



ADJUSTMENT BUDGET OF

# GREATER GIYANI MUNICIPALITY

2025/26 TO 2027/28  
MEDIUM TERM REVENUE AND EXPENDITURE  
FORECASTS

Approved by council on 27 FEBRUARY 2026

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## Part 1 – Adjustments Budget

### 1.1 Mayor’s Report

#### 1. INTRODUCTION

According to Local Government: Municipal Finance Management Act no 56 of 2003 Section 28,

(1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget-

a) Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year:

b) 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:

c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality:

d) May authorise the utilisation of projected savings in one vote toward spending under another vote;

e) May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably, have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council.

f) May correct any errors in the annual budget: and

g) May provide for any other expenditure within a prescribed framework.

**ADJUSTMENT BUDGET**

The 2025/2026 budget is adjusted as follows:

	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Reasons</b>
<b>Income</b>	R673 043 758.00	R668 724 471.00	This is due to under collection of own revenue in the first six months of the financial year.
<b>Operational Expenditure</b>	R749 896 950.00	R723 617 135.00	

The Capital Budget for 2025/2026 is adjusted as follows:

<b>Descriptions</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>
Upgrading of Parking Lot	434 782.61	260 869.57
Spatial Development Framework review	1 043 478.26	1 043 478.26
Section E upgrading of 13km from gravel to paving	12 223 298.26	3 652 173.91
Section E Sports Centre	8 695 652.17	3 652 173.91
Refurbishment of Sporting Facilities (Gawula)	2 608 695.65	434 782.61
Refurbishment of Giyani Stadium & Section A Tennis Court	1 304 347.83	434 782.61
Refurbishment of Giyani Community Hall	3 304 347.83	1 565 217.39
Phikela Upgrading from Gravel to Paving	347 826.09	347 826.09
Nwa- Mankena Upgrading of internal streets	19 053 599.23	22 596 454.01
Noble Hook Upgrading from Gravel to Paving	347 826.09	347 826.09
Ndhambi Upgrading from Gravel to Paving	347 826.09	347 826.09
Muxiyani Upgrading from Gravel to Paving	347 826.09	96 927.83
Mageva Sports Centre	8 695 652.17	14 297 391.30
Land Use Scheme Review	1 043 478.26	1 043 478.26
Khakhala Upgrading from gravel to paving	26 552 139.13	32 959 086.09
GOLF COURSE DEVELOPMENT	173 913.04	-
Construction of market stalls (10 market stalls)	4 347 826.09	11 586 903.48
Babangu Internal Streets Upgrading from gravel to paving	23 051 661.64	23 051 661.64
Automated PMS System	869 565.22	869 565.22
Development cost (By laws)	95 652.17	17 391.30
Acquisitions (walk through metal detector & xray machine)	956 521.74	956 521.74
Acquisitions (Vehicles)	1 739 130.43	1 739 130.43
Acquisitions (tablets & printers)	304 347.83	304 347.83
Acquisitions (Purchase of skip bins)	869 565.22	869 565.22
Acquisitions (Patrol management system (Clocking System))	521 739.13	521 739.13
Acquisitions (Machinery & equipment)	6 956 521.74	7 004 213.91
Acquisitions (Law enforcement equipment)	43 478.26	43 478.26
Acquisitions (Installation of cameras & monitor)	565 217.39	565 217.39

Acquisitions (Help desk system)	521 739.13	-
Acquisitions (Furniture & Fittings)	1 347 826.09	1 347 826.09
Acquisitions (Computer equipment)	1 043 478.26	608 695.65
Acquisitions (Air conditioners)	434 782.61	260 869.57
Installation of energy saving streetlights	3 478 260.87	8 173 913.04
Installation of Solar Roof Top in municipal buildings	2 608 695.65	-
Installation of High mast lights in Greater Giyani	-	1 391 304.35
<b>TOTALS</b>	<b>136 280 698.30</b>	<b>142 392 638.27</b>

It is now my honour to formally table, the Adjusted **2025/2026 MTREF BUDGET** for Adoption by Council.

## 1.2 Budget Resolutions

### **RESOLUTION FOR THE ADOPTION OF THE MID YEAR ADJUSTMENT BUDGET: COUNCIL RESOLUTION CR 68-27/02/26 SP**

In the full council meeting on 27 February 2026, the Council of Greater Giyani Municipality resolved that the adjusted MTREF Budget for the financial year 2025/2026 and the medium-term period to 2027/2028 be adopted as set out in the following tables—

Table B1 - Budget Summary.

Table B2- Budgeted Financial Performance (Revenue and Expenditure by Standard Classification).

Table B3 - Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote).

Table B4 - Budgeted Financial Performance (Revenue and Expenditure).

Table B5 - Budgeted Capital Expenditure by Vote, Standard Classification and Funding.

Table B6 - Budgeted Financial Position.

Table B7 - Budgeted Cash flows.

Table B8 - Cash backed Reserves/ Accumulated Surplus Reconciliation.

Table B9 – Asset Management

### 1.3 Executive Summary

After the assessment of the performance of the municipality during the first six months of the financial year, in terms of section 72 of the MFMA taking into consideration-

- (i) The monthly statements referred to in section 71 for the first six months of the financial year,
- (ii) The municipality's service delivery performance during the first six months of the financial year, and the service delivery targets, and performance indicators set in the service delivery and budget implementation plan,
- (iii) The past year's annual report, and progress on resolving problems identified in the annual report,
- (iv) The budget of the municipality was adjusted in terms of section 28 of the MFMA as follows.
- (v) The adjustment budget has been approved by council on 27 February 2026.

The revenue sources to fund both operating and capital expenditure for 2025/2026 financial year are as follows:

	<b>Original Budget</b>	<b>Adjustment budget</b>	<b>Reasons</b>
Grants and Subsidies	R498 264 000.00	R498 264 000.00	
Accumulated Funds [own/other income]	R174 779 758.22	R170 460 470.62	This is due to under collection of own revenue in the first six month of the financial year.
<b>TOTAL BUDGET</b>	<b>R673 043 758.22</b>	<b>R668 724 470.62</b>	

The operating budget for 2025/2026 is subdivided as follows:

	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Reasons</b>
Employee related costs	225 949 350.00	214 690 314	Vacant posts catered for during original budget not yet appointed.
Remuneration of councillors	27 719 109.00	30 787 960	This is due to the back pay which was paid during the current year.
Inventory consumed	11 955 370.00	11 550 000	
Bad Debts	125 000 000.00	110 000 000	
Depreciation	108 576 000.00	108 644 200	
Contracted services	145 161 968.00	139 731 654	
Transfers and subsidies	1 800 000.00	2 000 000	
General Expenditure	103 735 153.00	106 213 007	
<b>Total Operating Expenditure</b>	<b>749 896 950.00</b>	<b>723 617 135.00</b>	

## 1.4. Adjustment Budget Tables

The adjustment budget is laid out in the following budget tables:

Table B1- Adjustments Budget Summary

Table B2- Adjustments Budget Financial Performance (Standard Classification)

Table B3- Adjustments Budget Financial Performance (Revenue and Expenditure by Municipal Vote)

Table B4- Adjustments Budget Financial Performance (Revenue and Expenditure)

Table B5- Adjustments Capital Expenditure Budget by Vote and Funding

Table B6- Adjustments Budget Financial Position

Table B7 - Adjustments Budget Cash Flows

Table B8- Cash-backed Reserves/ Accumulated Surplus Reconciliation

Table B9- Asset Management

Table B10- Basic Service Delivery Measurement

The Adjustment Budget tables are attached in Annexure A.

## **2. SUPPORTING DOCUMENTATIONS**

### **2.1. ADJUSTMENTS TO BUDGET ASSUMPTIONS**

The municipality takes into consideration the six months actual expenditure while preparing the adjustment budget.

### **2.2. ADJUSTMENTS TO BUDGET FUNDING**

The balance of cash and cash equivalents on hand as at 31 December 2025 has been taken into account. The anticipated revenue from municipal tariffs and current collection rate justifies the anticipated revenue targets.

Only gazetted grants and transfers from national government were factored into the funding envelope. For operational grants on the original budget, it was R426 957 950, and it has never changed during adjustment budget. The projects for electricity grant will be funded by grant of 17m and own funding of 14,8m. This is to ensure that the budget is based on realistically anticipated revenue.

### **2.3. ADJUSTMENTS TO EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES**

Specific purpose transfers received by the municipality are allocated to capital programmes implemented by the municipality in accordance with grant conditions. The other grants, including LGES, are allocated to operational programmes, such as the provision of free basic services, and operating costs.

### **2.4. ADJUSTMENTS TO ALLOCATIONS OR GRANTS MADE BY THE MUNICIPALITY**

The municipality makes no transfers in the form grants to other institutions; it only supports the small business around the municipal areas which was budgeted for R1 800,000 and increased to R2 000 000 in the adjustment budget.

### **2.5. ADJUSTMENTS TO COUNCILLORS' ALLOWANCES AND EMPLOYEE BENEFITS**

Employment costs of S71 Managers, Officials and Councillors are budgeted for in line with CPIX, SALGBC agreements and upper limits of Public Office Bearers promulgated by the Minister of CoGTA.

For employee related costs it decreases from R225 949 350 to R214 690 314 because of the budgeted vacant positions that have not yet appointed in the first six months of the financial year.

For councillors allowances the budget will increase from R27 719 109 to R30 787 960 due to the back pays paid to councillors in the first six months of the financial year.

## **2.6. ADJUSTMENTS TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

As already mentioned in the introduction and further highlighted under the executive summary, this budget does not introduce new priorities only improves the alignment of priorities with anticipated funding.

## **2.7. ADJUSTMENTS TO CAPITAL EXPENDITURE**

The capital expenditure increases from R136,2 million to R142,3 million because of the own funded projects that increased during the Adjustment budget. Grants received from other spheres of government provided funding for capital expenditure.

**2.8. OTHER SUPPORTING DOCUMENTS**

The budget is accompanied by supporting documents in terms of section 17(3) of the MFMA.

**See the supporting tables SB1- SB20 in Annexure B**

**2.9. MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

**To:** Provincial Treasury, Limpopo

National Treasury, South Africa

**QUALITY CERTIFICATE ON THE ADJUSTMENT MTREF BUDGET**

I, **KHOZA VUSI DUNCAN**, Municipal Manager of **GREATER GIYANI MUNICIPALITY**, hereby certify that the Adjustments Budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act (Act No 56 of 2003) and the regulations made under the Act, and the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

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**KHOZA VD**  
Municipal Manager:  
**Greater Giyani Municipality**  
LIM 331

\_\_\_\_\_  
**Date**