



CFO FORUM LEKGOTLA

ADJUSTED ESTIMATES: 2011 LOCAL GOVERNMENT ALLOCATIONS

Date: 06 December 2011

**Presenter: Mr M Sigabi
LOCAL GOVERNMENT FINANCE**



- **Legislative Framework**
 - Public Finance Management Act - Act 1 of 1999 (as amended by Act 29 of 1999): PFMA
 - Division of Revenue Act (Act 6 of 2011): DoRA
 - Municipal Finance Management Act (Act 56 of 2003): MFMA
- **MFMA Requirements**
- **Adjusted Allocations**
- **Roll-overs on unspent provincial grants**



National adjustment budgets: Section 30 of PFMA - National Assembly



Provincial adjustment budgets: Section 31 of PFMA - Provincial Legislature



Section 29(3) of the Division of Revenue Act



Municipal adjustment budgets: Section 28 of MFMA read together with Regulation 23(3) of Municipal budget and reporting regulations



Timeframes for tabling of adjustments budgets

- **Section 28(2)(b)**

"An adjustments budget may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for".

- **Regulation 23(3)**

"If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues".



PROVINCIAL TREASURY

Provincial Government of the Western Cape

ADJUSTED ALLOCATIONS PER MUNI

Municipalities	Grand Total: Western Cape Municipalities					
	Provincial Financial Year			Municipal Financial Year		
	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)
Cape Town Metro	840 949	852 444	11 495	840 949	852 444	11 495
West Coast Municipalities	96 088	118 794	22 706	96 088	118 794	22 706
Matzikama	10 683	13 530	2 847	10 683	13 530	2 847
Cederberg	10 400	9 426	(974)	10 400	9 426	(974)
Bergrivier	12 558	18 590	6 032	12 558	18 590	6 032
Saldanha Bay	32 382	50 862	18 480	32 382	50 862	18 480
Swartland	28 404	24 886	(3 518)	28 404	24 886	(3 518)
West Coast District	1 661	1 500	(161)	1 661	1 500	(161)
Cape Winelands Municipalities	207 192	194 564	(12 628)	207 192	194 564	(12 628)
Witzenberg	21 161	27 440	6 279	21 161	27 440	6 279
Drakenstein	72 190	72 310	120	72 190	72 310	120
Stellenbosch	43 041	20 015	(23 026)	43 041	20 015	(23 026)
Breede Valley	40 834	40 808	(26)	40 834	40 808	(26)
Langeberg	27 751	31 750	3 999	27 751	31 750	3 999
Cape Winelands District	2 215	2 241	26	2 215	2 241	26



PROVINCIAL TREASURY

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ADJUSTED ALLOCATIONS PER MUNI (Cont...)

Municipalities	Grand Total: Western Cape Municipalities					
	Provincial Financial Year			Municipal Financial Year		
	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)
Overberg Municipalities	104 521	94 603	(9 918)	104 521	94 603	(9 918)
Theewaterskloof	37 674	46 621	8 947	37 674	46 621	8 947
Overstrand	37 059	13 059	(24 000)	37 059	13 059	(24 000)
Cape Agulhas	22 279	29 755	7 476	22 279	29 755	7 476
Swellendam	7 509	5 018	(2 491)	7 509	5 018	(2 491)
Overberg District	-	150	150	-	150	150
Eden Municipalities	205 318	258 940	53 622	205 318	258 940	53 622
Kannaland	6 280	7 310	1 030	6 280	7 310	1 030
Hessequa	20 841	22 422	1 581	20 841	22 422	1 581
Mossel Bay	43 500	43 674	174	43 500	43 674	174
George	50 666	91 392	40 726	50 666	91 392	40 726
Oudtshoorn	20 757	18 683	(2 074)	20 757	18 683	(2 074)
Bitou	17 641	19 910	2 269	17 641	19 910	2 269
Knysna	45 493	55 519	10 026	45 493	55 519	10 026
Eden District	140	30	(110)	140	30	(110)
Central Karoo Municipalities	14 108	22 406	8 298	14 108	22 406	8 298
Laingsburg	1 023	1 901	878	1 023	1 901	878
Prince Albert	3 636	7 986	4 350	3 636	7 986	4 350
Beaufort West	7 831	10 700	2 869	7 831	10 700	2 869
Central Karoo District	1 618	1 819	201	1 618	1 819	201
Total provincial adjusted allocations	1 468 176	1 541 751	73 575	1 468 176	1 541 751	73 575



PROVINCIAL TREASURY

Provincial Government of the Western Cape

ADJUSTED ALLOCATIONS PER DEPARTMENT

Municipalities	Adjusted Allocations: Western Cape Provincial Departments					
	Provincial Financial Year			Municipal Financial Year		
	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12
	Main Budget (R'000)	Adjusted Allocation (R'000)	Change Main Budget (R'000)	Main Budget (R'000)	Adjusted Allocation (R'000)	Change Main Budget (R'000)
Vote 3: Provincial Treasury	-	3 450	3 450	-	3 450	3 450
Financial Management Support Grant	-	3 450	3 450	-	3 450	3 450
Vote 6: Health	315 436	322 763	7 327	315 436	322 763	7 327
Personal Primary Health Care Services	212 885	212 885	-	212 885	212 885	-
Integrated Nutrition	4 020	4 020	-	4 020	4 020	-
HIV and AIDS	64 146	64 146	-	64 146	64 146	-
Global Fund	34 385	41 712	7 327	34 385	41 712	7 327
Vote 8: Human Settlements	1 058 868	1 058 868	-	1 058 868	1 058 868	-
Human Settlements Development Grant	1 031 588	1 031 588	-	1 031 588	1 031 588	-
Municipal Accreditation Assistance	10 000	10 000	-	10 000	10 000	-
Settlement Assistance	1 000	1 000	-	1 000	1 000	-
Provincial contribution towards the acceleration of housing delivery	16 280	16 280	-	16 280	16 280	-
Vote 9: Environmental Affairs and Development Planning	250	250	-	250	250	-
Greenest Municipality Competition	250	250	-	250	250	-



PROVINCIAL TREASURY

Provincial Government of the Western Cape

ADJUSTED ALLOCATIONS PER DEPARTMENT (Cont...)

Municipalities	Adjusted Allocations: Western Cape Provincial Departments					
	Provincial Financial Year			Municipal Financial Year		
	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)	2011/12 Main Budget (R'000)	2011/12 Adjusted Allocation (R'000)	2011/12 Change Main Budget (R'000)
Vote 10: Transport and Public Works	58 912	74 912	16 000	58 912	74 912	16 000
Cape Metropolitan Transport Fund	11 900	11 900	-	11 900	11 900	-
Maintenance of Proclaimed Roads	17 800	17 800	-	17 800	17 800	-
Provision for persons with special needs	10 000	10 000	-	10 000	10 000	-
Integrated Transport Planning	1 507	1 507	-	1 507	1 507	-
Public Transport Infrastructure	11 905	11 905	-	11 905	11 905	-
George Mobility Strategy	2 000	2 000	-	2 000	2 000	-
Transport Safety and compliance	3 800	3 800	-	3 800	3 800	-
Integrated Public Transport Network	-	9 000	9 000	-	9 000	9 000
George Integrated Public Transport Network - Infrastructure Support	-	7 000	7 000	-	7 000	7 000
Vote 12: Economic Development and Tourism	-	1 000	1 000	-	1 000	1 000
False Bay Ecology	-	1 000	1 000	-	1 000	1 000
Vote 13: Cultural Affairs & Sport	43 198	74 466	31 268	43 198	74 466	31 268
Library Services (Conditional Grant)	41 198	41 198	-	41 198	41 198	-
Development of Sport and Recreation Facilities	2 000	2 000	-	2 000	2 000	-
Library Services (Municipal Replacement Funding)	-	31 268	31 268	-	31 268	31 268
Vote 14: Local Government	8 042	6 042	(2 000)	8 042	6 042	(2 000)
CDW Operational Support Grant	3 042	3 042	-	3 042	3 042	-
Thusong (Multi-Purpose) Centres	5 000	3 000	(2 000)	5 000	3 000	(2 000)
Total provincial adjusted allocations	1 484 706	1 541 751	57 045	1 484 706	1 541 751	57 045



- NT has referred the roll-over applications of 2010/11 unspent provincial grants to PT and transferring provincial departments;
- There is currently no provincial process for the approval of unspent provincial conditional grants;
- PT will be engaging the transferring Provincial Departments and NT on a process similar to NT's process;
- Customisation of section 20 of DoRA to give effect to the provincial roll-over process;
- Inclusion of a customised section 20 of DoRA in the 2012 Western Cape Appropriation Act;
- Details on a final process and due dates will be issued with the 2012 PT MFMA Budget Circular; and
- PT will engage with NT and transferring departments on the "withholding of allocations", "stopping of allocations" and "re-allocation of funds" where municipalities are not complying with the frameworks.



PROVINCIAL TREASURY

Provincial Government of the Western Cape

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