

**NATIONAL COUNCIL OF PROVINCES
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 40 [CW46E]
DATE OF PUBLICATION: 13 MARCH 2020**

40. Mr D R Ryder (Gauteng: DA) to ask the Minister of Finance:

Whether he has been informed of any municipalities that have adopted unfunded budgets; if not, what is the position in this regard; if so, what are the relevant details?

CW46E

REPLY:

Yes, National Treasury is aware of the status of unfunded budgets in municipalities. According to the 2019/20 adopted budgets results, 127 municipalities adopted unfunded budgets. These municipalities were offered an opportunity to correct this situation through a special adjustments budget in November 2019. Sixty-one (61) municipalities were able to do this. The remaining 66 municipalities were unable to revise their budgets despite support from national and provincial treasuries, mainly due to their large arrear obligations to creditors such as Eskom and water boards. Below is the list of 66 municipalities with unfunded budgets for the 2019/20.

List of 66 municipalities that adopted unfunded budgets for special adjustments budget 2019/20

Demarcation Code	Name of Municipality	Special Adjustments Budget November 2019 Funded / Unfunded	Demarcation Code	Name of Municipality	Special Adjustments Budget November 2019 Funded / Unfunded	Demarcation Code	Name of Municipality	Special Adjustments Budget November 2019 Funded / Unfunded
EC124	Amahlathi	Unfunded	DC42	Sedibeng	Funded with risk	NW392	Naledi (NW)	Unfunded
EC145	Walter Sisulu	Unfunded	GT484	Merafong City	Funded with risk	NW393	Mamusa	Unfunded
EC157	King Sabata Dalindyebo	Unfunded	GT485	Rand West City	Funded with risk	NW396	Lekwa-Teemane	Unfunded
DC12	Amathole	Unfunded	DC48	West Rand	Unfunded	NW404	Maquassi Hills	Unfunded
DC13	Chris Hani	Unfunded	MP315	Thembisile Hani	Unfunded	NW375	Moses Kotane	Unfunded
EC129	Raymond Mhlaba	Unfunded	MP316	Dr J.S. Moroka	Unfunded	DC37	Bojanala Platinum	Unfunded
EC156	Mhlonlo	Unfunded	DC31	Nkangala	Unfunded	DC39	Dr Ruth Segomotsi Mompoti	Unfunded
MAN	Mangaung	Unfunded	DC33	Mopani	Unfunded	NW397	Kagisano-Molopo	Unfunded
FS161	Letsemeng	Unfunded	LIM361	Thabazimbi	Unfunded	NW403	City of Matosana	Unfunded
FS162	Kopanong	Unfunded	LIM367	Mogalakwena	Unfunded	DC21	Ugu	Unfunded
FS163	Mohokare	Unfunded	LIM368	Modimolle-Mookgopong	Unfunded	DC22	uMgungundlovu	Unfunded
FS181	Masilonyana	Unfunded	LIM476	Tubatse Fetakgomo	Unfunded	DC23	Uthukela	Unfunded
FS182	Tokolologo	Unfunded	LIM331	Greater Giyani	Unfunded	DC25	Amajuba	Unfunded
FS183	Tswelopele	Unfunded	LIM334	Ba-Phalaborwa	Unfunded	DC26	Zululand	Unfunded
FS184	Matjhabeng	Unfunded	LIM362	Lephalale	Unfunded	DC27	Umkhanyakude	Unfunded
FS193	Nketoana	Unfunded	LIM366	Bela Bela	Unfunded	DC43	Harry Gwala	Unfunded
FS194	Maluti-a-Phofung	Unfunded	NW372	Madibeng	Unfunded	KZN223	Mpofana	Unfunded
FS196	Mantsopa	Unfunded	NW374	Kgetlengrivier	Unfunded	KZN252	Newcastle	Unfunded
FS203	Ngwathe	Unfunded	NW382	Tswaing	Unfunded	KZN263	Abaqulusi	Unfunded
FS205	Mafube	Unfunded	NW383	Mafikeng	Unfunded	KZN266	Ulundi	Unfunded
FS185	Nala	Unfunded	NW384	Ditsobotla	Unfunded	KZN237	Inkosi Langalibalele	Unfunded
GT421	Emfuleni	Unfunded	NW385	Ramotshere Moiloa	Unfunded	WC041	Kannaland	Unfunded