

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2250 [NW2665E]
DATE OF PUBLICATION: 14 JUNE 2022**

2250. Mr I M Groenewald (FF Plus) to ask the Minister of Finance:

Whether, in light of the fact that in terms of section 24(1) of the Municipal Finance Management Act, Act 56 of 2003, municipal councils must consider approval of the annual budget at least 30 days before the start of the budget year, any municipalities failed to comply with the specified provision; if not, what is the position in this regard; if so, (a) which municipalities failed to comply and (b) what are the reasons for the non-compliance in each specified case;

NW2665E

REPLY:

(a)(b) According to our records, 17 Municipalities have failed to table their 2022/23 MTREF budgets on time. They are listed below together with the explanation provided to the National Treasury.

(a) Municipality	(b) Reasons
Nelson Mandela Bay NMA	Council did not sit/non-compliance letter
Mangaung MAN	Council did not meet quorum
Kopanong FS162	Council did not sit/non-compliance letter
Dihlabeng FS192	Council did not sit/non-compliance letter
Nama Khoi NC062	Community Consultation was not concluded by 31 May
Khai-Ma NC067	Community Consultation was not concluded by 31 May
Namakwa DC6	Community Consultation was not concluded by 31 May
Ubuntu NC071	Financial System related challenges
Renosterberg NC075	Not having staff in the office due to non-payment
Thembelihle NC076	Community Consultation was not concluded by 31 May
Siyathemba NC077	Community Consultation was not concluded by 31 May
Siyancuma NC078	Financial System related challenges
Dawid Kruiper NC087	Financial System related challenges
Sol Plaatje NC091	Community Consultation was not concluded by 31 May due to late submission of the IDP
Phokwane NC094	Community Consultation was not concluded by 31 May
Bitou WC047	Bitou Municipality did not approve the budget process plan in August 2021. It was only approved in December 2021 and the strategic session was only held in March 2022 hence the request for extension to better align the budget with the IDP.

(a) Municipality	(b) Reasons
Laingsburg WC051	The Municipality failed to comply with the provisions of section 14(1) of the Municipal Budget and Reporting Regulations which states that an annual budget and supporting documentation tabled in a municipal council in terms of section 16(2) of the MFMA must be in a format in which it will eventually be approved by the Council. The reason for non-compliance with the submission of the budget in the prescribed format is because the financial system settings were not such that the budget schedules could be generated from the system.

The Honorable member will recall that the National Treasury as a routine, consolidate this information for all 257 Municipal, verify the information and formally table a consolidated report to this effect in Parliament annually. All the previous reports are hosted on the National Treasury's website on the following link:

http://mfma.treasury.gov.za/Media_Releases/mbi/2020/2020MTREF/Pages/tablingdates2020.aspx

Once the formal process has been concluded for this cycle, the updated report will once again be tabled in Parliament.

Lastly, municipalities have until 30 June 2022 to formally adopt their 2022/23 MTREF budgets hence it may be premature for me to make a statement in this regard at this stage.