

TREASURY COMMEMORATES YOUTH DAY

BY MATU LICHABA

Keeping to the theme of "live the legacy: towards a socio-economically empowered youth" the Northern Cape Provincial Treasury celebrated youth month by gathering the youth within the department to discuss the issues they face today. The keynote address was done by the Acting HOD, Mr Thami Mabija who encouraged young people to continue to strive to be better at what they do.

He requested those who attended to introduce themselves, share their expectations and challenges they face in South Africa. One of the interns expressed her fear of being unemployed after the end of their internship program, to which the Acting HOD responded by saying every job will always require a certain degree of experience and the internship program is meant to provide people with that experience. He said the internship program is designed to expose young graduates to a working environment and it has the potential benefits ranging from work experience, self-confidence and skills, which can hopefully lead to a job at the end. Mr Mabija also said a fair chance must be given to all unemployed youth once posts are advertised in order for them to go through interviews, and those who took part in the internship program will have an upper hand because they are already known within the organisation.



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Young people were also given the opportunity to engage on topics like risky behaviour, depression, youth and financial management, etc. The session was an eye opener to a lot of the youth especially on issues pertaining to finances and how to handle them. In closing the Acting Chief Director: Corporate Services, Ms. Mamiki Mooki thanked all who attended and encouraged them to attend the many information sessions that are availed to the departmental officials in order to learn more about issues faced by today's working class.



NCPT CLEANING AND SECURITY SERVICES TENDER BRIEFING SESSIONS

BY DINEO KUMALO

On the 5th and 6th of June 2018, the Financial Management in collaboration with Security, Records and Facility Management unit conducted a compulsory briefing session for the cleaning and security services for the department. A total of 179 people attended the cleaning services session whilst 107 attended the security management session respectively.

The Bid issued will be evaluated in terms of the Public Finance Management Act 1 of 1999 (PFMA), the Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA), the Preferential Procurement Regulation, 2017 (PPR), Departmental SCM Policy, practice notes and guidelines issued by the National Treasury and the special conditions referred to hereunder.

In the Bidder's Technical response, the bidders were required to declare that they will among other things:

- Act honestly, fairly and with due skill, care and diligence, in the interests of the NCPT.



- Have and employ effectively the resources.
- Make adequate disclosures of relevant material information.
- Avoid fraudulent activities.
- Bidders proof of registration on CSD.
- Proof of existence of joint ventures which clearly indicates the roles and responsibilities of bidders in a signed agreement letter when they went into partnership and as SBD forms should be completed by each party.
- Signed SBD forms NCP 1,4 and 8 & 9

Typically a bid package should include:

- Central Supplier Database (CSD) reports and SARS pin number for tax compliance verification.
- BBBEE status documents which indicates that bidders are EME's with BBBEE level 1 status.

The cleaning services tender will run over a period of three (3) years for Upington, Kuruman and the two offices in Kimberley. The security tender will also run for 3 years at all six offices occupied in Kimberley and the regional offices.

ROAD MAP ESTABLISHED TO LEAD TO A STRONG AND ENGAGED CHIEF DIRECTORATE BY GALALETSANG MFEKANE

The Corporate Services Chief Directorate officials gathered at Kalahari Lodge for a two-day strategic planning session. The day began with participants highlighting their expectations as well as their memorable experience of good administration within Treasury. The Presentation of challenges and achievements within the chief directorate led to soul searching and serious debates where officials pledged to do things differently.



When setting the tone, the Acting HOD, Mr. Thami Mabija emphasized the importance of being professional and respecting the organizational rules, to strive to become specialists in the field of work so that they are able to speak with authority and be able to articulate Treasury's mandate with pride. He encouraged good working relations, teamwork and sharing of information to narrow the potential of for communication gaps.

Ms. Patience Raadt also made a presentation about the importance of contributing and complying with the Quarterly Performance Plan, Annual Performance Plan and Annual Report. Her concern was around delays and poor submission of content when needed which has resulted in the department not achieving maximum effectiveness.

It was indeed a step in the right direction, which involved officials from the various levels, which one can say in the end fostered teamwork and a sense of ownership.



Northern Cape Provincial Treasury

Summary of Budget Vote 8

The 2018/19 budget vote amounting to R302 million.

This budget is distributed as follows across the programmes:

- **Administration** has an allocation of **R100 million**
- **Sustainable Resource Management** has an allocation of **R68 million**. This includes an allocation for the Health Intervention Project and Data Cleansing Projects in municipalities.
- **Asset and Liabilities** has an allocation of **R59 million**. These funds include the capacitation of the supply chain and asset management units.
- **The Infrastructure Management** unit is allocated an additional amount of **R2.5 million** to support sustainable improvements in the quality of infrastructure delivery, operations and maintenance.
- **Financial Governance** has an allocation of **R36 million**. This budget has been allocated for the strengthening and development of accounting practices including the provision of support for MSCOA and assisting the departments with addressing irregular expenditure.
- **Internal Audit** has an allocation of **R37 million**. With this allocation, the unit will continue to ensure that Internal Audit and Audit Committees function effectively and are value adding partners to the province.

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THE OVERSIGHT TEAM STEP UP TO THE MUNICIPAL CHALLENGE

BY GALALETSANG MFEKANE

The Constitution of the Republic has made a provision, in terms of Section 154(1) for municipalities that are struggling to independently execute their mandates to get the provincial government support. The Municipal Support Directorate has since established the oversight forum to support and strengthen the capacity of municipalities to manage their own affairs, to execute their powers and to perform their functions.

The interventions range from supporting infrastructure planning and delivery, improving the liquidity and financial management, strengthening the governance and administrative processes and effectively responding to community needs.

Since its inception, the effectiveness of the forum has been seen firstly by the quality of the Annual Financial Statements and the increased number of municipalities with improved audit outcomes. The team has also gone beyond their scope of work to establish a Municipal Maturity Matrix Profile (MMMP) to assist with the early identification of municipalities with non-compliance and identifying gaps as an early warning mechanism within municipality's financial systems and processes. In line with the score chart on performance, the MMMP tool will for example show the average performance percentage of a municipality through grading and the possible support duration that should be planned to provide provincial intervention and support.

The forum members believe that even though the oversight intervention will continuously happen, change will not happen overnight, but change it will be visible over time.



The scoring of the municipality's performance will direct the team to where help is needed and will also give it a clear picture of what is their status, how to address their challenges and when to seek help.

In some municipalities, it is evident that the intervention of the oversight forum resulted in the significant improvement in their cash flow, creditors are being paid and the debt collection has improved. There are also noticeable challenges with infrastructure maintenance and repairs.

The oversight forum is comprising of the Chief Director Sustainable Resources, Mr. Gumbo, the PAG, Ms. Bosvark, CFO, Ms. Mojanaga, Assets and Liabilities Acting Chief Director, Mr. Vermeulen, Fiscal Policy Director, Ms. Magaguli, the Director Norms & Standards, Ms. Asiya, Accounting Services Director, Ms. Nortjie, PPP/Infrastructure, Mr. Wax, Risk Management, Mr. Ruiters and the MFMA Co-ordinator, Acting Director, Mr. Rahlano, supported by National Treasury MFIP Advisor, Mr. Nel.

MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS WORKSHOP

BY NONDUMISO ASIYA



On the 5th of June 2018 the Norms and Standards directorate held a *Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings Workshop* facilitated by National Treasury. The aim was to capacitate members serving on municipal disciplinary boards with the expectation that they will better execute their duties and exercise their functions in the most efficient and effective manner.

National and Provincial Treasuries deal with monitoring and compliance of key legislation, and as such the battle with financial mismanagement in the public sector still continues. Non-compliance of laws and the transgression

of policies and procedures has limited consequences thus the transgressors, at most times, still manage to get away unpunished.

The Regulation on Financial Misconduct and Criminal Proceedings is thus aimed at assisting municipalities to investigate all cases of financial misconduct and ensure that those found guilty of such offences, bare the consequences of their actions. The objective of the regulations is to set out processes and procedures that a municipality must follow when dealing with the allegations of financial misconduct.

A total of thirty-three officials from the Provincial Treasury participated in this capacity-building and empowering session.

Establishment of boards

Since the establishment of the regulations, twenty-four of the thirty municipalities in the Northern Cape have established financial misconduct disciplinary boards, however, the Provincial Treasury must still ensure that the remainder of the municipalities establish these boards. Members serving on such disciplinary board are appointed for 3 years and once this period elapses, there must be a re-appointment and this should be tabled to the municipal council for adoption. About seven treasury officials serve on these boards.

Misconduct procedures

If an Accounting Officer, Chief Financial Officer or any Senior Manager is implicated in any financial misconduct, this needs to be reported to the municipal council, National Treasury and the Provincial Treasury.

MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS WORKSHOP - CONTINUED

If an official is implicated, they should be reported to the Accounting Officer. The disciplinary board can only deal with cases up to the Accounting Officer because councillors can only be found guilty of financial offences and not financial misconduct.

All financial misconduct cases must be disclosed in the Annual Report and progress reported to the public. The 7 days referred to in the Regulation should be treated as seven calendar days. The reason for the suspension of an official is not to imply that the official is guilty, but rather to allow for the investigation to take place without any interference.

National Treasury is currently in communication with the Auditor General pertaining to the auditing of financial misconduct in municipalities. Municipalities should thus report cases of financial misconduct to the municipal councils who should then refer them to the disciplinary boards for investigations. National Treasury and Provincial Treasury can only intervene if the municipal council fails to do their duties – referring the financial misconduct to the disciplinary board for investigation.

Awareness Workshops

During August 2015 to July 2016, the Provincial Treasury embarked on awareness sessions regarding the Regulation on Financial Misconduct and Criminal Proceedings which was conducted at all thirty-one delegated municipalities (currently 30) in the Northern Cape and the invitation to municipalities was extended to all councillors. These workshops were aimed at raising awareness on chapter 15 of the Municipal Finance Management Act 56 of 2003 and to also improve the manner in which cases of financial misconduct are reported and dealt with in municipalities.

To date, only five (5) municipalities have reported cases of financial misconduct to the Provincial Treasury. The main challenge is that most municipalities that have established disciplinary boards in terms of the regulation are not functional. This training was thus focused on what Provincial Treasury officials serving on the disciplinary board could do in guiding the process from a Treasury perspective.

Recommendations emanating from the workshop:

- Municipalities must review and revise internal policies, procedures and processes to ensure alignment with the frameworks to address allegations of financial misconduct and disciplinary procedures effectively and efficiently, noting that the regulations became applicable from 1 July 2014,
- Municipalities must update their System of Delegations to ensure the assignment of responsibilities in municipalities and to make known the name of the “designated official” in their institutions,
- Municipalities must ensure that relevant information is published on a timely basis on progress and funds recovered from such processes,
- Accounting officers, with the support of the Provincial Treasury, will play a pivotal role in ensuring that the principles of good governance, transparency and accountability are enhanced within their municipalities,
- The regulations further provide for the disciplinary board to conduct a preliminary investigation into the allegation and if need be,

a full investigation be instituted to determine the merit of a specific allegation,

- The MFMA and MSA Regulations to be applied together with the protection afforded to whistle-blowers for effective implementation. Confidential reporting should thus adhere to the Protected Disclosures Amendment Act, 5 of 2017.



THE NCPT EXCO OUTREACH BY MASEGO MASILO

The MEC for Finance, Economic Development and Tourism, visited the ZF Mgcawu district on the 29-31 May 2018 as part of the Provincial EXCO outreach programme. During the outreach, several projects were delivered to beneficiaries by Members of the Executive Council as designed and executed by various departments.

The Exco outreach programme is intended to expose the leadership to the unbearable conditions that affects communities, to engage with and deliver on service delivery commitments identified in previous EXCO visits.

The Provincial Treasury refurbished the house belonging to Mr. Petrus Adams, an unemployed man in Kenhardt by painting, replacing of windows and doors and furnishing of the house.

Furthermore, a donation of R10 000 was handed over to the Souskyn Corporative – a corporative which produces affordable school uniform to previously disadvantaged schools in Louisvale, Upington and surrounding areas. The donation will assist in purchasing sewing material and other basic needs. The income generated from the project initiative will be utilised to expand the knowledge and the skills level of the seamstresses. Follow-up visits will be made to monitor progress of the project.



FINANCIAL MANAGEMENT STRIVES FOR BETTER PRODUCTIVITY

BY MATU LICHABA

Strategic planning is important to an organization because it provides a sense of direction and outlines measurable goals. The Financial Management team has deemed it important to have strategic planning sessions on a yearly basis to improve the way in which they deliver services to their clients.

This year's session was not different from the other fruitful sessions and has yielded outcomes that will positively affect the end-users within the department. The following resolutions were taken at the session:

- Travel and Accommodation
 - Effective means of communication to be created when dealing with emergency bookings.
 - Secretaries to be trained to capture requisitions for accommodation and flights. The Financial Governance Chief Directorate will be used to pilot the exercise.
 - Digital signatures of managers to be created for SLD's in order to facilitate easy submission in the absence of managers.
 - Managers to provide alternative/personal email addresses in order for suppliers to forward vouchers directly to them.
- Orders and Payments
 - Agreed turnaround time for payments is 13 days. Invoices with 20 days elapsed period needs to be processed urgently.
- Cell phone and Contract Management
 - A threshold will be allocated for cell phone accessories e.g. R500 and it should be included in the policy.

- Porting of cell phone numbers to be indicated in the requests.
- It is the responsibility of the end-user to write a submission to be reimbursed for cell phone accessories bought.
- SCOA Allocations
 - Knowledge sharing sessions for all to be arranged in order to have a clearer understanding on allocations.
 - Budget blocking to be implemented.

These resolutions were taken in order to improve the current working system and can therefore only make things easier for all parties involved to carry out their day to day duties effectively.



VULEKAMALI - ACCESSIBLE BUDGET FOR ALL

BY PATRICIA KOPANG & SIPHO MBINAKOMO



The former Finance Minister, Malusi Gigaba announced the launch of an online budget data portal named *Vulekamali* on 20th February 2018. *Vulekamali* a Zulu word roughly translated as ‘open the money’ is an online portal developed by IMALI Yethu in collaboration with National Treasury in an effort to make budget information and participation accessible, user-friendly and empowering.

A number of sessions were held where contributions were received from provincial and national representatives and other non-government stakeholders with an interest on public finance data. The development of this portal continues on National Treasury's commitment to transparency and participatory reforms. National Treasury publishes extensive budgetary information on its website, however it has been observed that the use of this data is not as extensive as it could be.

The portal is being developed in an incremental and modularised approach in order to allow for continuous engagements with stakeholders across all provinces. The user-friendly format of the data should enable more effective analysis and research, thereby supporting involvement by civil society and the public in the budget process.

The roles of the project champions are broadly as follows:

- To communicate the message that citizens can now access *Vulekamali*, a portal developed by National Treasury in partnership with IMALI YETHU to publish user-friendly budget-related information.
- To inform and educate South Africans about *Vulekamali* and how they can best utilize it.
- To provide guidance material allowing users to understand and utilise budget data effectively.
- To be an ongoing source of information about *Vulekamali* and data updates in the respective area of jurisdiction.
- To support National Treasury and civil society to convey feedback messages about *Vulekamali*.
- To promote fiscal transparency and participation in the budget process.

The project champions were provided with material to utilise as well as support them to communicate about the portal and function as communication nodes in the sense that they are highly networked individuals.

The champions have access to the *Vulekamali* online portal and Treasury-social Media pages - @treasury facebook page as tools of communication. Community information drives will be rolled out to all and awareness campaigns to all Treasury staff. Visits to youth centers or learning institutions to train the youth on how to use the portal and analyses of the budget data area are also lined up.

In view of the above all chief directorates are thus requested to make use of the opportunity to provide information and supportive documents in relation to the above background as when the need arise, by sending all the necessary inputs to the NC champs on the following email addresses pkopang@ncpg.gov.za and smbinakomo@ncpg.gov.za

To access the platform users can visit the *Vulekamali* website at <https://vulekamali.gov.za/2017-18/>

INFRASTRUCTURE PERFORMANCE MANAGEMENT OVERVIEW

BY ENZO WAX

The Infrastructure Performance Management Directorate was established in 2012 from formerly the Public Private Partnership (PPP) Unit within the Chief Directorate Assets and Liabilities. The unit has two focus areas namely Infrastructure Management as well as the facilitation of PPP projects at a Provincial and Local Government level. The rationale behind the establishment of the directorate is to provide advisory services for all projects that are registered in terms of Treasury Regulation 16, as well as ensure that infrastructure departments are compliant with the Public Finance Management Act (PFMA), the Division of Revenue Act (DoRA) as well as all related immovable asset management prescripts.



The Northern Cape Province adopted the Infrastructure Delivery Management Strategy (NC IDMS) in 2013 in a bid to standardize the approach to the delivery of infrastructure in terms of planning, delivery, operations and maintenance. Subsequent to the adoption of the NC IDMS, and the budget speech of former MEC John Block in 2015, the Provincial Treasury PPP directorate then aligned its strategic objectives herewith. This culminated in the reprioritization of activities to include the support to local government in terms of infrastructure delivery management methodologies.

In 2015, the National Treasury therefore introduced the Standard for Infrastructure Procurement and Delivery Management (SIPDM) as a catalyst to institutionalize the NC IDMS for both provincial and local government. The Provincial Treasury therefore reviewed the NC IDMS in 2016 to ensure alignment to the reforms in terms of SIPDM. To this end, the directorate adopted the National Treasury's generic structure for Provincial Treasuries (PTs) Infrastructure Units, and is therefore now known as the Infrastructure Performance Management Unit.

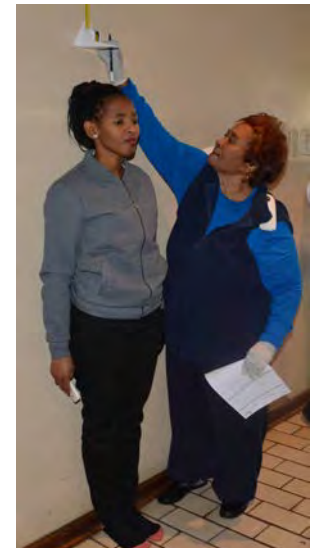
In line with the National Treasury generic structure for PTs Infrastructure Units, the Infrastructure Performance Management Unit will be further capacitated to achieve the national directives pertaining to efficient and effective infrastructure delivery within the province. The capacitation of the unit will be facilitated in the 2018 MTEF, with co-funding received from National Treasury.

EVENTS GALLERY

BUDGET VOTE SPEECH 2018



YOUTH DAY 2018



PROGRAMME 1 STRATEGIC PLANNING SESSIONS

