



**CEDERBERG MUNISIPALITEIT /
CEDERBERG MUNICIPALITY**



RAADSVERGADERING / COUNCIL MEETING

Verwysing no. / Ref. nr. 10/1/1

KENNIS GESKIED HIERMEE dat die volgende **DRINGENDE SPESIALE RAADSVERGADERING** van **CEDERBERG MUNISIPALITEIT** gehou sal word op die datum, tyd en plek soos hieronder aangedui.

NOTICE IS HEREBY GIVEN that the following **URGENT SPECIAL COUNCIL MEETING** of **CEDERBERG MUNICIPALITY** will be held on the date, time slot and at the venue as mentioned below.

No.	Datum / Date	Tyd / Time	Plek / Venue
1.	11 November 2024	09h00	Raadsaal Cederberg Munisipaliteit Voortrekkerstraat 2A Clanwilliam / Council Chambers Cederberg Municipality 2A Voortrekker Street Clanwilliam

R DE RIDDER

WND. MUNISIPALE BESTUURDER / ACTING MUNICIPAL MANAGER

07/11/2024

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**TO ALL COUNCILLORS, MUNICIPAL MANAGER AND DIRECTORS OF THE
CEDERBERG MUNICIPALITY**
NOTICE IS HEREBY GIVEN that an **URGENT SPECIAL COUNCIL MEETING** of the Cederberg Municipality will be held on **MONDAY, 11 NOVEMBER 2024** at **10H00** in the **COUNCIL CHAMBERS** of **CEDERBERG MUNICIPALITY, CLANWILLIAM** to consider the matters listed in the following Agenda.

CLLR. J HAYES
SPEAKER

A G E N D A

1. OPENING

2. ELECTION OF (ACTING) SPEAKER, IF NECESSARY
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3. APPLICATIONS FOR LEAVE OF ABSENCE

4. INTERVIEWS WITH OR PRESENTATIONS BY DEPUTATIONS

Rules of Order for Internal Arrangement

Part 6

6. Deputations

Should deputations seek an interview with council, the municipal manager must be provided with ten working days written notice of the intent of the deputation with details of the representations that are to be made as well as its source. The notice must be submitted to the Speaker by the Municipal Manager with recommendations and comments. The Speaker has the discretion to then grant the interview and instate conditions.

5. STATEMENTS AND COMMUNICATION BY THE SPEAKER

6. STATEMENTS AND COMMUNICATION BY THE EXECUTIVE MAYOR

7. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE EXECUTIVE MAYOR TOGETHER WITH THE MAYORAL COMMITTEE

8. MATTERS FOR CONSIDERATION

Rules of Order for Internal Arrangement

Part Four:

2. DECISIONS AND VOTING

- 2.1 In the event that the Speaker enquires from the attendees at a meeting if they are in agreement with recommendation/s and there is no opposition by any member present, recommendations are adopted.
- 2.2 The Speaker must put every apposed motion to the vote by calling upon the members to indicate by a raising of hands unless otherwise prescribed by law, whether they are in favour of or against such motion. The result of the vote must thereafter be declared by the Speaker.
- 2.3 The number of members voting in favour of or against an item, is to be recorded in the minutes. Members may abstain from voting without leaving the meeting and may request that his/her abstention be recorded in the minutes of that meeting. Consequently, subsequent to the speaker's declaration of the result, a member may demand that his or her opposition or support of a decision be recorded in the minutes and the Municipal Manager must accordingly arrange for the same.
- 2.4 All decisions must be taken by a supporting vote of the majority of the members present at any meeting of the Council.
- 2.5 The Municipal Council must reconsider a decision taken if the majority of members lodge a request in writing with the Municipal Manager. This shall apply unless such reconsideration adversely affects existing rights. Motions for the reconsideration of decision must be submitted in terms of Rule 5 of the Rules of Order.
- 2.6 Notwithstanding the provision of this Rule, the Council may at any time following a recommendation by the Mayor, rescind or amend any resolution passed by it.

Part 5

4. Councillor to address chair

A member who speaks at a meeting must address the chair.

Part 5

16. Order of priority

- 16.1 The Speaker must ensure that there is maintenance of order. To this end, the Speaker may, if he / she deems it necessary, at any time in a meeting direct an office to remove or cause the removal of any person, excluding a member, from the Council Chamber. The Speaker may also direct that the public gallery be vacated.
- 16.2 The removal of any person or persons who refuse to carry out any reasonable instruction given by the Speaker or obstructs the carrying out of such instruction may be ordered by the Speaker.

Part 5

3. Precedence of the Speaker

Silence must be observed by all present in meeting when the Speaker addresses meetings in order for the Speaker to be heard without interruption. Whenever the speaker addresses the meeting, all members must be silent so that the speaker may be heard without any interruption. Council must be addressed by members through the Speaker.

13. Relevance

Speeches by members must address the subject or matter under discussion or to an explanation or to a point of order. In this regard, no discussion shall be tolerated in relation to the anticipation of any matter on the agenda or in respect of any matter in respect of which a decision by a judicial or quasi-judicial body or a commission of inquiry, whether instituted in terms of legislation or not, is pending, provided that such matter may be considered with the permission of Council.

Part 5

5. Right to speak

A member is provided with an opportunity to speak with the permission of the Speaker only once for no longer than 5 (five) minutes on a matter before the meeting unless authorised by the Chairperson.

A member is entitled to speak once on any recommendation, motion or proposal, provided that the Mayor or Member may reply to conclude a debate and shall restrict himself/herself to answering previous speakers rather than the introduction of new matters. Prior to the consideration of any item contained in the report of the mayor in reply to a specific question or during discussion of the same, the Speaker shall permit the Mayor, MMC or Chairperson of the Committee in terms of section 79 and 80 of the Local Government Municipal Structures Act 117 of 1998 who made the proposal in terms of rule 9 or rule 14 of part 5 of these Rules to make and explanatory statement.

6. Length of speeches

- 6.1 A member may (unless authorised otherwise by the Speaker) only speak once to-
- 6.1.1 the matter and any amendments to that matter that is before the council;
- 6.1.2 any motion before the council;
- 6.1.3 to a matter or an amendment proposed or be proposed by himself or herself;
- 6.1.4 a point of order or a question of privilege,

unless authorised by the speaker or as provided for in terms of these rules.

- 6.2 No new matters may be introduced by a mover that speaks to a motion and replies to previous speakers in a debate. The right of reply shall not extend to the mover of an amendment which, having been carried, has become substantive motion.

8.1 ITEMS SUBMITTED BY OFFICIALS OF COUNCIL

RB8.1.1/11-11-2024 AMENDMENTS TO INCOME, OPERATIONAL AND CAPITAL EXPENDITURE PROJECTIONS – ADJUSTMENT BUDGET 2024/2025 NOVEMBER 2024

File number: 5/1/1/1

Item by: Chief Financial Officer

Compiled by: Chief Financial Officer

Delegated Authority: Council

Strategic intent of item

No	Strategic Objective	
SO 1:	Improve and sustain Basic Service delivery and Infrastructure development	
SO 2:	Financial viability and Economically sustainability	√
SO 3:	Good governance, Community development & public participation	
SO 4:	Facilitate, expand and Nurture sustainable Economic growth and Eradicate poverty	
SO 5:	Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. Housing development and informal settlement upgrade	
SO 6:	To facilitate social cohesion, safe and healthy communities	
SO 7:	Development and Transformation of the institution to provide a people centred human resources and administrative service to citizens, staff and Council	

1. PURPOSE OF ITEM

The purpose of the item is to submit an Adjustments budget for 2024/2025 financial year for Council consideration and approval.

2. BACKGROUND

In terms of Chapter 4, Section 28 of the MFMA;

- (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 towards 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.
- (3) An adjustments budget must be in a prescribed form.
- (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2)(b) to (g) may only be tabled within any prescribed limitations as to timing of frequency.
- (5) When an adjustments budget is tabled, it must be accompanied by –
 - (a) an explanation how the adjustments budget affects the annual budget;
 - (b) a motivation of any material changes to the annual budget;
 - (c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
 - (d) Any other supporting documentation that may be prescribed.
- (6) Municipal tax and tariffs may not be increased during a financial year excepts when required in terms of a financial recovery plan.
- (7) Sections 22(b), 23(3) and 24(3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustments budget.

Municipal Budget and Reporting Regulations further provides:

A. Timeframes for tabling of adjustments budgets

- An adjustments budget referred to in Chapter 4, section 28(2)(b), (d) and (f) of the Act may be tabled in Municipal Council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year;
- Only one adjustments budget referred to in sub regulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in Chapter 4, section 28(2)(b) of the Act are allocations to a Municipality in a National or Provincial adjustments budget, in which case sub regulation (3) applies. If a National or Provincial adjustments budget allocates or transfer additional revenue to a Municipality, the Mayor of the Municipality must, at the next available meeting, but within 60 days of the approval of the relevant National or Provincial adjustments budget, table an adjustments budget referred to in Chapter 4, section (28(2) (b) of the Act in the Municipal council to appropriate these additional.
- The roll-overs relate only to Grant Funding. MFMA circular 72 para 6.6 dictates the process for Grant Funding roll-overs.
- "Municipalities may not rollover unspent conditional grant spending in terms of Chapter 4, section 28(2)(e) of the MFMA (read together with regulation 23(5) of the Municipal Budget and Reporting Regulations) because they are national / provincial funds. The applicable rollover process is then given effect through the municipal adjustments budget in January / February each year for all the cash / transfers that had already been transferred to the bank accounts of municipalities prior to the end of the financial year. In this regard refer to MFMA Budget Circular No. 51 for more information.
- Chapter 3, Section 21 of the 2013 Division of Revenue Act requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over."

In accordance with Section 28(2)(b) of the MFMA, the Municipality should revise its budget if additional revenues become available, above that anticipated in the original budget.

The adjustment is required:

- To reduce funding by National Treasury due to a formula error on National's side.
- To align the budget with the grant roll-over outcomes from both National and Provincial Treasury.

3. DISCUSSION

The purpose of this adjustment budget is to adjust the Municipal Infrastructure Grant due to an error in the formula used when the total grant was allocated to the Municipality. This error has been corrected, resulting in a corresponding change in allocation. Additionally, the municipality has received responses from both the National and Provincial Treasury regarding its request to roll over funds from the previous financial year.

4. FINANCIAL IMPLICATIONS

- Contained in the attached B-Schedules.

5. RELEVANT LEGISLATION

- The MFMA, Chapter 4, Section 28
- Municipal Budget and Reporting Regulations

RECOMMENDATION

In respect of the 2024-2025 Adjustments Budget – November 2024:

1. That Council approves the Adjustments Budget for 2024/25 financial year, amendments to income, operational and capital expenditure projections as set out in the following:
 - Municipal Budget tables B1 – B10
 - Municipal Budget Supporting Documentation SB1 – SB19
2. That Council notes that the Service Delivery Budget Implementation Plan be amended in line with these adjustments.

APPENDIX

Part 1 - Adjustments Budget Tables (Annexure A)

The adjustments budget tables are contained in this report. The adjustments budget tables contain the following:

1. Table B1 Adjustments Budget Summary
2. Table B2 Adjust Budget Financial Performance (standard classification)
3. Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)
4. Table B4 Adjustments Budget Financial Performance (revenue and expenditure)
5. Table B5 Adjustments Capital Expenditure Budget by vote and funding
6. Table B6 Adjustments Budget Financial Position
7. Table B7 Adjustments Budget Cash Flow
8. Table B8 Cash backed reserves / accumulated surplus reconciliation
9. Table B9 Asset Management
10. Table B10 Basic Service Delivery Measurement

Part 2 – Supporting Documentation (Annexure B)

The budget supporting documentation is contained in this report.

- This information is contained in supporting documents SB1 to SB19.

Other supporting Documents

Annexure C: Quality certificate

Annexure D: Adjustment Budget Report

Annexure E: Government Gazette 51233, dated 12 September 2024

Annexure F: National Treasury Roll-Over Outcome Letter

Annexure G: Provincial Treasury Roll-Over Outcome Letter

8.2 URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

8.3 Matters for notification

8.4 Consideration of notices of motions

8.5 Consideration of notices of question

8.6 Consideration of motions of exigency

09 CLOSURE