



CAPE WINELANDS DISTRICT

MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

SCHEDULE B

ADJUSTMENTS BUDGET

January 2022

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PART 1

A: Mayors Report

The Cape Winelands District Municipality received additional funding from the Western Cape Government via the Western Cape Provincial Treasury in terms of Provincial Gazette Extraordinary 8531 of Wednesday, 15 December 2021 attached as Annexure "D".

The application of the grants is explained below:

1. Local Government Internship Grant

The purpose of this grant is to provide financial assistance to municipalities in support of capacity building for the future by means of an internship programme.

The outcome of this grant is –

- To improve the capacity of municipalities to deliver services;
- To transfer the institutional knowledge to the interns;
- Maximising of efficiency gains through the internship programme; and
- To contribute to the future sustainability of municipalities by investing in human capital.

An amount of R70 000 was gazetted for this purpose.

2. Joint District and Metro Approach Grant

The purpose of this grant is to provide financial assistance to district municipalities to implement catalytic projects to improve infrastructure, systems, structures and service delivery.

The outcome of this grant is –

- Joint District & Metro Approach (JDMA), supported by governance instruments, is advanced for developmental local government and sustainable service delivery premised on a common denominator of good governance.
- Strengthen infrastructure processes, systems, structures and service delivery.
- Improving the living conditions (lives) of citizens.
- To ensure district developmental initiatives, planning and strategic priorities, service delivery and capacity building.

- To improve co-planning, co-budgeting, co-implementation enhances servicedelivery incommunities.
- Maximising efficiency gains in service delivery.

An amount of R2 000 000 was gazetted for this purpose.

3. Local Government Public Employment Support Grant

The purpose of this grant is to coordinate and ensure the implementation of targeted, short term public employment programmes for communities identified as being in distress, through conditional transfers to local and district municipalities and the Metro in the Western Cape.

The outcome of the grant is –

- Poverty alleviation through short term job creation;
- Increased employment and employment equity amongst the marginalised and poor communities;
- Skills development; and
- Improved service delivery through targeted social, environmental and infrastructure initiatives.

An amount of R200 000 was gazetted for this purpose.

4. Western Cape Financial Management Capacity Building Grant

The purpose of this grant is to develop financial human capacity within the municipal area to enable a sustainable local financial skills pipeline that is responsive to municipalities' requirements to enable sound and sustainable financial management and good financial governance.

The outcome of the grant is –

- Improvement in financial skills pipeline available to municipalities.
- Improvement in the financial capacity of municipalities.
- Municipal bursary programmes enable municipalities to attract top performing learners and learners with potential within the municipal area to succeed in Higher Education Institutions (HEI) in the areas such as finance, economics, accounting, supply chain management, internal audit, risk management and infrastructure.

- Assist with the facilitation of creating opportunities for absorption of graduates.

An amount of R250 000 was surrendered to the Provincial Revenue Fund as the Municipality will no longer be participating in the programme.

B: RESOLUTIONS

The resolution with regards to the approval of the budget will be submitted after the approval of this Adjustments Budget to the relevant treasuries.

C: EXECUTIVE SUMMARY

The table below is a high-level summary of the changes proposed by this adjustments budget.

2019/2020 Financial year

	2021/2022 Amended Budget	Adjustments	2021/2022 Jan. Adjusted Budget
Revenue			
Ex Rev: Operational Revenue	-11,447,494	-	-11,447,494
Ex Rev: Rental Fixed Assets	-240,000	-	-240,000
Ex Rev: Agency Services	-120,461,200	-	-120,461,200
Ex Rev: Sales Goods & Services	-274,800	-	-274,800
Ex Rev: Service Charges	-150,000	-	-150,000
Ex Rev: Int. Div. Rent on Land	-39,000,000	-	-39,000,000
Non-Ex Rev:	-600,000	-	-600,000
Non-Ex Rev: Transfers & Subsidy	-255,303,800	-2,020,000	-257,323,800
Total Revenue	-427,477,294	-2,020,000	-429,497,294
Expenditure			
Employee Related Costs	230,812,734	150,000	230,962,734
Remuneration of Councillors	13,239,003	-	13,239,003
Operational Costs	74,273,023	80,000	74,353,023
Contracted Services	55,314,358	-	55,314,358
Operating Leases	300,000	-	300,000
Bad Debt Written Off	500,000	-	500,000
Depreciation and Amortisation	7,792,995	-	7,792,995
Inventory	24,812,541	40,000	24,852,541
Transfers and Subsidies	20,420,640	1,750,000	22,170,640
Default	-	-	-
Gains and Losses	12,000	-	12,000
Total Expenditure	427,477,294	2,020,000	429,497,294
-Surplus / Deficit	-	-	-
Capital Expenditure Agency Services	956,200	-	956,200
-Surplus / Deficit after funding	956,200	-	956,200

D: ADJUSTMENT BUDGET TABLES

In accordance with the Budget and Reporting Regulations the following compulsory schedules are attached, reflecting the composition and detail of the above mentioned amounts.

Adjustments Budget Summary

Table B1

Adjustments Budgeted Financial Performance
(Revenue and Expenditure by standard classification)

Table B2

Adjustments Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)	Table B3
Adjustments Budgeted Financial Performance (Revenue and Expenditure)	Table B4
Adjustments Budgeted Capital Expenditure by vote and funding,	Table B5
Adjustments Budgeted Financial Position	Table B6
Adjustments Budgeted Cash flows	Table B7
Cash backed reserves/accumulated surplus reconciliation	Table B8
Asset Management	Table B9
Basic Service Delivery Measurement (Completion of this table is not applicable in view thereof that the District Municipality does not provide basic services; hence no information is available)	Table B10

PART 2

A: ADJUSTMENTS TO BUDGET ASSUMPTIONS

No adjustments were made to the budget assumptions presented in the annual budget.

B: ADJUSTMENTS TO BUDGET FUNDING

The proposed adjustments will be funded as follows:

Operating Expenditure:

Additional allocations: Department of Local Government	R 2 020 000
• Local Government Internship Grant	R 70 000
• Joint District and Metro Approach Grant	R 2 000 000
• Local Government Public Employment Support Grant	R 200 000
• Western Cape Financial Management Capacity Building Grant	(R 250 000)

C: ADJUSTMENTS TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

The planned expenditure of allocations and grants received will be adjusted as follows:

2021/2022 Financial Year

Grant	Original Budget 2021/2022	Adjustment	Jan. Adjusted Budget 2021/2022
Local Government Internship	0	70 000	70 000
Joint District and Metro Approach G	0	2 000 000	2 000 000
Local Government Public Employment Support	0	200 000	200 000
Western Cape Financial Management Capacity Building	250 000	(250 000)	0

D: ADJUSTMENTS TO ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

No adjustments were made to –
Grants made by the municipality

E: ADJUSTMENTS TO COUNCILOR ALLOWANCES AND EMPLOYEE BENEFITS

No adjustments were made to councilor allowances and employee benefits

F: ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

No adjustments were made to the quarterly service delivery targets and performance indicators.

G: ADJUSTMENTS TO CAPITAL EXPENDITURE

No adjustments were made to capital expenditure.

H: OTHER SUPPORTING DOCUMENTS

Additional information/schedules in accordance with the budget and reporting regulations:

- SB1 - Supporting detail to Budgeted Financial Performance
- SB2 - Supporting detail to Budgeted Financial Position

- SB3 - Adjustments to the SDBIP – performance objectives (will be submitted to council)
- SB4 - Adjustments to budgeted performance indicators and benchmarks
- SB5 - Adjustments Budget –Social, economic and demographic statistics and assumptions
- SB6 - Adjustments Budget - Funding measurement
- SB7 - Adjustments Budget - Transfers and grant receipts
- SB8 - Adjustments Budget – expenditure on transfers and grant programme
- SB9 - Adjustments Budget – reconciliation of transfers grant receipts, and unspent funds
- SB10 - Adjustments Budget – transfers and grants made by the municipality
- SB11 - Adjustments Budget – councillor and staff benefits
- SB12 - Adjustments Budgeted - monthly revenue and expenditure (municipal vote)
- SB13 - Adjustments Budgeted - monthly revenue and expenditure (standard classification)
- SB14 - Adjustments Budgeted - monthly revenue and expenditure
- SB15 - Adjustments Budget – monthly cash flow
- SB16 - Adjustments Budget monthly capital expenditure (municipal vote)
- SB17 - Adjustments Budget – monthly Capital expenditure (standard classification)
- SB18a - Adjustments Budget – capital expenditure on new assets by asset class
- SB18b - Adjustments Budget – capital expenditure on renewal of existing assets by asset class
- SB18c - Adjustments Budget – expenditure on repairs and maintenance by asset
- SB18d - Adjustments Budget – depreciation by asset class
- SB19 - List of capital programmes and projects affected by adjustments Budget
- SB20 - Not required

I: QUALITY CERTIFICATE

I..... Municipal Manager of Cape Winelands District Municipality, hereby certify that the adjustments budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Name:

Municipal Manager of Cape Winelands District Municipality

Signature _____

Date _____