



**Western Cape
Government**

Local Government

MSIG
Municipal Systems Improvement Grant
-Progress to date-

Eda Barnard
13 June 2013

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MSIG ALLOCATIONS 2013/14

Purpose:

To **support** municipalities in the **building of in-house capacity** to perform **legislative** functions and stabilise **institutional and governance systems**.

The allocations is a conditional grant and must be spent as follows:

- Strengthening administrative systems for effective implementation of **ward participation systems**. Focus must be on facilitating regular ward committee meetings and communication;
- Implementation of **information systems** that support effective service delivery; and
- Effective implementation of the municipal specific **turnaround strategies**.

Municipalities to give priority to matters raised in 2011/12 A-G Reports

MSIG: Conditions for transferring

Transfers will be made in **August 2013** subject to the following conditions:

- Municipality has **spent and reported** on the entire **2012/13** financial year allocations;
- **Failure** to comply may affect your municipality's future **equitable share** allocation and **conditional grants**.
- **Activity plans** (business plan) must be submitted to DCoG in the prescribed format by **30 April 2013**.

MSIG: Progress on the submission of Activity Plans

Activity Plans : 2013/14 financial year:

Of the **29 Municipalities** to submit activity plans, the following are still outstanding:

- Eden District Municipality
- Bitou Municipality
- Stellenbosch Municipality
- Prince Albert Municipality

DLG has been in contact with these Municipalities to submit Activity Plans as soon as possible.

MSIG: Reporting on 2012/13 Allocations

Reporting are in terms of the **Division of Revenue Act**, which states that:

- Municipalities must **submit monthly reports** to transferring Department (DCoG) by the **10th of every month**;

Reports containing financial as well as non-financial information must be sent to the transferring national officer (DCoG) in the **prescribed monthly report**.

MSIG: Challenges currently experienced

- **Outstanding Activity Plans** (2013/14) to be submitted as soon as possible.
- In terms of DCoG's records on **41% of MSIG Funds Allocated** during the 2012/13 financial year in the Western Cape has been spent.
- **Discrepancies** exists between DCoG's records and what Municipalities have reported on/submitted.

MSIG: Way Forward

- All **2013/14 Activity Plans** be finalised and submitted to DLG by not later than **14 June 2013**.
- A **reconciliation on expenditure** (2012/13) be made for all Municipalities by DLG.
- Municipalities **requested** to submit monthly **expenditure reports** (2012/13) to **DLG** as soon as possible to enable reconciliation.
- DLG will take the reconciliations further with DCoG.

MSIG: Contact at DLG

The **contact information** for officials at DLG pertaining to MSIG Activity Plans (2013/14) and Expenditure Reports (2012/13) are:

- **Eda Barnard (021) 483 4647**

Email: Eda.Barnard@westerncape.gov.za

- **Siphiwo Deliwe (021) 483 5812**

Email: Siphiwo.Deliwe@westerncape.gov.za

- **Malika Ismail (021) 483 4102**

Email: Malika.Ismail@westerncape.gov.za



Thank you