

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance

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### TREASURY CIRCULAR NO. 24 OF 2010

THE ACCOUNTING OFFICER: VOTE 1: OFFICE OF THE PREMIER (MR JM RABODILA)  
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR RM MOROPA)  
THE ACCOUNTING OFFICER: VOTE 3: FINANCE (MR M MAZIBUKO)  
THE ACCOUNTING OFFICER: VOTE 4: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (MR D MAHLOBO)  
THE ACCOUNTING OFFICER: VOTE 5: AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION (MS NL SITHOLE)  
THE ACCOUNTING OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MR RS TSHUKUDU)  
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: SAFETY, SECURITY & LIAISON (MR IN KHOZA)  
THE ACCOUNTING OFFICER: VOTE 10: HEALTH (DR JJ MAHLANGU)  
THE ACCOUNTING OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MS SP MJWARA)  
THE ACCOUNTING OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS NL MLANGENI) (ACTING)  
THE ACCOUNTING OFFICER: VOTE 13: HUMAN SETTLEMENT (MR D DUBE)

THE CHIEF FINANCIAL OFFICER: VOTE 1: OFFICE OF THE PREMIER (MS P NGWENYA) (ACTING)

THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL LEGISLATURE (MR S SANYANE)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: FINANCE (MS P SEMENYA)  
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 (MS B LAWRENCE)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM (MS J HLATSHWAYO)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: EDUCATION (MR CB MNISI)  
THE CHIEF FINANCIAL OFFICER: VOTE 8: PUBLIC WORKS, ROADS & TRANSPORT (MS PN MOJAPELO)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: SAFETY, SECURITY & LIAISON (MR BH NGOMA)  
THE CHIEF FINANCIAL OFFICER: VOTE 10: HEALTH (MS G MILAZI) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 11: CULTURE SPORTS AND RECREATION (MR M KHOZA)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: SOCIAL DEVELOPMENT (MS P MORGAN) (ACTING)  
THE CHIEF FINANCIAL OFFICER: VOTE 13: HUMAN SETTLEMENT (MR CT DLAMINI)

## **MTEC BUDGET HEARINGS: 2011 MTEF**

### **PURPOSE**

The purpose of this circular, issued in terms of Treasury Regulation 6 which deals with budgeting and budget related matters in order to –

- a) Inform Accounting Officers of the meetings for the consideration of the 2011 MTEF budget submissions which are scheduled to take place on 28-30 September 2010.
- b) departure points, principles and process, and
- c) Provide Accounting Officers with the formats for submission of MTEC reports

### **BACKGROUND**

In order to work towards a coherent budget process, the Mpumalanga Provincial Treasury introduced Medium Term Expenditure Committee Hearings (MTEC Hearings) during 2006/07 financial year.

### **OBJECTIVES OF MTEC**

The objectives of MTEC are to:

- improve analysis of key policies,
- fully examine the extent of reprioritisation,
- evaluate realistic spending plans,
- focus on policy areas and concurrent functions,
- reach agreement with departments on revisions to their medium-term draft budgets,
- assist in deciding on allocations to departments, whether the funds should be increased or decreased,
- finalise recommendations for consideration and Executive Council approval,

The following are areas of policy significance that will be covered in the process:

- Whether the implementation of the agreed priorities that informed the preparation of the 2010/11 budget is on track from an implementation perspective. Key to this would be to determine whether the funding for these priorities is adequate in the first instance and subsequently whether the department will be confronted with any pressures in this regard;

MTEC Hearings will provide an opportunity to check whether the draft budget is appropriately responsive to national and provincial strategic priorities as articulated by the 12 national outcomes and provincial strategic objectives.

The engagements will also cover the progress that each department has made in responding to the socio-economic situation/challenges and service delivery environment within which it operates.

Discussions will also evaluate the impact of the department's spending on critical indicators relevant to the department,

- assessment of performance over the recent period (2009/10 outcome, MEC speech (where applicable), APP 2010/11,
- SOPA pronouncements and 5 months performance 2010/11);
- Factors impacting on performance;
- Plans to be implemented to improve the level of performance;
- Future plans to improve level of performance.
- Assessment of outputs at sub-programme level, assessment of key cost drivers/inputs in achieving outputs.
- Identification of areas of potential savings or non-performing programmes.
- Identification of gaps between policy formulation and policy implementation at national and provincial sphere.

It would be appreciated if your department could prepare a 60 minutes power point presentation covering the items indicated in the framework that accompanies this circular.

It will be appreciated if all departmental reports must be submitted on or before 21 September 2010. The framework for preparation for MTEC is attached hereto for ease of reference.

Your co-operation is highly appreciated.



MR M MAZIBUKO  
HEAD OF DEPARTMENT  
DATE 29/09/2010