

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance

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### PROVINCIAL TREASURY CIRCULAR 6 OF 2010

TO:

**DIRECTOR-GENERAL  
HEADS OF DEPARTMENTS  
PROGRAM MANAGERS  
SUPPLY CHAIN MANAGEMENT PRACTITIONERS  
CHIEF FINANCIAL OFFICERS**

#### **CAPACITY, CAPACITY DEVELOPMENT AND SUPPORT INITIATIVES IN INFRASTRUCTURE AND INFRASTRUCTURE DELIVERY DEPARTMENTS.**

There is an increasing use by infrastructure and infrastructure delivery departments to employ consultants to augment capacity within the departments.

While Provincial Treasury recognises the skills and capacity shortages and in principle supports the need to improve the skills base and capacitate the departments this need to be done in a structured manner and in conformance with legislation and the relevant regulations.

The Division of Revenue Act (DoRA) and the Framework for the Infrastructure Grant to Provinces prescribes conditions for acquiring such capacity.

Any infrastructure or infrastructure delivery department intending to acquire capacity whether it is in the form of a PMU or any other form of technical support provided by consultants or individuals shall conform to the following procedure:

- Provincial Treasury shall be notified of the need to acquire capacity.
- The funding shall not exceed the amounts and conditions as prescribed in DoRA and the IGP Framework.
- A capacitation plan prepared by the targeted department shall be submitted for approval by Provincial Treasury in concurrence with National Treasury before proceeding with

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preparation of a needs analysis based on the capacitation plan and terms of reference for the procurement of the required capacity.

- The terms of reference/tender document shall be approved by Provincial Treasury in concurrence with National Treasury prior to the tender being advertised or sourcing the capacity in any other way.
- The recommendation and approval of service providers shall be subject to approval by Provincial Treasury in concurrence with National Treasury before the appointment of the service providers.

The requirements of this circular are effective from the date of this circular.

It will be appreciated if the content of this Circular could be distributed to the relevant role-players in your Departments and hereby thank you in advance for your usual co-operation.

Regards



MR. M. MAZIBUKO  
HEAD OF DEPARTMENT  
DATE: 05/02/2010