

Mayors Report on the Tabling of the KwaDukuza Municipality 2021/2022 Second Adjustment Budget

Thursday, 28 April 2022

Speaker;

Deputy Mayor;

Whip of Council;

Members of the Executive Committee;

Representatives of the Local House of Traditional Leaders;

Members of Council;

Municipal Manager and Senior Management;

Members of the Public;

Members of the Media present; and

Ladies and Gentlemen:

I greet you all.

Following the adoption of the 2021/2022 financial year budget in May 2021 and the subsequent Adjustment Budget in February 2022 which followed the Section 72, Mid-Year Budget and Performance Assessment tabled in January 2022.

The municipality hereby proposes a Second Adjustment Budget as a result of an increase of R7 million in the Municipal Infrastructure Grant allocation. This change means minor amendments will be realised in the operational budget for 2021/2022 financial year as a result of the of the R7 million in 'Transfer's Recognised Capital'.

By way of background, the Municipality originally approved a Capital Budget of R321,401 million in the current financial year with the majority of the funding being allocated towards the electrical network upgrade and roads infrastructure. The budget was amended to R310,012 million during the February adjustment budget.

This additional funding means the Capital Budget now increases to R316,100 million. The Civil Engineering Business Unit has earmarked the additional MIG allocation to the following capital projects:

No.	Project Name	Ward	Amount (R)	Capital Budget Allocation (Excl. Vat)
1	Rehab of Nkwazi Road	WARD 03	R 1 000 000	R 869 565
2	Rehab of Hibiscus, Bauhinia and Hill Crescent Road	WARD 16	R 2 000 000	R 1 739 130
3	Rehab of Shela Road	WARD 10	R 2 000 000	R 1 739 130
4	Rehab of Palm Land Road	WARD 11	R 2 000 000	R 1 739 130
TOTAL			R 7 000 000	R 6 086 955

I therefore recommend that Council:

1. note the contents of the report dealing with the second adjustments budget for 2021/2022.

2. approve the 2021/22 second adjustments budget as attached to this item, it being noted that all adjustments are in accordance with section 28(2) of the MFMA.
3. approve the revision of the monthly and quarterly service delivery targets and performance indicators as recorded in the revised Service Delivery Budget and Implementation Plan as attached hereto.
4. note that the second adjustments budget is fully compliant with S28 (2) (b) of the MFMA.
5. note that the second adjustments budget has been tabled by the Mayor in accordance with S28 (4) of the MFMA.
6. note that the second adjustment budget is fully compliant with Section 28 (6) of the MFMA in that municipal tax and tariffs for 2021/22 will not be further increased as a result of this second adjustments budget.
7. that upon approval of the second adjustments budget by Council, the budget office to ensure that, in terms of S22(b) of the MFMA, the second adjustments budget is submitted in the requested format to National Treasury, Provincial Treasury and Department of Co-operate Governance and Traditional Affairs.
8. that in accordance with sub-regulation 26(1) of Municipal Budget and Reporting Regulations, the Municipal Manager is to make public the second adjustments budget in accordance with section 21(A) of the Municipal Systems Act.

9. that in accordance with Part 2 Schedule B of the Municipal Budget and Reporting Regulations as published in Government Gazette No.32141 dated 17 April 2009, Council notes the following:

- that there were no major adjustments to the original budget assumptions.
- that the various adjustments to the funding of the 2021/2022 budget as highlighted in this report and the various tables annexured hereto be noted.
- the adjustments to expenditure on allocation of grant programs as highlighted in this report are noted.
- The adjustments to the service delivery and budget implementation plan as annexured to the report are noted.
- The adjustments that have been made to the Capital Budget be noted.

Speaker, with these remarks, I hereby present KwaDukuza Municipality 2021/2022 Second Adjustment Budget to Council for consideration and approval as is set out in the item.

Cllr. Lindile Octavia Nhaça
Mayor