

**2020/2021 ADJUSTMENT BUDGET:  
SPEECH DELIVERED BY THE MAYOR,  
CLLR. MERIAM MOLALA DURING THE  
VIRTUAL COUNCIL MEETING ON THE 26TH  
FEBRUARY 2021**

Honourable Speaker, Cllr. Barnard Ntsoane;  
Chief Whip of Council, Cllr. Tswaledi  
Thobejane;  
Colleagues in the Executive Committee;  
Chairpersons of Section 79 Committees;  
Leaders of Political Parties in Council;  
Fellow Councillors;  
Our Traditional Leaders;  
Acting Municipal Manager, Ntate Tebogo  
Gafane, Executive  
Managers and Officials of our Municipality;  
Members of Ward Committees;  
Friends, Distinguished Guests, Comrades,  
Ladies and Gentlemen;  
Good morning,

## **Honourable Speaker,**

We are halfway in terms of implementation of the 2020/2021 Service Delivery and Budget Implementation Plan (SDBIP). As such, Management and the Executive Committee are expected assess progress to date and accordingly adjust the budget.

I am today tabling the budget adjustment to this august house as part of discharging my fiduciary responsibility as the custodian of the municipality's finances in terms Section 28 (4) of the Local Government: Municipal Finance Management Act.

## **Honourable House,**

The adjustment budget for 2020/2021 financial year is prepared in terms of the Municipal Budget and Reporting Regulations, promulgated in the Government Gazette No. 32141 dated 17 April 2009.

As we are doing this, at the back of our minds we appreciate that the national fiscus is under

pressure due to a sluggish economic and rising government debt which was exacerbated by the global coronavirus (COVID-19) pandemic. As a result, there has been cuts in the Division of Revenue Bill (DoRA) Allocation. Finance Minister, Tito Mboweni indicated during the recent delivery of the 2021 Budget that "our public finances are dangerously overstretched."

### **Honourable Speaker,**

The COVID-19 pandemic delayed implementation of planned projects, especially on the infrastructure side. The Municipality had to also make budget towards dealing towards with the outbreak.

The 2020/2021 budget adjustment is also aligned to the four pillars that the government will be focusing on as outlined by President Cyril Ramaphosa in the recent State of the Nation Address (SONA):

- dealing with the Covid-19 pandemic;
- accelerating economic recovery;
- creating jobs and inclusive economic growth; and
- fighting corruption and strengthen the state.

### **Total budget:**

A total budget of **R 510 524 251.83 million comprising R346 004 462.33 million and R164 519 790.00 million for Capital Expenditure (Capex) and Operational Expenditure (Opex) respectively, was tabled in preparation for the 2020/2021 financial year.**

As I have already mentioned, COVID-19 interrupted implementation of infrastructure projects, by implication curbing spending towards improving people's lives. After all, Charlotte Maxeke once said "This work is not

for yourselves – kill that spirit of self, and do not live above your people but live with them."

The proposed budget adjustment is thus as follows:

- **Total Budget**=R510 524 251.83 million
- **Capex**=R164 519 790.00 million
- **Opex**=R346 004 462.33 million

**Honourable House,**

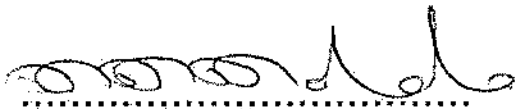
**Recommendations:**

- That Municipal Council consider and approves the revision of budget estimates for financial year 2020/2021 financial year as prescribed in terms of Section 28(1) and (2)(b)(d)-(g) of the MFMA, 2003 and the indicative two projected outer years 2022/2023 and 2023/2024.
- That the adjustment budget for 2020/2021 financial year be submitted to National/Provincial Treasury and CoGTA/CoGHSTA.

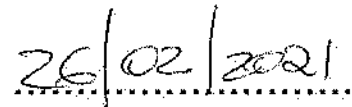
- It is also recommended that the Council approve that the SDBIP be adjusted accordingly as envisaged in the Municipal Finance Management Act of 2003, Municipal Systems Act and other applicable legislation.

Honourable Speaker,  
Honourable House,

Ke a leboga, pula.



**Cllr. Molala MM**  
**Lepelle-Nkumpi Municipality Mayor**



**Date**