**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER:** **1019 [NW1308E]**

**1019. Ms B M van Minnen (DA) to ask the Minister of Finance:**

By what date will the Lekwa-Teemane Local Municipality (a) complete and (b) submit the 2019-20 Medium Term Revenue and Expenditure Framework budget to the National Treasury, which they were advised to revise after the National Treasury had assessed it and found it to be unfunded and unsustainable?

 NW1308E

 **REPLY**:

(a)(b) The Lekwa-Teema Local Municipality revised the 2019/20 Medium Term Revenue and Expenditure Framework as part of the Special Adjustments Budget process initiated by the National Treasury on 11 November 2019. Subsequent to the Provincial Treasury’s assessment, the municipality’s 2019/20 MTREF budget still reflected a negative cash position of R283.9 million from a negative balance of R313.5 million in the first year of the 2019/20 MTREF period.

Following the mid-year budget performance assessment in January 2020, the municipal council further adjusted the 2019/20 budget during February 2020 and adopted a short term financial plan.

However, it is important to note that all municipalities are now afforded a further opportunity to adjust their budgets in response to the changes in revenue and expenditure as a result of the COVID-19 pandemic. The deadline for this process is 15 June 2020.