPENDITURE COMMITTEE HEARING (MTEC)

Each year Provincial Treasury holds MTEC hearings in which all votes present their previous year's performance, current year's performance as well as pressures and savings, if applicable, as well as the following 2019 MTEF years' budget.

The invitation is extended to the Executive Authority, Accounting officer and Chief Financial Officer. The other relevant management officials dealing with infrastructure are requested to attend the engagements.

Your Vote is requested to provide the following information for the MTEC sessions that will be held in October 2018.

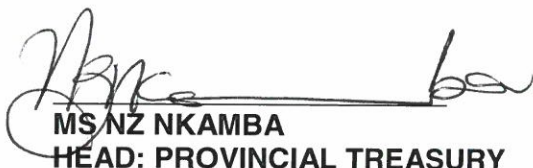
1. 2018/19 Financial Year (Current) performance (Financial and non-financial performance), including:-
 - a. Budget pressures,
 - b. Reprioritization,
 - c. Adjustments,
 - d. Performance (progress with achievement of targets),
 - e. Progress on 2018/19 Procurement plan.
 - f. Conditional Grants – withheld during 2018/19, reasons for withholding as well as progress in correcting same.

2. 2019 MTEF Budgets.
 - a. Baseline reprioritization informed by key policy changes/ proposals focusing on:-
 - b.
 - i. Changes/ proposals (offset of increases and decreases) must be indicated at the strategic level, by sub-programme and by economic classification.
 - ii. Provide statement of cost pressures, including input cost pressures and details of the budget implications of changes in the economic and fiscal environment.
 - c. Personnel/Compensation of employees:-
 - i. Update of department's Human Resource Budget Plan (HRBP) that indicates how the department manages its workforce within the allocated compensation budget limit.
 - ii. Summary of how the proposed expenditure changes impact on personnel.
 - d. Infrastructure
 - i. Summary of how the proposed expenditure changes impact on infrastructure programmes.
 - e. Cost containment and efficiencies
 - i. Reflection of main aggregate cost savings areas realized - these may include, amongst others, cost reductions in respect of the initiatives.
 - f. General Issues
 - i. What are the cash management strategies in place to ensure cash backed expenditure and well maintained PMG balances?

- ii. What is the latest accruals/ payables position and these will be managed or reduced?
 - g. Priority funding
Which priorities are funded in this budget
3. Departments with Public Entities should ensure that Public Entities submit reports on similar information and also on the following:
- a. Key policy changes proposed to the budget baseline;
 - b. The quality and challenges around the database which may also impact on the reporting system.
 - c. Are Provincial Public Entities using budget Programme Structures? If not, what are the plans to develop the relevant Budget Programme Structures?
 - d. Show the effect of the proposed transfer change (reduction) from the department, if any.
 - e. Provide details of cost containment and efficiencies as well as the statement of cost pressures.
 - f. How is oversight over public entities intensified?
4. Departments are requested to submit responses in a detailed report and in a 30 minute PowerPoint presentation form on or before 12 October 2018.

The Offices of the Executive Authorities are currently confirming a schedule for dates and times.

Regards,


MS NZ NKAMBA
HEAD: PROVINCIAL TREASURY

DATE: 10/10/2018