**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.

| 1. **Municipality** | 1. **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. |
| 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.