

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1420 [NW1791E]

1420. Ms H Ismail (DA) to ask the Minister of Finance:

- (1) What total amount was allocated to each municipality from the Disaster Management budget;
- (2) (a) what total amount was spent in each municipality in each department, (b) were there any guidelines on how the budget was meant to be spent and (c) what are the details of each line item expenditure?

NW1791E

REPLY:

- (1) It is not clear what the “Disaster Management budget” being referred to is. In the last quarter of the 2019/20 financial year, a total of R150.2 million was transferred to municipalities from the Municipal Disaster Relief Grant (the amount per municipality is shown in Annexure A). In addition to this, an amount of R4 billion was reprioritised for disaster response within other conditional grants already transferred to municipalities in the 2019/20 financial year. This information is also described on page 20 of the Supplementary Budget Review tabled on the 24th June 2020.

In the 2020/21 financial year, funds are made available to municipalities to respond to the COVID-19 pandemic through an addition of R11 billion to the local government Equitable Share, and an estimated R9 billion is available to be spent on COVID-19 response activities within conditional grants. Details of this are set out in the Division of Revenue Amendment Bill, 2020, tabled on the 24th June 2020.

- (2)(a) The 2019/20 financial year only ended at the end of June 2020. Municipalities have not yet reported on their expenditure for that financial year, and audited financial information will only be available once the Auditor-General has completed their processes in auditing municipal financial statements. For amounts allocated for the current financial year,

municipalities should be given an opportunity to spend the funds before they can be expected to report on how much was spent.

(2)(b) Conditions for the Municipal Disaster Relief Grant were gazetted in the Government Gazette No. 42464. The National Disaster Management Centre (NDMC) approved that receiving municipalities could spend these funds on particular activities included in the business plans submitted to them by municipalities. In approving the reallocation of funds from conditional grants to be used to respond to the disaster, National Treasury also approved specific conditions for the use of those funds that were prescribed by the Transferring Officer of each grant. Conditions of the use of grant funds in 2020/21 were gazetted in Government Gazette No. 43495.

(2)(c) The same constraint in terms of the timing of expenditure information described in response to question (2)(a) applies to this question.