

- C.15.4 APPROVAL OF ADDITIONAL FUNDING RECEIVED FOR THE 2019/2020 FINANCIAL YEAR IN TERMS OF SECTION 28(2)(b) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003) (MFMA) AND REGULATION 23(3) OF THE MUNICIPAL BUDGET AND REPORTING REGULATIONS, 2008 (5/1/1/6 & 3/2/5/15)**
- R.15.4 GOEDKEURING VAN BYKOMENDE BEFONDSING WAT ONTVANG IS VIR DIE 2019/2020 FINANSIËLE JAAR INGEVOLGE ARTIKEL 28(2)(b) VAN DIE WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIËLE BESTUUR, 2003 (WET NO. 56 VAN 2003) EN REGULASIE 23(3) VAN DIE MUNISIPALE BEGROTINGS- EN VERSLAGDOENINGSREGULASIES, 2008 (5/1/1/6 & 3/2/5/15)**
- C.15.4 ULWAMKELO LWENKXASO-MALI EYANGEZELELWEYO EFUNYENWEYO KULUNGISELELWA UNYAKA-MALI WAMA-2019/2020 NGOKUHAMBELANA NECANDELO LAMA-28(2)(b) LOMTHETHO KAMASIPALA: UMTHETHO WOLAWULO LWEMALI KAMASIPALA, 2003 (UMTHETHO ONGUNOMBOLO 56 WAMA-2003) (MFMA) KUNYE NOMMISELO 23(3) WEMIMISELO YOHLAHO LWABIWO-MALI NOKUNIKWA KWENGXELO KUMASIPALA, 2008 (5/1/1/6 & 3/2/5/15)**
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PURPOSE OF SUBMISSION

That Council consider to approve an adjustments budget as contemplated in section 28(2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and regulation 23(3) of the Municipal Budget and Reporting Regulations, 2008 to authorise additional funding received for the 2019/2020 MTREF.

DOEL VAN VOORLEGGING

Dat die Raad oorweging daaraan skenk om 'n aansuiweringsbegroting, soos beoog in artikel 28(2)(b) van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet No. 56 van 2003) (MFMA) en regulasie 23(3) van die Munisipale Begrotings- en Verslagdoeningsregulasies, 2008 goed te keur om bykomende befondsing te magtig wat vir die 2019/2020 MTIUR ontvang is.

INJONGO YONGENISO

Okokuba iBhunga licamngce ngokwamkela uhlahlo lwabiwo-mali olungelelwanisiweyo njengoko luqulunqiwe kwicandelo 28(2)(b) loMthetho kaMasipala: uMthetho woLawulo lweMali kaMasipala, 2003 (UMthetho onguNombolo 56 wama-2003) (MFMA) nommiselo 23(3) weMimiselo yohlahlo Lwabiwo – mali nokuNikwa kweNgxelo kuMasipala, 2008 wokugunyaziswa kwenkxaso-mali eyangezelelweyo eyamkelweyo yowama-2019/2020 MTREF.

BACKGROUND

An adjustments budget, contemplated in section 28(2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for within a prescribed framework.

In addition, regulation 23(3) of the Municipal Budget and Reporting Regulations, 2008 (published in Government Gazette No. 32141 on 17 April 2009), determined the timeframes for the tabling of the said special adjustments budget as follows:

“If a national or provincial adjustments budget allocates or transfer additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.”

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 8181 of Tuesday, 26 November 2019, attached as Annexure “A”.

The application of the grants is explained below:

A. Local Government Graduate 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 a graduate 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 R160,000 was gazetted for this purpose.

B. Community Development Workers (CDW) Operational Support Grant

The purpose of this grant is to provide financial assistance to municipalities to cover the operational and capital costs pertaining to the line functions of the community development workers.

The outcome of this grant is to fund the working operations of staff placed at municipalities.

An amount of R148,000 was gazetted for this purpose.

COMMENTS

Due to the allocation of additional funding to the municipality, certain 2019/2020 Operating Budget items had to be adjusted to the amounts as reflected below. See Annexure "B" (Revised Budget Document) and Annexure "C" (Revised B Schedules with supporting tables)

Expenditure

- (i) Internship Stipend from R0 to R160,000
- (ii) Community Development Workers:
 - (a) 20190701064046 Transport Provided as Part of Departmental Act. Increased from R14,000 to R42,000
 - (b) 20190701064049 Domestic: Accommodation increased from R30,000 to R90,000
 - (c) 20190701063914 Catering Services increased from R10,000 to R30,000
 - (d) 20190701063929 Stage and Sound Crew increased from R5,000 to R15,000
 - (e) 20190701064016 Consumables: Standard Rated increased from R15,000 to R45,000

Revenue:

- (i) 20181207001041 Graduate Internship Grant increased from R0 to R160,000
- (ii) 20170601022153 Community Development Workers Increased from R 0 to R 148,000

Annexure "D" reflects a summary of the Total Operating Budget should the requested adjustments be approved and Annexure "E" reflects a summary of the Total Operating Budget before the requested adjustments.

IMPLICATIONS

PERSONNEL

None.

Comment prepared by: Ms. G.C.N. Gilbert

LEGAL

The legal implications have been addressed under “BACKGROUND” and “COMMENT” above.

Comment prepared by: Ms. W.M. Neethling

FINANCIAL

The financial implications have been addressed under “BACKGROUND” and “COMMENT” above.

Comment prepared by: Ms. F.A. du Raan-Groenewald

RECOMMENDATION BY MUNICIPAL MANAGER:

That Council consider to approve the additional revenue and expenditure for the 2019/2020 financial year as reflected in Annexures “A”, “B”, “C”, “D”, and “E” in terms of section 28(2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and regulation 23(3) of the Municipal Budget and Reporting Regulations, 2008.

AANBEVELING DEUR MUNISIPALE BESTUURDER:

Dat die Raad oorweging daaraan skenk om die bykomende inkomste en uitgawes vir die 2019/2020 finansiële jaar goed te keur, soos aangedui in Bylaes “A”, “B”, “C”, “D”, en “E” ingevolge artikel 28(2)(b) van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet No. 56 van 2003) (MFMA) en regulasie 23(3) van die Munisipale Begrotings- en Verslagdoenings-regulasies, 2008.

INGCEBISO EYENZIWA NGUMLAWULI KAMASIPALA:

Okokuba iBhunga licamngce into yokokuba lamkele ingeniso eyangezelelweyo nenkcitho-mali yeminyaka yowama-2019/2020 njengoko ibonisiwe kwiZihlomelo “A”, “B”, “C”, “D”, kunye no- “E” ngokuhambelana necandelo lama-28(2)(b) loMthetho kaMasipala: uMthetho woLawulo lweMali kaMasipala, 2003 (UMthetho onguNombolo 56 wama-2003) (MFMA) kunye nommiselo 23(3) weMimiselo yoHlahlo Lwabiwo – mali nokuNikwa kweNgxelo kuMasipala, 2008.

COUNCIL MEETING: 5 DECEMBER 2019: ITEM C.15.4

RESOLVED: (Unanimously, 30 Councillors)

That the additional revenue and expenditure for the 2019/2020 financial year as reflected in Annexures "A", "B", "C", "D", and "E" in terms of section 28(2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and regulation 23(3) of the Municipal Budget and Reporting Regulations, 2008, be approved.