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PROVINCIAL TREASURY CIRCULAR NO. 73 OF 2024

**TO:
THE MUNICIPAL MANAGERS
THE CHIEF FINANCIAL OFFICERS**

**THE ACTING DIRECTOR-GENERAL: OFFICE OF THE PREMIER (MR P NYONI)
THE HEAD: CO - OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: (MR S
NGUBANE)
THE ACTING PROVINCIAL CHIEF EXECUTIVE OFFICER: SALGA (MS D MATUMBA)**

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

SUBJECT: 2023/2024 AUDIT FINDINGS ON SUPPLY CHAIN MANAGEMENT

1. PURPOSE

In terms of the Municipal Finance Management Act, Section 34(1) states that national and provincial governments must by agreement assist municipalities in building the capacity of municipalities for efficient, effective and transparent financial management. Section 34(2), the national and provincial governments must support the efforts of municipalities to identify and resolve their financial problems. Further, Section 131 (1) of the Municipal Finance Management Act states that a municipality must address any issues raised by the Auditor-General in an audit report.

To give effect to the above legislative requirements, the Provincial Treasury hereby invites you to attend a virtual meeting to discuss findings relating to the application of Preferential Procurement Regulations 2022 when procuring goods and services through the quotations system and amendments to the Regulation regarding SCM, dated 14 December 2023.

Given the fact that the reflection and assessment of the audit reports and findings are a municipal-wide responsibility, it is expected that the Municipal Managers, CFO's, Senior Managers, Managers and SCM Practitioners should avail themselves to participate in this meeting. The Municipal Managers may invite any other Official of the municipality at their


discretion to attend the meeting.

The meeting is scheduled to take place as follows:

Date : Monday, 09 December 2024
Time : 10H00
Platform : Microsoft teams virtual platform (Link will be send)

The meeting will further provide details of the proposed one-on-one audit review meeting with municipalities schedule will be provided once finalized. Thereafter a programme on capacity building workshops to be conducted by Provincial Treasury will follow after the conclusion of one-on-one meetings with the affected municipalities.

Kind regards,



MS. GUGU MASHITENG
HEAD: PROVINCIAL TREASURY
DATE: 06-12-2024