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Ratlou commits to "put hands on deck"

MAHIKENG MAIL - MAHIKENG: Ratlou Local Municipality Executive Mayor, Cllr Matlhomola Jafta, has promised to continue spending on major projects and urged the accounting office to apply consequence management against individuals responsible for failure in spending on their initial plans.

Cllr Jafta said this while delivering the municipality's Annual Budget of R295.5 million for the financial year 2025/2026 this week.

He said their budget was far less to meet service delivery demands, however, they were forced to "live within our means" and devise plans to render services to communities.

"We are bound to cut on luxuries and commit to spend only on what we have budgeted for and be transparent and accountable with the public's money. The main objective of our operating revenue framework, is to allow our municipality to provide quality services to our community and

for us as Ratlou Local Municipality to continue providing such, we need to generate the required revenue in a sustainable manner.

"We must note that in these tough economic times strong revenue management is fundamental to financial sustainability. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding, hence difficult choices must be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues," conceded Jafta.

The municipality's budgeted Operational expenditure amounts to R256 996 696 while the capital budget of R38 596 450 from the conditional grant as gazetted in the DORA (MIG) and other capitalised items, will be funded from own revenue expected to be raised by the municipality.

Operating grants and transfers in the 2025/26 fiscal year amount to R176.5 million, which is 80% of the total operating revenue budget making the municipality rely entirely on government grants.

The breakdown of projected operating grants for the Medium Term Revenue Expenditure Framework (MTREF) and subsidies allocated to the municipality for 2025/26 include the Equitable share allocation of R168 617 00, Expanded Public Works Programme (R1 509 000), Financial Management Grant (R3 000 000), Municipal Infrastructure Grant (R 1 784 550) and Library Grant (R1 492 000) which makes a total Operational Grants of R176 402 550 for 2025/26 with projected R176 087 910 and R183 888 424 respectively over the period of two outer years.

"In the 2025/26 budget allocation, a provision of R126.7 million is made. This is 47% of the total operating expenditure inclusive of remuneration of councillors. The view I hold about this item is that it is not within the National Treasury norm of 25-40%," said Jafta.

"We are already above the set norm by 7% and that is not okay. Though Madame Speaker, I would like to applaud the Municipal Manager and this council for having been able to fill all the Senior Manager positions that were vacant and has been a challenge for a very long time in this municipality. I hope soon we will be appointing the CFO, so that we are finally a fully fledged and functional SMT," he added.

Jafta said they have budgeted R16 million for bad debts and the same amount has been allocated for the outer years. The provision is

made because the municipality needed to ensure sufficient provision for non-cash items to avoid unauthorised expenditure.

An amount of R35.5 million has been appropriated for development of roads infrastructure, acquisition of municipal vehicles, construction of sports facilities and a Multipurpose Sport Centre, including installation of high mast lights, fencing of cemeteries, acquisition of computers, office equipment and furniture, among others.

In the outer years, 2025/27 and 2027/28 an amount of R38.5 million and R40.1 million respectively has been appropriated.

Budget per department includes R14.02 million for the Office of the Mayor, R18.6 million (Office of the Speaker), R11.8 million (Office of the Accounting Officer).

Budget and Treasury Department has R9.5 million to be funded from the Equitable Share, R26.5 million from property rates, R3 million from FMG and R479 thousand from Other Revenue.

Technical Services has a budget of R29.9 million to be funded from Equitable Share, R1.9 million from rental of facilities, R612 thousand from service charges - electricity and R35.6 million will be funded from MIG.

Town Planning has a budget of R13.06 million funded from Equitable Share and R1.5 million from EPWP Grant. The Library Services is allocated a budget of R10.4 million funded from Equitable Share and R1.4 million from Library Grant.

Corporate Services has a total budget of R43.8 million funded from the Equitable Share and R6.2 million from interests earned on investment.

Community Services is apportioned a total budget of R20.9 million from the Equitable Share, R182 127 thousand from licenses and permits, R1 million from agency services and R158 088 thousand from traffic fines.



Ratlou Local Municipality Executive Mayor, Cllr Matlhomola Jafta, delivering the Annual Budget speech.