



## **national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5111, Fax: +27 12 406 9055 • [www.treasury.gov.za](http://www.treasury.gov.za)



# **MEMORANDUM**

**TO** ENOCH GODONGWANA  
MINISTER OF FINANCE

**FROM** MALIJENG NGQALENI  
DEPUTY DIRECTOR-GENERAL

**DIVISION** INTERGOVERNMENTAL RELATIONS

**DOC REF.** 16/1/2/3/16

**DATE** 25 July 2023

## **COMPLIANCE WITH DEADLINES FOR THE TABLING AND APPROVAL OF MUNICIPAL BUDGETS FOR THE 2022/23 MTREF: REQUEST TO TABLE INFORMATION IN PARLIAMENT**

### **1. PURPOSE:**

To seek the Minister's approval to:

- request the Speaker of Parliament to table a report of dates on which all 257 municipalities tabled and adopted their respective 2022/23 Medium Term Revenue and Expenditure Framework (MTREF) budgets; and
- publish the same information on the National Treasury website once it is tabled in Parliament.

### **2. INTRODUCTION AND BACKGROUND:**

- 2.1 Section 16(2) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) requires the Mayor of a municipality to table the annual budget at a Council meeting at least 90 days before the start of the municipal financial year.
- 2.2 In order to monitor compliance with this legislative requirement, the National Treasury has instituted a process to collect this information annually in the form of a questionnaire.
- 2.3 The "questionnaire" was sent to all 257 municipalities with a request to complete and submit to National Treasury by the 10 June 2022. This requirement has been in place over



## MEMORANDUM

SUBJECT: COMPLIANCE WITH DEADLINES FOR THE TABLING AND APPROVAL OF MUNICIPAL BUDGETS FOR THE 2022/23 MTREF: REQUEST TO TABLE INFORMATION IN PARLIAMENT

3.4 Publishing municipal budget information in these new formats has greatly improved transparency and simplified understanding of municipal finances, and also facilitated better oversight, monitoring and support to municipalities.

### 4. BROAD TRENDS:

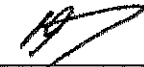
- 4.1 National Treasury has observed that 246 of the 257 municipalities or 95.7 per cent of the municipalities succeeded in tabling their budgets in their respective municipal councils on time, this represent a significant growth of 2.3 per cent more than the previous year where 93.4 per cent was achieved.
- 4.2 With regards to the adoption date, 248 or 96.5 per cent of the municipalities adopted their budget within the prescribed period, 0.8 per cent less than the previous year. The 9 Municipalities that failed to adopt their budgets on time are Mangaung (MAN), Letsemeng (FS161), Kopanong (FS162), Masilonyana (FS181), Maluti-a-Phofung (FS194), Moqhaka (FS201), eThekweni (ETH), Umkhanyakude (DC27), and Knysna (WC048).
- 4.3 For the first time since the inception of *mSCOA*, all 257 municipalities prepared their own budgets.
- 4.4 The Figure below reflects the trend of municipalities tabling and approval of their budgets since the 2005/06 financial year.
- 4.5 There was an increase in the number of municipalities that complied with sections 22(b) and 24(3) of the MFMA which requires them to submit their adjustments budget in electronic format to National Treasury, the relevant provincial treasury, prescribed national or provincial state organs as well as to other municipalities affected by the budget. A total of 218 or 84.8 per cent of municipalities submitted to National Treasury and 218 municipalities or 84.8 per cent submitted to Provincial Treasuries, an increase of 19 per cent is noted from 2021/22 financial year on sections 22(b) and an increase of 3.8 per cent is also noted on the section 24(3).



**MEMORANDUM**

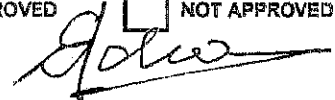
SUBJECT: COMPLIANCE WITH DEADLINES FOR THE TABLED AND APPROVAL OF MUNICIPAL BUDGETS FOR THE 2022/23 MTRRF: REQUEST TO TABLE INFORMATION IN PARLIAMENT

RECOMMENDED     NOT RECOMMENDED     RECOMMENDED WITH COMMENTS

  
 Signature  
 Name and Surname:  
**Ismail Momoniat**  
 Title: Acting Director-General  
 Date: 3/9/2023

Or SignHub Signature  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

APPROVED     NOT APPROVED     COMMENTS

  
 Signature  
 Name and Surname:  
**Enoch Godongwana, MP**  
 Title: Minister  
 Date: 22/09/2023

Or SignHub Signature  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

This document is the property of the Department of Finance and Treasury. It is to be used only for the purposes for which it is issued. It is not to be distributed outside the Department of Finance and Treasury. It is to be destroyed when it is no longer required. It is to be kept confidential and its contents are not to be disclosed to the public.



**MINISTRY: FINANCE  
REPUBLIC OF SOUTH AFRICA**

Private Bag X115, Pretoria, 0001 Tel: +27 12 323 8911 Fax: +27 12 323 3262  
P O Box 29, Cape Town 8000 Tel +27 21 464 6100 Fax +27 21 461 2934  
Website : [www.treasury.gov.za](http://www.treasury.gov.za) , email : [minreg@treasury.gov.za](mailto:minreg@treasury.gov.za)

**Ref: M3/4/3/2(1038/2023)**

Honourable Nosiviwe Mapisa-Nqakula, MP  
Speaker of the National Assembly  
PO Box 15  
**CAPE TOWN**  
8000

Dear Honourable Speaker

**TABLING AND APPROVAL OF MUNICIPAL BUDGETS FOR THE 2022/23 MTREF**

Section 24(3) of the Municipal Finance Management Act (56 of 2003) refers.

In accordance with the above provision of the Municipal Finance management Act, 2003, I hereby table the approval of **Municipal Budgets for the 2022/23 MTREF**.

I appreciate your assistance in this regard.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Godongwana'.

**ENOCH GODONGWANA, MP  
MINISTER OF FINANCE  
DATE: 22/09/2023**