



provincial treasury

MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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PROVINCIAL TREASURY CIRCULAR NO. 56 OF 2019

TO:-

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1: (MR KM MOHLASEDI)
ACTING HEAD: PROVINCIAL TREASURY: VOTE 3: (MS GUGU MASHITENG)
HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: VOTE 4: (MR PS NYONI)
ACTING HEAD: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS: VOTE 5: (MR LS MONARENG)
ACTING HEAD: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6: (MR NM SEBITSO)
ACTING HEAD: EDUCATION: VOTE 7: (MR JR NKOSI)
ACTING HEAD: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8: (MS SL XULU)
HEAD: COMMUNITY SAFETY, SECURITY AND LIAISON: VOTE 9: (MR W MTHOMBOTHU)
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)

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

REQUEST FOR INFORMATION RELATED TO THE 2020 MTEF

Each year Provincial Treasury attends Benchmark meetings at National Treasury in which MTEF related discussions about all Votes are held. In order for Provincial Treasury to contribute to discussions on behalf of Votes, you are requested to provide information as per the below relating to the respective Departments and their Entities.

1. General

- Considering the call for a focus on the district based approach:
 - Outline the socio economic indicators per district (Population, employment, poverty levels)
 - Targeted provincial projects within a district to address a specific need (Flagship projects)
 - Budget prioritisation across districts per sector
 - Job creation programmes in collaboration with the private sector to respond to the socio economic challenges
 - Departments are requested to ensure that this discussion is relating to "Municipalities" sheet on the database.
- How is the department managing the fiscal risks including the budget cuts for service delivery to continue?
- Gender based violence has become a national crisis, within the provincial sphere what plans/budget have been put in place to deal with this by your department, in case the department has a program dealing with this?
- Progress with regards to the implementation of the sanitary programme considering that allocations have been made over the MTEF (Education, Social Development).
- There is continued debate about the cost vs benefit of insourcing and outsourcing of services. Indication of any provincial plans to shift to insourcing/outsourcing of services (indicate which service), the benefits and whether the Provincial Expenditure Review's on laundry, catering and security have been considered?
- Climate change crisis is fast looming, how are departmental budgets responding to this (adaptation) and what interventions (mitigation) have been put in place over the MTEF? In terms of infrastructure planning, how is the risk of climate change considered to ensure that structures will be resilient?
- **Education:**
 - Map out the funding of learners (scholar transport, NSNP, norms and standards) per district and the rationale with regards to the allocation of budgets over the MTEF and measures in place to ensure that funding per learner is adequate.
 - In light of the priority on early reading, what are the plans and allocations to ensure that the priority is taken forward.
 - In provinces where the issue of pit latrines is still prevalent, how has this been prioritised over the MTEF and the plan to eradicate them.

- **Health:**
 - There are different needs in terms of provision and funding of health across districts, map out the funding of health per district and the rationale with regards to the allocation of budgets over the MTEF.
 - Human Resource Strategies to deal with:
 - Returning Cuban students: What is the impact of the returning students on the budget and how is this factored over the MTEF?
 - Domestic Medical interns: Does the budget make provision for the placement of the students?
 - Community Health care workers: Effect of the minimum wage on the budget?
 - Medico legal costs continue to put pressure on the departmental budget. Has there been progress in establishing teams within provinces to address this and any measures to raise awareness of medico-legal cases in facilities?
 - Where applicable have departments adequately budgeted for the operationalisation costs of facilities that have been completed and will be commissioned. Indicate the budget over the MTEF.

- **Social Development:**
 - The food relief function is transferred to the provinces; allocations have been added to equitable share with effect from April 2020.
 - Readiness to perform the function including new contracts signed?
 - Operationalisation of the completed centres.
 - Outsourcing of African Global Operations services to secure care centres where applicable. Impact and the plans to address this challenge?

- **Transport:**
 - Budgeting of provincial “**strategic roads**” per district over the MTEF to avoid road deterioration
 - Are projects listed in the “Project List” **affordable and sustainable**, taking into account existing commitments and available budget over the MTEF. (Please comment and provide assessment done by the department)?
 - MTEF funding for public transport services per district against demographics and the requirements for public transport systems.

- **Public Works:**
 - There has been a number of buildings which have failed the occupational health safety standards:
 - Status (level of compliance) on office accommodation buildings within the province and risks identified?
 - What plans does the department have in place to ensure that the issues are addressed?
 - Provincial strategy to deal with property payment challenges which leads to budget pressures in year.
 - Provincial plans to deal with undisputed outstanding debt owed to municipalities and measures that have been put in place to minimize such debts.

- **Agriculture:**
 - Provide an assessment of the spread of agricultural households, (subsistence, smallholders) and emerging commercial farmers, commercial farmers, agricultural employment, farmer support budget, and provincial GDP contribution per district.

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- In its 2019/20 summer Seasonal Climate Watch (November-March), the South African Weather Service (SAWS) has effectively forecasted higher than normal temperatures and below-normal rainfall. Outline the plans to deal with the looming drought due to lack of adequate rainfall as forecasted by SAWS.
- Agricultural colleges are to be transferred from the 2020 MTEF to national, readiness to comply with the function shift, where applicable?
- **Public Entities:**
 - In support of fiscal consolidation:
 - Initiatives put in place to reduce contingent liabilities over the 2020 medium term.
 - Implementation of the wage freeze for SMS in line with the 2019 budget speech.
 - Revenue mobilization initiatives in order to hone self-sustainability, particularly with regards to provincial government business enterprises (3D entities)?
 - Progress regarding rationalisation, i.e. is there going to be any mergers, disestablishment or creation of any entities in the 2020/21 financial year?

Departments are requested to submit responses on or before **28 November 2019**.

Your co-operation in this regard is highly appreciated.

Regards,



MS GUGU MASHITENG
ACTING HEAD: PROVINCIAL TREASURY
DATE: 28 / 11 / 2019