



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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FROM: Mr S Mashaba, Tel: 012 315 5183, Email:sello.mashaba@treasury.gov.za

Ref No: WC012/8

Mr G Matthyse
The Municipal Manager
Cederberg Municipality
PRIVATE BAG X 2
CLANWILLIAM
8135

Dear Mr Matthyse

APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2022/23 FINANCIAL YEAR

Your letter dated 31 August 2023 refers.

Your request to roll over the unspent amount of **R4.3 million** into the 2023/24 financial year by your municipality is not approved in terms of 21(2) of the 2022 Division of Revenue Amendment Act, (Act No. 15 of 2022) (DoRAA). The rejection is with respect to the Municipal Infrastructure Grant (MIG) (R2 million), Finance Management Grant (FMG) (R49 thousand), Water Services Infrastructure Grant (R820 thousand) and Integrated National Electrification Programme (INEP) (R1.3 million) .

The National Treasury in assessing your roll over request used the criteria set out in Circular No. 123 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003) as a guide for the consideration of the roll over submission by your municipality.

The decision to reject your roll over request is based on the following reasons:

- MIG (R2 million) - There are no appointments done against the unspent amount and the projects are still at a tender process. Therefore, the municipality is advised to re-prioritise and implement the projects that are listed against the unspent amount, against the 2023/24 allocation.
- FMG (R49 thousand) and WSIG (R820 thousand) – the municipality indicated that the unspent amount will be paid into the National Revenue Fund.
- INEP (R1.3 million) – the roll over request amount is against a completed project.



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Your municipality is reminded that the Municipal Council does not have the legal authority to decide on the use of Conditional Grant transfers from National Government outside of the legal framework set out in the annual Division of Revenue Act and its various gazettes.

This process only covers the 2022 DoRA allocated amounts.

Kind regards,

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MALIENG NGQALENI

DEPUTY DIRECTOR-GENERAL: INTERGOVERNMENTAL RELATIONS

DATE: 19 October 2023

CC: Office of the Auditor-General