GOVERNMENT NOTICE NO. 23

PUBLIC FINANCE MANAGEMENT ACT
(No. 4 of 2022)

PUBLIC FINANCE MANAGEMENT (ZOMBA MENTAL HOSPITAL TREASURY FUND) ORDER, 2022

IN EXERCISE of the powers conferred by section 44 of the Public Finance Management Act, I, SOSTEN ALFRED GWENGWE, Minister of Finance and Economic Affairs, on the written recommendation of the Secretary to the Treasury, make the following Order—

Citation and commencement

1. This Order may be cited as the Public Finance Management (Zomba Mental Hospital Treasury Fund) Order, 2022, and shall be deemed to have come into operation on 1st April, 2022.

Charge for provision of services

2. Zomba Mental Hospital may charge user fees on such services and at such rates as the Secretary responsible for Health may approve.

Establishment and object of the Fund

3. There is hereby established the Zomba Mental Hospital Treasury Fund (hereinafter referred to as the "Fund") whose objective is to enhance the capacity of Zomba Mental Hospital to deliver efficient and effective health services.

Purpose of the Fund

4. The Fund shall be used solely for the purpose of financing health services, administrative services and other support services at Zomba Mental Hospital.

Capital of the Fund

5. The Fund shall consist of moneys received for purposes of the Fund, including moneys—

(*a*) appropriated to Zomba Mental Hospital by the Parliament, from time to time;

(*b*) received as gifts or grants; and

(*c*) collected by Zomba Mental Hospital as hospital user fees.

Responsibility for the Fund

6. The Hospital Director shall be responsible for administration and accountability of the Fund.

Fund Advisory Committee

7.—(1) The Principal Secretary responsible for Health shall appoint a Fund Advisory Committee consisting of five members with various professional backgrounds which shall—

(*a*) advise the Hospital Director on—

(i) formulation of annual estimates;

(ii) implementation of the annual budget; o

(iii) collection of user fees; and

(*b*) provide financial oversight of the Fund.

Annual estimates

8.—(1) The Hospital Director shall, not later than 31st December in each financial year, submit annual Estimates of income and expenditure of the Fund for the subsequent financial year to the Secretary to the Treasury, for approval.

(2) The Secretary to the Treasury shall approve, in writing, the annual Estimates of income and expenditure of the Fund submitted in accordance with subparagraph (1).

(3) Estimates approved under subparagraph (2) shall not be varied without prior written approval of the Secretary to the Treasury.

Expenditure

9.—(1) The Hospital Director shall ensure that all payments are made in compliance with relevant written laws and Government policies.

(2) All payments in excess of fifty million Kwacha, shall be made upon prior approval of the Secretary to the Treasury.

Borrowing

10. The Hospital Director shall not raise money for the purpose of the Fund by means of overdraft or loan without prior approval of the Minister of Finance.

Financial records, reports and audit

11.—(1) The Hospital Director shall—

(*a*) cause to be maintained books and records of accounts of the income and expenditure of the Fund in accordance with Treasury instructions; and

(*b*) comply with financial reporting obligations as prescribed by Treasury instructions.

(2) The Fund shall be audited by the Auditor General annually in accordance with the Public Audit Act.

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Surpluses and deficiencies

12.—(1) When submitting the annual Estimates in accordance with paragraph 8, the Hospital Director shall submit proposals for dealing with any annual financial surplus or deficiency.

(2) The Hospital Director shall comply with directions of the Secretary to the Treasury on surpluses or deficiencies.

Remittances to the Consolidated Fund

13. The Hospital Director shall, every month, remit five per cent of its revenue to the Consolidated Fund.

Annual performance reports

14. The Hospital Director shall no later than 31st May each year, submit to the Secretary to the Treasury and the Secretary responsible for Health an annual performance report in a form as may be prescribed by Treasury Instructions.

Duration of the Fund

15. The Fund shall take effect on 1st April, 2022, and expire on 31st March, 2025.

Dated this 22nd day of June, 2022.

S. A. GWENGWE
Minister of Finance and Economic Affairs

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