



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNEXURE E

Private Bag X115, Pretoria, 0001 • 40 Church Square, PRETORIA, 0002 • Tel: +27 12 315 5111, Fax: +27 12 406 9055 • www.treasury.gov.za

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

Ref No: EC108/19

Mr C Du Plessis
The Municipal Manager
Kouga Municipality
P O Box 21
JEFFREYS BAY
6330

Dear Mr Du Plessis

APPLICATION FOR ROLL OVER OF UNSPENT CONDITIONAL GRANTS FOR THE 2023/24 FINANCIAL YEAR

Your letter dated 31 August 2024 refers.

Approval is hereby granted in terms of section 21(2) of the 2023 Division of Revenue Act, (Act No. 5 of 2023) (DoRA), as amended by the Division of Revenue Amendment Act, (Act No. 24 of 2023) (DoRAA) to retain an amount of **R18.2 million** allocated to your municipality in the 2023/24 financial year through the DoRA. This approval is for the Integrated National Electrification Programme (INEP) grant (R686 thousand), Municipal Disaster Response Grant (MDRG) (R10.3 million), and the Water Services Infrastructure Grant (WSIG) (R7.1 million).

The National Treasury in assessing your roll over request used the criteria set out in Circular No.128 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 R18.2 million is for the following projects:

INEP (R686 thousand):

- Electrification of Humansdorp to Donkerhoek 259 project.

MDRG (R10.3 million)

- Seekoei Estuary causeway reconstruction (R7.4 million);
- Botha Street stormwater infrastructure upgrade (R488 thousand);
- Nevil road reconstruction (R585 thousand); and
- Anne avenue to Ralph Road reconstruction (R1.8 million).



WSIG (R7.1 million)

- Replacement of the existing water main in Mimosa Street, Jeffreys Bay (R4.1 million);
- Structural repairs to the Paradise beach elevated water tower (R2.3 million); and
- Connection of two boreholes in St Francis Bay (R731 thousand).

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 2023 DoRAA allocated amounts.

Kind regards,

pp

Ms OGALALETSENG GAAREKWE

ACTING DEPUTY DIRECTOR-GENERAL: INTERGOVERNMENTAL RELATIONS

Date: 22 October 2024

CC: Office of the Auditor-General