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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)**

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 2019/20 MTREF budget and 2018/19 Annual Financial Statements (pre-audit information).

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 resource allocation.

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.

1. National Treasury expresses its appreciation to the managements of the municipalities list in **Annexure A** and **Annexure B** for submitting all the required documentation in relation with their 2019/20 MTREF budgets and pre-audit Annual Financial Statements for 2018/19.
2. **Annexures C to F** provide the names of the municipalities that have not fully comply with their reporting obligations.
3. 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.
4. 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 C to F** (excluding Annexure E) represent material non-compliance with the relevant provisions of the MFMA.
5. A full set of 2019/20 budget information in terms of the MFMA and Circulars 54 and 55 consists of the following:

- a. A hard- and electronic copy of the municipality's 2019/20 budget and MTREF as approved by council (which must be in the format of Schedule A of the Municipal Budget and Reporting Regulations);
 - b. An electronic Excel version of Schedule A1, which includes the main budget tables A1 - A10 and the supporting tables SA1 - SA37; and
 - c. The *m*SCOA data strings (ORGB).
6. A full set of 2018/19 Annual Financial Statement (pre-audit information) consists of the following:
- a. A hard- and electronic copy of the pre-audit Annual Financial Statements provided to the Auditor-General including the appropriation statement.;
 - b. The electronic Annual Financial Statement returns ; and
 - c. The *m*SCOA data strings RAUD (restated 2017/18) and PAUD (pre-audit 2018/19).

Annexure A: Municipalities that submitted a full set of 2019/20 MTREF information

Code	Name of Municipality
Eastern Cape – 12 municipalities	
EC102	Blue Crane Route
EC104	Makana
EC105	Ndlambe
EC106	Sundays River Valley
EC108	Kouga
EC109	Kou-Kamma
DC10	Sarah Baartman
EC121	Mbhashe
EC139	Enoch Mgijima
EC441	Matatiele
EC442	Umzimvubu
DC44	Alfred Nzo
Free State – 3 municipalities	
FS163	Mohokare
FS192	Dihlabeng
DC19	Fezile Dabi
Gauteng – 1 municipality	
EKU	City of Ekurhuleni
KwaZulu-Natal – 9 municipalities	
KZN216	Ray Nkonyeni
DC23	Uthukela
KZN252	Newcastle
DC28	King Cetshwayo
KZN293	Ndwedwe
KZN294	Maphumulo
DC29	iLembe
KZN433	Greater Kokstad
KZN435	Umzimkhulu
Limpopo – 3 municipalities	
LIM343	Thulamela
LIM472	Elias Motsoaledi

LIM473	Makhuduthamaga
Northern Cape – 11 municipalities	
DC45	John Taolo Gaetsewe
NC062	Nama Khoi
NC064	Kamiesberg
NC066	Karoo Hoogland
NC067	Khai-Ma
DC6	Namakwa
DC7	Pixley Ka Seme (NC)
NC086	Kgatelopele
NC087	Dawid Kruiper
DC8	Z F Mgcawu
DC9	Frances Baard
North West – 8 municipalities	
NW371	Moretele
NW372	Madibeng
NW373	Rustenburg
NW385	Ramotshere Moiloa
NW392	Naledi (NW)
NW396	Lekwa-Teemane
DC39	Dr Ruth Segomotsi Mompati
NW403	City of Matlosana
Western Cape – 28 municipalities	
WC011	Matzikama
WC012	Cederberg
WC013	Bergrivier
WC014	Saldanha Bay
WC015	Swartland
DC1	West Coast
WC022	Witzenberg
WC023	Drakenstein
WC024	Stellenbosch
WC025	Brede Valley
WC026	Langeberg

DC2	Cape Winelands DM
WC032	Overstrand
WC033	Cape Agulhas
WC034	Swellendam
DC3	Overberg
WC041	Kannaland
WC042	Hessequa
WC043	Mossel Bay
WC044	George
WC045	Oudtshoorn
WC047	Bitou
WC048	Knysna
DC4	Garden Route
WC051	Laingsburg
WC052	Prince Albert
WC053	Beaufort West
DC5	Central Karoo

Annexure B: Municipalities that submitted a full set of 2018/19 pre-audit Annual Financial Statements

Eastern Cape – 2 municipalities	
BUF	Buffalo City
EC106	Sundays River Valley
Free State – 2 municipalities	
FS184	Matjhabeng
FS204	Metsimaholo
Gauteng – 4 municipalities	
EKU	City of Ekurhuleni
GT421	Emfuleni
GT422	Midvaal
DC42	Sedibeng
KwaZulu-Natal – 7 municipalities	
KZN213	Umzumbi
KZN214	uMuziwabantu
KZN253	Emadlangeni
KZN271	Umhlabuyalingana
DC27	Umkhanyakude
KZN292	KwaDukuza
DC43	Harry Gwala
Limpopo – 5 municipalities	
LIM331	Greater Giyani
LIM333	Greater Tzaneen
LIM367	Mogalakwena
LIM472	Elias Motsoaledi
LIM473	Makhuduthamaga
Mpumalanga – 3 municipalities	
MP302	Msukaligwa
MP324	Nkomazi
MP326	City of Mbombela
Northern Cape – 9 municipalities	
NC065	Hantam

NC067	Khai-Ma
DC6	Namakwa
NC076	Thembelihle
NC078	Siyancuma
DC7	Pixley Ka Seme (NC)
NC082	!Kai! Garib
NC085	Tsantsabane
NC091	Sol Plaatje
North West – 1 municipality	
DC40	Dr Kenneth Kaunda
Western Cape – 8 municipalities	
WC014	Saldanha Bay
WC015	Swartland
WC022	Witzenberg
DC2	Cape Winelands DM
WC034	Swellendam
WC042	Hessequa
WC053	Beaufort West
DC5	Central Karoo

Annexure C: Municipalities that submitted no documents for the 2019/20 MTREF

Free State – 3 municipalities	
FS182	Tokologo
FS185	Nala
DC18	Lejweleputswa

Annexure D: Municipalities that submitted no documents and electronic returns for the pre-audit Annual Financial Statements 2018/19

Free State – 7 municipalities	
FS162	Kopanong
FS181	Masilonyana
FS182	Tokologo
DC18	Lejweleputswa
FS194	Maluti-a-Phofung
FS195	Phumelela
DC20	Fezile Dabi
Kwa-Zulu-Natal – 1 municipality	
KZN282	uMhlathuze
Northern Cape – 1 municipality	
NC075	Renosterberg
North West – 7 municipalities	
DC37	Bojanala Platinum
NW381	Ratlou
NW382	Tswaing
NW384	Ditsobotla
NW394	Greater Taung
NW396	Lekwa-Teemane
NW404	Maquassi Hills

Annexure E: Municipalities that submitted 2019/20 MTREF data strings with errors

Eastern Cape – 4 municipalities	
NMA	Nelson Mandela Bay
EC101	Dr Beyers Naude
EC123	Great Kei
EC136	Emalahleni (EC)
Free State – 1 municipality	
FS185	Nala
KwaZulu-Natal – 3 municipalities	
KZN225	Msunduzi
KZN237	Inkosi Langalibalele
KZN281	Mfolozi
Limpopo – 1 municipality	
LIM355	Lepelle-Nkumpi
Mpumalanga – 1 municipality	
MP312	Emalahleni (MP)
Northern Cape – 1 municipality	
NC092	Dikgatlong
Western Cape – 2 municipalities	
CPT	Cape Town
WC031	Theewaterskloof

Annexure F: Municipalities that submitted re-stated and/or pre-audit data strings with errors

Eastern Cape – 3 municipalities	
EC154	Port St Johns
EC135	Intsika Yethu
DC44	Alfred Nzo
Free State – 5 municipalities	
DC16	Xhariep
FS181	Masilonyana
FS185	Nala
FS191	Setsoto
FS195	Phumelela
Gauteng – 2 municipalities	
GT481	Mogale City
DC48	West Rand
KwaZulu-Natal – 10 municipalities	
KZN212	Umdoni
KZN216	Ray Nkonyeni
KZN222	uMngeni
KZN227	Richmond
KZN238	Alfred Duma
KZN241	Endumeni
KZN244	Msinga
KZN282	uMhlathuze
KZN435	Umzimkhulu
KZN436	Dr Nkosazana Dlamini Zuma
Limpopo – 6 municipalities	
LIM334	Ba-Phalaborwa
LIM341	Musina
LIM344	Makhado
LIM366	Bela Bela
LIM368	Modimolle-Mookgopong
LIM471	Ephraim Mogale
Mpumalanga – 4 municipalities	

MP301	Albert Luthuli
MP303	Mkhondo
MP306	Dipaleseng
MP313	Steve Tshwete
Northern Cape – 7 municipalities	
DC8	Z F Mgcawu
DC45	John Taolo Gaetsewe
NC061	Richtersveld
NC072	Umsobomvu
NC084	!Kheis
NC086	Kgatelopele
NC453	Gamagara
North West – 5 municipalities	
NW383	Mafikeng
NW384	Ditsobotla
NW394	Greater Taung
NW397	Kagisano-Molopo
NW405	J B Marks
Western Cape – 9 municipalities	
DC1	West Coast
WC024	Stellenbosch
WC025	Breede Valley
WC026	Langeberg
WC032	Overstrand
WC033	Cape Agulhas
WC043	Mossel Bay
WC047	Bitou
WC048	Knysna