



# KWAZULU-NATAL PROVINCE

TREASURY  
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HON. NOMUSA DUBE - NCUBE  
MEC: FINANCE

# E-DIALOGUE



## THEME: CELEBRATING SERVICE EXCELLENCE

The population numbers per province is one of the determining factors for provincial allocations.

KWAZULU-NATAL PROVINCE  
TREASURY  
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# CENSUS 2022

IS UPON US



*KZN wants everyone counted so that we get what is due to us rightfully.*



HON. NOMUSA DUBE-NCUBE  
MEC FOR FINANCE

## SHOW UP AND BE COUNTED!

## MEC DUBE-NCUBE PARTNERS WITH MTN AND TSOGO SUN TO HONOUR STALWARTS OF THE PUBLIC SERVICE



MEC Nomusa Dube-Ncube addressing Treasury employees and guests during the Long Service awards ceremony.



Mrs Zolile Scott-Gumede, MTN Regional Public Sector Sales Manager gives a message of support at the ceremony.

In appreciating the role played by seasoned personnel in the public service and celebrating KZN Treasury's recent attainment of its 13th consecutive clean audit, MEC Nomusa Dube-Ncube emphasized the significance of honesty, integrity and dedication to the service of communities.

"The 27 strong cohort receiving their awards today boasts a combined 430 years of experience among them. These are some of the brains that keep KZN Treasury in a healthy position with rare skills and experience. We are mindful of what Madiba taught us which has been the guiding light of some of our colleagues here today. Their staying power in the Department gives testimony of a life well-lived in the service of our people," she said.

She further said as public servants, we are called to make a difference in people's lives and to ensure that their dreams, aspirations and prospects are realized.

MTN Regional Public Sector Sales Manager, Zolile Scott-Gumede, said the clean audits that KZN Treasury has achieved is an example of commitment to good governance principles and the willingness to excel in service delivery.

"As MTN SA, we are proud to be associated with good governance and commitment to ensuring change in people's lives," said Zolile Scott-Gumede.

The 27 KZN Treasury stalwarts received, in appreciation of their dedication to the cause of service delivery, note books, personalized clocks, weekend away vouchers and various hampers courtesy of MTN and Tsogo Sun.

# MEC DUBE-NCUBE PARTNERS WITH MTN AND TSOGO SUN TO HONOUR STALWARTS OF THE PUBLIC SERVICE



Longest serving members of KZN Treasury - 40 years to be specific! Seen receiving their awards/certificates including a two night stay at Tsogo Sun Golden Horses Casino are Mr Herbert Ngcobo and Mr Frek Pretorius.

*"Serving in the public office for 40 years is something I'll always hold dear in my life. It involves sacrifices, devotion, dedication, and being proud that one is making a contribution with regard to government service to the people. Being a state employee is a calling whereby you have to give your all to your employer – with a question 'what can I do for my government?' Hopefully, the initiatives taken by our Honourable MEC in regard to the Long Service Awards recognition will go a long way in making employees more committed to working for this Department in particular and the Public Service as a whole. For that, I will forever remain indebted to the KZN Provincial Treasury"*  
 - Mr. Herbet Ngcobo, 40 years of service.



MEC Nomusa Dube-Ncube and AHOD, Mrs Neli Shezi at the Strategic Session.



Mr Santanu Moodley presenting at the strategic session.



Mrs Madhavi Bhaw and Mr. Thabani Ndllovu presenting at the strategic session.



KZN Treasury, after reflection and review of its strategic vision, is poised to jerk up its focus and become more responsive to the needs of communities through enhanced support to departments, public entities and municipalities.

MEC for Finance, Nomusa Dube-Ncube, has emphasised the need to ensure improved and impact-based performance of the Department in respect of the legislative role it plays in the KwaZulu-Natal Provincial Administration.

"There is a room for us as KZN Treasury to play a more visible and effective role as defined by relevant legislations that govern our mandate. Coming out of our strategic planning review, we are determined to take advantage of technology-based systems to improve our performance and operation as a department," said MEC.

MEC Dube-Ncube said there is a need to improve our work every year and show something new that we did not do the previous year.



The strategic planning review was about looking back and realise the weaknesses that KZN Treasury may have had and solutions to them as well as a new approach to ensure that work is improved and new innovations are found. MEC Dube-Ncube emphasised that the need to check the extent to which technology can be better used to improve the work of supporting departments, public entities and municipalities.

“We need to look at how do we sharpen our axe. How should we be complementing one another in order for us to achieve what we need to achieve. We also need to work on becoming more externally focused as opposed to internally focused. We have Batho Pele principles which guide us on how we need to prioritise people. These principles teach us that being in government is not about us, but about people, hence the need to see how we can really ensure that we sharpen our external focus,” she said.

The two-day session imbued confidence and renewed energy to management to challenge themselves to perform even better than the previous years.

## MEC DUBE-NCUBE DURING THE LEGISLATURE'S SCHOOL FUNCTIONALITY OUTREACH IN UTHUKELA DISTRICT



MEC Nomusa Dube-Ncube and MPL, Siboniso Duma, address stakeholders during the school monitoring programme in UThukela District.



MEC Dube-Ncube is the MEC Champion for uThukela District. She is seen with various stakeholders including teacher unions, and the School Governing Body.



MEC Nomusa Dube-Ncube in her capacity as the uThukela District Champion and MPL S.Duma visited Mpumelelo High School in Loskop near Estcourt under Inkosi Langalibalele LM.

MEC Dube-Ncube was in the district as part of the KZN Legislature annual School Functionality Monitoring Programme which assesses academic year readiness and look into challenges facing the schools.

Briefly addressing the learners, the MEC encouraged the matriculants to focus on their school work stating that: "There is a great life ahead of you, for now, focus on your studies, we want to visit the school to celebrate a 100% pass mark."

She further said: "You have a supportive school principal, use this opportunity wisely because before you know it, you will be sitting in your final exams. We understand that there may be challenges that you may face but we pledge our support as the provincial government working with the Education District and the School Governing body to resolve some of the challenges faced by the school."

The visit was also attended by various stakeholders including teacher unions, School Governing Body, and the Department of Education.



**Premier, Mr. Sihle Zikalala and MEC Nomusa Dube-Ncube during the Provincial Government Lekgotla.**

The KZN Premier, Mr. Sihle Zikalala opened the first Provincial Government Lekgotla of 2022. The Lekgotla is held in order to plan forward into the financial year and the legislative session which is unfolding over the year 2022/23.

The Lekgotla is attended by members of the Executive Council; district mayors and mayors; members and representatives of SALGA; the Director General; Heads of Departments; board members and CEOs of State-Owned Entities; senior management of the departments; as well as representatives of all key stakeholders.

In his opening remarks, Premier Zikalala said that the gathering was to devise and consolidate a fresh programme of government which addresses the legitimate expectations of the people of South Africa and KwaZulu-Natal in particular.

"As we look forward, we must also look backwards in order to see where we are going, on the basis of how we have performed in the past. In this regard, we acknowledge that as part of the Sixth Administration we have entered the midpoint with roughly half of the five-year term already behind us."

The Premier further said that the Lekgotla should draw a clear programme that places the people of KwaZulu-Natal at the centre of service delivery.

"We should emerge with a programme that addresses the triple challenges of unemployment, poverty and inequality. After three days we should be better prepared to address the pressing provincial priorities of water provision, jobs and crime."

### **The Lekgotla Programme of Action:**

- The state remains squarely at the centre of driving the revolutionary agenda of Radical Economic Transformation of KwaZulu Natal. This means that government at all levels must actively pursue the goals of the National Development Plan, the Provincial Growth and Development Plan and our various Integrated Development Plans;
- Attend to the delivery of the basic services of Water, Sanitation, Electricity and Housing;
- Respond decisively to the demands of the people of KZN for Safer Communities and for Access to Economic Opportunities and Sustainable Employment;
- Intensify the building of a truly capable and developmental state which is a viable instrument that serves the interest of the people of KZN;
- Kickstart a programmatic ongoing stakeholder engagement and communication programme which constantly communicates with the citizens to avoid misinformation which often leads to destructive social unrest; be in touch with communities updating them about government programmes but also being frank about the challenges.
- The challenges of incompetency, lack of discipline, accountability and consequence management are areas will not merely be spoken about, but will collectively acted on them.

*"The President reminded us that even as we face steep and daunting challenges, like we have done in the past, we will overcome. To do so, we need to strike a critical balance between saving lives and livelihoods, while supporting inclusive growth. This budget presents this balance." These were the opening remarks by the Minister of Finance, Mr. Enoch Godongwane when he tabled his maiden budget before Parliament.*

### o The fiscal outlook

Our debt burden remains a matter of serious concern. This year, government debt has reached R4.3 trillion and is projected to rise to R5.4 trillion over the medium-term. This huge sum is owed to lenders domestically and around the world!

### o Risks to the fiscal framework

Though the fiscal outlook has improved, it is subject to significant risks.

These include:

- Slowing global and domestic economic growth; Calls for a permanent increase in social protection that exceed available resources.
- Pressures from the public service wage bill; and
- Continued requests for financial support from financially distressed state owned companies.

### o Supporting economic reconstruction and recovery

Only through sustained economic growth can South Africa create enough jobs to reduce poverty and inequality; enabling us to reach our goal of a better life for all.

The Economic Reconstruction and Recovery Programme remains essential to growth. We are accelerating the implementation of critical structural reforms contained in the ERRP in particular, in electricity, rail, ports and telecommunications.

### o Infrastructure

The National Treasury will be implementing the results of a recently completed review of the Public-Private Partnerships framework.

National Treasury will create a centre-of-excellence for PPPs and other blended finance projects. This centre-of-excellence will be established with direct Treasury oversight. It will be a direct interface with private financial institutions for investments in critical government infrastructure programmes.

In October, the Minister will table amendments, through the 2022 Division of Revenue Amendment Bill, to enable provinces to pledge their infrastructure grants to leverage more financing to fast-track the rollout of infrastructure.

A provisional allocation is set aside in this Budget for R17.5 billion over the MTEF for infrastructure catalytic projects. Value for money and quality of delivery is the top priority in the development of the project pipeline.

### o Bounce-back scheme to support SMEs

To support businesses in distress owing to the Covid-19 pandemic, a new business bounce-back scheme will be launched, using two mechanisms which will be introduced sequentially:

- Small business loan guarantees of R15 billion will be facilitated through participating banks and development finance institutions. This allows access for qualifying non-bank small and medium loan providers. Government will partner with loan providers by underwriting the first 20% of losses for banks and other eligible small and medium loan providers. The eligibility criteria, including the requirement for collateral, has been loosened.
- Introduce a business equity-linked loan guarantee support mechanism.
- Bring the total support package through the bounce-back scheme to R20 billion. The equity support mechanism of this scheme will be facilitated through DFIs. It will also be available to qualifying non-bank small and medium finance providers.

### o Public employment

- R76 billion is allocated for job creation programmes. An additional R18.4 billion is made available for the Presidential Employment Initiative.

### o Tax proposals

- This Budget includes R5.2 billion in tax relief to help support the economic recovery, provide some respite from fuel tax increases, and boost incentives for youth employment.

### o Personal Income Tax

- The personal income tax brackets and rebates will be adjusted by 4.5 percent, in line with inflation.
- The annual tax-free threshold for a person under the age of 65, will increase from R87 300 to R91 250.
- Medical tax credits will increase from R332 to R347 per month for the first two members, and from R224 to R234 per month for additional members.

### o Employment tax incentive

- The employment tax incentive will be expanded through a 50 per cent increase in the maximum monthly value to R1 500.

### o Corporate Income Tax

- The corporate income tax rate will be reduced from 28 per cent to 27 per cent, for companies with years of assessment ending on or after 31 March 2023. This will be complemented by base-broadening measures to ensure that there is no negative impact on revenue.

### o Corporate Income Tax

Regulation 28 of the Pension Funds Act sets out the criteria through which these funds may make investments. Changes have been proposed to these regulations to enable greater investment in infrastructure by these funds. Government has also proposed a fundamental restructuring of the retirement system for individuals to allow for greater preservation and partial access to funds through a "two-pot" system.

Part of this proposal includes the possibility of short-term access, which would be dependent on the approval by trustees of each fund.



KZN MEC for Finance and Leader of Government Business, Hon. Nomusa Dube-Ncube attended the State of The Province Address (SOPA) at the Royal Show-Grounds recently. The ceremony was officially opened by the KwaZulu-Natal Premier, Mr. Sihle Zikalala where he delivered the SOPA address at the sitting of the Sixth Provincial Legislature.

The Premier said that the State of the Province address presents an account of the work that have been done by the Provincial Government since 2021 and to further outline the key priorities for this year.

These priorities are:

- **Provision of Basic Services -immediate challenge being water;**
- **Job Creation;**
- **Growing the Economy;**
- **Growing SMMEs and Cooperatives;**
- **Education and Skills Development;**
- **Human Settlements and Sustainable Livelihoods;**
- **Build a Peaceful Province;**
- **Build a Caring and Incorruptible Government.**

## ADVISORY NOTE: PREFERENTIAL PROCUREMENT REGULATIONS, 2017 – MINISTER OF FINANCE V AFRIBUSINESS NPC [2022] ZACC 4

1. I refer my communication of 25 February 2022 informing organs of state that the Minister will, on an urgent basis, seek confirmation from the Constitutional Court that the invalidity of the Preferential Procurement Regulations, 2017 (the 2017 Regulations), has been and continues to be suspended for a period of 12 months.
2. Please note that the communication of 25 February 2022 is an advisory note in response to the numerous requests for guidance regarding how to deal with implications of the Constitutional Court Judgement. Please further note that the advice referred to it in that communication excludes procurement with a Rand value of less than 30 000 obtained through price quotations and petty cash.
3. According to section 217(2) of the constitution, read with section 2 of the Preferential Procurement Policy Framework Act, 2000 (PPPFA), organs of state must determine a Preferential Procurement Policy. This policy and procurement decisions must be made by an accounting officer/authority in line with the framework set out in section 2 of the PPPFA and other applicable legislation.
4. The PPPFA requires that the threshold amounts in which the 80/20 and 90/10 preference point systems must be utilised, together with the formula to be applied, must be prescribed by regulations, in terms of section 2(1)(b) and (c). Such regulations are necessary for organs of state to implement their preferential procurement policies.
5. National Treasury is preparing new draft regulations in terms of Preferential Procurement Policy Framework Act, 2000(Act), to be published for comment in the week of 7 March 2022. The draft regulations will provide for amounts and the formula must be prescribed by regulations in terms of section 2(1)(b) and (c) of the act and any other matter that may be necessary or expedient to prescribe in order to achieve the objects of the Act.
6. Until new regulations take effect or the Constitutional Court's clarity on the suspension of the invalidity of the 2017 Regulations is provided, whichever occurs first, an organ of state may, in terms of section 3(c) of the Act, request an exemption from the provisions of the Act for a specific procurement or category of procurement requirements. Such requests should be limited to procurement requirements that cannot await the new regulations or the Constitutional Courts guidance.
7. The papers for seeking Constitutional Courts clarity are being finalised and organs of state will be advised once these are filed, and of further developments.

**DONDO MAGOJANE**  
**DIRECTOR-GENERAL**  
**DATE:03 March 2022**

### MEC DUBE-NCUBE MEETING WITH THE AUDITOR-GENERAL'S OFFICIALS



**KZN Finance MEC Nomusa Dube-Ncube joined by AHOD, Ms Neli Shezi with officials from the Auditor-General as they presented 2020/1 preliminary audit outcomes for KZN municipalities (KwaZulu-Natal Audit Outcomes - MFMA 2020-21).**



**Fresh from University, Provincial Treasury Interns: The Health and Wellness Unit provides regular support to the young staff members.**

Mental health issues have come to the spotlight in recent years since the COVID-19 pandemic started. The following article contains support tips on how to cope with mental health in the workplace.

### **Creating a healthy workplace.**

An important element of achieving a healthy workplace is the development of governmental legislation, strategies and policies as highlighted by the European Union Compass work in this area. A healthy workplace can be described as one where workers and managers actively contribute to the working environment by promoting and protecting the health, safety and well-being of all employees.

### **Protect mental health by reducing work-related risk factors.**

Promote mental health by developing the positive aspects of work and the strengths of employees.

Address mental health problems regardless of cause.

Building on this, a guide from the World Economic Forum highlights steps organizations can take to create a healthy workplace, including:

Awareness of the workplace environment and how it can be adapted to promote better mental health for different employees.

Learning from the motivations of organizational leaders and employees who have taken action.

Not reinventing wheels by being aware of what other companies who have taken action have done.

Understanding the opportunities and needs of individual employees, in helping to develop better policies for workplace mental health.

Awareness of sources of support and where people can find help.

### **Interventions and good practices that protect and promote mental health in the workplace include:**

Implementation and enforcement of health and safety policies and practices, including identification of distress, Harmful use of psychoactive substances and illness and providing resources to manage them;

Informing staff that support is available;

Involving employees in decision-making, conveying a feeling of control and participation; organizational practices that support a healthy work-life balance;

Programmes for career development of employees; and

Recognizing and rewarding the contribution of employees.

Mental health interventions should be delivered as part of an integrated health and well-being strategy that covers prevention, early identification, support and rehabilitation. Occupational health services or professionals may support organizations in implementing these interventions where they are available, but even when they are not, a number of changes can be made that may protect and promote mental health. Key to success is involving stakeholders and staff at all levels when providing protection, promotion and support interventions and when monitoring their effectiveness.

### **Supporting people with mental disorders at work**

Organizations have a responsibility to support individuals with mental disorders in either continuing or returning to work. Research shows that unemployment, particularly long term unemployment, can have a detrimental impact on mental health. Many of the initiatives outlined above may help individuals with mental disorders. In particular, flexible hours, job-redesign, addressing negative workplace dynamics, and supportive and confidential communication with management can help people with mental disorders continue to or return to work.

Access to evidence-based treatments has been shown to be beneficial for depression and other mental disorders. Because of the stigma associated with mental disorders, employers need to ensure that individuals feel supported and able to ask for support in continuing with or returning to work and are provided with the necessary resources to do their job.

### 1. MAKE PAYING YOURSELF A PRIORITY

This is probably the best tip for saving money. You need to pay yourself first when you get your salary or wage. Aim to save at least 10% of your earnings before tax.

A good way to automate the process is to set up a direct debit so that a certain amount of money is paid directly into your separate savings account at the start of every month.

### 2. START TRACKING YOUR SPENDING HABITS

Start by noting how much you spend daily and analyse your debit orders to determine your current spending habits. Then decide which of your expenses are needs (necessary) and which are wants or luxury expenses. Remember, your needs come first. If there is extra money after paying all your needs and saving a given amount, you can spend on your wants.

### 3. REVIEW MEDICAL AID, INSURANCE POLICIES, AND BANK CHARGES

Now that you have analysed all of your debit orders, set aside those debits and expenses related to insurance policies, medical aid, and bank charges. You may be able to save thousands of rands just by reviewing these expenses annually. Remember; however, certain policies are a must, such as your life insurance cover, medical aid cover, and your retirement plan. Do not cancel these policies; rather investigate what you are paying and speak to your financial advisor about better rates or options that suit your budget.

### 4. REDUCE YOUR PHONE ACCOUNT

Reducing an unnecessary and expensive mobile contract could save you hundreds a month. Be smart with your data usage too. Switch off or remove any background apps that drain data without you knowing.

### 5. REDUCE YOUR VEHICLE EXPENSES

Regular car maintenance ensures your car lasts longer and will help you avoid any major costs in the years ahead. Presently, South Africans spend more of their salaries on petrol than most other nationalities. So, while you ensure your car's regular maintenance, keep an eye on reducing your fuel.

### 6. MANAGE YOUR GROCERY SPENDING

Limiting the number of shopping trips will help you avoid temptations and unnecessary spending. Be mindful of specials too, while you can save money, they also encourage impulse buying.

### 7. MINIMISE YOUR SPEND ON ELECTRICITY

Eskom's electricity prices increased by approximately 460% between 2007 and 2020, bearing in mind this does not account for inflation. However, even with inflation factored in, the increase in electricity tariffs for that period was 180%.

### 8. PAY OFF CREDIT CARD DEBT

Organise your cards by interest rates, from highest to lowest. Pay off the card with the highest interest rate first. Pay as much as you possibly can every month. If you can pay more than the minimum amount, you will quickly reduce the interest owed.

### 9. SWITCH TO A HEALTHIER LIFESTYLE

Bad habits are expensive. Sin tax is called sin tax for a reason. For example, a single pack of cigarettes can cost as much as R53 for a well-known brand. Now imagine your monthly expense if you smoke a pack a day at that price. It is roughly R1,590 a month and R19,080 a year. That is a huge saving if you can stop smoking.

The same can be said for the consumption of alcohol. If you can limit your drinking habits, then the money you save can go towards paying other expenses.

### 10. IF YOU HAVE A HOME LOAN - PAY IN EXTRA

Paying in a few hundred rands extra every month towards your home loan can:

Reduce your total interest significantly.

Shorten your home loan period.

Source: <https://www.wallstreetfs.co.za/newsandlifeinsurance/2021/7/22/top-12-tips-for-saving-money-in-south-africa-in-2021>

## GALLERY: LONG SERVICE AWARDS



# GALLERY: LONG SERVICE AWARDS

