



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: DC2/3

Mr H Prins
The Municipal Manager
Cape Winelands DM Municipality
P O BOX 100
STELLENBOSCH
7599

Dear Mr Prins

APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2021/22 FINANCIAL YEAR

Your letter dated 15 August 2022 refers.

Approval is hereby granted in terms of section 21(2) of the 2021 Division of Revenue Amendment Act, (Act No. 17 of 2021) (DoRAA) to retain a lesser amount of **R100 thousand** of the requested amount of R2.8 million allocated to your municipality in the 2021/22 financial year through the DoRA. This approval is in respect of the Expanded Public Works Programme Integrated Grant (Municipality).

The National Treasury in assessing your roll over request used the criteria set out in Circular No.115 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 approval amount of R100 thousand is for the following project:

- Labour intensive cleaning and grass cutting of provincial roads for Ceres, Stellenbosch, Drakenstein and Worcester/Robertson.

The rejected amount of R2.7 million with respect to the Rural Road Assets Management Systems Grant is based on the following reason:

- No commitment made against the rollover request of RRAMS as the municipality is currently in the tender evaluation process.



The National Treasury advises your municipality to adjust your grant income projections according to section 28 of the Municipal Finance Management Act, (Act No. 56 of 2003) by passing a municipal adjustments budget. In this regard, please take note of the requirements of section 23(1) of the Municipal Budget and Reporting Regulations (Government gazette No. 32141 dated 17 April 2009) which provides for dates by which a Municipal Council should pass an adjustments budget.

All approved roll overs must be reported in a format approved by National Treasury. Further, municipalities must also report expenditure incurred on rolled over amounts monthly to the relevant Transferring Officer. Municipalities are also encouraged to also send a copy of the roll over reports to the respective provincial departments (provincial treasury and provincial local government department).

NB: This process only covers the 2021 DoRA allocated amounts.

Kind regards,

pp

MALIJENG NGQALENI

DEPUTY DIRECTOR-GENERAL: INTERGOVERNMENTAL RELATIONS

Date: 19 October 2022

CC: Office of the Auditor-General



Reference number: PTR 16/1/8/1

Private Bag X9165
CAPE TOWN
8000

Enquiries: Mr Isaac Tsie

The Municipal Manager
Cape Winelands District Municipality
PO Box 100
STELLENBOSCH
7599

For attention: Mr H Prins

OUTCOME FOR ROLL-OVER OF UNSPENT PROVINCIAL CONDITIONAL GRANTS FOR THE 2021/22 FINANCIAL YEAR

Your letter dated 15 August 2022 refers.

The Western Cape Provincial Treasury has in principle granted approval, in terms of Section 10(2) of the Western Cape Appropriation Act (WCAA) 2021 (Act No. 5 of 2021), to roll-over the unspent amounts of R353 921 for Safety Initiative Implementation - Whole Of Society Approach Grant (WOSA), R672 322 for Integrated Transport Planning, R76 000 for Community Development Workers (CDW) Operational Support Grant and R46 000 for Local Government Internship Grant.

All roll-over amounts approved **must** be fully spent by 30 June 2023 as no further roll-over will be allowed should there be unspent funds remaining at 30 June 2023.

The Municipality **must** provide the final unspent amounts for the above-mentioned conditional grants when the 2021/22 Annual Financial Statements have been audited. The approvals granted to the Municipality will be reviewed again once the audited 2021/22 Annual Financial Statements have been received and may be withdrawn if anomalies are identified.

The request to roll-over the unspent amount of R1 046 000 for Fire Service Capacity Building Grant was not approved as the amount was previously approved for roll-over. The Municipality is requested to return the unspent funds to the Department of Local Government, using the relevant banking details as communicated in Treasury Circular Mun No. 14 of 2022.

The due date for the repayment of the above unspent funds is **30 November 2022** and proof of payment **must** be sent to mfma.mfma@westerncape.gov.za for attention of Ms ZM Hans.

Provincial Treasury advises the Municipality to adjust grant income projections for these grants according to Section 28 of the Municipal Finance Management Act (Act No. 56 of 2003) by passing a municipal adjustment budget. Please note the requirements of regulation 23(1) of the Municipal Budget and Reporting Regulations (Government Gazette No. 32141 dated 17 April 2009) which provides for timeframes by which a municipal council should pass an adjustment budget.

The Provincial Treasury together with the relevant provincial departments will continue to monitor the spending of provincial conditional grants allocated to the Municipality. The Municipality must ensure that all the funds that have been rolled over from the previous financial year are reflected in Table SC7(2) of the C-Schedule and are fully spent during the 2022/23 financial year.

MR S KENYON
CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE

Cc: The Head of Department: Department of Community Safety
The Head of Department: Department of Transport and Public Works
The Head of Department: Department of Local Government
The Chief Financial Officer: Cape Winelands District Municipality