



**Western Cape
Government**

Provincial Treasury

Sakhumzi Mayekiso

Local Government Supply Chain Management

Email: Sakhumzi.Mayekiso@westerncape.gov.za

Tel: +27 021 483-6100 Fax: +086 580 2190

Reference: RCS/C.5

TREASURY CIRCULAR MUN NO 14/2016

THE MAYOR, CITY OF CAPE TOWN: MS P DE LILLE
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR JH CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MR P BOK
THE MAYOR, CEDERBERG MUNICIPALITY: MR J MULLER
THE MAYOR, BERGRIVIER MUNICIPALITY: MR EB MANUEL
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR F SCHIPPERS
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: MR N DE BRUYN
THE MAYOR, WITZENBERG MUNICIPALITY: MR B KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MS G VAN DEVENTER
THE MAYOR, STELLENBOSCH MUNICIPALITY: MR CJ SIDEGO
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MS D GAGIANO
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR L DE BRUYN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MR CB PUNT
THE MAYOR, OVERSTRAND MUNICIPALITY: MS N BOTHA-GUTHRIE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR R MITCHELL
THE MAYOR, SWELLENDAM MUNICIPALITY: MR N MYBURGH
THE MAYOR, EDEN DISTRICT MUNICIPALITY: MR V VAN DER WESTHUIZEN
THE MAYOR, KANNALAND MUNICIPALITY: MR J DONSON
THE MAYOR, HESSEQUA MUNICIPALITY: MS E NEL
THE MAYOR, MOSSEL BAY MUNICIPALITY: MS M FERREIRA
THE MAYOR, GEORGE MUNICIPALITY: MR C STANDERS
THE MAYOR, BITOU MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KNYSNA MUNICIPALITY: MS J WOLMARANS
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: MR E NJADU
THE MAYOR, LAINGSBURG MUNICIPALITY: MR W THERON
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR HT PRINCE
THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR A EBRAHIM
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR J PEKEUR (ACTING)
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR G MATTHYSE
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR L SCHEEPERS
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR M MGAJO
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: MR J CARSTENS (ACTING)
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MR R BOSMAN (ACTING)
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS (ACTING)
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR HSD WALLACE
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY: MR CM AFRICA
THE MUNICIPAL MANAGER, EDEN DISTRICT MUNICIPALITY: MR GW LOUW
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR M HOOGBAARD
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS

THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: DR M GRATZ
 THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
 THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE (PRO TEM)
 THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR A PAULSE
 THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR G EASTON
 THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
 THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
 THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MR H METTLER
 THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR J BOOYSEN
 THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
 THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: MR J KOEKEMOER
 THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR E VAN DER WESTHUIZEN (ACTING)
 THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
 THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR JA VAN NIEKERK
 THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
 THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON (ACTING)
 THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
 THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR C KRITZINGER
 THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MR J CARSTENS
 THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR M WÜST
 THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG (ACTING)
 THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
 THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR J TESSELAAR
 THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW
 THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDE
 THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H VAN BILJON
 THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
 THE CHIEF FINANCIAL OFFICER, EDEN DISTRICT MUNICIPALITY: MS L HOEK
 THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR N DELO
 THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
 THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR MK BOTHA
 THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR K JORDAAN
 THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR F LÖTTER (ACTING)
 THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR F LÖTTER
 THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MS P GOBRIE
 THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR N NORTJE
 THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
 THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J NEETHLING
 THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR F SABBAT
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MR Z HOOSAIN)
 THE DEPUTY DIRECTOR GENERAL: FISCAL AND ECONOMIC SERVICES (MR H MALILA)
 THE DEPUTY DIRECTOR GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR A HARDIEN)
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS M KORSTEN)
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR M SIGABI) (ACTING)
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MR IG SMITH)
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN) (PRO TEM)
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYNS)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (ADV E PRETORIUS)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)
 THE DIRECTOR: FINANCIAL GOVERNANCE (MR B VINK)
 THE DIRECTOR: FISCAL POLICY (MS M KORSTEN) (PRO TEM)
 THE DIRECTOR: INFRASTRUCTURE (MR P CHANDAKA)
 THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR T MADONDILE) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MS S CUPIDO) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR Z ZONYANE) (ACTING)
 THE DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MR R MOOLMAN)
 THE DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)
 THE DIRECTOR: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS R SLINGER)
 THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)
 THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)
 THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS A SMIT)
 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT BUDGET ANALYSIS – NATIONAL TREASURY (MR J HATTINGH)
 THE CHIEF DIRECTOR: MFMA IMPLEMENTATION – NATIONAL TREASURY (MR TV PILLAY)

RE: MUNICIPAL SUPPLY CHAIN MANAGEMENT MODEL POLICY FOR INFRASTRUCTURE

1. PURPOSE

- 1.1 To inform municipalities of the Provincial Government's intention on providing assistance and guidance in the preparation for adoption and implementation of the SCM model policy for infrastructure.

2. BACKGROUND

- 2.1 The National Treasury issued MFMA Circular No. 77 containing the proposed SCM Model policy for infrastructure, subsequent to the issuance of the NT circular 77 the Provincial Treasury has been raising awareness at various roadshows across the province in the different fora.
- 2.2 Further to the above, the National Treasury visited the Province for a one day workshop and capacitation session intended for the provincial government departments and a few municipalities. The expectation from National Treasury was to capacitate the Provincial Government in order to further capacitate and train municipalities within its provincial boundary.
- 2.3 To this end the provincial government has established a task team to oversee the execution of this project. The team consists of Provincial Government Infrastructure unit, Provincial Treasury Local Government Supply Chain Management Unit, Department of Local Government Engineering Unit, CIDB, Department of Transport and Public Works and Treasury Transactional Advisor.
- 2.4 The team will be visiting districts and host workshops and capacitation sessions, the dates and logistics are tabled below. A roll out plan will be showcased, how the province should adopt and implement the standards as proposed in the SCM Model Policy.

3. LOGISTICS

- 3.1 The team envisages hosting district sessions incorporation with the district municipalities, and all logistical arrangements will be a joint effort between the Provincial Government and the District municipalities.
- 3.2 Dates for the sessions are as follows:
 - West Coast District:
 - i. Bergrivier Council Chambers:
 - ii. Date: **8 August 2016**

- Cape Winelands: Cape
 - i. Cape Winelands District Council Chambers
 - ii. Date: **9 August 2016**
- Overberg District
 - i. Overberg district Council Chambers
 - ii. Date: **10 August 2016**
- Central Karoo district
 - i. Central Karoo District Council Chambers
 - ii. Date: **16 August 2016**
- Eden District
 - i. Knysna Council Chambers
 - ii. Date: **17 August 2016**

3.3 The required audience for the sessions is the SCM Heads, Technical heads, Asset management officials and Budget officials (CFO's office).

3.4 The Provincial Treasury will supply the word version of the model policy and also the road map for implementation.

3.5 See attached annexure hereto depicting the implementation road map.

4. REQUEST

4.1 The Provincial Treasury hereby request municipalities to indicate attendance of the aforementioned sessions. Any enquiries in this regard and also suggestions may be directed to:

Mr. Sakhumzi Mayekiso - (021) 483 6100; email: Sakhumzi.mayekiso@westerncape.gov.za
 or Ms. Nonceba Mbuqe – (021) 483 0943; email: Nonceba.Mbuqe@westerncape.gov.za



MR RODNEY MOOLMAN

SENIOR MANAGER: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT

DATE: 06-06-2016