

**PROVINSIALE TESOURIE • PROVINCIAL TREASURY •
UNONDYEBO WEPHONDO**



Verwysing
Reference
Isalathiso

T8/2/31

Navrae
Enquiries
Imibuzo

Ms T. Bowers

TREASURY CIRCULAR MUN: 8 of 2009

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THE MAYOR, KNYSNA MUNICIPALITY: MS E BOUW-SPIES
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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
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THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR S KABANYANE
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MR I KENNEDE
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BREEDE RIVER/WINELANDS: MR SA MOKWENI
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THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR HD WALLACE
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THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY: MR WF HENDRICKS
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THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR L NGOQO
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR J DOUGLAS
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THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR M RICHARDSON
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 THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT: MR CJ KYMDELL
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 THE CHIEF FINANCIAL OFFICER, PRINCE ALBERT MUNICIPALITY: MR J 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 A REDDY) (ACTING)
 THE HEAD: ASSET MANAGEMENT (MR TD PILLAY)
 THE CHIEF AUDIT EXECUTIVE (MS H ROBSON)
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)
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 THE SENIOR MANAGER: ACCOUNTING SERVICES: PROVINCIAL GOVERNMENT (MR H DU TOIT) (ACTING)
 THE SENIOR MANAGER: ACCOUNTING SERVICES: LOCAL GOVERNMENT (MS N OLIPHANT)
 THE SENIOR MANAGER: CORPORATE GOVERNANCE (MR B VINK)
 THE SENIOR MANAGER: INTERNAL AUDIT: GOVERNANCE AND ADMINISTRATION CLUSTER (MS B CAIRNCROSS)
 THE SENIOR MANAGER: INTERNAL AUDIT: SOCIAL CLUSTER (MR M MALULEKA)
 THE SENIOR MANAGER: INTERNAL AUDIT: ECONOMIC CLUSTER (MR J RADEBE)
 THE SENIOR MANAGER: BUDGET MANAGEMENT: PROVINCIAL GOVERNMENT (MR PP PIENAAR) (ACTING)
 THE SENIOR MANAGER: BUDGET MANAGEMENT: LOCAL GOVERNMENT (MS N SILULWANE) (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

Submission of Annual and Oversight Reports to the Provincial Legislature

1. Purpose

- 1.1 The purpose of this circular is to encourage municipalities to adhere to the timeframes stipulated in the Municipal Finance Management Act (No. 56 of 2003)[MFMA] with regards to the adoption of oversight reports and the submission of Annual and Oversight reports to the Provincial Legislature.

2. Background

- 2.1 Section 129 (1) of the MFMA prescribes that the council of a municipality must consider the annual report (as tabled) and by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing the council's comments on the annual report. This report should in terms of Section 129 (1) (a)-(c) include a statement on whether the council-
- (a) has approved the annual report with or without reservations;
 - (b) has rejected the annual report; or
 - (c) has referred the annual report back for revision of those components that can be revised.
- 2.2 The oversight report must also be made public within seven (7) days of its adoption in accordance with section 21A of the Municipal Systems Act (No. 32 of 2000).
- 2.3 Section 129(2) of the MFMA further states that minutes of the council meetings at which the annual report is discussed should be submitted to the Auditor General, Provincial Treasury and the Department Local Government and Housing.
- 2.4 In terms of section 132(2) of the MFMA the annual report and the oversight report must be submitted to the **Provincial Legislature** with seven (7) days after the adoption of the oversight report.

3. Request

- 3.1 Municipalities are requested to supply Provincial Treasury with the prospective council meeting dates at which the annual report will be discussed. Where possible, it is envisaged that Provincial Treasury officials will attend the council meetings at which the annual reports are discussed. Where these meetings have already taken place, municipalities are requested to immediately submit the minutes of the meetings to Provincial Treasury.
- 3.2 Municipalities are further requested to ensure that the annual and oversight report is submitted to the Provincial Legislature within seven (7) days after the oversight report is adopted.
- 3.3 The Provincial Legislature has requested that municipalities submit fifty (50) copies of the annual and oversight reports to the following address:

Via Post: The Office of the Speaker
P.O. Box 648
Cape Town
8000
Attention: Jasmin Glass

Or Via Courier: The Office of the Speaker
Legislature Building
6th Floor, 7 Wale Street
Cape Town
Attention: Jasmin Glass

Should you have any further queries regarding the above, Jasmin Glass is contactable on Tel. 021 487 1677.

4. Conclusion

- 4.1 Municipalities are encouraged to ensure compliance with the provisions of the MFMA and the Systems Act as stated above.
- 4.2 Provincial Treasury's copy of minutes of the meetings at which the annual reports are discussed must be submitted to:

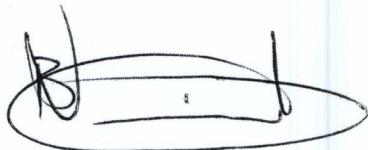
Provincial Treasury
Private Bag X9165
Cape Town
8000
Attention: Senior Manager, Corporate Governance (Bazil Vink)

Email: brvink@pgwc.gov.za

- 4.3 For any queries regarding the above please contact the relevant officials:

- Tracy Bowers: **West Coast District and City Cape Town**
Tel No: (021) 483-6694
Email: tbowers@pgwc.gov.za
- Elizabeth Letsoalo: **Central Karoo and Overberg District**
Tel No: (021) 483-3669
Email: eletsoalo@pgwc.gov.za
- Melissa Van Niekerk: **Cape Winelands District**
Tel No: (021) 483-6695
Email: mfvnieke@pgwc.gov.za

- Wendy: **Eden District**
Tel No: (021) 483-4289
Email: warendse@pgwc.gov.za

A handwritten signature, appearing to be 'B Vink', is enclosed within a hand-drawn oval.

MR B VINK

SENIOR MANAGER: CORPORATE GOVERNANCE

DATE: 27/3/2009.