



Reference: T16/P
EMATS: 2013/127

TREASURY CIRCULAR NO 1 of 2013

THE PREMIER

- THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF HEALTH
THE MINISTER OF HUMAN SETTLEMENTS
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
THE MINISTER OF SOCIAL DEVELOPMENT
THE MINISTER OF TRANSPORT AND PUBLIC WORKS
THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

For information

- THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY)
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KC HOUSEHAM)
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MS K LUBELWANA)
THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR M TSHANGANA)
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR T GILDENHUYIS)
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

- THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYIS)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)
THE CHIEF FINANCIAL OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR F DE WET) (ACTING)
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MR F DE WET) (ACTING)

- THE SUPPLY CHAIN MANAGER: VOTE 1: PREMIER (MS A STASSEN)
THE SUPPLY CHAIN MANAGER: VOTE 3: PROVINCIAL TREASURY (MR A ASHLEY)
THE SUPPLY CHAIN MANAGER: VOTE 4: COMMUNITY SAFETY (MS E ISAACS)
THE SUPPLY CHAIN MANAGER: VOTE 5: EDUCATION (MR W CARELSE)
THE SUPPLY CHAIN MANAGER: VOTE 6: HEALTH (MR I SMITH)
THE SUPPLY CHAIN MANAGER: VOTE 7: SOCIAL DEVELOPMENT (MS P MABHOKWANA)
THE SUPPLY CHAIN MANAGER: VOTE 8: HUMAN SETTLEMENTS (MS L NEL)
THE SUPPLY CHAIN MANAGER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR M PHASWANE)
THE SUPPLY CHAIN MANAGER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MS C SMITH)
THE SUPPLY CHAIN MANAGER: VOTE 11: AGRICULTURE (MR C HICKLEY)
THE SUPPLY CHAIN MANAGER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR D PAULSE)
THE SUPPLY CHAIN MANAGER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR ANWAR ADONIS)
THE SUPPLY CHAIN MANAGER: VOTE 14: LOCAL GOVERNMENT (MS S MOODLEY)

- THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS) (ACTING)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MS M MOROKA)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR N FLAATTEN) (ACTING)
THE CHIEF EXECUTIVE OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR C GILFELLAN)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MS J MOLELEKI)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE COMMISSION (MS J MOLELEKI)
THE CHIEF EXECUTIVE OFFICER: CASIDRA (MS T MLONYENI) (ACTING)
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR BOARD (MR S FOURIE)

THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR A PRESTON)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR I BLACKIE)
THE CHIEF FINANCIAL OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR H BONESCHANS)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MS B RUTGERS)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE COMMISSION (MS B RUTGERS)
THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)
THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR BOARD (MS M ABRAHAMS)

THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)
THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)
THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (MR TC ARENDSE)
THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)
THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)
THE HEAD: FINANCIAL GOVERNANCE (MR A REDDY) (ACTING)
THE HEAD: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
THE CHIEF FINANCIAL OFFICER (MR A GILDENHUIJS)
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THE SENIOR MANAGER: BUDGET MANAGEMENT: LOCAL GOVERNMENT (MR ML BOOYSEN)
THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR F SABBAT)
THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MR M SIGABI)
THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS C HORTON)
THE SENIOR MANAGER: IMMOVABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)
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THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS A SMIT)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

PROVINCIAL TREASURY INSTRUCTIONS (PTIs) 2012 - POSTPONEMENT OF THE REQUIREMENTS OF CHAPTER 16B TO 31 MARCH 2013

1. PURPOSE

- 1.1 The purpose of this communicate is to postpone the effective dates of the requirements of PTIs, Chapter 16B to 31 March 2013 as well as to issue the updated implementation schedule (attached hereto marked "Annexure A").

2. POSTPONEMENT

- 2.1 The Provincial Treasury issued the PTIs, inclusive of a newly developed Chapter 16B: supply chain management for the delivery and maintenance of infrastructure, on 30 March 2012.
- 2.2 The PTIs gives effect to current regulatory requirements, the intent of National Treasury Instruction Notes and Practice Notes, our own provincial requirements

and also the local gap analysis in both the PFMA and the Construction Industry Development Board (CIDB) regulatory regimes.

- 2.3 Chapter 16B bridges the gap in the CIDB regulatory regime, as it comprises procurement policy, procedures and methods which are standardised and documented and provides a solid platform for departmental staff to work in a uniform and consistent manner.
- 2.4 Consultations with departments have revealed that it will not be in a state of readiness to implement the requirements of Chapter 16B by the envisaged effective dates. The Provincial Treasury has considered the implementation issues raised by departments and hereby postpone the implementation of these requirements to 31 March 2013.
- 2.5 Departments are required to ensure that the implementation issues are resolved and the requirements are implemented by the postponed effective date.
- 2.6 Attached herewith (Annexure A) is an update of the PTIs implementation schedule "Provisions that take effect on a date later than 1 April 2012". Your attention is drawn to Chapter 16B, paragraph 3.1 to 3.5, 4.1, 4.3 and 5.2.

Kind Regards



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NADIA EBRAHIM

DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT

DATE: 18/01/2012

CHAPTER 16B

Paragraph	Instruction	Effective Date
3.1	<p>Accounting officer and accounting authorities must:</p> <ul style="list-style-type: none"> a) establish and implement an infrastructure delivery management system in accordance with the relevant provisions of the Provincial Treasury's Standard for an Infrastructure Delivery Management System and assume responsibility for the functionaries as set out in Table 1; and b) assume responsibility for the different types of maintenance as set out in Table 2. 	31 March 2013
3.4	<p>Accounting officers and accounting authorities must:</p> <ul style="list-style-type: none"> a) delegate responsibility for the performance of duties assigned to a client, implementer or custodian in terms of the standard referred to in 3.1 (a) to suitable units within their institution; b) delegate responsibility for the different type of maintenance to suitable units within their institution; and c) where alternative arrangements for routine and day to day maintenance are provided for a Table 2, allocate responsibilities for such maintenance in terms of a Service Delivery Agreement with the Department of Transport and Public Works. 	31 March 2013
3.5	<p>All major capital projects must be subjected to an independent gateway review prior to the acceptance of the concept report at the end of stage 4 in accordance with the provisions of the standard referred to in 3.1 (a).</p>	31 March 2013
4.1	<p>Accounting officers and accounting authorities must in order to serve their construction procurement needs either:</p> <ul style="list-style-type: none"> a) establish and implement a construction procurement system in accordance with the relevant provisions of the Provincial Treasury Standard for a Construction Procurement System; or b) make use of a framework contract put in place by the Department of Transport and Public Works. 	31 March 2013

Paragraph	Instruction	Effective Date
4.3	a) Accounting officers and accounting authorities must designate persons to undertake actions and perform activities in accordance with Annexure B of the Provincial Treasury Standard for a Construction Procurement System.	31 March 2013
5.2	<p>The supply chain management unit must:</p> <ul style="list-style-type: none"> (a) execute certain activities relating to the construction procurement process in accordance with the provisions of the standard referred to in paragraph 4.1(a); (b) render assistance and, where appropriate, administrative support to the line function managers and other officials in the performance of their supply chain management responsibilities; (c) measure the performance of the supply chain in terms of areas such as effectiveness, potential efficiency gains, weaknesses in performance, quality and value for money and identify corrective actions or interventions to improve performance; (d) co-ordinate and manage the interface between the institution and provincial treasury in the implementation of these instructions; (e) collate and compile reports to the accounting officer or accounting authority and provincial treasury; (f) ensure that management, control and accountability is maintained through comprehensive objective assessments; (g) enforce the regulatory framework for supply chain management within the institution; (h) perform internal controls function for the supply chain; and (i) identify, treat and report occurrences of fraud, corruption, collusion and abuse of the supply chain system. 	31 March 2013