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Ref : MPT12/3/5/1/R

PROVINCIAL TREASURY CIRCULAR NO. 58 OF 2017

TO:-

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1: (MR T MDAKANE)
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:
(MS SP XULU)
HEAD: ECONOMIC DEVELOPMENT AND TOURISM: VOTE 6: (MR MW MKHIZE)
HEAD: EDUCATION: VOTE 7: (MS MOC MHLABANE)
HEAD: PUBLIC WORKS, ROADS AND TRANSPORT: VOTE 8: (MR KM MOHLASEDI)
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 (ACTING): (MR GS NTOMBELA)
HEAD: SOCIAL DEVELOPMENT: VOTE 12 (ACTING): (MS TE MHLONGO)
HEAD: HUMAN SETTLEMENTS: VOTE 13: (MR K MASANGE)

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

- ii. Summary presentation on the departmental user asset management plans or a custodial asset management plans as per the requirements of the Government-wide Immovable Asset Management Act (GIAMA), 2007.
- iii. Implementation of Infrastructure HR plan.

- d. 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.

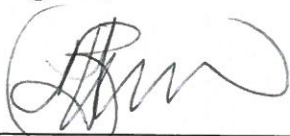
- e. General Issues
 - i. What are the cash management strategies in place to ensure cash backed expenditure and well maintained PMG balances?
 - ii. What is the latest accruals/ payables position and these will be managed or reduced?

4. 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 are oversight over public entities intensified?

5. Departments are requested to submit responses in a detailed report and in a 30 minute PowerPoint presentation form **on or before 6 October 2017**.

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

Regards,



MS NZ NKAMBA
HEAD: PROVINCIAL TREASURY
DATE: 29/09/2017

2017 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, and the following 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 2017.

1. Your Vote's Previous Financial Year (2016/17) outcome, including:
 - a. Expenditure (over and under).
 - b. Performance (achievement/ non-achievement of targets);
 - c. Audit outcomes;
 - d. Main issues impacting on the following years;
 - e. Accruals and Payables - how they have been addressed and the impact on current financial year budget.

2. Current Financial Year performance (Financial and non-financial performance), including:
 - a. Budget pressures,
 - b. Reprioritization,
 - c. Adjustments,
 - d. Performance (progress with achievement of targets),
 - e. Progress on 2017/18 Procurement plan.
 - f. Conditional Grants – withheld during 2017/18, reasons for withholding as well as progress in correcting same

3. 2018 MTEF Budgets
 - a. Baseline reprioritization informed by key policy changes/ proposals focusing on:
 - 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.

 - b. Personnel/Compensation of employees:
 - i. Provision of a copy and discussion of department's Human Resource Budget Plan (HRBP) that indicates how the department will manage its workforce within the allocated compensation budget limit.
 - ii. Summary of how the proposed expenditure changes impact on personnel.

 - c. Infrastructure
 - i. Summary of how the proposed expenditure changes impact on infrastructure programmes.