



provincial treasury

MPUMALANGA PROVINCE  
REPUBLIC OF SOUTH AFRICA

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Enquiries : Ms C Ruthven  
Ref : MPT 18/08/01

## PROVINCIAL TREASURY CIRCULAR NO. 22 OF 2019

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### TO:

DIRECTOR GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA: VOTE 1 (ACTING) (MR KM MOHLASEDI)  
HEAD: VOTE 3: PROVINCIAL TREASURY: (ACTING) (MS G MASHITENG)  
HEAD: VOTE 4: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR PT NYONI)  
HEAD: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT, LAND AND ENVIRONMENTAL AFFAIRS (MR L MONARENG)  
HEAD: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (ACTING) (MR NM SEBITSO)  
HEAD: VOTE 7: EDUCATION (ACTING) (MR JR NKOSI)  
HEAD: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (ACTING) (MS SP XULU)  
HEAD: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MR W MTHOMBOHI)  
HEAD: VOTE 10: HEALTH (DR S MOHANGI)  
HEAD: VOTE 11: CULTURE, SPORT AND RECREATION (MR GS NTOMBELA)  
HEAD: VOTE 12: SOCIAL DEVELOPMENT (MR MV MAHLALELA)  
HEAD: VOTE 13: HUMAN SETTLEMENTS (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 ENVIRONMENTAL AFFAIRS (MR MA LETSWALO)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT AND TOURISM (ACTING) (MS H THRUSH)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR A THWALA)  
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS AND TRANSPORT (MS HN MDAKA)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY AND LIAISON (MS SA SEFALA)  
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR PP MAMOGALE)  
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE, SPORT AND RECREATION (ACTING) (MR M THOBELA)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS B MOJAPELO)  
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SB NYOKA)

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

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**GUIDLINE FOR THE PROCUREMENT OF OFFICIAL VEHICLES FOR MEMBERS OF EXECUTIVE COUNCIL (MEC) AND THE PREMIER**

1. Provincial Treasury's responsibilities include, amongst others, to monitor, advice and provide support to other institutions of Government. This also includes granting approvals to purchase official vehicles and to dispose of existing vehicle for the Members of the Executive Council (MEC) for Provincial Departments as outlined in the Ministerial Handbook in line with the following provisions:
  - a) Chapter 5, Section 1.2.2 of the Handbook for Members of the Executive and Presiding officers: "Members at provincial level may be provided with one vehicle for use at their seat of office."
  - b) Sections 1.2.3: "Departments may purchase official vehicle/s directly from manufacturers and/or their dealerships only when the currently provided official vehicle for that office has reached 120 000 km or 5 years, whichever comes first. The total purchase price per vehicle must include VAT, accessories and a comprehensive motor maintenance contract/plan of up to 120 000 km or 5 years."
  - c) Section 1.2.4(b): "The total purchase price of the vehicle chosen by the Member may not exceed in respect of a: Member of the Executive Council (MEC) 70% of the inclusive annual remuneration package of a Member of the Executive Council (MEC) as may be amended from time to time on recommendation of the Commission for the Remuneration of Political Members (Grade E1, Notch 3)".
  - d) Treasury Regulation 16A7.1: "Disposal of movable assets must be at market-related value or by way of price quotations, competitive bids or auction, and whichever is most advantageous to the state, unless determined otherwise by the relevant treasury."
  
2. All procurement of official vehicles for Executive Members must further adhere to all relevant procurement Acts and Regulations as outlined in the following provisions:
  - a) "All moneys received by the Provincial Government must promptly be paid into the Provincial Revenue Fund, except money reasonably excluded by this Act or another Act of Parliament". (Public Finance Management Act, No.1 of 1999 as amended, Section 21 (a)).
  - b) The vehicle has reached the 120 000 km or 5 years, whichever comes first.
  - c) It falls within the 70% of the MEC's annual remuneration package.
  - d) The trade-in may not form part of the purchase price and must be paid into the Revenue Fund.
  - e) Disposal of redundant official vehicles must be made in a way that is most advantageous to the State.
  
3. All Departments must request approval for procurement of official vehicles and the following relevant information as per the template below:
  - a) Detail of current vehicles

DEPARTMENT	MAKE / MODULE NUMBER	REGISTRATI ON NUMBER	ACTUAL VALUE	CURRENT ODO READING	ESTIMATED REPLACEMENT DATE

- b) Method that will be followed on disposal of current vehicle

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- c) Quotations of new vehicle to be procured
  - d) Available budget
  - e) Proof that all the above Acts and Regulations have been adhered to, e.g. 70% of annual remuneration package value
4. Provincial Treasury requests all the Departments to further submit current vehicle details as outlined in the above table on or before 24 May 2019.
5. The following official may be contacted for clarity and support if needed:

CONTACT PERSON	RESPONSIBLE DEPARTMENTS	FOR	CONTACT NUMBER	EMAIL ADDRESS
Ms. C Ruthven	All		013 766 8714	choon@mpg.gov.za
Ms. M Ramushu	<ul style="list-style-type: none"><li>• Health</li><li>• Education</li><li>• Human Settlements</li><li>• Culture, Sport And Recreation</li></ul>		013 766 4447	mramushu@mpg.gov.za
Mr. N Nendauni	<ul style="list-style-type: none"><li>• Public Works, Roads and Transport</li><li>• Agriculture, Rural Development, Land And Environmental Affairs</li><li>• Office of the Premier</li><li>• Social Development</li></ul>		013 766 4383	NJNendauni@mpg.gov.za
Mr. R. Maunye	<ul style="list-style-type: none"><li>• Economic Development and Tourism</li><li>• Community Safety, Security and Liaison</li><li>• Co-Operative Governance and Traditional Affairs</li><li>• Provincial Treasury</li></ul>		013 766 4343	MaunyeRA@mpg.gov.za

Your co-operation in this regard will be appreciated.

Kind regards

  
MS GUGU MASHITENG  
ACTING HEAD: PROVINCIAL TREASURY  
DATE: 16/05/2019