

MC14/2020

**EXPENDITURE REPORT FOR THE MUNICIPAL INFRASTRUCTURE GRANT (MIG)  
2019/20 FINANCIAL YEAR (EDI)**

**PURPOSE**

To provide the Mayoral Committee with the current progress of the Municipal Infrastructure Grant (MIG) expenditure for the month of December 2019.

**BACKGROUND**

The Municipality was allocated an amount of **R119 070 000.00** of the Municipal Infrastructure Grant (MIG) for the 2019/2019 financial year.

An amount of **R5 953 500,00** is for PMU operational costs, which is 5% of the total MIG allocation.

The Municipality was put under cost re-imbursement by the Department of Co-operate Governance due to late submission of reports. Cost re-imbursement means that Treasury will only transfer the amount as per the payment certificates received by the Municipality, verified on site by MISA officials together with the PMU officials and submitted to the Provincial MIG office.

**DISCUSSION**

Current MIG Expenditure can be reported as per the tables below.

**ALLOCATION:**

Summary of Expenditure to Date	
Allocation	R119 070 000.00 (100%)
Planned/Target Expenditure by end December 2019	R52 390 800.00 (44%)
Current Expenditure by end December 2019	R31 815 142.05 (27%)
Planned/Target Expenditure by end January 2020	R59 535 000 (50%)
Balance to be spent by end January 2020	<b>R27 719 957.95 (50%)</b>
Paid but not reported	<b>R7 093 615.88</b>
Invoices at hand	<b>R1 790 152.34</b>

There was no expenditure reported for the month of November and December due to a letter that was sent to the Municipality by Treasury regarding an unfunded budget that the Municipality did not reply to.

**LEGAL IMPLICATIONS**

Municipal Finance Management Act (MFMA) 56 of 2003  
Division of Revenue Act (DORA) 3 of 2016

**RECOMMENDATION**

1. That the Mayoral Committee takes note of the report.