

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 521 [NW672E]

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Mr N Singh (IFP) to ask the Minister of Finance:

Whether a comprehensive all-inclusive plan has been put in place to (a) monitor and (b) evaluate the use of conditional grants to (i) provinces and (ii) municipalities; if not, why not; if so, what measures have been put in place to ensure (aa) effective and (bb) efficient spending?

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REPLY:

Yes.

- (a) (b) The monitoring and evaluation of conditional grants is governed by the annual Division of Revenue Act ("the Act") and the associated frameworks for each conditional grant. Therefore, in compliance with the Act, the following processes and activities are undertaken:

Prior to the start of each financial year, national departments approve and submit to the National Treasury detailed business or project plans in respect of programmes funded by conditional grants. The most important aspect of these plans are the deliverables, key performance indicators and cash flow projections. The National Treasury has developed several business or delivery planning technical templates, which are utilized for this purpose where appropriate.

- (i) (ii) During each financial year, national departments who are administering conditional grants submit quarterly performance reports to the National Treasury, outlining:
- how funds have been used by provinces and municipalities in the preceding quarter;
 - whether the planned deliverables are being met;
 - challenges to implementation and proposals to resolve them.
 - After the end of each financial year, as required by the Act, provinces, municipalities and national departments must consolidate and submit annual evaluation reports in respect of each conditional grant. These reports, along with the quarterly reports, are also made available to the *select committee on appropriations* in the National Council of Provinces.

(aa) (bb) Finally, reporting on key deliverables in respect of conditional grants is also included in the *annual reports* of national departments, provincial departments and municipalities. These are, of course, available publicly and must be tabled before Parliament and provincial legislatures for interrogation and oversight. It is the prerogative of Parliament and the legislatures to hold the relevant departments to account for the manner in which they have utilized funds which were appropriated by Parliament.