

Reference number: RCS/C.6

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TREASURY CIRCULAR NO. 23/2023

THE PREMIER

THE MINISTER OF AGRICULTURE

THE MINISTER OF CULTURAL AFFAIRS AND SPORT

THE MINISTER OF EDUCATION

THE MINISTER OF FINANCE AND ECONOMIC OPPORTUNITIES

THE MINISTER OF HEALTH

THE MINISTER OF INFRASTRUCTURE

THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

THE MINISTER OF MOBILITY

THE MINISTER OF POLICE OVERSIGHT AND COMMUNITY SAFETY

THE MINISTER OF SOCIAL DEVELOPMENT

THE SPEAKER: PROVINCIAL PARLIAMENT

THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

THE EXECUTIVE AUTHORITY: WESTERN CAPE GAMBLING AND RACING BOARD (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE NATURE CONSERVATION BOARD (MINISTER A BREDELL)

THE EXECUTIVE AUTHORITY: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: SALDANHA BAY IDZ LICENCING COMPANY (MINISTER M WENGER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: WESTERN CAPE HERITAGE (MINISTER A MARAIS)

THE EXECUTIVE AUTHORITY: CASIDRA (MINISTER IH MEYER)

THE EXECUTIVE AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MINISTER R ALLEN)

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (DR H MALILA)

THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R ADAMS)

THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (MS J GANTANA)

THE ACCOUNTING OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (ADV. Y PILLAY)

THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MR B WALTERS)

THE ACCOUNTING OFFICER: VOTE 6: HEALTH AND WELLNESS (DR K CLOETE)

THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (DR R MACDONALD)

THE ACCOUNTING OFFICER: VOTE 8: MOBILITY (MS M MOORE)

THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR G GERBER)

THE ACCOUNTING OFFICER: VOTE 10: INFRASTRUCTURE (MS J GOOCH)

THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (DR M SEBOPETSA)

THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR V DUBE)

THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR G REDMAN)

THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (MR G PAULSE)

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THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)

THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MS A SMIT)

THE CHIEF FINANCIAL OFFICER: VOTE 4: POLICE OVERSIGHT AND COMMUNITY SAFETY (MR M FRIZLAR)

THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)

THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH AND WELLNESS (MR S KAYE)

THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)

THE CHIEF FINANCIAL OFFICER: VOTE 8: MOBILITY (MR F DE WET)

THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (VACANT)

THE CHIEF FINANCIAL OFFICER: VOTE 10: INFRASTRUCTURE (ADV. C SMITH)

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 (MS B SEWLALL-SINGH)

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THE ACCOUNTING AUTHORITY: WESTERN CAPE CULTURAL COMMISSION (MR L NOKWAZA)

THE ACCOUNTING AUTHORITY: WESTERN CAPE LANGUAGE COMMITTEE (MS G LENTZ)

For information

THE ACCOUNTING AUTHORITY: WESTERN CAPE HERITAGE (MS R GANI)
 THE ACCOUNTING AUTHORITY: CASIDRA (PROF. J KIRSTEN)
 THE ACCOUNTING AUTHORITY: WESTERN CAPE LIQUOR AUTHORITY (MR R KINGWILL)
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 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MS W STANDER)
 THE CHIEF EXECUTIVE OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MS K BEUKES)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE (MR M JANSE VAN RENSBURG)
 THE CHIEF EXECUTIVE OFFICER: CASIDRA (MR D NEFDI) (ACTING)
 THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S GEORGE) (ACTING)
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 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR M BHAYAT)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR S GCWABE)
 THE CHIEF FINANCIAL OFFICER: SALDANHA BAY IDZ LICENCING COMPANY (MR H BONESCHANS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMITTEE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE (MS B RUTGERS)
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR AUTHORITY (MR S ADAMS) (ACTING)
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 THE DIRECTOR: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR I SMIT) (PROTEM)
 THE PROVINCIAL AUDITOR
 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

CORPORATE GOVERNANCE REVIEW AND OUTLOOK FOR PUBLIC ENTITIES

1. PURPOSE

This circular is intended to inform Chief Financial Officers (CFO) of Public Entities about Provincial Treasury's introduction of a Corporate Governance Review and Outlook (CGRO) self-assessment. This evaluation aims to assess the Financial Management Capability (FMC) of Public Entities and will be based on FMC levels 1 through 6.

2. DISCUSSION

The Corporate Governance Review and Outlook (CGRO) process aims to promote good governance by driving a single-minded focus on improved governance. This can only be achieved through a collaborative effort between Provincial Treasury (PT), Provincial Departments and Public Entities. The process also aims to improve financial management and service delivery to communities. The Western Cape Government (WCG) strives for good governance through this process, which will assist in the achievement of improved governance outcomes across the Province.

Provincial Treasury is in a process of enhancing its CGRO tool, which includes incorporating the Public Entities onto the system to assist in the above process. The tool will provide Public Entities with criteria against which the Public Entity can demonstrate compliance through self-assessments. From these self-assessments, Governance Action Plans (GAPs) are compiled to address identified control deficiencies.

The CGRO self-assessment currently consist of the following seven focus areas:

- Supply Chain Management,
- Accounting,
- Revenue Management,
- Expenditure Management,
- Infrastructure,
- Internal Control and
- Supporting and Interlined Financial Systems.

This criterion will be captured onto the system in accordance with maturity levels, where the Public Entities will be given access to perform the evaluation. The **User, Line Manager, and CFO** of each Public Entity will be given access to complete and approve the assessments. It is imperative that all three levels be completed, as the system won't recognize the evaluation if one level is missing. It is therefore recommended that a user is allocated to each focus area.

Provincial Treasury will communicate all training to Public Entities and ensure that all entity officials are prepared prior to the publication of the assessment.

3. ASSESSMENT AND MONITORING & EVALUATION

After publication, public entities will have one month to complete the assessments. Each question will have three potential responses: "Yes," "No," and "Partially." Only the CFO will be able to make submissions to the Provincial Treasury.

Provincial Treasury will then moderate the assessments to ensure the correct answers were selected and the required evidence is affixed to each question. As soon as Provincial Treasury verifies all information, the assessments will be finalised.

Each Public Entity will be required to continue its internal monitoring and review processes, and the Provincial Treasury and Public Entities will work together to address any issues that require assistance.

4. INFORMATION TO BE SUBMITTED

Chief Financial Officers of public, trading, and unlisted entities are required to submit names of the officials that will be performing this exercise. Kindly allocate each name to a role such as User, Line Manager and CFO. Please note that there can be multiple users and line managers per focus area.

Accounting Authorities should submit the information as required above to Jason.facoline@westerncape.gov.za. The date for final submission is **13 October 2023**. Your submission and co-operation will be appreciated.

5. CONTACT INFORMATION

Any enquires should be directed as follows:

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MS ADILA ABOO
DIRECTOR: PROVINCIAL GOVERNMENT ACCOUNTING AND COMPLIANCE