

Press Release

06 July 2020

ADOPTION OF 2020/2021 IDP AND BUDGET BY LEPHALALE LOCAL MUNICIPALITY

Lephalale Local Municipality approved the 2020/2021 IDP and Budget presented by the Honourable Mayor, Cllr Moloko Jack Maeko during the Council meeting held on the 30th June 2020. The IDP and Budget processes started with steering committees meetings where the priorities of the Municipality for 2020/21 IDP and Budget were identified for the preparation for final adoption. National Treasury regulations and guidelines guided the preparation of the budget.

The adopted Budget is aligned to the IDP, Provincial and National Government Development plans and Priorities.

In line with Section 17 of Municipal Systems Act, the Budget, IDP and Tariff proposals were published for comment and consultation as part of the consultation process.

- The budget was presented to the Council meeting on the 26 May 2020 for noting and referred back for public participation due to the impact of Covid -19 Regulations.
- On the 29th May 2020 Adverts were published News Paper, Municipal website, Municipal Facebook, Municipal whatsapp number for Public participation process to unfold.
- Closing date for the comments was on the 19th June 2020, which was extended to 24th of June 2020.
- The Mayors responded to Comments on the 25th June 2020 utilizing various mentioned platforms.

The approved 2020/21 budget fully funded has total Operating Expenditure of R591 million and a total Operating Revenue o R596 million resulting in the operating surplus of R4.6 million.

The approved budget include Capital Expenditure of R109m which consist of R22 million own Capital Funding and R87 million National Grant Funding.



The 2020/21 budget includes the head count of 475 permanent employees and 47 contract employees. All tariffs have been adjusted by 4,5% for the current financial year except for electricity which is adjusted by 6,22 % as regulated by NERSA.

Below is the table showing the Operating Budget for the MTREF 2019/2020

DESCRIPTION	ADJUSTMENT BUDGET 2019/20	DRAFT BUDGET 2020/2021
	R000	R000
Total Operating Revenue	R561 403	R595 757
Total Operating Expenditure	R557 411	R591 118
Surplus/ (Deficit) for the year	R1,287	R4,639
Own funding Projects Revenue	R36 844	R22 410
Total Capital Projects	R146 004	R109 091

Revenue Tariff increase

Description	20/21	21/22	22/23
Rates	4.5%	4.6%	4.6%
Electricity	6.22%	5.2%	8.9%
Water	4.5%	4.6%	4.6%
Sanitation	4.5%	4.6%	4.6%
Refuse	4.5%	4.6%	4.6%

The 2020/2021 budget has been assessed by the National Treasury and the outcome of the assessment is that the budget is fully funded and this was a very important exercise which will enable the Municipality to execute its responsibility of delivering the much needed services to the communities of Lephalale.

The Mayor said the budget was informed by the collective intention of building a Municipality that will belong to all who live in it, just as the Freedom Charter and the preamble of the Constitution of the Country say that South Africa belongs to all who live in it.



LEPHALALE
MUNICIPALITY

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