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Provinsiale Tesourie

Enquiries : Mr W Ngoma X8684  
Ref : MPT 13/9/3

## PROVINCIAL TREASURY CIRCULAR NO. 65 OF 2017

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### TO:

THE MUNICIPAL MANAGER: EHLANZENI DISTRICT MUNICIPALITY (MR FS SIBOZA)  
THE MUNICIPAL MANAGER: BUSHBUCKRIDGE LOCAL MUNICIPALITY (MR C LISA)  
THE MUNICIPAL MANAGER: CITY OF MBOMBELA (MR N DIAMOND)  
THE MUNICIPAL MANAGER: NKOMAZI LOCAL MUNICIPALITY (MR MD NGWENYA)  
THE MUNICIPAL MANAGER (ACTING): THABA CHWEU LOCAL MUNICIPALITY  
(MR LE MALUNGANA)  
THE MUNICIPAL MANAGER: GERT SIBANDE DISTRICT MUNICIPALITY (MR CA HABILE)  
THE MUNICIPAL MANAGER (ACTING): CHIEF ALBERT LUTHULI LOCAL MUNICIPALITY  
(MR M DLAMINI)  
THE MUNICIPAL MANAGER (ACTING): DIPALESENG LOCAL MUNICIPALITY (MR SL NETSHIVALE)  
THE MUNICIPAL MANAGER: (ACTING) DR PIXLEY KA SEME (MR P THWALA)  
THE MUNICIPAL MANAGER (ACTING): GOVAN MBEKI LOCAL MUNICIPALITY (MR T MHLANGA)  
THE MUNICIPAL MANAGER: LEKWA LOCAL MUNICIPALITY (MRS GP MHLONGO - TSHANGASE)  
THE MUNICIPAL MANAGER: MKHONDO LOCAL MUNICIPALITY (MR M KUNENE)  
THE MUNICIPAL MANAGER (ACTING): MSUKALIGWA LOCAL MUNICIPALITY (MR S MAGUDULELA)  
THE MUNICIPAL MANAGER: NKANGALA DISTRICT MUNICIPALITY (MS MM SKHOSANA)  
THE MUNICIPAL MANAGER: DR JS MOROKA LOCAL MUNICIPALITY (MR BS MAHLANGU)  
THE MUNICIPAL MANAGER: EMAKHAZENI LOCAL MUNICIPALITY (MS EK TSHABALALA)  
THE MUNICIPAL MANAGER (ACTING): EMALAHLENI LOCAL MUNICIPALITY (MR HS MAISELA)  
THE MUNICIPAL MANAGER (ACTING): STEVE TSHWETE LOCAL MUNICIPALITY (MR M NGUNI)  
THE MUNICIPAL MANAGER: THEMBISILE HANI LOCAL MUNICIPALITY (MR O NKOSI)  
THE MUNICIPAL MANAGER (ACTING): VICTOR KHANYE LOCAL MUNICIPALITY (MR BSS RIBA)

HEAD: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR P NYONI)  
THE DIRECTOR GENERAL: OFFICE OF THE PREMIER (MR T MDAKANE)

THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT  
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT  
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE  
THE DIRECTORATE: MUNICIPAL FINANCE MANAGEMENT

## REPORTING REQUIREMENTS FOR MUNICIPALITIES WITH REGARDS TO AUDIT ACTION PLANS

The purpose of this Circular is to communicate the reporting requirements to municipalities with regard to the management and monitoring of the municipal remedial audit action plans.

The management and oversight with the implementation of the audit action plans is critical to ensure the successful implementation of the action plan.

Provincial Treasury will assist municipalities to address the identified challenges by means of the implementation of the Integrated Municipal Support Plan.

The Auditor-General identifies key role players who should provide extensive assurance. It is imperative that these levels oversee the implementation of the audit action plans. The role players are broken up in three levels.

The responsibility for the **first level** of assurance is placed on the Senior Management the Municipal Manager and the Executive Mayor.

The **second level** of assurance is the Internal Audit Units, Audit Committees and Coordinating / monitoring departments.

The **third level** of assurance is the Municipal Council, Municipal Public Accounts Committees and Portfolio Committees on local government.

It is therefore recommended that municipalities include the audit action plans as a standing item on their management meetings, Audit Committee meetings as well as a standing item on Council meeting agendas.

The Internal Audit Units should provide a report to these meetings on their findings pertaining to progress with the implementation of action plans.

All municipalities must report to Provincial Treasury on a monthly basis before the 7<sup>th</sup> of each month on the following issues:

- Resolutions taken with regard to Audit Report with the necessary actions and progress (by the Council as well as the Audit Committee).
- A copy of the Internal Audit report with findings in assessing the progress with the implementation of the audit action plans.

Municipal managers should also provide reports indicating the impact of activities to turn around the situation on Auditor-General findings.

The Municipal Managers' reports will be utilised to report to the Provincial Executive on the Municipalities' progress with the implementation of Audit Action Plans.

In light of the above, all municipalities are requested to submit the following documents to the Provincial Treasury:

- Copies of the final Auditor-General management letters and audit reports on or before **15 December 2017**
- Remedial action plans based on the said documents on or before **31 December 2017**

The above documents should please be submitted to the Office of the Provincial Accountant-General, for attention:

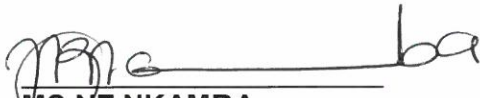
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**and**

Mr W Ngoma  
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Tel.: (013) 766-8684

Your co-operation in this regard is appreciated.

Regards,



**MS NZ NKAMBA**  
**HEAD: PROVINCIAL TREASURY**  
**DATE: 16/11/2017**