



**SPECIAL ADJUSTMENT BUDGET OF**  
**GREATER GIYANI**  
**MUNICIPALITY**

**2023/24 TO 2025/26**  
**MEDIUM TERM REVENUE AND EXPENDITURE**  
**FORECASTS**

**Approved by council on 30 APRIL 2024**

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- **All public libraries within the municipality**
  - **At [www.greatergiyani.gov.za](http://www.greatergiyani.gov.za)**

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## Part 1 – Special 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.

The following are the major items that contributed to the upward special adjustment budget for 2023 2024 financial year.

- An amount of R13 500 000 was received from National Treasury as an addition or bonus to the Municipal Infrastructure Grant on the 25th of March 2024 due to exceptional performance on MIG projects.
- The total allocation for MIG after the bonus received will be R80 991 000.
- An amount of R176 000 was received from National Treasury for EPWP after it was reduced during the adjustment budget.
- The total allocation for EPWP increased from R2 975 000 to R3 151 000.

**SPECIAL ADJUSTMENT BUDGET**

The 2023/2024 budget is adjusted as follows:

	Original Budget	Special Adjustment Budget	Adjustment Budget	Special Adjustment Budget	Reasons
<b>Income</b>	R640,857,124	R644,357,124	R634,968,911	R648,644,911	The increase is due to the MIG bonus received from National Treasury of R13,5 million and R176 000 received for EPWP grant.
<b>Operational Expenditure</b>	R548,343,584	R551,843,584	R633,763,891	R632,696,780.00	

The Capital Budget for 2023/2024 is adjusted as follows:

Descriptions	Original Budget	Special Adjusted Budget	Adjusted Budget	Special Adjusted Budget
Waste Disposal Site Development	5,300,000.00	5,300,000.00	5,300,000.00	1,000,000.00
Upgrading of Nkhensani Access	900,000.00	-	-	-
Mavalani Indoor Sports Centre	16,313,679.00	12,313,679.00	12,313,679.00	9,263,679.00
Jim-Nghalalume Community Hall	7,300,000.00	7,833,022.55	7,833,022.55	7,833,022.55
Refurbishment of Sporting Facilities (Gawula)	2,000,000.00	250,000.00	250,000.00	250,000.00
Upgrading of Parking Lot	1,300,000.00	1,300,000.00	1,300,000.00	1,300,000.00
Section E Sports Centre	1,500,000.00	250,000.00	250,000.00	250,000.00
Homu14B Sports centre	900,000.00	3,053,276.39	3,053,276.39	3,053,276.39
Golf Course Development	1,000,000.00	500,000.00	500,000.00	500,000.00
Automated PMS System	1,000,000.00	-	-	-
Refurbishment of Giyani Stadium & Section A Tennis Court	2,000,000.00	-	-	-

Alternative Road to Giyani from R81	50,000.00	-	-	-
Servicing of 539 sites	1,000,000.00	750,000.00	750,000.00	750,000.00
Leased Assets: Computer Equipment (Tablets and printers)	600,000.00	300,000.00	300,000.00	300,000.00
Siyandhani Ring Road	4,600,000.00	11,820,000.00	11,820,000.00	7,960,000.00
Makosha phase 2 upgrading from gravel to paving	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00
Alternative route from Elim Road R578 to Giyani via Siyandhani	50,000.00	-	-	-
Selawa upgrading of roads from gravel to paving	8,500,450.00	9,025,691.48	9,025,691.48	9,025,691.48
Hlomela upgrading from Gravel to Paving	2,577,159.41	1,027,159.41	1,027,159.41	4,327,159.41
Shikhumba Upgrading from gravel to paving	23,391,087.80	24,253,729.53	24,253,729.53	22,653,729.53
Shawela Upgrading from gravel to paving	1,000,000.00	1,000,000.00	1,000,000.00	3,149,155.97
Section E upgrading of 13km from gravel to paving	500,000.00	-	-	-
Electrification of loloka Village (150 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Mageva Village (150 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Mahlathi Village (150 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Matsotsosela Village (150 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Mbhedhe Village (150 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Mnghonghoma Village (200 units /stands)	50,000.00	50,000.00	50,000.00	50,000.00
Electrification of Shivulani village (200 units /stands)	100,000.00	100,000.00	100,000.00	100,000.00
Electrification Mninginisi block 3 (184 units /stands)	100,000.00	100,000.00	100,000.00	1,451,620.00
Electrification of Homu 14A extension (150 units /stands)	100,000.00	100,000.00	100,000.00	6,089,730.00
Electrification of Bode extension (200 units / stands)	100,000.00	100,000.00	100,000.00	2,026,670.00
Electrification of Sikhunyani village (100 units / stands)	100,000.00	100,000.00	100,000.00	2,176,900.00
Electrification of Mapeyeni village (150 units / stands)	100,000.00	100,000.00	100,000.00	739,320.00
Electrification of Daniel Rabalela village (120 units / stands)	100,000.00	3,192,480.00	3,192,480.00	6,192,480.00
Electrification of Homu 14B extension (150 units /stands)	100,000.00	100,000.00	100,000.00	3,086,340.00

Electrification of Gawula Village (150 units /stands)	100,000.00	100,000.00	100,000.00	938,220.00
Electrification of Khakhala Village (150 units /stands)	100,000.00	100,000.00	100,000.00	1,256,460.00
Acquisitions (Firearms)	100,000.00	-	-	-
_LIM331_6108_By-Law Development	110,000.00	100,000.00	100,000.00	100,000.00
Electrification of loloka Village (150 units /stands)	180,000.00	180,000.00	180,000.00	180,000.00
Electrification of Mageva Village (150 units /stands)	180,000.00	180,000.00	180,000.00	180,000.00
Electrification of Mahlathi Village (150 units /stands)	180,000.00	180,000.00	180,000.00	180,000.00
Electrification of Matsotsosela Village (150 units /stands)	180,000.00	180,000.00	180,000.00	180,000.00
Electrification of Mbhedhe Village (150 units /stands)	180,000.00	180,000.00	180,000.00	180,000.00
Electrification of Mnghonghoma Village (200 units /stands)	240,000.00	240,000.00	240,000.00	240,000.00
Construction of car pots (Civic centre, Unigaz, Testing Station and brick yard) and Market stalls	500,000.00	-	-	-
Babangu Internal Streets Upgrading from gravel to paving	500,000.00	-	-	-
Upgrading from gravel to paving Ngove to Sikhunyani Road	500,000.00	-	-	-
Upgrading from gravel to paving Giyani Section F via Golele to risinga view to Bright star primary school junction	500,000.00	-	-	-
Upgrading from gravel to paving Nwamankena	500,000.00	500,000.00	500,000.00	500,000.00
Risk Management System	500,000.00	-	-	-
_LIM331_6105_Help Desk S	500,000.00	-	-	-
Acquisitions (Installation of cameras & monitor)	500,000.00	-	-	-
Acquisitions (Law enforcement equipment)	500,000.00	300,000.00	300,000.00	300,000.00
Internal Audit System	550,000.00	-	-	-
Acquisitions (Patrol management system (Clocking System)	600,000.00	-	-	-
Acquisitions (Laptops & printers)	665,000.40	315,000.00	315,000.00	315,000.00
Electrification of Section F (539 units /stands)	1,000,000.00	1,000,000.00	1,000,000.00	-

Installation of Solar Roof Top in municipal buildings	1,000,000.00	-	-	-
Acquisitions (Furniture & Fittings)	1,200,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Acquisitions (walk through metal detector & exray machine)	1,000,000.00	-	-	-
Acquisitions (Generator)	1,950,000.00	-	-	-
Electrification of Sikhunyani village (100 units / stands)	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Mageva Sports centre (Extension of soccer pitch)	2,000,000.00	250,000.00	250,000.00	250,000.00
_LIM331_6105_Leased Comp	2,000,000.00	1,000,000.00	1,000,000.00	1,000,000
Acquisitions (Vehicles)	2,000,000.00	-	-	-
Acquisitions (Purchase of bins)	2,000,000.00	2,900,000.00	2,900,000.00	2,900,000.00
Acquisitions (Air conditioners)	2,000,000.00	1,000,000.00	1,000,000.00	1,000,000.00
Electrification of Daniel Rabalela village (120 units / stands)	2,400,000.00	2,400,000.00	2,400,000.00	2,400,000.00
Installation of High mast in 93 villages Including CBD	2,500,000.00	2,500,000.00	2,500,000.00	1,000,000.00
Electrification of Homu 14A extension (150 units /stands)	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electrification of Mapeyeni village (150 units / stands)	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electrification of Homu 14B extension (150 units /stands)	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electrification of Gawula Village (150 units /stands)	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electrification of Khakhala Village (150 units /stands)	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Electrification Mninginisi block 3 (184 units /stands)	3,680,000.00	3,680,000.00	3,680,000.00	3,680,000.00
Electrification of Shivulani village (200 units /stands)	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00
Electrification of Bode extension (200 units / stands)	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00
Electrification of Siyandhani village (450 units /stands)	5,032,989.00	5,032,989.00	5,032,989.00	7,620,840.00
Installation of energy saving streetlights	5,500,000.00	5,500,000.00	5,500,000.00	5,500,000.00
Civic Centre Building Phase 4	6,000,000.00	22,576,087.95	22,576,087.95	19,576,087.95
Jim nghalalume community hall	7,009,409.79	7,009,409.79	7,009,409.79	7,009,409.79

4.9km Section F Upgrading of stormwater Phase 1	10,000,000.00	-	-	-
Acquisitions (Machinery & equipment)	12,000,000.00	22,440,000.00	22,440,000.00	22,440,000.00
Siyandhani ring road	27,470,764.00	28,970,764.00	28,970,764.00	32,821,608.03
Electrification of Nwamankena Village (200 units /stands)	-	-	-	1,200,000.00
<b>TOTALS</b>	<b>214,990,539.40</b>	<b>219,483,289.10</b>	<b>219,483,289.10</b>	<b>234,226,400.10</b>

It is now my honour to formally table, the Special Adjusted **2023/2024 MTREF BUDGET** for **Adoption** by Council.



## 1.2 Budget Resolutions

### RESOLUTION FOR THE ADOPTION OF THE SPECIAL ADJUSTMENT BUDGET: COUNCIL RESOLUTION CR 161- 30/04/2024

In the full council meeting on 30 April 2024, the Council of Greater Giyani Municipality resolved that the special adjusted MTREF Budget for the financial year 2023/2024 and the medium-term period to 2025/2026 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

### SIGNED FOR AND ON BEHALF OF THE GREATER GIYANI MUNICIPAL COUNCIL

#### SPEAKER

30/04/2024

\_\_\_\_\_  
CLLR A E MBOWENI

\_\_\_\_\_  
DATE

#### MAYOR

30/04/2024

\_\_\_\_\_  
CLLR T ZITHA

\_\_\_\_\_  
DATE

#### COUNCILLOR FOR FINANCE

30/04/2024

\_\_\_\_\_  
CLLR NHP NDABA

\_\_\_\_\_  
DATE

### 1.3 Executive Summary

In terms of Section 23(3) of the Municipal Budget and Reporting Regulation, If a national or provincial adjustments budget allocates additional revenue 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 adjustment 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 adjustment budget has been approved by council on 30 April 2024.

The revenue sources to fund both operating and capital expenditure for 2023/2024 financial year are as follows:

	<b>Original Budget</b>	<b>Special Adjustment budget</b>	<b>Adjustment budget</b>	<b>Special Adjustment budget</b>	<b>Reasons</b>
Grants and Subsidies	R486,901,000	R490,401,000	R489,862,000	R503,538,000	The increase is due to the MIG bonus received from National Treasury of R13,5 million and R176 000 received for EPWP grant.
Accumulated Funds [own/other income]	R153,956,124	R153,956,124	R145,106,911	R145,106,911	

External Borrowings	Nil				
<b>TOTAL BUDGET</b>	<b>640,857,124.00</b>	<b>644,357,124.00</b>	<b>634,968,911.00</b>	<b>648,644,911.00</b>	

The operating budget for 2023/2024 is subdivided as follows:

	Original Budget	Special Adjustment budget	Adjustment budget	Special Adjustment budget	Reasons
Employee related costs	200,327,289.00	200,327,289.00	178,495,308.00	178,671,308.00	
Councillors remuneration	24,915,963.00	24,915,963.00	25,884,751.00	25,884,751.00	
Inventory Consumed	13,150,000.00	13,150,000.00	12,800,000.00	12,800,000.00	
Contracted services	105,316,500.00	108,816,500	111,132,016.00	109,878,905.00	
Depreciation	95,000,000.00	95,000,000.00	96,000,000.00	96,000,000.00	
Bad Debts	29,000,000.00	29,000,000.00	122,278,267.00	122,278,267.00	
Transfer and Subsidies	1,500,000.00	1,500,000.00	1,500,000.00	1,500,000.00	
General Expenditure	79,133,832.00	79,133,832.00	85,673,549.00	85,683,549.00	
<b>Total operating expenditure</b>	<b>548,343,584.00</b>	<b>551,843,584.00</b>	<b>633,763,891.00</b>	<b>632,696,780.00</b>	

## 1.4. Special 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 2023 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 adjustment budget, it was R393 179 567, and it has increased to R393 355 567 on the Special Adjustment Budget because of R176 000 received from National Treasury for EPWP grant. The capital grants increased from R96 682 433 to R110 182 433 due to the bonus received from National Treasury. 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 is budgeted for R1 500,000 in the current financial year.

### **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.

## **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 R219,4 million to R234,2 million because of the MIG bonus received from National Treasury. 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 SPECIAL ADJUSTMENT MTREF BUDGET**

I, **KHOZA VUSI DUNCAN**, Municipal Manager of **GREATER GIYANI MUNICIPALITY**, hereby certify that the Special 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 special adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the municipality.

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

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