



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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NON-COMPLIANCE WITH SECTIONS 5(2), 22, 24 (3) AND 74 OF THE MUNICIPAL FINANCE MANGEMENT ACT, 2003 (ACT NO. 56 OF 2003)

1. National Treasury expresses its appreciation to the managements of the municipalities list in Annex A for submitting all the required documentation in relation with their 2013/14 MTREF budgets, and for ensuring that their budget information reconciled across their adopted budgets and their electronic submissions. It should be noted that the hard-copy of the municipality's budget as approved by council is the only legal budget of the municipality, hence the importance of this reconciliation.

Annex A: Municipalities that submitted a full set of 2013/14 MTREF information and whose electronic budget returns and electronic budgets reconcile with the hard-copy of the municipality's 2013/14 MTREF budget as approved by council.

2. The National Treasury hereby lists the names of the municipalities that have failed to conform to the legislative requirements outlined by Sections 5(2), 22(b)(i), 24(3) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) in respect of the 2013/14 MTREF budget and 2011/12 Annual Financial Statements (pre-audit information).
3. The National Treasury is publishing this information as part of its efforts to improve the quality of data and increase the level of compliance by municipalities with regards to the submission of information which is critical to facilitate monitoring and oversight but also to improve recourse allocation.
4. The National Treasury indicated in its communication with municipalities for the 2011/12 MTREF budget that it would in future publish the names of the municipalities that failed to comply with their reporting obligations in terms of Sections 22(b)(i) and 24(3) of the Municipal Finance Management Act, 2003 and Section 20 of the Municipal Budget and Reporting Regulations, 2009.
5. **Annexes B to F** provide the names of the municipalities that have not complied with their reporting obligations in the following respects:

Annex B: Municipalities that submitted a full set of 2013/14 MTREF information, but whose 2013/14 MTREF electronic budget returns, and / or electronic budgets do not

reconcile with the hard-copy of the municipality's 2012/13 MTREF budget as approved by council as at 9 October 2013;

Annex C: Municipalities that did not submit a complete set¹ of 2013/14 budget information in terms of Section 17 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Sections 15 and 20 of the Municipal Budget and Reporting Regulations as at 9 October 2013;

Annex D: Municipalities that did not submit any 2013/14 budget information in terms of Section 17 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Sections 15 and 20 of the Municipal Budget and Reporting Regulations as at 9 October 2013;

Annex E: Municipalities that did not submit a complete set² of 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013; and

Annex F: Municipalities that submitted a complete set of 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013;

Annex G: Municipalities that did not submit any 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013.

6. National Treasury urges all municipalities whose names appear in the attached Annexes to take the necessary steps to ensure that they comply with their reporting obligations in terms of Sections 5(2), 22, 24(3) and 74 of the Municipal Financial Management Act in future.
7. National Treasury notes that section 216(2) of the Constitution empowers it to stop the transfer of funds to municipalities where there is a persistent material breach of the treasury norms and standards established by the MFMA. In National Treasury's view the areas of non-compliance listed in Annexes B to F represent material non-compliance with the relevant provisions of the MFMA.

¹ A full set of 2013/14 budget information in terms of the MFMA and Circulars 54 and 55 consists of the following:

- A hard- and electronic copy of the municipality's 2013/14 budget and MTREF as approved by council (which must be in the format of Schedule A of the Municipal Budget and Reporting Regulations);
- An electronic Excel version of Schedule A1, which includes the main budget tables A1 – A10 and the supporting tables SA1 – SA37; and
- The electronic budget return forms.

² A full set of 2012/13 Annual Financial Statement (pre-audit information) consists of the following:

- A hard- and electronic copy of the pre-audit Annual Financial Statements provided to the Auditor-General; and
- The electronic Annual Financial Statement returns and appropriation statement.

Annex A: Municipalities that submitted a full set of 2013/14 MTREF information and whose electronic budget returns and electronic budgets reconcile with the hard-copy of the municipality's 2013/14 MTREF budget as approved by council:

Code	Name of Municipality
Eastern Cape – 7 Municipalities	
BUF	Buffalo City
EC101	Camdeboo
EC102	Blue Crane Route
EC121	Mbhashe
DC12	Amathole
EC141	Elundini
EC142	Senqu
Free State – 7 Municipalities	
DC16	Xhariep
FS183	Tswelopele
DC18	Lejweleputswa
FS195	Phumelela
FS196	Mantsopa
DC19	Thabo Mofutsanyana
FS204	Metsimaholo
Gauteng – 10 Municipalities	
EKU	Ekurhuleni
JHB	City of Johannesburg
TSH	City of Tshwane
GT421	Emfuleni
GT422	Midvaal
GT423	Lesedi
GT481	Mogale City
GT481	Randfontein
GT483	Westonaria
DC48	West Rand
KwaZulu-Natal – 20 Municipalities	
ETH	eThekweni
KZN215	eZinqoleni
DC21	Ugu
DC22	uMgungundlovu

KZN233	Indaka
DC23	uThukela
KZN245	uMvoti
KZN262	uPhongolo
KZN265	Nongoma
DC26	Zululand
KZN281	Mfolozi
KZN282	uMhlathuze
KZN286	Nkandla
DC28	uThungulu
KZN291	Mandeni
DC29	iLembe
KZN432	KwaSani
KZN433	Greater Kokstad
KZN435	Umzimkhulu
DC43	Sisonke
Limpopo - 5 Municipalities	
LIM334	Ba-Phalaborwa
LIM353	Modimolle
LIM364	Bela Bela
LIM365	Joe Morolong
LIM366	Modimolle
Northern Cape – 20 Municipalities	
NC451	Joe Morolong
NC453	Gamagara
NC065	Hantam
NC066	Karoo Hoogland
NC067	Khai-Ma
DC6	Namakwa
NC071	Ubuntu
NC072	Umsobomvu
NC073	Emthanjeni
NC074	Kareeberg
NC075	Renosterberg
NC076	Thembelihle
NC077	Siyathemba
NC078	Siyancuma
NC081	Mier
NC083	//Khara Hais

DC8	ZF Mgcawu
NC093	Magareng
NC094	Phokwane
DC9	Frances Baard
North West – 10 Municipalities	
NW373	Rustenburg
NW374	Kgetlengrivier
NW375	Moses Kotane
DC37	Bojanala Platinum
NW381	Ratlou
NW393	Mamusa
NW396	Lekwa-Teemane
NW402	Tlokwe
NW403	City of Matlosana
DC40	Dr Kenneth Kaunda
Western Cape – 21 Municipalities	
CPT	Cape Town
WC012	Cederberg
WC013	Bergrivier
WC014	Saldanha Bay
WC015	Swartland
WC022	Witzenberg
WC024	Stellensbosch
WC025	Breede Valley
DC2	Cape Winelands
WC031	Theewaterskloof
WC032	Overstrand
WC033	Cape Alughas
WC034	Swellendam
DC3	Overberg
WC042	Hessequa
WC043	Mossel Bay
WC044	George
WC048	Kynsna
DC4	Eden
WC053	Beaufort West
DC5	Central Karoo

Annex B: Municipalities that submitted a full set of 2013/14 MTREF information, but whose 2013/14 MTREF electronic budget returns, and / or electronic budgets do not reconcile with the hard-copy of the municipality's 2013/14 MTREF budget as approved by council as at 9 October 2013:

Code	Name of Municipality
Eastern Cape – 18 Municipalities	
DC10	Cacadu
DC14	Joe Gqabi
NMA	Nelson Mandela Bay
EC103	Ikwezi
EC107	Baviaans
EC108	Kouga
EC122	Mnquma
EC124	Amahlathi
EC128	Nxuba
EC134	Lukhanji
EC135	Instika Yethu
EC138	Sakhisizwe
EC143	Maletswai
EC144	Gariep
EC155	Nyandeni
EC157	King Sabata Dalindyebo
EC441	Matatiele
EC444	Ntabankulu
Free State – 6 Municipalities	
MAN	Mangaung
FS181	Masilonyana
FS192	Dhlabeng
FS193	Nketaona
FS201	Moqhaka
DC20	Fezile Dabi
KwaZulu-Natal – 1 Municipality	
KZN252	Newcastle
Limpopo – 4 Municipalities	
LIM342	Mutale
LIM343	Thulamela
LIM344	Makhado
DC35	Capricorn

Code	Name of Municipality
Mpumalanga – 3 Municipalities	
MP301	Albert Luthuli
MP313	Steve Tshwete
DC32	eHlanzeni
North West – 1 Municipality	
NW392	Naledi (NW)

Annex C: Municipalities that did not submit a complete set of 2013/14 budget information in terms of Section 17 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and Sections 15 and 20 of the Municipal Budget and Reporting Regulations as at 9 October 2013:

Code	Name of Municipality
Eastern Cape – 20 Municipalities	
DC13	Chris Hani
DC15	O R Tambo
DC44	Alfred Nzo
EC104	Makana
EC105	Ndlambe
EC106	Sunday's River Valley
EC109	Koukamma
EC123	Great Kei
EC126	Ngqushwa
EC127	Nkonkobe
EC131	Inxuba Yethemba
EC132	Tsolwana
EC133	Inkwanca
EC136	Emalahleni (EC)
EC137	Engcobo
EC153	Ngquza Hills
EC154	Port St Johns
EC156	Mhlontlo
EC442	Umzimvubu
EC443	Mbizana
Free State – 3 Municipalities	
FS161	Letsemeng
FS191	Setsoto
FS914	Maluti-a-Phofung
KwaZulu-Natal – 3 Municipalities	
KZN211	Vulamehlo
KZN221	uMshwathi
KZN232	eMnambithi\Ladysmith
Limpopo - 11 Municipalities	
LIM472	Elias Motsoaledi
LIM341	Musina
LIM351	Blouberg
LIM352	Aganang

Code	Name of Municipality
LIM354	Polokwane
LIM355	Lepelle-Nkumpi
LIM471	Epharaim Mogale
LIM475	Greater Tubatse
LIM473	Makhuduthamage
DC34	Vhembe
LIM362	Lephalale
Mpumalanga –12 Municipalities	
MP303	Mkhondo
MP314	eMakhazeni
DC31	Nkangala
MP305	Lekwa
MP306	Dipaleseng
MP312	eMalahleni (MP)
MP321	Thaba Chweu
MP323	Umjindi
MP304	Pixley ka Seme (MP)
MP302	Msukaligwa
MP322	Mbombela
MP311	Victor Khanye

Annex D: Municipalities that did not submit a full set of 2013/14 MTREF information and whose electronic budget returns and electronic budgets reconcile with the hard-copy of the municipality's 2013/14 MTREF budget as approved by council:

Code	Name of Municipality
Free State – 8 Municipalities	
FS163	Mohokare
FS164	Naledi (FS)
FS182	Tokologo
FS185	Nala
FS203	Ngwathe
FS184	Matjhabeng
FS205	Mafube
FS162	Kopanong
Gauteng – 2 Municipalities	
DC42	Sedibeng
GT484	Merafong City
KwaZulu-Natal – 37 Municipalities	
KZN212	Umdoni
KZN213	Umzumbe
KZN226	Mkhambathin
KZN227	Richmond
KZN235	Okhahlamba
KZN236	Imbabazane
KZN263	Abaqulisi
DC27	Umkhanyakude
KZN283	Ntambanana
KZN292	KwaDukuza
KZN216	Hibiscus Coast
KZN222	uMngeni
KZN241	eNdumeni
KZN271	uMhlabuyalingana
KZN214	uMuziwabantu
KZN223	Mpofana
KZN225	uMsunduzi
KZN234	uMtshezi
KZN253	eMadlangeni
KZN273	The Big 5 False Bay
KZN274	Hlabisa

Code	Name of Municipality
KZN284	uMlalazi
KZN285	Mthonjaneni
KZN294	Maphumulo
KZN431	Ingwe
KZN434	Ubuhlebezwe
KZN242	Nquthu
DC24	uMzinyathi
KZN254	Dannhauser
KZN272	Jozini
KZN275	Mtubatuba
KZN293	Ndwendwe
KZN244	Msinga
DC25	Amajuba
KZN266	uLundi
KZN224	iMpendle
KZN261	eDumbe
Limpopo – 10 Municipalities	
LIM331	Greater Giyani
LIM332	Greater Letaba
DC33	Mopani
LIM361	Thabazimbi
LIM474	Fetakgomo
LIM333	Greater Tzaneen
DC36	Waterberg
LIM335	Maruleng
LIM367	Mogalakwena
DC47	Sekhukhune
Mpumalanga – 6 Municipalities	
DC30	Gert Sibande
MP316	Dr JS Moroka
MP307	Govan Mbeki
MP315	Thembisile Hani
MP324	Nkomazi
MP325	Bushbuckridge
Northern Cape – 12 Municipalities	
NC452	Ga-Segonyana
NC062	Nama Khoi
DC7	Pixley ka Seme (NC)

Code	Name of Municipality
NC085	Tsantsabane
NC092	Dikgatlong
DC45	John Taolo Gaetsewe
NC082	!Kai Garib
NC084	!Kheis
NC086	Kgatelopele
NC091	Sol Plaatjie
NC064	Kamiesberg
NC061	Richtersveld
North West – 12 Municipalities	
NW371	Moretele
NW372	Madibeng
NW384	Ditsobotla
NW404	Maquassi Hills
NW385	Ramotshere Moiloa
NW394	Greater Taung
DC39	Dr Ruth Segomotsi Mompat
NW401	Ventersdorp
NW382	Tswaing
NW383	Mafikeng
DC38	Ngaka Modiri Molema
NW397	Molopo-Kagisano
Western Cape – 9 Municipalities	
WC011	Matzikama
DC1	West Coast
WC023	Drakenstein
WC026	Langeberg
WC047	Bitou
WC051	Laingsburg
WC041	Kannaland
WC052	Prince Albert
WC045	Oudtshoorn

Annex E: Municipalities that submitted a complete set of 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013:

Code	Name of Municipality
Eastern Cape – 1 Municipality	
EC109	Kou-Kamma
Free State – 3 Municipalities	
FS183	Tswelopele
FS192	Dihlabeng
FS193	Nketoana
Gauteng – 8 Municipalities	
JHB	City of Johannesburg
GT421	Emfuleni
GT422	Midvaal
GT423	Lesedi
DC42	Sedibeng
GT481	Mogale City
GT483	Westonaria
DC48	West Rand
KwaZulu-Natal –15 Municipalities	
KZN222	uMngeni
KZN233	iNdaka
KZN235	Okhahlamba
KZN242	Nquthu
DC25	Amajuba
KZN271	uMhlabayulingana
KZN273	The Big 5 False Bay
DC27	uMkhanyakude
KZN281	Mfolozi
KZN284	uMlalazi
DC29	iLembe
KZN431	iNgwe
KZN433	Greater Kokstad
KZN435	uMzimkhulu
DC43	Sisonke
Northern Cape – 1 Municipality	
DC48	ZF Mgcawu

Code	Name of Municipality
Western Cape – 13 Municipalities	
WC013	Bergrivier
WC014	Saldanha Bay
DC01	West Coast
WC022	Witzenberg
WC023	Drakenstein
WC024	Stellenbosch
WC032	Overstrand
WC045	Oudtshoorn
WC048	Knysna
DC4	Eden
WC051	Laingsburg
WC052	Prince Albert
DC5	Central Karoo

Annex F: Municipalities that did not submit a complete set of 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013:

Code	Name of Municipality
Eastern Cape – 43 Municipalities	
BUF	Buffalo City
NMA	Nelson Mandela Bay
EC101	Camdeboo
EC102	Blue Crane Route
EC103	Ikwezi
EC105	Ndlambe
EC106	Sundays River Valley
EC107	Baviaans
EC108	Kouga
DC10	Cacadu
EC121	Mbhashe
EC122	Mnquma
EC123	Great Kei
EC124	Amahlathi
EC126	Ngqushwa
EC127	Nkonkobe
EC128	Nxuba
DC12	Amathole
EC131	Inxuba Yethemba
EC132	Tsolwana
EC133	Inkwanca
EC134	Lukhanji
EC135	Intsika Yethu
EC136	Emalahleni (Ec)
EC137	Engcobo
EC138	Sakhisizwe
DC13	Chris Hani
EC141	Elundini
EC142	Senqu
EC143	Maletswai
EC144	Gariep
DC14	Joe Gqabi
EC153	Ngquza Hills

Code	Name of Municipality
EC154	Port St Johns
EC155	Nyandeni
EC156	Mhlontlo
EC157	King Sabata Dalindyebo
DC15	O .R. Tambo
EC441	Matatiele
EC442	Umzimvubu
EC443	Mbizana
EC444	Ntabankulu
DC44	Alfred Nzo
Free State – 20 Municipalities	
MAN	Mangaung
FS161	Letsemeng
FS162	Kopanong
FS163	Mohokare
FS164	Naledi (Fs)
DC16	Xhariep
FS181	Masilonyana
FS182	Tokoloko
FS184	Matjhabeng
DC18	Lejweleputswa
FS191	Setsoto
FS194	Maluti-a-Phofung
FS195	Phumelela
FS196	Mantsopa
DC19	Thabo Mofutsanyana
FS201	Moqhaka
FS203	Ngwathe
FS204	Metsimaholo
FS205	Mafube
DC20	Fezile Dabi
Gauteng – 4 Municipalities	
EKU	Ekurhuleni Metro
TSH	City Of Tshwane
GT482	Randfontein
GT484	Merafong City
KwaZulu-Natal – 46 Municipalities	
ETH	eThekwini

Code	Name of Municipality
KZN211	Vulamehlo
KZN212	Umdoni
KZN213	Umzumbe
KZN214	uMuziwabantu
KZN215	Ezinqoleni
KZN216	Hibiscus Coast
DC21	Ugu
KZN221	uMshwathi
KZN223	Mpofana
KZN224	Impendle
KZN225	Msunduzi
KZN226	Mkhambathini
KZN227	Richmond
DC22	uMgungundlovu
KZN232	Emnambithi/Ladysmith
KZN234	Umtshezi
KZN236	Imbabazane
DC23	Uthukela
KZN241	Endumeni
KZN244	Msinga
KZN245	Umvoti
DC24	Umzinyathi
KZN252	Newcastle
KZN253	eMadlangeni
KZN254	Dannhauser
KZN261	eDumbe
KZN262	uPhongolo
KZN263	Abaqulusi
KZN265	Nongoma
KZN266	Ulundi
DC26	Zululand
KZN272	Jozini
KZN274	Hlabisa
KZN275	Mtubatuba
KZN282	uMhlathuze
KZN283	Ntambanana
KZN285	Mthonjaneni
KZN286	Nkandla

Code	Name of Municipality
DC28	uThungulu
KZN291	Mandeni
KZN292	KwaDukuza
KZN293	Ndwedwe
KZN294	Maphumulo
KZN432	Kwa Sani
KZN434	Ubuhlebezwe
Limpopo – 28 Municipalities	
LIM331	Greater Giyani
LIM332	Greater Letaba
LIM333	Greater Tzaneen
LIM334	Ba-Phalaborwa
LIM335	Maruleng
LIM341	Musina
LIM342	Mutale
LIM343	Thulamela
LIM344	Makhado
DC34	Vhembe
LIM351	Blouberg
LIM352	Aganang
LIM353	Molemole
LIM354	Polokwane
DC35	Capricorn
LIM361	Thabazimbi
LIM362	Lephalale
LIM364	Mookgopong
LIM365	Modimolle
LIM366	Bela Bela
LIM367	Mogalakwena
DC36	Waterberg
LIM471	Ephraim Mogale
LIM472	Elias Motsoaledi
LIM473	Makhuduthamaga
LIM474	Fetakgomo
LIM475	Greater Tubatse
DC47	Sekhukhune
Mpumalanga – 21 Municipalities	
MP301	Albert Luthuli

Code	Name of Municipality
MP302	Msukaligwa
MP303	Mkhondo
MP304	Pixley Ka Seme (MP)
MP305	Lekwa
MP306	Dipaleseng
MP307	Govan Mbeki
DC30	Gert Sibande
MP311	Victor Khanye
MP312	Emalahleni (Mp)
MP313	Steve Tshwete
MP314	Emakhazeni
MP315	Thembisile Hani
MP316	Dr J.S. Moroka
DC31	Nkangala
MP321	Thaba Chweu
MP322	Mbombela
MP323	Umjindi
MP324	Nkomazi
MP325	Bushbuckridge
DC32	Ehlanzeni
Northern Cape – 31 Municipalities	
NC451	Joe Morolong
NC452	Ga-Segonyana
NC453	Gamagara
DC45	John Taolo Gaetsewe
NC061	Richtersveld
NC062	Nama Khoi
NC064	Kamiesberg
NC065	Hantam
NC067	Khai-Ma
DC6	Namakwa
NC071	Ubuntu
NC072	Umsobomvu
NC073	Emthanjeni
NC074	Kareeberg
NC075	Renosterberg
NC076	Thembelihle

Code	Name of Municipality
NC077	Siyathemba
NC078	Siyancuma
DC7	Pixley Ka Seme (Nc)
NC081	Mier
NC082	!Kai! Garib
NC083	//Khara Hais
NC084	!Kheis
NC085	Tsantsabane
NC086	Kgatelopele
NC091	Sol Plaatje
NC092	Dikgatlong
NC093	Magareng
NC094	Phokwane
DC9	Frances Baard
NC066	Karoo Hoogland
North West – 23 Municipalities	
NW371	Moretele
NW372	Madibeng
NW373	Rustenburg
NW374	Kgetlengrivier
NW375	Moses Kotane
DC37	Bojanala Platinum
NW381	Ratlou
NW382	Tswaing
NW383	Mafikeng
NW384	Ditsobotla
NW385	Ramotshere Moiloa
DC38	Ngaka Modiri Molema
NW392	Naledi (Nw)
NW393	Mamusa
NW394	Greater Taung
NW396	Lekwa-Teemane
NW397	Molopo-Kagisano
DC39	Dr Ruth Segomotsi Mompati
NW401	Ventersdorp
NW402	Tlokwe
NW403	City Of Matlosana
NW404	Maquassi Hills

Code	Name of Municipality
DC40	Dr Kenneth Kaunda
Western Cape – 17 Municipalities	
CPT	Cape Town
WC011	Matzikama
WC012	Cederberg
WC015	Swartland
WC025	Breede Valley
WC026	Langeberg
DC2	Cape Winelands DM
WC031	Theewaterskloof
WC033	Cape Agulhas
WC034	Swellendam
DC3	Overberg
WC041	Kannaland
WC042	Hessequa
WC043	Mossel Bay
WC044	George
WC047	Bitou
WC053	Beaufort West

Annex G: Municipalities that did not submit any 2012/13 Annual Financial Statements (pre-audit information) in terms of Sections 5(2) and 74 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) as at 6 November 2013:

Code	Name of Municipality
Eastern Cape – 1 Municipality	
EC104	Makana
Free State – 1 Municipality	
FS185	Nala
Limpopo – 2 Municipalities	
DC33	Mopani
LIM355	Lepelle-Nkumpi