

Northern Cape: CFO FORUM 2017/18 Rollover Process

| LGBA - MGMA | 14 June 2018



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Outline

- MFMA Circulars 91
 - Roll-over process, applications and requirements
 - Timelines
 - Reporting and accounting for approved roll-overs
- 2016/17 unspent CG outcomes
 - Past Experiences

2017/18 rollover process

- Commitment
 - Identifiable project
- Submit by 31 August 2018
- Letter must include:
 - MFMA Cir No. 91
 - Proof that the project tender was published and the period for tender submissions closed before **30 March**; or
 - Proof that a contract for delivery of the project was signed before **30 March**.
- Non-compliance which includes:
 - consider requests to approve the entire allocation to the municipality as there should be a minimum spend of **50 per cent** of the allocation per programme;
 - Cash available in the bank (net position including short term investments) as at 30 June 2018
 - No approval will be granted to municipalities requesting a roll-over of the same grant for the third consecutive time;
 - Appropriation Statement (annexure to MFMA Cir No. 86);
 - No roll over application project constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636) will be approved. Projects linked to additional funding and disasters are exempted;
 - If the full amount that is requested for roll over is not entirely cash backed, such a roll over will not be approved. National Treasury will not approve portions of roll over requests; and
 - Evidence that the roll over application is linked to invoices that were issued within the last 30 days of the municipal financial year end.

Timelines

- Submission by 31 August 2018
 - Assessment of rollovers – assessment and share the information with all stakeholders
- National departments should meet and discuss the roll overs between **31 August and 30 September** in order to make a decision.
- A decision should made final by **22 October 2018**
- By **05 November 2018**; all monies for roll overs not approved and unspent funds not requested for roll-over should be paid back to the National Revenue Fund.
- By **19 November 2018**; if monies are not paid back, they will be offset against the **December 2018** and next trench of the Equitable Share.

Reporting and Accounting for Municipal Conditional Grant Approved for Roll-over

- A municipality must report separately on the spending of conditional grant funds that are rolled over
- A roll-over reporting template will be provided to all municipalities that have approved roll overs
- The roll-over reporting template must be submitted together with a normal template for reporting conditional grant spending for the current year
- Municipalities that have approved roll-overs can request a reporting template at lgdataqueries@treasury.gov.za
- NTO are encouraged to monitor the approved roll over spending on a monthly basis

Roll-over 2016/17

Description		CoGTA		Total Amount requested	Total Amount Approved	Total Amount Rejected
R'000 Grants requested		MIG				
		Requested	Approved			
NC061	Richlersveld			-	-	-
NC062	Nama Khoi			-	-	-
NC064	Kamiesberg			-	-	-
NC065	Hantam			-	-	-
NC066	Karoo Hoogland			-	-	-
NC067	Khai-Ma	8 844	6 534	8 844	6 534	2 310
DC6	Namakwa District Municipality			1 339	1 258	81
NC071	Ubuntu	3 512		3 512	-	3 512
NC072	Umsobomvu	3 358	3 358	11 055	7 993	3 062
NC073	Emthanjeni	1 763	1 763	1 763	1 763	-
NC074	Kareeberg	3 399	3 000	3 399	3 000	399
NC075	Renosterberg			-	-	-
NC076	Thembelihle	89		89	-	89
NC077	Siyathemba			-	-	-
NC078	Siyancuma	1 227		1 227	-	1 227
DC7	Pixley Ka Seme District			383	-	383
NC082	!Kai! Garib	712		712	-	712
NC084	!Kheis	1 144		1 319	-	1 319
NC085	Tsantsabane	4 538		4 538	-	4 538
NC086	Kgatelopele	6 168	5 215	6 168	5 215	953
NC087	Dawid Kruiper	117	117	12 220	12 220	-
DC8	ZF Mgcawu			2 202	-	2 202
NC091	Sol Plaatje			2 138	-	2 138
NC092	Dikgatlong			-	-	-
NC093	Magareng			-	-	-
NC094	Phokwane	19 231	19 231	19 231	19 231	-
DC9	Frances Baard District Municipality			-	-	-
NC451	Joe Morolong			-	-	-
NC452	Ga-Segonyana	7 893		15 931	-	15 931
NC453	Gamagara	7 055	7 055	36 990	7 055	29 935
DC45	John Taolo Gaetsewe District			-	-	-
Total NC		69 050	46 273	133 060	64 269	68 791

17/18 Equitable share - offset of 15/16 & 16/17

Code	Municipality	Allocation 17/18	Total amount transferred 16/17 ES	Offset of 16/17 unspent in December	Offset of 16/17 unspent in March	Offset of 15/16 brought forward unspent in Dec	Payment arrangements offset in July 2017	Payment arrangements offset in Dec 2017	Payment arrangements offset in March 2018	Payment into NRF	Reimbursement	Total unspent /offset against 17/18 ES
R'000												
Northern Cape												
NC061	Richtersveld	14 115	14 115	0								0
NC062	Nama Khoi	40 403	40 403									0
NC064	Kamiesberg	19 362	18 124	1 238								1 238
NC065	Hantam	21 047	21 021	0		26						26
NC066	Karoo Hoogland	18 198	18 198	0								0
NC067	Khai-Ma	16 391	14 081	2 310								2 310
DC6	Namakwa District Municipality	38 744	38 586	158								158
NC071	Ubuntu	28 192	22 030				2 625	1 768	1 769			6 162
NC072	Umsobomvu	39 760	36 565	3 195								3 195
NC073	Emthanjeni	37 094	36 704	390								390
NC074	Kareeberg	20 397	8 755	6 799	4 843							11 642
NC075	Renosterberg	20 182	17 939	118			2 125					2 243
NC076	Thembelihle	20 915	20 907	8								8
NC077	Siyathemba	27 526	27 526	0								0
NC078	Siyancuma	41 384	40 157	1 227								1 227
DC7	Pixley Ka Seme District	39 862	39 435	427								427
NC082	!Kai! Garip	63 164	63 164	0								0
NC084	!Kheis	21 454	21 454	0								0
NC085	Tsantsabane	32 206	32 206	0								0
NC086	Kgatelopele	18 974	18 974	0								0
NC087	Dawid Kruiper	70 769	70 769	3 958							3 958	0
DC8	ZF Mgcwawu	55 770	53 570	2 200								2 200
NC091	Sol Plaatjie	150 982	148 844	2 138								2 138
NC092	Dikgatlong	66 982	66 971	11								11
NC093	Magareng	37 698	37 698	8 141							8 141	0
NC094	Phokwane	85 242	79 948		5 294							5 294
DC9	Frances Baard District Municipality	112 317	112 298	201						182		19
NC451	Moshaweng/Joe Morolong	121 603	116 210	5 393								5 393
NC452	Ga-Segonyana	129 580	121 074					4 253	4 253			8 506
NC453	Gamagara	28 558	11 900	9 519	7 139							16 658
DC45	John Taolo Gaetsewe District	71 799	70 758	1 041								1 041
Total NC		1 510 670	1 440 384	48 472	17 276	26	4 750	6 021	6 022	182	12 099	70 286

Past Experiences

- Late submission of rollover applications and pre-audited AFS;
- Inability to disclose unspent in the pre-audited AFS;
- Inability to recognize previous year's offsets funds in the pre-audited AFS;
- Lack of motivation on rollover requests;
- No cash coverage of unspent grants;
- Lack of motivation by sector depts during the rollover session – non reporting by munic on grants performance

THANK YOU

