



Reference number: RCS/C.5

Private Bag X9165
CAPE TOWN
8000

TREASURY CIRCULAR MUN NO. 27/2019

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR H CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MR D JENNER
THE MAYOR, CEDERBERG MUNICIPALITY: MR W FARMER
THE MAYOR, BERGRIVIER MUNICIPALITY: MR R VAN ROOY
THE MAYOR, SALDANHA BAY MUNICIPALITY: MR M KOEN
THE MAYOR, SWARTLAND MUNICIPALITY: MR T VAN ESSEN
THE MAYOR, CAPE WINELANDS DISTRICT MUNICIPALITY: DR H VON SCHLICHT
THE MAYOR, WITZENBERG MUNICIPALITY: MR BC KLAASEN
THE MAYOR, DRAKENSTEIN MUNICIPALITY: MR CJ POOLE
THE MAYOR, STELLENBOSCH MUNICIPALITY: ADV. G VAN DEVENTER
THE MAYOR, BREEDE VALLEY MUNICIPALITY: MS A STEYN
THE MAYOR, LANGEBERG MUNICIPALITY: MR HM JANSEN
THE MAYOR, OVERBERG DISTRICT MUNICIPALITY: MR A FRANKEN
THE MAYOR, THEEWATERSKLOOF MUNICIPALITY: MS CJM VOSLOO
THE MAYOR, OVERSTRAND MUNICIPALITY: MR D COETZEE
THE MAYOR, CAPE AGULHAS MUNICIPALITY: MR PJ SWART
THE MAYOR, SWELLENDAM MUNICIPALITY: MR NG MYBURGH
THE MAYOR, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M BOOYSEN
THE MAYOR, KANNALAND MUNICIPALITY: MS M BARRY
THE MAYOR, HESSEQUA MUNICIPALITY: MR G RIDDLES
THE MAYOR, MOSSEL BAY MUNICIPALITY: MR HJ LEVENDAL
THE MAYOR, GEORGE MUNICIPALITY: MR MG NAIK
THE MAYOR, OUDTSHOORN MUNICIPALITY: MR CF SYLVESTER
THE MAYOR, BITOU MUNICIPALITY: MR MP LOBESE
THE MAYOR, KNYSNA MUNICIPALITY: MR M WILLEMSE
THE MAYOR, CENTRAL KAROO DISTRICT MUNICIPALITY: DR A RABIE
THE MAYOR, LAINGSBURG MUNICIPALITY: MR M GOUWS
THE MAYOR, PRINCE ALBERT MUNICIPALITY: MR G LOTTERING
THE MAYOR, BEAUFORT WEST MUNICIPALITY: MR N CONSTABLE
THE MUNICIPAL MANAGER, CITY OF CAPE TOWN: MR L MBANDAZAYO
THE MUNICIPAL MANAGER, WEST COAST DISTRICT MUNICIPALITY: MR D JOUBERT
THE MUNICIPAL MANAGER, MATZIKAMA MUNICIPALITY: MR DP LUBBE
THE MUNICIPAL MANAGER, CEDERBERG MUNICIPALITY: MR L VOLSCHENK
THE MUNICIPAL MANAGER, BERGRIVIER MUNICIPALITY: ADV. H LINDE
THE MUNICIPAL MANAGER, SALDANHA BAY MUNICIPALITY: MR H METTLER
THE MUNICIPAL MANAGER, SWARTLAND MUNICIPALITY: MR J SCHOLTZ
THE MUNICIPAL MANAGER, CAPE WINELANDS DISTRICT MUNICIPALITY: MR H PRINS
THE MUNICIPAL MANAGER, WITZENBERG MUNICIPALITY: MR D NASSON
THE MUNICIPAL MANAGER, DRAKENSTEIN MUNICIPALITY: DR J LEIBBRANDT
THE MUNICIPAL MANAGER, STELLENBOSCH MUNICIPALITY: MS G METTLER
THE MUNICIPAL MANAGER, BREEDE VALLEY MUNICIPALITY: MR D McTHOMAS
THE MUNICIPAL MANAGER, LANGEBERG MUNICIPALITY: MR SA MOKWENI
THE MUNICIPAL MANAGER, OVERBERG DISTRICT MUNICIPALITY: MR D BERETTI
THE MUNICIPAL MANAGER, THEEWATERSKLOOF MUNICIPALITY: MR G MATTHYSE
THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLENDAM MUNICIPALITY: MR A GROENEWALD
THE MUNICIPAL MANAGER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R BUTLER (ACTING)
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: ADV. MG GILIOME
THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE

THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: ADV. L NGOGO
 THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: DR S VATALA
 THE MUNICIPAL MANAGER, CENTRAL KAROO DISTRICT MUNICIPALITY: MR S JOOSTE
 THE MUNICIPAL MANAGER, LAINGSBURG MUNICIPALITY: MR P WILLIAMS
 THE MUNICIPAL MANAGER, PRINCE ALBERT MUNICIPALITY: MS A VORSTER
 THE MUNICIPAL MANAGER, BEAUFORT WEST MUNICIPALITY: MR K HAARHOFF
 THE CHIEF FINANCIAL OFFICER, CITY OF CAPE TOWN: MR K JACOBY
 THE CHIEF FINANCIAL OFFICER, WEST COAST DISTRICT MUNICIPALITY: DR JCP TESSELAAR
 THE CHIEF FINANCIAL OFFICER, MATZIKAMA MUNICIPALITY: MR G SEAS
 THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
 THE CHIEF FINANCIAL OFFICER, BERGRIVIER MUNICIPALITY: MS N BOTHMA (ACTING)
 THE CHIEF FINANCIAL OFFICER, SALDANHA BAY MUNICIPALITY: MR S VORSTER
 THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
 THE CHIEF FINANCIAL OFFICER, CAPE WINELANDS DISTRICT MUNICIPALITY: MS FA DU RAAN-GROENEWALD
 THE CHIEF FINANCIAL OFFICER, WITZENBERG MUNICIPALITY: MR A RAUBENHEIMER
 THE CHIEF FINANCIAL OFFICER, DRAKENSTEIN MUNICIPALITY: MR J CARSTENS
 THE CHIEF FINANCIAL OFFICER, STELLENBOSCH MUNICIPALITY: MR K CAROLUS
 THE CHIEF FINANCIAL OFFICER, BREEDE VALLEY MUNICIPALITY: MR R ONTONG
 THE CHIEF FINANCIAL OFFICER, LANGEBERG MUNICIPALITY: MR B BROWN
 THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR C HOFFMAN
 THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW
 THE CHIEF FINANCIAL OFFICER, OVERSTRAND MUNICIPALITY: MS S REYNEKE-NAUDÉ
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 THE CHIEF FINANCIAL OFFICER, SWELLENDAM MUNICIPALITY: MR H SCHLEBUSCH
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 THE CHIEF FINANCIAL OFFICER, GEORGE MUNICIPALITY: MR L WALLACE
 THE CHIEF FINANCIAL OFFICER, OUDTSHOORN MUNICIPALITY: MR F LOTTER
 THE CHIEF FINANCIAL OFFICER, BITOU MUNICIPALITY: MR V MKHEFA
 THE CHIEF FINANCIAL OFFICER, KNYSNA MUNICIPALITY: MR M MEIMANI
 THE CHIEF FINANCIAL OFFICER, CENTRAL KAROO DISTRICT MUNICIPALITY: MS U BAARTMAN
 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 CJ KYMDELL
 THE HEAD OF SCM, CITY OF CAPE TOWN: MR B CHINASAMY
 THE HEAD OF SCM, WEST COAST DISTRICT: MR M MARKUS
 THE HEAD OF SCM, MATZIKAMA MUNICIPALITY: MS H MEYER
 THE HEAD OF SCM, CEDERBERG MUNICIPALITY: MS J MAARMAN
 THE HEAD OF SCM, BERGRIVIER MUNICIPALITY: MR I SAUNDERS
 THE HEAD OF SCM, SALDANHA BAY MUNICIPALITY: MR H MEEDING
 THE HEAD OF SCM, SWARTLAND MUNICIPALITY: MR P SWART
 THE HEAD OF SCM, CAPE WINELANDS DISTRICT: MR GJP FALCK
 THE HEAD OF SCM, WITZENBERG MUNICIPALITY: MR M FRIESLAAR
 THE HEAD OF SCM, DRAKENSTEIN MUNICIPALITY: MR H VERGOTINE
 THE HEAD OF SCM, STELLENBOSCH MUNICIPALITY: MR D JACOBS
 THE HEAD OF SCM, BREEDE VALLEY MUNICIPALITY: MR M POTGIETER
 THE HEAD OF SCM, LANGEBERG MUNICIPALITY: MR S NGCONGOLO
 THE HEAD OF SCM, OVERBERG DISTRICT: MS D KAPOT-WITBOOI (ACTING)
 THE HEAD OF SCM, THEEWATERSKLOOF MUNICIPALITY: MR A HENDRICKS
 THE HEAD OF SCM, OVERSTRAND MUNICIPALITY: MR C LE ROUX
 THE HEAD OF SCM, CAPE AGULHAS MUNICIPALITY: MR R SEFOOR
 THE HEAD OF SCM, SWELLENDAM MUNICIPALITY: MR B BEYERS
 THE HEAD OF SCM, GARDEN ROUTE DISTRICT: MR T MPURU
 THE HEAD OF SCM, KANNALAND MUNICIPALITY: MR E VAN ROOI (ACTING)
 THE HEAD OF SCM, HESSEQUA MUNICIPALITY: MS A DU PLESSIS
 THE HEAD OF SCM, MOSSEL BAY MUNICIPALITY: MR D SCHOLTZ
 THE HEAD OF SCM, GEORGE MUNICIPALITY: MR B GERICKE
 THE HEAD OF SCM, OUDTSHOORN MUNICIPALITY: MR JC LADOUCE
 THE HEAD OF SCM, BITOU MUNICIPALITY: MR P PETERS
 THE HEAD OF SCM, KNYSNA MUNICIPALITY: MS F KRUGER
 THE HEAD OF SCM, CENTRAL KAROO DISTRICT: MS A LENDERS (ACTING)
 THE HEAD OF SCM, LAINGSBURG MUNICIPALITY: MR K GERTSE
 THE HEAD OF SCM, PRINCE ALBERT MUNICIPALITY: MS C BAADTJIES (ACTING)
 THE HEAD OF SCM, BEAUFORT WEST MUNICIPALITY: MS SA POTHBURG
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (MS J GANTANA) (ACTING)
 THE DEPUTY DIRECTOR-GENERAL: FISCAL AND ECONOMIC SERVICES (MS A PICK) (ACTING)
 THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)
 THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (MS R SLINGER) (ACTING)
 THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MR P PIENAAR) (ACTING)
 THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (MR M SIGABI) (ACTING)
 THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)
 THE CHIEF DIRECTOR: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)
 THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MR M WILTER) (ACTING)
 THE DIRECTOR: BUSINESS INFORMATION AND DATA MANAGEMENT (MR I BATCHELOR) (ACTING)

THE DIRECTOR: FINANCIAL GOVERNANCE (MS M VAN NIEKERK)
THE DIRECTOR: FISCAL POLICY (DR N NLEYA)
THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
THE DIRECTOR: LOCAL GOVERNMENT ACCOUNTING (MR L BRINDERS)
THE DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE (MR M BOOYSEN)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (VACANT)
THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI) (PRO TEM)
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 T VAN DE RHEEDE) (ACTING)
THE DIRECTOR: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MR S ARNOLD) (ACTING)
THE DIRECTOR: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS T RAKIEP) (ACTING)
THE DIRECTOR: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS N ISMAIL)
THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A MAZOMBA)
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)

SUPPLY CHAIN MANAGEMENT TRAINING TO ADDRESS THE AUDIT OUTCOMES BY FOCUSING ON MATERIAL NON-COMPLIANCE WHICH LED TO IRREGULAR EXPENDITURE FOR THE 2019/20 FINANCIAL YEAR

1. PURPOSE

- 1.1 To inform municipalities of the above-mentioned training programme, which will be rolled out by the Provincial Treasury's Local Government Supply Chain Management Directorate (hereafter referred to as the "*PT LGSCM*").
- 1.2 The Provincial Treasury is hereby extending an invitation to municipalities to nominate participants to partake in the SCM training programme, which will be conducted by the Stellenbosch University: School of Public Leadership hereafter referred to as the "*SPL*".

2. BACKGROUND

- 2.1 In terms of section 5(3) of the MFMA (Act 56 of 2003), a Provincial Treasury may assist municipalities and municipal entities in building its capacity for efficient, effective and transparent financial management.
- 2.2 The training programme is aimed to fulfil this mandate, as it relates to Supply Chain Management.

3. FORMAT OF THE SUPPLY CHAIN MANAGEMENT TRAINING COURSE

- 3.1 The training course is aimed at addressing the supply chain management audit outcomes by focusing on material non-compliance which has led to irregular expenditure.
- 3.2 The outcome of the training course is aimed to:
 - (a) provide an overview of the Audit outcomes on SCM emanating from the 2017/18 audit;
 - (b) introduce an effective SCM business process to improve the SCM audit outcomes;
 - (c) define a streamline functional Bid Committee system to mitigate against audit risk;

(d) ensure deviation processes that can withstand the rigour of an audit process that is defensible and evidence based; and

(e) addressing any other SCM high risk areas such as local content, SCM regulations 13(c), 32, 44 and 45.

3.3 The University of Stellenbosch has registered the training as a short course programme, **NQF level 6 with 12 credits**, with the University. A certificate of Competence will only be issued to **registered attendees who complete the course successfully** and submit their post course assignments.

3.4 A municipality may **nominate a maximum of three (3)** officials with a target audience for the training course as follows:

(a) Municipal Managers;

(b) Chief Financial Officers;

(c) Risk Managers/Internal Auditors;

(d) Bid committee members (BCS, BEC, BAC);

(e) Line managers; and

(f) SCM Managers.

3.5 The training course will be conducted over a period of **three (3) working days** and the table hereunder depicts the course dates, venue and relevant grouping of municipalities:

District	Date	Venue	Attendees
Garden Route and Central Karoo District	23 - 25 October 2019	King George Hotel, King George Drive, King George Park, George	All the municipalities from the Garden Route and Central Karoo region
Cape Winelands and Overberg District	30 October 2019 - 1 November 2019	Worcester US campus, Faculty of Medicine and Health Sciences, Stellenbosch University, 1 Durban Road, Worcester	All the municipalities from the Overberg and Cape Winelands region
West Coast District	6 - 8 November 2019	Blue Bay Lodge, 48 Gracillaria Crescent, Blouwater Bay, Saldanha	All the municipalities from the West Coast region

3.6 It is a course requirement for nominees to register with the online link that will be provided to them before the commencement of the training.

3.7 Municipalities should take cognisance of the fact that the rendering of the course funded by the PT and it is therefore requested that the municipalities should ensure that attendees attend the course for its full duration. Any non-attendance will result in fruitless and wasteful expenditure and will be claimed back from the Municipality by the Provincial Treasury.

4. REQUEST

4.1 The Accounting Officers are hereby requested to

(a) disseminate the content of this correspondence to all relevant officials within their institutions;
and

(b) complete the attached Annexure and submitted the completed document to our offices by no later than **Tuesday, 15 October 2019**.

4.2 The completed Annexure must be electronically sent to Ms. Mariam Abrahams at Mariam.Abrahams@westerncape.gov.za

4.3 Any enquiries pertaining to the content of this circular may be directed to Ms. Letitia Sallies at Letitia.Sallies@westerncape.gov.za or telephonically at **(021) 483 3180**.

Your co-operation will be highly appreciated



MRS NADIA EBRAHIM

ACTING CHIEF DIRECTOR: ASSET MANAGEMENT

DATE: 9 October 2019

CONSENT BY MUNIICIPALITY TO ATTEND OR NOT TO ATTEND THE WESTERN CAPE PROVINCIAL TREASURY'S SCM TRAINING AND CAPACITATION PROGRAMME UNDER THE AUSPICES OF CONTRACT WCPT02/2016/2017

Name of Training:

Name of Participating Municipality:

Name of Accounting Officer:

I the undersigned,, confirm that I am the Accounting Officer for the Municipality of, and I am duly appointed in terms of section 54A of the Local Government Municipal Systems ACT (200).

I confirm further:

1. that, in my capacity as Accounting Officer of the aforementioned Municipality, I hereby *consent / do not consent * to participate / not to participate * in the Provincial Treasury's Supply Chain Management (hereafter referred to as "SCM") Training and Capacitation Programme to be rendered by Stellenbosch University: School of Public Leadership.
2. that I am aware that this document is binding on me/ the municipality and that my failure/ refusal *to nominate delegates to attend the SCM training programme could be deemed to be a contravention of sections 119 of the Municipal Public Finance Management Act, 56 of 2003.
3. that I nominate the following delegate / delegates * to represent the Municipality of and attend the following training and capacitation course:

a) ;

.....
.....
.....

b) ;

.....
.....
.....

Signed aton thisday of.....

***Delete whichever is not applicable**

As witnesses:

(1) _____

(Print name)

Accounting Officer
Municipality of.....

(2) _____

(Print Name)