



PROVINCIAL TREASURY • PROVINSIALE TESOURIE • UNONDYEBE WEPHONDO

Verwysing
Reference
Isalathiso

T 12/2/1

Mr E Johannes

Navrae
Enquiries
Imibuzo



TREASURY CIRCULAR MUN: 24 of 2009

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT: MRS H KITSHOFF
THE MAYOR, MATZIKAMA MUNICIPALITY: MR P BOK
THE MAYOR, CEDERBERG MUNICIPALITY: MS S NEWMAN
THE MAYOR, BERGRIVIER MUNICIPALITY: MR S CLAASSEN
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR J SKEI
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT: MR B CHABAAN
THE MAYOR, WITZENBERG MUNICIPALITY: MR K CLASSEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MS C MANUEL
THE MAYOR, STELLENBOSCH MUNICIPALITY: ALDERMAN PM SWARTZ
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MR C NTSOMI
THE MAYOR, BREEDE RIVER/WINELANDS MUNICIPALITY: MR SJ NGONYAMA
THE MAYOR, OVERBERG DISTRICT: MS M GILLION
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MR C PUNT
THE MAYOR, OVERSTRAND MUNICIPALITY: MR T BEYLEVELDT
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR R MITCHELL
THE MAYOR, SWELLENDAAM MUNICIPALITY: MR J JANSEN
THE MAYOR, EDEN DISTRICT: MR L DORFLING
THE MAYOR, KANNALAND MUNICIPALITY: MR N VALENTYN
THE MAYOR, HESSEQUA MUNICIPALITY: MR CP TAUTE
THE MAYOR, MOSSEL BAY MUNICIPALITY: ALDERMAN M FERREIRA
THE MAYOR, GEORGE MUNICIPALITY: MR PH DE SWART
THE MAYOR, OUDTSHOORN MUNICIPALITY: MS D DE JAGER
THE MAYOR, BITOU MUNICIPALITY: MR LL MVIMBI
THE MAYOR, KNYSNA MUNICIPALITY: MS E BOUW-SPIES
THE MAYOR, CENTRAL KAROO DISTRICT: MR T PRINCE
THE MAYOR, LAINGSBURG MUNICIPALITY: MS R MEYER
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MS M BENJAMIN
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MS J JONAS

THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR A EBRAHIM
THE MUNICIPAL MANAGER, WEST COAST DISTRICT: MR H PRINS
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR DG O'NEILL
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR G MATHYSE
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: MS C Le ROUX
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR J FORTUIN (Acting)
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT: MR M MGAJO
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR S KABANYANE
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MR I KENNED
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BREEDE RIVER/WINELANDS: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT: MR GW HERMANUS (Acting)
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR HSD WALLACE
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: ADV W ZYBRANDT
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR R STEVENS
THE MUNICIPAL MANAGER, SWELLENDAAM MUNICIPALITY: MR N NEL (Acting)
THE MUNICIPAL MANAGER, EDEN DISTRICT: MR G LOUW
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR K DE LANGE
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: DR M GRATZ
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR CM AFRICA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR W RABBETS
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR L NGOOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR J DOUGLAS
THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT: MR S JOOSTE
THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS J FORTUIN
THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR J BOOYSEN

THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR M RICHARDSON
 THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT: MR J KOEKEMOER
 THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR LJ BRUWER
 THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR F LÖTTER
 THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MR K VAN NIEKERK
 THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR J LUUS
 THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR K COOPER
 THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT: MR JG MARAIS
 THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR R ESAU
 THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MR CM PETERSEN
 THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR M BOLTON
 THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR D MCTHOMAS
 THE CHIEF FINANCIAL OFFICER, BREEDE RIVER/WINELANDS: MR CF HOFFMANN
 THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT: MR O MACKENZIE
 THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR S JACOBS
 THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MR H KLEINLOOG
 THE CHIEF FINANCIAL OFFICER, CAPE AGULHAS MUNICIPALITY: MR H SCHLEBUSH
 THE CHIEF FINANCIAL OFFICER, SWELLENDAAM MUNICIPALITY: MR NB DELO
 THE CHIEF FINANCIAL OFFICER, EDEN DISTRICT: MR J STANDER (Acting)
 THE CHIEF FINANCIAL OFFICER, KANNALAND MUNICIPALITY: MR B LALOR
 THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS L VILJOEN
 THE CHIEF FINANCIAL OFFICER, MOSSEL BAY MUNICIPALITY: MR HF BOTHA
 THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR LH FOURIE
 THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR T MATTHYSEN (Acting)
 THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR D LOTT
 THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR G EASTON
 THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT: MR CJ KYMDELL
 THE CHIEF FINANCIAL OFFICER, LAINGSBURG MUNICIPALITY: MS A GROENEWALD
 THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR JJ VAN DER WESTHUIZEN
 THE CHIEF FINANCIAL OFFICER, BEAUFORT WEST MUNICIPALITY: MR D LOUW

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) (ACTING)
 THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)
 THE HEAD: PUBLIC FINANCE (MR H MALILA) (PRO TEM)
 THE HEAD: FINANCIAL GOVERNANCE (MR TC ARENDSE)
 THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)
 THE CHIEF AUDIT EXECUTIVE (MS H ROBSON)
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)
 THE SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT (MS PG PIEDT)
 THE SENIOR MANAGER: ACCOUNTING SERVICES: PROVINCIAL GOVERNMENT (MR A REDDY)
 THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MS N OLIPHANT)
 THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)
 THE SENIOR MANAGER: INTERNAL AUDIT: G & A CLUSTER (MS B CAIRNCROSS)
 THE SENIOR MANAGER: INTERNAL AUDIT: SOCIAL CLUSTER
 THE SENIOR MANAGER: INTERNAL AUDIT: ECONOMIC CLUSTER (MR J RADEBE)
 THE SENIOR MANAGER: BUDGET MANAGEMENT – LOCAL GOVERNMENT (MR A PHILLIPS) (ACTING)
 THE SENIOR MANAGER: BUDGET MANAGEMENT – PROVINCIAL GOVERNMENT (MR PP PIENAAR) (ACTING)
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (MS A PICK)
 THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP ONE) (MR G PAULSE)
 THE SENIOR MANAGER: LOCAL GOVERNMENT FINANCE (GROUP TWO) (MR M SIGABI)
 THE SENIOR MANAGER: PUBLIC FINANCE POLICY RESEARCH AND MODELLING (MS A PICK) (PRO TEM)
 THE SENIOR MANAGER: IMMOVEABLE ASSET MANAGEMENT (MR NB LANGENHOVEN)
 THE SENIOR MANAGER: MOVEABLE ASSET MANAGEMENT (MS N EBRAHIM)
 THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)
 THE HEAD: OFFICE OF THE MINISTRY (MS J DAVIDS)

THE PROVINCIAL AUDITOR

MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

THE HEAD OF DEPARTMENT: LOCAL GOVERNMENT AND HOUSING

PARLIAMENTARY QUESTION NO 9 - 2009 DATED 18 SEPTEMBER 2009 FOR WRITTEN REPLY

This circular serves to request municipalities to provide detailed information on the
 impact of the current economic climate on the activities of municipalities.

The Minister of Local Government, Environmental Affairs and Development Planning, Mr AW Bredell, needs to respond in writing to the Western Cape Provincial Parliament on the following questions:

(1) *Whether the recession has had any influence on the income of municipalities in the Western Cape; if not, what is the position in this regard; if so, what influence;*

(2) *whether any cash-flow crisis is experienced in any municipalities in our province; if so, (a) in what municipalities and (b) what are the further relevant details in this regard;*

whether the recession has had any impact on service delivery in the municipalities; if so, what are the relevant details;

The Provincial Treasury has been tasked to assist with the collation of information in this respect, which would enable Minister Bredell to respond to the above-mentioned parliamentary questions.

Municipalities are urgently requested, to complete the attached annexure in response to the questions raised.

The completed annexure must be submitted to the following e-mail address at the Provincial Treasury, mfma@pgwc.gov.za, on or before **Monday, 28 September 2009 at 10h00.**

For any queries regarding the above please contact the relevant official:

Mr Graham Paulse
Tel No: +27 21 483 6126
E-mail: gpaulse@pgwc.gov.za



Training

It has come to the attention of the National Treasury that training service providers are currently marketing their courses on municipal supply chain management even though these courses have not been accredited / validated by either the National Treasury Validation Board or LGSETA.

Responsibility

National Treasury

National Treasury is responsible to regulate training and competency standards. Training providers are required to apply to have their training material accredited by LGSETA and validated by the National Treasury. The material must be of an acceptable level of quality and consistent with the relevant SCM policy reforms and legislation.

Provincial Treasuries

Provincial Treasuries will coordinate training within their respective provinces. They are required to submit the training material of training providers within their respective provinces to the National Treasury for validation by the Validation Board.

Accounting Officers

Accounting Officers should ensure that supply chain management practitioners are trained in terms of the MFMA. Competency levels for financial management are under development and will be prescribed in the future.

Training Providers

The services of training providers whose training material have been validated by the Validation Board of the National Treasury may be utilised. This form of validation is aimed at giving accounting officers an indication that courses presented by these training providers are consistent with the legislation, unit standards and therefore provide value for money.

Please note that municipalities have been repeatedly advised against attending training in any MFMA related course that has not been validated and accredited by the National Treasury and LGSETA, respectively. This ensures that all training in the implementation of the MFMA is appropriate, competency-based and consistent. In other words, we seek to ensure that municipalities derive value-for-money out of any MFMA related training they attend. All this is done in line with the mandate bestowed upon National Treasury by section 83(3) of the MFMA and after extensive consultation with members of the Reference Group that participated in the development and subsequent registration by SAQA of the NQF Level Six Certificate in Municipal Finance Management.

In the instance of supply chain management, the Chief Directorate: Supply Chain Management in the National Treasury, under the leadership of Mr Henry Malinga has, in conjunction with the South African Management Development Institute (SAMDI), recently provided training in supply chain management to all high and medium capacity municipalities. This training that is in line with the Supply Chain Management Regulations issued by the National Treasury will be extended to all low-capacity municipalities with effect from January 2006.

It is the responsibility of the accounting officer to ensure that supply chain practitioners within their municipality / municipal entity are properly trained. The South African Qualifications Authority (SAQA) registered a unit standard-based certificate in Municipal Financial Management Qualification as a level six qualification. Accredited courses that meet the National Treasury evaluation process will be published, as and when, on the National Treasury website. Municipalities should first check the website at www.treasury.gov.za/mfma and utilize this information to send officials on appropriate training.

Your kind co-operation is appreciated.

Contact



National Treasury

Private Bag X115, Pretoria 0001

Phone 012 315 5850

Fax 012 315 5230

Email mfma@treasury.gov.za

Website [www.treasury.gov.za /mfma](http://www.treasury.gov.za/mfma)

T. Pillay
Chief Director: Local Government
29 September 2005