



SPECIAL ADJUSTMENT BUDGET OF
GREATER GIYANI
MUNICIPALITY

2024/25 TO 2026/27
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS

Approved by council on 25 MARCH 2025

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- **All public libraries within the municipality**
 - **At www.greatergiyani.gov.za**

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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 2024/2025 budget is adjusted as follows:

	Original Budget	Adjustment Budget	Special Adjustment Budget	Reasons
Income	R662 574 938	R658 259 938	R686 765 263	This is due to recovery of R28.5 million recovered from VBS.
Operational Expenditure	R711 070 253	R715 348 309	743 853 634.00	

The Capital Budget for 2024/2025 is adjusted as follows:

Descriptions	Original Budget	Adjustment Budget	Special Adjustment Budget
Waste Disposal Site Development	2 705 000.00	12 428 712.00	12 428 712.00
Mavalani Indoor Sports Centre	8 365 834.63	11 725 786.00	11 725 786.00
Refurbishment of Sporting Facilities (Gawula)	4 000 000.00	-	-
Upgrading of Parking Lot	50 000.00	-	-
Section E Sports Centre	7 000 000.00	1 524 619.00	1 524 619.00
Golf Course Development	400 000.00	200 000.00	200 000.00
Automated PMS System	1 000 000.00	-	-
Refurbishment of Giyani Stadium & Section A Tennis Court	4 000 000.00	-	-
Servicing of 539 sites	500 000.00	92 000.00	92 000.00
Leased Assets: Computer Equipment (Tablets and printers)	600 000.00	-	-
Hlomela upgrading from Gravel to Paving	21 681 638.50	19 889 504.00	19 889 504.00
Shawela Upgrading from gravel to paving	31 650 844.03	32 651 436.00	32 651 436.00
Electrification of Ioloka Village (150 units /stands)	2 400 000.00	2 400 000.00	2 400 000.00
Electrification of Mageva Village (150 units /stands)	5 803 000.00	7 375 505.00	7 375 505.00
Electrification of Mahlathi Village (150 units /stands)	2 400 000.00	2 400 000.00	2 400 000.00
Electrification of Matsotsosela Village (150 units /stands)	2 500 000.00	2 500 000.00	2 500 000.00
Electrification of Mnghonghoma Village (200 units /stands)	3 450 000.00	3 568 793.00	3 568 793.00
Acquisitions (Firearms)	100 000.00	50 000.00	50 000.00
_LIM331_6108_By-Law Development	100 000.00	100 000.00	100 000.00
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	1 300 000.00	1 300 000.00	1 300 000.00
Upgrading from gravel to paving Giyani Section F via Golele to risinga view to Bright star primary school junction	500 000.00	-	-
_LIM331_6105_Help Desk S	1 000 000.00	600 000.00	600 000.00
Acquisitions (Installation of cameras & monitor)	500 000.00	500 000.00	500 000.00
Acquisitions (Law enforcement equipment)	500 000.00	200 000.00	200 000.00
LIM331_2017/18IDP_Computer Equipment Aquisitions	3 600 000.00	8 000 000.00	8 000 000.00
Acquisitions (Patrol management system (Clocking System)	600 000.00	600 000.00	600 000.00
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	1 000 000.00	1 000 000.00
Acquisitions (Furniture & Fittings)	1 500 000.00	1 500 000.00	1 500 000.00
Acquisitions (walk through metal detector & x-ray machine)	1 000 000.00	1 000 000.00	1 000 000.00
Mageva Sports centre (Extension of soccer pitch)	4 500 000.00	1 400 000.00	1 400 000.00
Acquisitions (Vehicles)	4 000 000.00	3 200 000.00	3 200 000.00
Acquisitions (Purchase of bins)	2 900 000.00	1 500 000.00	1 500 000.00
Acquisitions (Air conditioners)	1 000 000.00	1 000 000.00	1 000 000.00
Installation of energy saving streetlights	5 500 000.00	2 457 368.00	2 457 368.00
4.9km Section F Upgrading of stormwater Phase 1	50 000.00	-	-
Acquisitions (Machinery & equipment)	9 500 000.00	10 700 000.00	10 700 000.00
Electrfication of Maswanganyi Village (250 units /stands)	270 000.00	270 000.00	270 000.00
Electrification of Botshabelo village (160 units /stands)	413 000.00	413 000.00	413 000.00
Electrification of Ndindani village (100 units /stands)	270 000.00	270 000.00	270 000.00
Youth Database System	250 000.00	250 000.00	250 000.00
Electrfication of Xikukwani Village (150 units /stands)	3 100 000.00	3 800 000.00	3 800 000.00
Electrification of Risinga view Village (100 units /stands)	270 000.00	270 000.00	270 000.00
Installation of High mast lights in Greater Giyani	3 000 000.00	2 200 000.00	2 200 000.00
Electrification of Makosha village (100 units /stands)	270 000.00	270 000.00	270 000.00
Electrification of Dingamazi village (170 units /stands)	363 000.00	363 000.00	363 000.00
Electrification of Dzumeri village (100 units /stands)	270 000.00	270 000.00	270 000.00
Section E Phase 1 (3km) of upgrading of 13km from gravel to paving	1 500 000.00	1 300 000.00	1 300 000.00
Spatial Development Framework review	150 000.00	100 000.00	100 000.00
Land use scheme review	250 000.00	100 000.00	100 000.00

Refurbishment of Giyani Community Hall	1 500 000.00	1 000 000.00	1 000 000.00
Construction of market stalls (10 market stalls)	5 000 000.00	1 908 000.00	1 908 000.00
Nwa- Mankena Upgrading of internal streets	24 472 367.47	26 263 911.00	26 263 911.00
TOTALS	180 504 684.63	171 911 634.00	171 911 634.00

It is now my honour to formally table, the Adjusted **2024/2025 MTREF BUDGET** for **Adoption** by Council.

1.2 Budget Resolutions

RESOLUTION FOR THE ADOPTION OF THE MID YEAR ADJUSTMENT BUDGET: COUNCIL RESOLUTION CR 50-25/03/25 SP

In the full council meeting on 25 March 2025, the Council of Greater Giyani Municipality resolved that the adjusted MTREF Budget for the financial year 2024/2025 and the medium-term period to 2026/2027 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

25/03/2025

CLLR A E MBOWENI

DATE

MAYOR

25/03/2025

CLLR T ZITHA

DATE

COUNCILLOR FOR FINANCE

25/03/2025

CLLR NHP NDABA

DATE

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 25 March 2025.

The revenue sources to fund both operating and capital expenditure for 2024/2025 financial year are as follows:

	Original Budget	Adjustment budget	Special Adjustment budget	Reasons
Grants and Subsidies	R496 108 000	R496 038 000	R496 038 000	
Accumulated Funds [own/other income]	R166 466 938	R162 221 938	R190 727 263	This is due to R28.5 million recovery from VBS.
TOTAL BUDGET	R662 574 938	R658 259 938	R686 765 263	

The operating budget for 2024/2025 is subdivided as follows:

	Budget	Adjustment Budget	Special Adjustment budget	Reasons
Employee related costs	203 647 361.00	202 241 174.00	202 241 174.00	
Councillors' remuneration	25 799 710.00	29 257 283.00	29 257 283.00	
Inventory Consumed	14 350 000.00	9 100 000.00	9 100 000.00	
Contracted services	139 315 500.00	145 447 500.00	173 952 825	This is due to the VBS 28.5 million recovery.
Depreciation	104,000,000.00	104,000,000.00	104,000,000.00	
Bad Debts	125 000 000.00	125,000,000.00	125,000,000.00	
Transfer and Subsidies	1,600,000.00	1,600,000.00	1,600,000.00	
General Expenditure	97 357 682.00	98 702 352.00	98 702 352.00	
Total Operating Expenditure	711 070 253.00	715 348 309.00	743 853 634.00	

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 2024 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 R410 474 150, and it has decreased to R410 404 150 due to the reduction of LGSETA grant after checking the amount received for the first six month of the Financial Year. The projects for electricity grant will be funded by grant of 18m and own funding of 12,7m. 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 600,000 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 remained the same at R171.9 million.

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