

**NATIONAL COUNCIL OF PROVINCES
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 212 [CW300E]
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212. Mr D Joseph (DA-WC) to ask the Minister of Finance:

Whether the implementation of the National Development Plan will be entrusted to (a) government departments which are being placed under administration and (b) municipalities which are being placed under Section 139 of the Constitution; if not, how will the National Treasury ensure (i) that the (aa) departments and (bb) municipalities align their budgets with the NDP strategic framework and (ii) sustainable financial management; if so, what are the relevant details?

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REPLY:

The objective of any intervention, regardless of sphere of government is aimed at addressing, among others, failure by a sphere of government in fulfilling its mandate in terms of the Constitution and ensuring that strong structures of accountability and governance are in place. Once these objectives are achieved the intervention must end and should enable the respective sphere of government to proceed with the execution of its mandate as directed by the legislative framework and other government's policy imperatives, including the National Development Plan (NDP).

Currently there are a number of provincial departments under national government administration. These interventions will end once the issues that necessitated the intervention are resolved. Unlike national interventions in departments, municipal interventions are the responsibility of the respective provincial executive hence these interventions are more complicated owing directly to the powers and functions assigned to local government. Currently there are twelve (12) municipalities under administration. Importantly, municipal interventions normally last longer than departmental interventions and automatically lapse with the advent of local government elections and the appointment of a new municipal council.

It needs to be noted that executive authorities and accounting officers are responsible for ensuring that all executive obligations are fulfilled even when the institution is under intervention. In this regard, the National Treasury issues regulations and instructions on financial management, monitors budget compilation and implementation to ensure alignment with government priorities, while the Auditor-General provides the audit services and an opinion on the financial and non-financial performance of the department. Finally, Parliament provides final oversight by holding departments accountable for the outcomes that are independently assessed by the Auditor-General.

Alignment of budgets to the NDP will be accomplished through strategic and annual performance plans that are informed by the Medium-Term Strategic Framework (MTSF) currently being finalized by the Presidency – Department of Performance Monitoring and Evaluation. Similarly, municipalities will accomplish the alignment of their budgets to NDP by ensuring that their Integrated Development Plans (IDP) are directly informed and aligned to the objectives and requirements as set out in the NDP.