

- C.15.3 APPROVAL OF ADDITIONAL FUNDING RECEIVED FOR THE 2020/2021 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 (3/2/5/15 & 5/1/1/6)**
- R.15.3 GOEDKEURING VAN BYKOMENDE BEFONDSING WAT ONTVANG IS VIR DIE 2020/2021 FINANSIËLE JAAR 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 VERSLAGDOENINGSREGULASIES, 2008 (3/2/5/15 & 5/1/1/6)**
- C.15.3 ULWAMKELO LWENKXASO-MALI EYANGEZELELWEYO EFUNYENWEYO KULUNGISELELWA UNYAKA-MALI WAMA-2020/2021 NGOKUHAMBELANA NECANDELO LAMA-28(2)(b) LOMTHETHO KAMASIPALA: UMTHETHO WOLAWULO LWEMALI KAMASIPALA, 2003 (UMTHETHO ONGUNOMBOLO 56 WAMA-2003) (MFMA) KUNYE NOMMISELO 23(3) WEMIMISELO YOHLAHLA LWABIWO-MALI NOKUNIKWA KWENGXELO KUMASIPALA, 2008 (3/2/5/15 & 5/1/1/6)**

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 2020/2021 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 2020/2021 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-2020/2021 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 National Government via National Treasury in terms of Government Gazette No. 43450 of Thursday, 18 June 2020 attached as Annexure "E".

The application of the grants is explained below:

Additional Equitable Share Funding

The Equitable Share is a financial allocation in the form of an unconditional grant that enables municipalities to provide basic services to poor households, and to enable municipalities with limited own resources to afford basic administrative and governance capacity and perform core municipal functions.

The Equitable Share allocation of the Cape Winelands District Municipality was increased with R444,000.

COMMENTS

Due to the allocation of additional funding to the municipality, certain 2020/2021 Operating Budget items had to be adjusted to the amounts as reflected below. See Annexure "A" (Revised Budget Document) and Annexure "B" (Revised Adjustments Budget Schedules with supporting tables).

Expenditure

- (i) Inventory/ Standard Rated: COVID-19 R300,000 to R744,000

Revenue:

- (i) Equitable Share R235,929,000 to R236,373,000

Annexure "C" reflects a summary of the Total Operating Budget should the requested adjustments be approved and Annexure "D" 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 2020/2021 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 2020/2021 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 Verslagdoeningsregulasies, 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: 30 JULY 2020: ITEM C.15.3

RESOLVED (unanimously 34 Councillors):

That the additional revenue and expenditure for the 2020/2021 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.