



## KWAZULU-NATAL PROVINCE

TREASURY  
REPUBLIC OF SOUTH AFRICA

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**To: MUNICIPAL MANAGERS  
CHIEF FINANCIAL OFFICERS  
KWAZULU-NATAL (KZN) MUNICIPALITIES**

### PROVINCIAL TREASURY CIRCULAR PT/MF 03 OF 2023/24

#### **NON-COMPLIANCE WITH THE MFMA REPORTING REQUIREMENTS**

In terms of Section 5(4)(a)(i) of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), Provincial Treasury is required to monitor compliance with the MFMA by all delegated municipalities. As part of the monitoring framework established by Provincial Treasury in order to fulfil its mandate in terms of Section 5(4)(a)(i) of the MFMA, guidelines and circulars are issued to municipalities to promote compliance with the MFMA and the Division of Revenue Act (DoRA) and support is provided to municipalities to prevent non-compliance with the MFMA and DoRA. A crucial aspect of the monitoring framework involves the issuing of non-compliance letters to municipalities that do not adhere to the requirements of the MFMA and DoRA during the various processes over the course of the year.

The purpose of the Provincial Treasury non-compliance circular is to:

- Provide a status of the non-compliance with the MFMA and the DoRA by the 51 delegated municipalities for the various key processes and reporting requirements in the second half of the 2022/23 financial year;
- Highlight the main areas of non-compliance to enable municipalities to develop and implement relevant procedures and internal controls within their monitoring and reporting processes to avoid any future contravention of the MFMA and DoRA; and
- List the municipalities that did not comply with the MFMA and DoRA to enable the leadership of the non-compliant municipalities to implement consequence management in instances of persistent non-compliance with the provisions of the MFMA and DoRA.

It has been noted, after considering the reports submitted for the second half of the 2022/23 financial year, that a number of municipalities in the province are either failing to comply with ALL the reporting requirements as set out in the different sections of the MFMA and DoRA and/or are submitting reports for compliance purposes only without ensuring the accuracy of the information submitted.

Despite all the support provided as detailed below and notifying municipalities of the areas of non-compliance via the issuing of non-compliance letters and previous non-compliance circulars, it is of serious concern that a number of municipalities in KZN are still not fully complying with all the reporting requirements of the MFMA and DoRA.



During the 2022/23 financial year, Provincial Treasury reported non-compliance with both the MFMA and DoRA reporting requirements to the KZN Provincial Legislature. It is the intention of Provincial Treasury to continue to submit a list of those municipalities that are persistently not complying with the MFMA and DoRA reporting requirements to the Provincial Legislature for their consideration.

Provincial Treasury therefore urges all municipalities to ensure full compliance with all the reporting requirements in terms of the MFMA and DoRA in the 2023/24 financial year. The officials from Provincial Treasury will continue to assist and support their designated municipalities to enforce full compliance by all municipalities and will continue to notify municipalities of the areas of non-compliance via the issuing of non-compliance letters in terms of our mandate in terms of Section 5(4)(a)(i) of the MFMA.

It should also be noted that our source of information is the National Treasury Local Government (LG) Database. Should your municipality dispute any of the information reflected in the various sections, please provide both the National and Provincial Treasuries with the evidence to confirm any discrepancy.

The following sections list out some of the most important MFMA and DoRA reporting requirements that have not been complied with by municipalities, together with a list of the municipalities who did not fully comply with those reporting requirements for the second half of the 2022/23 financial year under review:

- Section A: 2022/23 MFMA Section 71 Monthly data strings;
- Section B: 2022/23 Quarterly data strings;
- Section C: 2022/23 Verification of figures for Quarters three and four of the 2022/23 financial year;
- Section D: 2022/23 Adjustments Budget Process;
- Section E: Publication of MFMA Section 75 Information on Municipal websites;
- Section F: Financial Management Grant (FMG) Conditions/Appointment of Municipal interns;
- Section G: 2023/24 Tabled Budget Process;
- Section H: 2023/24 Approved Budget Process;
- Section I: Approval of the 2023/24 Final Service Delivery Budget Implementation Plan (SDBIP);
- Section J: Submission of the 2023/24 Approved SDBIP; and
- Section K: Publication of the 2023/24 Approved SDBIP.

In order to avoid any future contravention of the MFMA and the DoRA, you are required to ensure that your municipality develops and implements relevant processes and internal controls to ensure that your monthly, quarterly and annual data strings are timeously uploaded to the National Treasury GoMuni Upload Portal. It is vital that these data strings are reviewed for accuracy and completeness by senior municipal officials to ensure the accuracy of the data strings uploaded to the National Treasury GoMuni Upload Portal.

Both the National and Provincial Treasuries provided support and training to assist municipalities in meeting their reporting requirements and can no longer allow any deliberate or inadvertent non-compliance with the law by the municipalities.

Support provided to municipalities includes, but is not limited to the following: sending the exception reports drawn from the National Treasury LG Database reflecting the status of compliance by all the delegated municipalities on a weekly basis; engaging on the status of compliance with the municipalities during various bilateral engagements as well as frequent reminders to municipalities to submit outstanding documents through telephonic and email correspondence. Provincial Treasury also provided technical support when requested by the municipalities.



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In a bid to enforce compliance by municipalities, Provincial Treasury will continue to:

1. Report non-compliance with the MFMA and DoRA to the KZN Provincial Legislature for their consideration and further action via the quarterly MFMA Section 71(7) Reports;
2. Report non-compliance with the MFMA and DoRA to National Treasury for their consideration in invoking Section 38 of the MFMA which empowers National Treasury to withhold a municipality's Equitable share transfer if the municipality commits a serious breach of the measures established in terms of Section 216(1) of the Constitution which includes reporting obligations set out in the MFMA; and
3. Notify the Auditor-General of the municipality's failure to comply with relevant MFMA and DoRA reporting requirements.

Provincial Treasury may also consider recommending to the concerned municipality's Council to consider investigating the Accounting Officer in terms of Section 171(4) of the MFMA with a view to taking disciplinary action against the Accounting Officer in the light of his or her failure to comply with the relevant MFMA and DoRA reporting requirements in order to promote consequence management.

Kind regards

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**Ms. C. Coetzee**

**Head of Department: KwaZulu-Natal (KZN) Provincial Treasury**

**CC Mayors**

**Mr. J. Hattingh – National Treasury**

**Mr. T. V Pillay – National Treasury**

**Ms. N. Mkhize – KZN Business Unit Leader (Auditor-General)**

**Ministerial Representatives**



**Section A: 2022/23 MFMA Section 71 Monthly data strings**

In terms of Section 71(1) of the MFMA, *the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:*

- (a) *actual revenue, per revenue source;*
- (b) *actual borrowings;*
- (c) *actual expenditure, per vote;*
- (d) *actual capital expenditure, per vote;*
- (e) *the amount of any allocations received; and*
- (f) *actual expenditure of those allocations, excluding expenditure on -*
  - (i) *its share of the local government equitable share; and*
  - (ii) *allocations exempted by the annual Division of Revenue Act from compliance with this paragraph.*

It should be noted that a municipality that submitted their data string with errors is regarded as non-submission as the municipality would not have successfully uploaded their data string to the National Treasury GoMuni Upload Portal.

During the second half of the financial year under review, the following municipalities listed in Table 1 did not fully comply with the MFMA Section 71 reporting requirements (i.e. did not submit by the 10<sup>th</sup> working day of the relevant month or submitted with errors) and non-compliance letters were issued to the respective municipalities. It should be noted that for the MFMA Section 71 report for June 2023, National Treasury extended the deadline to the close of business on 18 July 2023 as a result of the impact of Stage 6 load shedding on the operation of the LG Database.

**Table 1: List of municipalities that did not fully comply with Section 71 of the MFMA**

No.	Non-Compliant Municipalities	Non-submission	Submission with errors	Period
1	Jozini	-	Yes	January 2023
2	Nongoma	Yes	-	February 2023
3	Nkandla	Yes	-	
4	Nongoma	Yes	-	March 2023
5	Maphumulo	-	Yes	
6	uLundi	Yes	-	April 2023
7	uMzambe	Yes	-	May 2023
8	uPhongola	Yes	-	
9	uLundi	-	Yes	
10	uMfobozi	Yes	-	
11	uMuziwabantu	Yes	-	June 2023
12	Mpofana	-	Yes	
13	uMkhanyakude DM	Yes	-	

Source: National Treasury GoMuni Portal

It should be noted that municipalities were only allowed to submit outstanding data strings or resubmit data strings with errors to the National Treasury GoMuni Upload Portal up until 14 July 2023 (10 working days after the end of month 12 on 30 June 2023). The deadline was extended to the close of business on 18 July 2023 as a result of the impact of Stage 6 load shedding on the operation of the LG Database.

As at 18 July 2023, all outstanding monthly data strings were successfully submitted with the exception of the uMkhanyakude District Municipality and the uMuziwabantu Local Municipality.



### **Section B: 2022/23 Quarterly data strings**

Section 74(1) of the MFMA states that *the Accounting Officer of a municipality must submit to the National Treasury, the Provincial Treasury, the department for local government in the province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required.*

National Treasury has prescribed that quarterly Borrowing and Investment information in the form of data strings must be uploaded to the National Treasury GoMuni Upload Portal. National Treasury allowed the quarterly data strings to be submitted by municipalities up until 18 July 2023 as a result of the impact of Stage 6 load shedding on the operation of the LG Database.

All municipalities submitted their Investment Monitoring and Borrowing Monitoring data strings for the third quarter of the 2022/23 financial year.

A non-compliance letter was issued to the uMkhanyakude District Municipality for the non-submission of their Investments Monitoring and Borrowing Monitoring data strings for the fourth quarter of the 2022/23 financial year.

### **Section C: 2022/23 Verification of figures for Quarters three and four of the 2022/23 financial year**

Provincial Treasury is concerned about the reliability of the budget and expenditure figures published by National Treasury. It was noted in the past that there have been discrepancies in the data submitted to the National Treasury GoMuni Upload Portal by municipalities. To ensure that figures published by National Treasury are reliable, it is imperative that municipalities scrutinise, verify and sign-off the verifications schedules that are sent to them by National Treasury on a quarterly basis.

There are four quarterly verification schedules, namely:

- (a) Statement of Capital and Operating Expenditure (Monthly In-Year Monitoring);
- (b) Conditional Grants Transfers by National Treasury and Actual Payments made by the municipality;
- (c) Borrowing Monitoring Schedule; and
- (d) Investment Monitoring Schedule.

All municipalities verified their MFMA Section 71 quarterly reports for Quarter three of the 2022/23 financial year.

A non-compliance letter was sent to the Dannhauser Local Municipality as they did not sign and verify their MFMA Section 71 quarterly report for Quarter four of the 2022/23 financial year. The uMkhanyakude District Municipality could not verify their Borrowing and Investment Monitoring as the municipality did not submit their quarterly data strings as noted in Section B above.

### **Section D: 2022/23 Adjustments Budget Process**

When an Annual Budget has been adjusted, a municipality is required to table their Adjustments Budget to Council at any time after the Mid-Year Budget and Performance Assessment Report has been tabled in Council but not later than 28 February of the current year as required by Regulation 23(1) of the Municipal Budget and Reporting Regulations (MBRR).

#### **Tabling of the 2022/23 Adjustments Budget**

As at 28 February 2023, 47 of the 51 delegated municipalities tabled their 2022/23 Adjustments Budgets in Council. Table 2 lists the four (4) municipalities that did not table their 2022/23 Adjustments Budgets by 28 February 2023.



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**Table 2: List of municipalities that did not approve their 2022/23 Adjustments Budget by 28 February 2023**

No	Name of municipality	No	Name of municipality
1	Newcastle	3	Nongoma
2	eMadlangeni	4	Maphumulo

Source: KZN Provincial Treasury

The Newcastle, Nongoma and Maphumulo Local Municipalities did not approve their 2022/23 Adjustments Budgets by 28 February 2023 however the three municipalities complied with Section 27(1) of the MFMA and Regulation 60(1) of the MBRR by submitting a Schedule G application notifying Provincial Treasury of the municipality's impending failure to table the 2022/23 Adjustments Budget in Council by 28 February 2023 as required by Regulation 23(1) of the MBRR. The Newcastle and Nongoma Local Municipalities submitted their Schedule G applications on 28 February 2023 whilst the Maphumulo Local Municipality submitted their Schedule G application on 27 February 2023.

The eMadlangeni Local Municipality did not approve their 2022/23 Adjustments Budget by 28 February 2023 and notified Provincial Treasury of the actual non-compliance in line with the requirements of Section 27(3) of the MFMA and Regulation 63(1) of the MBRR on 02 March 2023.

All four municipalities subsequently approved their 2022/23 Adjustments Budgets as indicated in Table 3.

**Table 3: Dates of approval subsequent to receipt of MEC response to application and notification of non-compliance**

No	Name of municipality	Subsequent date of 2022/23 Adjustments Budget approval
1	Newcastle	01 March 2023
2	Maphumulo	02 March 2023
3	eMadlangeni	03 March 2023
4	Nongoma	08 March 2023

Source: KZN Provincial Treasury

### Uploading of the 2022/23 Adjustments Budget to the municipal websites

Section 75(2) of the MFMA requires that documents *must be placed on the website not later than five days after its tabling in Council or on the date on which it must be made public, whichever occurs first.*

All delegated municipalities with the exception of the uMkhanyakude District Municipality uploaded their 2022/23 Adjustments Budget on their municipal website within five days of tabling the Adjustments Budget to Council. The uMkhanyakude District Municipality was sent a non-compliance letter in this regard.

### **Section E: Publication of MFMA Section 75 Information on Municipal Websites**

In terms of Section 75(1) of the MFMA, municipalities are required to place the following documents on their municipal websites:

- the annual and adjustments budgets and all budget-related documents;*
- all budget-related policies;*
- the annual report;*
- all performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act;*
- all service delivery agreements;*
- all long-term borrowing contracts;*
- all supply chain management contracts above a prescribed value;*



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- h) an information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during the previous quarter;
- i) contracts to which subsection (1) of Section 33 apply, subject to Subsection (3) of that Section;
- j) public-private partnership agreements referred to in Section 120;
- k) all quarterly reports tabled in the council in terms of Section 52(d); and
- l) any other documents that must be placed on the website in terms of this Act or any other applicable legislation, or as may be prescribed.

Section 75(2) of the MFMA further requires that documents *must be placed on the website not later than five days after its tabling in Council or on the date on which it must be made public, whichever occurs first.*

As at 10 August 2023, the 11 municipalities shown in Table 4 had not placed the majority of the required documents as per Section 75(1)(a) to (l) of the MFMA on their websites.

**Table 4: List of the municipalities that did not place majority of the required documents on their websites**

Name of municipality	22/23 Reviewed IDP for the next cycle	2022/23 SDBIP published on website	2021/22 Final Annual report	2021/22 Oversight report of prior year	2022/23 signed Performance Agreements as per Sec57(1)(b) of MSA	All active service delivery agreements	All active long-term borrowing contracts	All active SCM contracts above a prescribed value.	Two most recent Sec52 quarterly reports tabled in council	All active long term contracts extending beyond three years.	Information statements containing list of assets over prescribed value that have been disposed of in terms of Sec14(2) during the 2022/23 financial year
uMzombe	x	x	x	x	x	x		x	x	x	x
uMuziwabantu				x		x		x	x	x	x
Ugu DM						x		x	x	x	x
Richmond					x	x			x	x	x
Okhahlamba	x			x		x		x	x	x	x
uThukela DM	x		x	x	x	x		x	x		x
uPhongolo			x			x	x	x		x	
Ulundi				x		x		x	x		
uMkhanyakude DM		x	x	x	x	x	x		x	x	
uMlalazi						x	x	x	x		
Harry Gwala DM			x			x		x	x		

Source: Municipal Websites

### **Section F: Financial Management Grant (FMG) Conditions/Appointment of Municipal Interns**

In terms of the conditions for the Financial Management Grant (FMG) published in the 2022 DoRA, the grant may be utilised for amongst others, appointing at least five interns in local municipalities and three interns in metropolitan and district municipalities over a multi-year period.

As at 10 August 2023, the 13 delegated municipalities shown in Table 5 had not appointed the required number of interns.



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**Table 5: List of municipalities which did not appoint the required number of interns**

No	Name of municipality	No	Name of municipality
1	uMuziwabantu	8	uMhlabuyalingana
2	Ray Nkonyeni	9	uMfolozi
3	uMngeni	10	Mthonjaneni
4	Okhahlamba	11	Ndwedwe
5	uThukela DM	12	Dr. Nkosazana Dlamini Zuma
6	Nquthu	13	uMzimkhulu
7	uMvoti		

Source: KZN Provincial Treasury

### **Section G: 2023/24 Tabled Budget Process**

#### **Tabling of the 2023/24 Annual Budget**

Section 16(2) of the MFMA states that *the Mayor of the municipality must table the Annual Budget at a Council meeting at least 90 days before the start of the budget year. As at 31 March 2023, 50 of the 51 delegated municipalities tabled their 2023/24 Annual Budgets. The uMvoti Local Municipality did not table its 2023/24 Annual Budget by 31 March 2023 however, in complying with Section 27(1) of the MFMA and Regulation 60(1) of the MBRR, a Schedule G application dated 31 March 2023 was received from the municipality notifying Provincial Treasury of the municipality's impending failure to table the 2023/24 Annual Budget in Council by 31 March 2023 as required by Section 16(2) of the MFMA.*

The MEC for Finance granted the municipality an extension up until 14 April 2023 in terms of Section 27(2) of the MFMA which states that *the MEC for Finance may, on application by the Mayor and on good cause shown, extend any time limit or deadline contained in that provision, provided that no such extension may compromise compliance with Section 16(1) [of the MFMA].* The municipality subsequently tabled the 2023/24 Annual Budget in Council.

#### **Submission of the 2023/24 Tabled Budget documents and data strings**

Section 22(b)(i) of the MFMA requires that immediately after an Annual Budget is tabled in a municipal Council, the Annual Budget must be submitted to the National and Provincial Treasuries in both PDF and electronic formats. As per MFMA Budget Circular No. 122, the date for the submission of the PDF and electronic copies was 03 April 2023 if a municipality tabled on 31 March 2023. The budget circulars also clarified that the budget documents to be submitted includes the Tabled Budget data string (TABB), non-financial data string for the Tabled Budget (A1D) and the Project Details Tabled Budget data string (PRTA). Provincial Treasury sent non-compliance letters to 37 municipalities that did not submit one or more of the budget documents and data strings required above.

The 37 municipalities listed in Table 6 did not submit one or more of their 2023/24 Tabled Budget documents or data strings timeously as per the requirement of Section 22(b)(i) of the MFMA and MFMA Circular No. 122.





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**Table 6: Municipalities which did not submit one or more of their 2023/24 Tabled Budget documents or data strings timeously**

No	Name of municipality	Tabled Budget data string (TABB)	Project Details Tabled Budget data string (PRTA)	Tabled Budget Non-financial data string (A1D)	Draft SDBIP	Budget Tabled in Council (PDF)
1	uMdoni			x	x	
2	uMzambe	x		x	x	x
3	uMuziwabantu	x	x	x		
4	Ray Nkonyeni			x		
5	Ugu DM			x		
6	uMshwathi			x	x	
7	Mpofana			x	x	
8	iMpendle		x	x	x	
9	Mkhambathini		x	x	x	
10	uMgungundlovu DM			x		
11	Okhahlamba			x	x	
12	uThukela DM			x		
13	eNdumeni	x	x	x	x	x
14	Nquthu			x		
15	uMsinga		x	x	x	
16	uMzinyathi DM		x	x	x	
17	eMadlangeni			x	x	
18	Dannhauser		x	x	x	x
19	Amajuba DM			x	x	
20	eDumbe			x	x	
21	uPhongolo			x	x	
22	Nongoma			x	x	
23	Ulundi	x	x	x	x	x
24	Zululand DM	x	x	x	x	x
25	uMhlabuyalingana			x	x	
26	Jozini			x		
27	Mtubatuba			x	x	
28	Big Five Hlabisa			x	x	
29	uMfolozi			x	x	
30	Mthonjaneni			x		
31	Nkandla	x	x	x	x	x
32	KwaDukuza	x	x	x	x	
33	Ndwedwe			x		
34	Maphumulo		x	x	x	
35	iLembe DM			x		
36	uBuhlebezwe			x		
37	Dr. Nkosazana Dlamini Zuma			x	x	
<b>Total non-compliant municipalities</b>		<b>7</b>	<b>12</b>	<b>37</b>	<b>26</b>	<b>6</b>

Source: KZN Provincial Treasury



As at 18 July 2023, all the municipalities had submitted their Tabled Budget data string, Project Details Tabled Budget data string and non-financial data string for the Tabled Budget data string as well as Tabled Budget documents with the exception of the uMuziwabantu Local Municipality that submitted their Project Details Tabled Budget data string with errors. Of the 26 delegated municipalities who did not submit their Draft SDBIP timeously, 23 municipalities subsequently submitted their SDBIP. The uMzinyathi District Municipality as well as the uMzumbe and Dannhauser Local Municipalities had still not submitted their Draft SDBIP as at 10 August 2023.

## **Section H: 2023/24 Approved Budget Process**

### **Approval of the 2023/24 Annual Budget**

Section 24(1) of the MFMA states that the municipal Council must at least 30 days before the start of the budget year consider approval of the Annual Budget, while Section 25(1) of the MFMA stipulates that if a municipal Council fails to approve an Annual Budget, including revenue-raising measures necessary to give effect to the budget, the Council must reconsider the budget and again vote on the budget, or on an amended version thereof, within seven days of the Council meeting that failed to approve the budget. Furthermore, Section 26(1) of the MFMA states that *if by the start of the budget year a municipal Council has not approved an Annual Budget or any revenue-raising measures necessary to give effect to the budget, the Provincial Executive of the relevant province must intervene in the municipality in terms of Section 139(4) of the Constitution by taking any appropriate steps to ensure that the budget or those revenue-raising measures are approved.*

Of the total 51 delegated municipalities in the province, 50 municipalities considered their 2023/24 Annual Budgets for approval by 31 May 2023, in compliance with Section 24(1) of the MFMA.

In complying with Section 27(1) of the MFMA and Regulation 60(1) of the MBRR, the uMvoti Local Municipality submitted a Schedule G notification dated 30 May 2023 notifying Provincial Treasury of the municipality's impending failure to table the 2023/24 Annual Budget in Council by 31 May 2023 as required by Section 16(2) of the MFMA. The MEC for Finance granted the municipality an extension up until 08 June 2023 in terms of Section 27(2) of the MFMA which states that *the MEC for Finance may, on application by the Mayor and on good cause shown, extend any time limit or deadline contained in that provision, provided that no such extension may compromise compliance with Section 16(1) [of the MFMA].* The municipality subsequently tabled their Annual Budget in Council.

There were 49 municipalities who had approved their 2023/24 Annual Budgets on or before 31 May 2023. The eNdameni Local Municipality tabled their 2023/24 Annual Budget to Council on 31 May 2023 but it was not approved. The municipality adhered to the provision of Section 25(1) of the MFMA and approved the Annual Budget on 07 June 2023.

### **Submission of the 2023/24 Approved Budget**

Section 24(3) of the MFMA requires that the Accounting Officer of a municipality must submit the approved Annual Budget to the National Treasury and the relevant Provincial Treasury.

Regulation 20(1) of the MBRR states that *the municipal manager must comply with Section 24(3) of the MFMA within ten working days after the municipal council has approved the Annual Budget.* As per National Treasury MFMA Circular No. 122, if the council approves the Annual Budget on 31 May 2023, the adopted budget data strings and documentation must be submitted by the latest 01 June 2023. Table 7 shows the five (5) municipalities that did not submit all their 2023/24 Approved Budget documentation and data strings timeously.



**Table 7: Municipalities which did not submit their 2023/24 Approved Budget documentation and data strings timeously**

No	Name of municipality	Non-financial data string - Original Budget (A1F)	Project Details Original Budget data string (PROR)
1	uMzumbe	×	
2	uMuziwabantu	×	×
3	Nquthu	×	
4	uMsinga	×	
5	Dannhauser		×
<b>Total non-compliant municipalities</b>		<b>4</b>	<b>2</b>

Source: KZN Provincial Treasury

The uMzumbe, uMuziwabantu, Nquthu and uMsinga Local Municipalities did not submit their budget non-financial (A1F) data string whilst the uMuziwabantu and Dannhauser Local Municipalities did not submit their IDP Project details (PROR) data string. Non-compliance letters were sent to the respective municipalities in this regard. The uMzumbe, Nquthu, and uMsinga Local Municipalities subsequently submitted their outstanding A1F data strings and the Dannhauser Local Municipality also subsequently submitted its PROR data string. The uMuziwabantu failed to submit their outstanding A1F data string and PROR data string by 18 July 2023 and the data strings will continue to be reflected as outstanding as the municipality no longer has an opportunity to remedy their non-compliance as a result of the closure of the GoMuni Upload Portal for the submission of the budget documents for the 2023/24 financial year.

**Uploading of the 2023/24 Approved Budget to the municipal websites**

Section 75(2) of the MFMA requires that documents *must be placed on the website not later than five days after its tabling in Council or on the date on which it must be made public, whichever occurs first.*

The four (4) municipalities listed in Table 8 did not upload the 2023/24 Approved Budget on their municipal website within five days of tabling the Approved Budget to Council thereby contravening Section 75(2) of the MFMA.

**Table 8: Municipalities which did not upload their 2023/24 Approved Budget documentation to their website timeously**

No	Name of municipality	No	Name of municipality
1	uMzumbe	3	Dannhauser
2	Nquthu	4	uMkhanyakude DM

Source: KZN Provincial Treasury

**Section I: Approval of the 2023/24 Final Service Delivery Budget Implementation Plan (SDBIP)**

Section 53(1)(c)(ii) of the MFMA states that *the Mayor of a municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the Mayor within 28 days after the approval of the budget.*

The uMvoti Local Municipality did not approve their SDBIP as required by Section 53(1)(c)(ii) of the MFMA however, the municipality subsequently submitted the approved SDBIP on 26 July 2023. The AbaQulusi Local Municipality did not timeously respond to requests from Provincial Treasury to confirm the approval of the 2023/24 SDBIP despite numerous requests for the information. Subsequent to receipt of the non-compliance letter dated 13 July 2023, the AbaQulusi Local Municipality submitted a Final SDBIP which reflected that the Mayor approved the SDBIP on 26 June 2023 which was within 28 days of approval of the budget.



### **Section J: Submission of the 2023/24 Approved SDBIP**

Regulation 20(2)(b) of the MBRR states that *the municipal manager must submit to the National Treasury and the relevant Provincial Treasury, in both printed and electronic form, the approved Service Delivery and Budget Implementation Plan within ten working days after the Mayor has approved the plan.*

The eDumbe and uMuziwabantu Local Municipalities as well as the King Cetshwayo District Municipality did not submit their approved SDBIP to the National and Provincial Treasuries as required by Regulation 20(2)(b) of the MBRR. The three municipalities as listed in Table 9 were issued non-compliance letters in this regard.

**Table 9: Municipalities which did not submit their 2023/24 Approved SDBIP timeously**

No	Non-submission to both Provincial Treasury and National Treasury	No	Non-submission to National Treasury
1	eDumbe	3	uMuziwabantu
2	King Cetshwayo DM		

Source: KZN Provincial Treasury

The eDumbe and uMuziwabantu Local Municipalities as well as the King Cetshwayo District Municipalities subsequently submitted their Approved SDBIP to Provincial Treasury. The eDumbe Local Municipality however had not submitted their approved SDBIP to National Treasury as at 10 August 2023.

### **Section K: Publication of the 2023/24 Approved SDBIP**

Section 75 of the MFMA states that the Accounting Officer of the municipality must place on the website of the municipality the Annual and Adjustments Budget and all budget related documents not later than five days after its tabling in Council or on the date on which it is made public. The uMzumbe and uMvoti Local Municipalities did not place the Final SDBIP on the website within 5 days of the Final SDBIP being tabled to Council. The uMvoti Local Municipality had placed the Final SDBIP on their website by 10 August 2023 whilst the uMzumbe Local Municipality had still not placed the Final SDBIP on their website as at 10 August 2023.

Regulation 19 of the MBRR states that *the Municipal Manager must in accordance with Section 21A of the Municipal Systems Act make public the approved Service Delivery and Budget Implementation Plan [SDBIP] within 10 working days after the Mayor has approved the plan in terms of Section 53(1)(c)(ii) of the Act [MFMA].* The Nquthu Local Municipality did not make the Final SDBIP public within 10 working days of the Mayor approving the plan in terms of Section 53(1)(c)(ii) of the MFMA. The Nquthu Local Municipality had made their Final SDBIP public by placing the document on their website by 10 August 2023.