

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 372 [NW519E]

DATE OF PUBLICATION: 8 MARCH 2013

372. Mr M Swart (DA) to ask the Minister of Finance:

Whether he intends to take steps to ensure that provinces that failed to spend their entire allocation of the Devolution of Property Rates Grant return the funds to the fiscus; if not, why not; if so, (a) what steps and (b) when?

NW519E

REPLY:

Yes.

- (a) All unspent funds that were previously allocated as part of the Devolution of Property Rates Grant will be managed in accordance with the provisions of section 21 of the 2012 Division of Revenue Act (Act no. 5 of 2012), which states:

“(1) Despite the provisions of the Public Finance Management Act or the Municipal Finance Management Act relating to roll-overs, any conditional allocation that is, in the case of a province, not spent at the end of a financial year or, in the case of a municipality, at the end of a municipal financial year, reverts to the National Revenue Fund, unless the relevant receiving officer can prove to the satisfaction of the National Treasury that the unspent allocation is committed to identifiable projects”

- (b) Every year, the National Treasury issues and implements a detailed technical circular in departments and provinces. This circular outlines the technical and administrative processes that must be followed in respect of section 21 of the Division of Revenue Act (as quoted above). All departments and provinces are obliged to follow this circular. The Auditor-General also audits all departments who receive conditional grants as to how they implemented this circular.