

MPUMALANGA PROVINCIAL GOVERNMENT

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Department of Finance Office of the HOD

Litiko LeteTimali	UmNgango weZeemali	Departement van Finansies	Kgoro ya Matlotlo
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Enquiries : Mr NM Madike
Ref No : DOF 12/3/5/2

PROVINCIAL TREASURY CIRCULAR NO. 19 OF 2014

TO:-

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (DR NONHLANHLA MKHIZE)
THE ACCOUNTING OFFICER (ACTING): VOTE 2: PROVINCIAL LEGISLATURE (MR JB SILINDA)
THE ACCOUNTING OFFICER: VOTE 3: FINANCE (MS NZ NKAMBA)
THE ACCOUNTING OFFICER: VOTE 4 (ACTING): COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MR. MNISI)
THE ACCOUNTING OFFICER (ACTING): VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS J BEZUIDENHOUT)
THE ACCOUNTING OFFICER: VOTE (ACTING) 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MR T MDAKANE)
THE ACCOUNTING OFFICER: VOTE 7: EDUCATION (MS MOC MHLABANE)
THE ACCOUNTING OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MR KM MOHLASEDI)
THE ACCOUNTING OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MR W MTHOMBOTH)
THE ACCOUNTING OFFICER (ACTING): VOTE 10: HEALTH (DR S MHANGI)
THE ACCOUNTING OFFICER: VOTE 11: CULTURE SPORT AND RECREATION (MS SP XULU)
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI)
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SM MTSWENI)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR KJ DLAMINI)
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)
THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 3: FINANCE (MS L MLAMBO)
THE CHIEF FINANCIAL OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR MD SHIPALANA)
THE CHIEF FINANCIAL OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MR C. DLAMINI)
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS JP HLATSHWAYO)
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR CB MNISI)
THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MS H. MDAKA)
THE CHIEF FINANCIAL OFFICER: VOTE 9: COMMUNITY SAFETY, SECURITY & LIAISON (MS S SEFALA)
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MR VS MAKHUBEDU)
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORT AND RECREATION (MR T NKOJOANA)
THE CHIEF FINANCIAL OFFICER (ACTING): VOTE 12: SOCIAL DEVELOPMENT (MR CM MALELE)
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENTS (MR SB MATSEBULA)

SUBMISSION OF FIRST DRAFT OF BUDGET DOCUMENTS (ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE FOR 2015 MTEF PERIOD)

In terms of Sections 5.1 of the Treasury Regulations, 2005 the accounting officer of an institution must prepare a plan that is consistent with the period covered by the Medium Term Expenditure Framework for approval by the executive authority.

Departments are required to submit the following budget documents to Provincial Treasury:

1. Database;
2. Estimates of Provincial Revenue & Expenditure;
3. Cost per head (inclusive of budgeted vacant post)

The following are the consumer price inflation assumptions for the 2015 MTEF planning process:

- 2015/16: 5.6 per cent
- 2016/17: 5.5 per cent
- 2017/18: 5.0 per cent

Departments are advised to add indicative funds to the last year of the new MTEF based on an inflation-related adjustment of 5.0 per cent on the recurrent baseline.

Compensation of Employees

Current projections for cost of living and other adjustments to payroll remuneration are:

Total Compensation of Employees' budget baseline ceiling for 2015/16, the cost of living adjustment in terms of the current wage bill agreement is CPI inflation plus 1 per cent. For 2015/16 and 2016/17 institutions should budget for a cost of living increase of CPI inflation.

The budget submission must be authorised by an endorsement letter signed by the Accounting Officer, which highlights important information taken into account in preparing the submission, confirms that the budget documents have been fully completed and that key performance indicators for departments have been agreed to with National Treasury and the national departments, where applicable. Importantly, this letter must also indicate that the relevant MEC has agreed to information contained in the budget submission.

You are requested to refer to the MTEF Guidelines for comprehensive guide on requirements on submission of complete budgets.

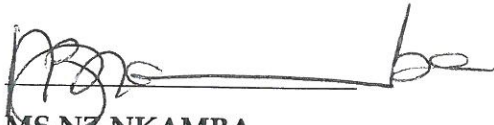
You are reminded that a submission that comes without an explanatory narrative and the endorsement letter will be considered as non-submission.

The MTEC database will be forwarded to you electronically and can also be collected from this office. The MTEF Guideline as well as the Provincial Budget Schedule are attached for your easy reference.

SUBMISSION DATE

All votes are requested to submit the 2015 MTEF budget document on or before the **31st July 2014**.

Your co-operation is appreciated.



MS NZ NKAMBA
HEAD OF DEPARTMENT

DATE 8/7/2014