

Reference number: RCS/C.5

Private Bag X9165
CAPE TOWN
8000

TREASURY CIRCULAR MUN NO. 2/2019

THE MAYOR, CITY OF CAPE TOWN: MR D PLATO
THE MAYOR, WEST COAST DISTRICT MUNICIPALITY: MR H CLEOPHAS
THE MAYOR, MATZIKAMA MUNICIPALITY: MR J VAN DER HOVEN
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
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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, SWELLEN DAM 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 M 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

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THE MUNICIPAL MANAGER, OVERSTRAND MUNICIPALITY: MR C GROENEWALD
THE MUNICIPAL MANAGER, CAPE AGULHAS MUNICIPALITY: MR D O'NEILL
THE MUNICIPAL MANAGER, SWELLEN DAM MUNICIPALITY: MR A GROENEWALD
THE MUNICIPAL MANAGER, GARDEN ROUTE DISTRICT MUNICIPALITY: MR M STRATU
THE MUNICIPAL MANAGER, KANNALAND MUNICIPALITY: MR R STEVENS
THE MUNICIPAL MANAGER, HESSEQUA MUNICIPALITY: MR J JACOBS
THE MUNICIPAL MANAGER, MOSSEL BAY MUNICIPALITY: ADV. M GILLOMEE

THE MUNICIPAL MANAGER, GEORGE MUNICIPALITY: MR T BOTHA
THE MUNICIPAL MANAGER, OUDTSHOORN MUNICIPALITY: MR A PAULSE
THE MUNICIPAL MANAGER, BITOU MUNICIPALITY: MR T SOMPANI (ACTING)
THE MUNICIPAL MANAGER, KNYSNA MUNICIPALITY: MR P HARIPARSAD (ACTING)
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THE CHIEF FINANCIAL OFFICER, CEDERBERG MUNICIPALITY: MR E ALFRED
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THE CHIEF FINANCIAL OFFICER, SWARTLAND MUNICIPALITY: MR M BOLTON
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THE CHIEF FINANCIAL OFFICER, OVERBERG DISTRICT MUNICIPALITY: MR C HOFFMANN (ACTING)
THE CHIEF FINANCIAL OFFICER, THEEWATERSKLOOF MUNICIPALITY: MR D LOUW
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THE CHIEF FINANCIAL OFFICER, HESSEQUA MUNICIPALITY: MS HJ VILJOEN
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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
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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

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THE HEAD OF SCM, BREEDE VALLEY MUNICIPALITY: MR M POTGIETER
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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
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THE HEAD OF SCM, OUDTSHOORN MUNICIPALITY: MR JC LADOUCE
THE HEAD OF SCM, BITOU MUNICIPALITY: MR P PETERS
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THE HEAD OF SCM, BEAUFORT WEST MUNICIPALITY: MRS SA POTHBERG

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THE DEPUTY DIRECTOR-GENERAL: GOVERNANCE AND ASSET MANAGEMENT (MR IG SMITH) (ACTING)
THE CHIEF DIRECTOR: PUBLIC POLICY SERVICES (VACANT)
THE CHIEF DIRECTOR: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)
THE CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE (VACANT)
THE CHIEF DIRECTOR: ASSET MANAGEMENT (MS N EBRAHIM) (ACTING)

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 THE CHIEF FINANCIAL OFFICER (MS A SMIT)
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (ADV. E PRETORIUS)
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 THE DIRECTOR: INFRASTRUCTURE (MR K LANGENHOVEN)
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 THE DIRECTOR: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)
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 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)

EXECUTIVE CONTRACT MANAGEMENT TRAINING PROGRAMME FOR SENIOR MANAGEMENT OFFICIALS FOR THE 2018/19 FINANCIAL YEAR

1. PURPOSE

- 1.1 To inform municipalities and municipal entities regarding the roll out of the Executive Programme on SCM Contract Management scheduled for the 2018/19 Financial Year.
- 1.2 The Provincial Treasury Local Government Supply Chain Management (PT: LG SCM) is hereby extending an invitation to all the municipalities to participate in the SCM training to be conducted by the School of Public Leadership (SPL), from the University of Stellenbosch.
- 1.3 The training will provide value based comprehensive Supply Chain Management training and will demonstrate practical application of Contract Management functions and activities in areas where the municipalities are unable to practically apply and implement these SCM contract management areas and activities.
- 1.4 **The Executive Programme on Contract Management was developed with the sole purpose of capacitating MMs, CFOs and Senior Management in order to give effect to section 116 of the MFMA.**
- 1.5 The training program is aimed at good contract management which is essential for good financial management that will contribute greatly to the effectiveness and efficiency of service delivery. The programme aims to provide Senior Management with the tools to improve contract management which will lead to the following:
 - **Increased awareness of all forms of contracts** and their implications;
 - **Identifying non-performing suppliers**, buyers and other stakeholders who are either performance managed or replaced;
 - **Development of strategic supplier**, buyer and other stakeholder relationships with a view to **improving service delivery** and reducing costs; and
 - **Better value for money** achieved in the acquisition and sales of goods and services.

- Savings generated through improved contract management may be reallocated to **reduce cost of services** or provide additional services; and
- Contribute to the **elimination of service delivery backlogs**.

1.6 To request municipalities and municipal entities to submit at least **one (1) representative** per municipality, who will attend the Executive Programme for Contract Management. The aim is to capacitate senior management officials.

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 their capacity for efficient, effective and transparent financial management.

2.2 In relation to the above, the Provincial Treasury Local Government Supply Chain Management (PT: LG SCM) is mandated to provide support and training to the municipalities in the Western Cape on the regulatory framework that governs Supply Chain Management.

2.3 To bring to affect the above obligation it is required that PT: LG SCM as an endeavour build Supply Chain Management capacity at municipalities with the Western Cape Province.

3. FORMAT OF THE SCM CONTRACT MANAGEMENT TRAINING

3.1 The School of Public Leadership registered the training as a short course programme with the University of Stellenbosch. A Certificate of competence will only be issued if those attending the course completed the course successfully and a formal process of assessment, as determined by the academic requirements, was completed.

3.2 Furthermore, the Provincial Treasury request that **all nominated participants must register with the on-line link** that will be provided to them before the training session commence.

3.3 It is a requirement from the University of Stellenbosch that If a participant do not register for the course and submit an assignment he/she will not be issued with a certificate. The SCM Contract Management training is **at a NQ Level 6 with 12 Credits**.

3.4 Municipalities should take cognisance of the fact that the rendering of the course is costly to PT: LGSCM Directorate. We therefore request that the municipalities should ensure that attendees attend the course and **any non-attendance will result in fruitless and wasteful expenditure of which should be accounted for**.

3.5 The training will be roll out over a period of **three (3) days** and will involve all the Senior Management officials who is part and partial of the decision-making powers in the Municipality.

4. LOGISTICS

4.1 The training session for the municipalities will be rolled – out during the month of March 2019 in the following manner:

- Training Session will be for the period **4 - 6 March 2019**, venue will be confirmed in due course.

5. REQUEST

5.1 The Accounting Officers are hereby requested to disseminate the content of this Circular to the attention of all relevant officials within their institutions.

- 5.2 The Provincial Treasury: LGSCM Directorate will require attendance for the above-mentioned training session. **It can be either one of these managers which are actively involved in the SCM Contract Management environment and can make sound financial management decisions:**
- Accounting Officers;
 - Chief Financial Officer;
 - SCM Manager/Contract Manager;
 - Technical Manager or Senior Management; and or
 - Legal Advisor.
- 5.3 During the development of the training material, the target audience was identified as the overriding factor to the success of the Training Programme therefore the attendance of the above-mentioned participants is of paramount importance because of their decision-making powers.
- 5.4 In addition, the municipalities are requested to forward the following information of the officials that will be attending the training session:
- Title; Name;
 - Surname;
 - Designation at municipality;
 - ID Number;
 - E-mail Address;
 - Cellphone Number; and
 - Office Number.
- 5.5 A further request for the Municipality to take cognisance of is the fact that the traveling and accommodation arrangements is for the account of the Municipality.
- 5.6 It will be highly appreciated if these details are submitted to our offices by no later than **Monday, 11 February 2019.**
- 5.7 All nominations must be communicated to the training and capacitation: Ms Mariam Abrahams at Mariam.Abrahams@westerncape.gov.za or at Tel: **021 483-8722.**
- 5.8 Any enquiries in this regard may be directed to **Ms Letitia Sallies at 483 3180.**

Your co-operation will be highly appreciated.



MR RODNEY MOOLMAN
DIRECTOR: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT
PROVINCIAL TREASURY
DATE: 1 February 2019