

Knysna Municipality



Annexure 6 Budget Submissions & Mayor's Report 2013/2014



KNYSNA
Municipality
Munisipaliteit
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Medium Term Revenue & Expenditure Framework (MTREF)

Where people and nature prosper



Tabled at the Mayoral Committee of 20 May 2013**SUBMISSIONS RECEIVED REGARDING THE 2013/14
BUDGET****REPORT FROM DIRECTOR: FINANCIAL SERVICES****PURPOSE OF THE REPORT**

To set out the submissions received on the 2013/2014 budget and the Council responses thereto.

BACKGROUND**APPROVAL OF BUDGET 2013/2014**

Section 23 of the Municipal Finance Management Act states,

(1) When the annual budget has been tabled, the municipal council must consider any views of –

- a. the local community; and*
- b. the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the budget.*

(2) After considering all budget submissions, the council must give the mayor an opportunity—

- a. to respond to the submissions; and*
- b. if necessary, to revise the budget and table amendments for consideration by the council.*

SUBMISSIONS & RESPONSES

Council had by the closing date received 9 submissions. Of these, two are specific to the budget, one is a request for a budget inclusion, four are essentially IDP and not budget submissions per se and one is a general commentary on a multitude of issues. The ninth submission is a contradiction. The submissions are attached as annexure. The salient points of the submissions are as follows.

SUBMISSION 1: NATIONAL TREASURY (ANNEXURE A)

This is the first time National Treasury has commented upon the Knysna Municipality Budget since the mid 2000's.

Whilst it is obviously a generic letter it does give a positive direction to the commentary and to future MTREF documents. The gaps in the level of compliance are noted and are mainly statistical.

We are endeavouring to close these gaps as soon as possible. Table SA7 has already been completed.

SUBMISSION 2: PROVINCIAL TREASURY (ANNEXURE B)

This is the first draft of the Provincial submission. The revised draft was not available at the time of writing this report.

The report was discussed in a meeting with the Heads of Department of Finance and Local Government and Housing and some of their staff and the Municipal Manager and her senior management team on April 24 in Knysna. A follow up meeting regarding financial issues was held between Province and the Chief Financial Officer and the Manager: Budget and Accounting in Cape Town and a subsequent meeting was also held on IDP issues in Knysna.

It is assumed that the second draft will correct a great many number of the errors and misconceptions that appeared in the first draft and that were pointed out to Provincial officials.

A presentation was also made on 24 April by Province and their conclusions are also included in annexure B. In essence it says the IDP is credible and responsive, realistic and implementable. The budget is both credible and sustainable.

As always the Provincial staff are thanked for their perspicacity.

SUBMISSION 3: LEISURE ISLE RATEPAYERS ASSOCIATION (ANNEXURE C)

This is a request for R30 000 to be included for an upgrade to the Kings Park on Leisure Isle. The submission will be integrated into the IDP and referred to the Parks Department if moneys are available in their proposed allocation.

SUBMISSION 4: LAPLAND (ANNEXURE D)

This is a petition received at the IDP/Budget presentation in Rheenendal. It is self-explanatory.

SUBMISSION 5: RUSSEL ARENDS – WARD 9 (ANNEXURE E)

These are general questions regarding traffic police and by-laws and cannot be regarded as either an IDP or Budget submission. They will be responded to directly.

SUBMISSION 6: RUTH CHRISTIANS – WARD 9 (ANNEXURE F)

Again for the most part these are comments and questions not submissions per se and can be responded to directly.

SUBMISSION 7: V DLAYEDWA (ANNEXURE G)

Again this is not a submission but a series of questions/comments that can be responded to directly.

SUBMISSION 8: B HART (ANNEXURE H)

Again this is a commentary and not a submission. The Annexure 7 previously referred to is the IMAP which is not included in the 2013/14 document.

SUBMISSION 9: RUSSEL ARENDS - WARD 9 (ANNEXURE I)

This submission is really rather a mixed bag. It argues against introducing the MSAC of R30 per month but then essentially says the charge is too low in comparison to other areas with worse homes. It also passes a not particularly helpful comment about "Knysna will burn".

MATTERS OF IMPORT ARISING FROM THE PROCESS

The MTREF proposes introducing the MSAC from 1 July 2013 at an amount of R30 per month. At this point the technical logistics of properly introducing the charge are not fully in place. The introduction of the change requires the managing of a number of databases and the completion of the current VPM/Housing project and survey within the Northern Areas. The survey is not completed to the point where a successful immediate transition can be implemented.

As a result the introduction of the MSAC should be delayed until January 2014. All the other related prepaid electricity projects will proceed as planned and a further public awareness intervention will be held from October 2013.

CONCLUSION FROM SUBMISSIONS

In terms of Section 23(2)(b) the Mayor has not found it necessary to table amendments to the various resolutions. There are some minor funding adjustments within some of the tables none of which detract from the recommendations in Section 2 and none of which materially amend the budget as previously tabled.

IT IS RECOMMENDED

- (1) That the Mayor's responses to the various submissions made be noted.