

COUNCIL APPROVES R2,3 BILLION BUDGET FOR THE 2024/25 FINANCIAL YEAR

A special sitting of Mopani District Council held on the 16th of May has approved a R2,3 billion budget for the 2024/25 financial year.

Delivering his budget speech, the Executive Mayor Cllr. Pule Shayi said the Municipality will adhere to the cost containment measures while also implementing credit control measures.

“This generation of councillors has committed to expand on the provision of services to address the backlog on water supply to communities as well as provision of sanitation. And with our eyes fixed steadfastly on this task, we are once again going to choose options that maximize service delivery than opulence.

“It has not been an easy journey, but working together as this generation of councillors we have already overcome what looked like insurmountable odds. Our resolve, which we remain fully committed to, is to end the stranglehold of unfunded budget,” he said.

The Executive Mayor spoke of the progress made towards a funded budget, saying that the budget was unfunded by R2 billion in the 2020/21. And while it remains unfunded it was now affordable. “We have committed ourselves to an elusive and very complex journey towards a funded budget.

“For the first time in the more than decade long journey, our unfunded budget is affordable. Meaning we have funds to fund the budget but we have a credit book which can be extinguished over a long period to history and parameters around our assumptions,” he said.

He said the Municipality has signed repayment agreements with DWS and Lepelle, and will be signing repayment agreements with local Municipalities and such monies will be ring-fenced in separate account. An amount of R66 million is budgeted towards servicing the historic debt with both Lepelle Northern Water and DWS, which constitute 3% of the operating budget.

“For this financial year coming, we have positively discounted R827 million from unfunded status as part of our commitment to the complex journey,” the Executive Mayor said.

From the budget of R2, 329 billion, an amount of R1, 682 billion (R1 682 866 652) which constitute 73% of the total budget is allocated for the operating budget. R588 million (R588 431 650) is the capital budget, which constitute at least 26% of the total revenue.

The total amount from transfers and subsidies is R1 928 billion, and the breakdown is as follows:

- R1,3 billion (R1 343 490 000) from Equitable Shares
- R524 Million (R524 667 000) from Municipal Infrastructure Grant (MIG)
- R47 Million (R47 998 000) from Water Services Infrastructure Grant (WSIG)
- R6,7 Million (R6 799 000) from EPWP
- R3 Million Financial Management Grant
- R2,4 Million (R2 476 000) from the Rural Roads Asset Management Grant



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