



**DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY**

**PRESENTS**

**2023/2024 TO 2025/26**

**DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FORECASTS**

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## 1. PART ONE – ANNUAL BUDGET

### 1.1 MAYORS REPORT

#### Introduction

Speaker, Deputy Mayor, Members of Executive, Chief Whip, Honourable Councillors ONdabezitha, Municipal Management and municipal officials, Greetings.

It is a pleasure, in my capacity as Mayor of Dr Nkosazana Dlamini Zuma Municipality, to present the Draft medium-term revenue and expenditure framework (MTREF) for 2023/2024 financial year and ensuing two years. In terms of section 21(2) (a)-(c) of the MFMA – ‘when preparing the annual budget, the mayor of a municipality must:

(a) Take into account the municipality’s integrated development plan (IDP);

(b) take all reasonable steps to ensure that the municipality revises the IDP in terms of section 34 of the Municipal Systems Act, taking into account realistic revenue and expenditure projections for future years;

(c) take into account the national budget, the relevant provincial budget, the national government’s fiscal and macro-economic policy, the annual Division of Revenue Act (DoRA) and any agreements reached in the Budget Forum’.

The intention is to bring forth the highlights contained within the draft budget in its current form to facilitate a process of consultation leading to the compilation of a draft budget for the 2023/2024 financial year. It is indeed our stated intention, as the Dr Nkosazana Dlamini Zuma Local Municipality, that the draft budget for the 2023/2024 financial year be tabled at the end of March 2023 and should be a product of rigorous review and extensive consultation such that the limited resources available are allocated towards satisfying the community’s priorities and that the budget preparation process itself complies with relevant legislations.

The Council of Dr Nkosazana Dlamini Zuma Municipality, in terms of section 75A of the Local Government Municipal Systems Act (Act 32 of 2000), must also approve and adopt with effect from 1 July 2023, the tariffs for property rates, the tariffs for solid waste services and the tariffs for other services.

The council should note that the municipality is currently transacting on mSCOA version 6.6. However, the municipality has reduced the challenges in the past years and during the adjustment budget 2022/2023 that were affecting the financial position and cash flow. Even though the challenges were reduced, the municipality is still addressing few challenges in order to be 100% mSCOA compliant, and we are optimistic that all the challenges will be resolved as time goes on.

The municipality is currently preparing the draft MTREF using mSCOA version 6.7 that the municipality will be transacting on by the 1st of July 2023 and this indicates that there is lot of work that is being done and that still need to be done ensure that the municipality complies with the regulations.

The municipality has applied the sound financial management principles when compiling the draft mSCOA budget to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The Municipality business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items in order to adhere to the Municipal Cost Containment Regulations. It should be noted that the municipality has done tremendously well on implementing some strategies to reduce excessive spending on non-core and consultancy fees.

The Dr Nkosazana Dlamini Zuma Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring that people lead government.

The Draft budget presentation reflects the following summary estimates:

DESCRIPTION	2022/2023 Original Budget	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>REVENUE</b>					
PROPERTY RATES	- 43,682,517	- 47,082,437	- 49,330,399	- 51,747,589	- 54,179,725
WASTE MANAGEMENT:REFUSE REMOVAL	- 3,547,228	- 4,194,993	- 4,421,331	- 4,637,976	- 4,855,961
LICENCES AND PERMMITS	- 856,754	- 1,056,754	- 1,112,762	- 1,167,287	- 1,222,150
TRAFFIC:COURT FINES	- 324,668	- 524,668	- 552,475	- 579,547	- 606,785
GOVERNMENT GRANTS AND SUBSIDIES	- 205,819,000	- 198,073,000	- 202,347,000	- 211,943,000	- 208,681,000
INTEREST EARNED - EXTERNAL INVESTMENTS	- 5,594,256	- 10,912,664	- 11,491,036	- 12,054,096	- 12,620,639
OTHER REVENUE	- 4,320,940	- 4,873,172	- 5,088,986	- 5,338,346	- 5,589,248
NATIONAL GOVERNMENT:INTERGRATED NATIONAL	- 6,352,000	- 6,352,000	- 7,561,000	- 7,000,000	- 7,314,000
<b>TOTAL REVENUE EXCLUDING INEP</b>	<b>- 270,497,363</b>	<b>- 273,069,688</b>	<b>- 281,904,988</b>	<b>- 294,467,841</b>	<b>- 295,069,508</b>

### Property Rates

- Property rates is the second highest source of revenue. A new General Valuation roll was implemented with effect from 1 July 2022. Property rates have been increase by 5.3% in the 2023/2024 financial year, 4,9% in the 2024/2025 and 4,7% in the 2025/2026 financial years.
- It is worth noting that the impact of Covid 19 on properties within the municipal demarcation was hard felt leading into a phenomenon called buyers' market as there were plenty of properties available, but not enough qualified buyers to 'absorb' them all. This lead to a general reduction of values by sellers with the aim to offload. The current situation was further exacerbated by the raising lending and related interest rates delay, which will impact the housing market.

### WASTE MANAGEMENT: REFUSE REMOVAL

Premise based removal (Residential Frequency) -Himeville	Once a week
Premise based removal (Residential Frequency)-Creighton	2 times a week
Premise based removal (Business Frequency)-Himeville	4 times a week

Premise based removal (Business Frequency)- Creighton	2 times a week
Premise based removal (Business Frequency)- Bulwer	3 times a week
Premise based removal (Business Frequency)- Donnybrook	2 times a week
Bulk Removal (Frequency)-Himeville	once a week
Bulk Removal (Frequency) -Creighton	2 times a week
Removal Bags provided(Yes/No)	Yes
Garden refuse removal Included (Yes/No)	Yes
Street Cleaning Frequency in CBD daily	Daily
How soon are public areas cleaned after events (24hours/48hours/longer) - Himeville and Creighton	24 hours
Clearing of illegal dumping (24hours/48hours/longer)	24 hours
Recycling or environmentally friendly practices(Yes/No)	Yes

- The demands of citizens are continuous and so are the expectations of sound service delivery. It is therefore appropriate for the municipality to introduce a cost reflective tariffs phase in approach. The rationale for setting fees and charges at adequate levels is to promote financial stability by recovering all the costs associated with the rendering of a service.
- Based on the segments reports prepared for the year 2019/2020, 2020/2021, 2021/2022 and 2022/2023 The municipality has been providing the refuse removal and processing services at deficit. The expenses relating to the refuse removal and processing such as Employee related costs, Annual charge on assets and Operational costs have increased by almost 3 million in the past 3 years, this may be due to number of contributing factors,

downturn of the economy, fuel and maintenance cost hikes and well as increase in related assets utilization charge.

- The revenue on the other has not increase with the same margin. This can be attributed number of factors, National Treasury budgetary guidelines being implemented, affordability of the tariffs yielding unsuitable results for an increase. For trading services, we would need to consults relevant stakeholders and customers in order to consider approving a catch-up schedule where for the next 10 years, the municipality adds a 10% increase on top of the national treasury budget circular to reduce losses, given all circumstances.

Goods /Service	Dr Nkosazana Dlamini Zuma Municipality Tariffs 2022/2023	Dr Nkosazana Dlamini Zuma Municipality Tariffs 2023/2024
RAT01: RESIDENTIAL PROPERTIES	1,75	1,84
RAT02: BUSINESS, COMMERCIAL, INDUSTRIAL PROPERTIES	2,79	2,94
RAT03: AGRICULTURAL PROPERTIES	0,44	0,46
RAT04: PUBLIC SERVICE PURPOSES	1,75	1,84
RAT05: PUBLIC SERVICE INFRASTRUCTURE	0,44	0,46
RAT06: PUBLIC BENEFIT ORGANISATION	0,44	0,46
RAT10: RESIDENTIAL SMALL HOLDING	1,75	1,84
RAT12: VACANT LAND	1,75	1,84
UNAUTHORISED USE OF RESIDENTIALLY ZONED PROPERTIES	5,25	5,53
UNAUTHORISED USE - BUSINESS, COMMERCIAL, INDUSTRIAL PROPERTIES	8,37	8,81
MULTIPURPOSE*	*	*
<b>*Multiple properties will be rated according to the multiple purposes as defined in the Act.</b> This is defined as properties that have multiple use categories; however, all the categories will be billed on the same stand and account.		
<b>REFUSE REMOVAL</b>		
Government Housing	764	804
Residential Properties	4 542	4 783

Residential Properties: Creighton, Bulwer and Donnybrook	1 492	1 571
Tourism & Hospitality Urban properties	4 542	4 783
Agriculture & Residential smallholding properties	4 542	4 783
Bulk Refuse	107 187	112 868
<b>Goods /Service</b>		
Business and other properties are billed for the sum of the business within each Centre/Mall/Property.		
<b><u>Business &amp; Other properties</u></b>		
Commercial	5 944	6 259
Large	23 190	24 419
"Significant volume of waste and difficult to handle"		
Medium	11 474	12 082
Small	5 615	5 913
Garden Refuse (per load)	299	315
<b><u>Illegal Dumping</u></b>		
All illegal dumping will be charge R3 000 as a fine	3 000	5 000
<b>ROAD ENDOWMENTS</b>		
1. 90-200 sqm	2 235	2 353
2. 201 – 400 sqm	4 471	4 708
3. 401 – 800 sqm	7 822	8 237
>801 sqm	11 175	11 767
<b>CEMETERY</b>		
1 Indigent burial fee	327	344,331
2 burial fees	873	919,269
3 ashes burial fee	109	114,777
4 cemetery fees	1 089	1 147



**GOVERNMENT GRANTS AND SUBSIDIES**

DESCRIPTION	2022/2023 Original Budget	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
National Governments:Local Government Financial Management Grant	- 1,950,000	- 1,950,000	- 1,950,000	- 1,950,000	- 2,088,000
National Revenue Fund:Equitable Share	- 152,466,000	- 152,466,000	- 162,271,000	- 172,562,000	- 167,336,000
Capacity Building and Other:Provincialisation of Libraries	- 2,946,000	- 2,946,000	- 2,946,000	- 3,076,000	- 3,214,000
Capacity Building and Other:Community Library Services Grant	- 1,223,000	- 1,477,000	- 1,223,000	- 1,277,000	- 1,612,000
National Government:Municipal Infrastructure Grant	- 30,558,000	- 30,558,000	- 31,779,000	- 33,078,000	- 34,431,000
National Governments:Expanded Public Works Programme	- 2,476,000	- 2,476,000	- 2,178,000	-	-
Provincial Government: Small Town Rehabilitation	- 5,200,000	- 5,200,000	-	-	-
Provincial Government: Disaster Management Programme	- 8,000,000	-	-	-	-
Provincial Government: Municipal Employment Initiative	- 1,000,000	- 1,000,000	-	-	-
<b>TOTAL GOVERNMENT GRANTS AND SUBSIDIES</b>	<b>- 205,819,000</b>	<b>- 198,073,000</b>	<b>- 202,347,000</b>	<b>- 211,943,000</b>	<b>- 208,681,000</b>
National Government:Intergrated National Electrification Programme(INEP)	- 6,352,000	- 6,352,000	- 7,561,000	- 7,000,000	- 7,314,000
<b>INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME</b>	<b>- 212,171,000</b>	<b>- 204,425,000</b>	<b>- 209,908,000</b>	<b>- 218,943,000</b>	<b>- 215,995,000</b>

The Municipality is 74% depended on Government grants and subsidies. The Revenue enhancement strategy is being reviewed as part of the plan to improve the municipal revenue.

**OPERATING EXPENDITURE FOR 2023/24 FINANCIAL YEAR**

DESCRIPTION	2022/2023 Original Budget	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>OPERATING EXPENDITURE</b>					
EMPLOYEE RELATED COST	84,428,693	84,428,693	91,008,842	95,468,275	99,955,284
COUNCILLORS REMUNERATION	11,556,648	11,844,292	12,483,886	13,095,596	13,711,089
GENERAL EXPENDITURE/CONTRACTED SERVICES	38,900,552	63,293,477	61,624,666	64,878,572	66,894,167
PROGRAMMES	12,712,242	15,065,863	15,936,869	17,217,776	18,003,511
REPAIRS AND MAINTENANCE	11,398,253	17,920,253	15,620,253	15,651,345	16,386,959
PROVISIONS	79,052,158	66,433,315	65,788,659	69,012,304	72,255,882
ELECTRIFICATION PROJECTS	-	2,500,000	-	-	-
<b>TOTAL OPERATING EXPENDITURE</b>	<b>237,208,571</b>	<b>261,485,893</b>	<b>262,463,175</b>	<b>275,323,868</b>	<b>287,206,892</b>

There overall decrease in operating expenditure is R610 119,00

## **EMPLOYEE RELATED COSTS**

An increase of 5,4% was applied on employee related costs. Employee Related Costs ratio is 39% over total operating costs budget. A new department called “Planning and Department” has been established with effect from 1 July 2022. The Local Economic Department and Tourism which was previously reporting under Community Service Department was migrated to Planning Department. A Senior Manager: Planning and Development position was filled in November 2022/2023 financial year. The main objective is to strengthen the planning, development, housing and economic developmental issues in our municipality. The Job evaluation implemented in 2021 continued to put weight on the Employee Costs budget. Further cutting of operational costs has increased the employee related costs ratio over total operating expenditure.

## **DISASTER MANAGEMENT**

A budget of **R884 900.00** has been set aside, in order to ensure improved and integrated Institutional Capacity and Responses to Disaster Incidents or Disasters by June 2024. The following activities will be will be conducted during the year.

- Conduct Firebreaks in fire high risk areas
- Conduct Disaster Management Advisory and Community Safety Forum
- Review of the Disaster Management Sector Plan
- Procurement of Disaster Relief Material
- Conduct Integrated Community Safety Awareness Campaigns
- Procurement and Installation of Lightning Conductors in high risk areas
- Conduct Fire Safety Inspections

A total budget of R19 000 000.00 was set aside in the for the construction of Disaster Management Center that will be completed before the end of the financial year. The Center is located in Bulwer Town. The center is planned to start operating in the 2023/2024 financial year.

A Budget of **R5 000 000.00** has been set aside for 3 Disaster/Fire additional vehicles as part of capacitating the unit and other units.

A budget of **R800 000.00** has been set aside to procure Disaster Management Communication and Information System that will enhance communication and cascading of information amongst disaster management stakeholders, this will also ensure the installation of the control room within the emergency Centre and furthermore to digitalized the disaster incidents and/ or disaster assessments on the field of work.

### **LIBRARY MANAGEMENT SERVICES**

To ensure improvement of literacy levels and encourage culture of reading by 30 June 2024. The Municipality has set aside **R3 000 000** for Mobile Library Truck to assist the Unit in conducting outreach programs. The municipality currently have 5 Libraries (Nkwezwele Modular, Creighton, Bulwer, Underberg and Zidweni).

16 Library Outreach Programmes and 16 Computer Trainings Classes are planned for next financial year

### **TRAFFIC MANAGEMENT**

To ensure improved community safety, road safety and reduce crime through integrated stakeholder coordination and awareness:

10 Multi -Stakeholder Road Blocks will be conducted during the year

Local Roadblocks will also be conducted daily by our law enforcement officers

### **YOUTH DEVELOPMENT, ARTS AND CULTURE, SPORT DEVELOPMENT, MAYORAL CUP,**

To promote youth development through SMME development, Arts, Culture, Sports and Recreation by Conducting following competitions by June 2024

DESCRIPTION	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
Senior Citizen and Women	101,043	121,500	127,454	133,444
HIV/TB	25,692	34,000	35,666	37,342
Sukhuma Sakhe	319,109	497,500	521,878	546,406
Child Programmes	77,400	84,100	88,221	92,367
Disability Programs	97,550	120,900	126,824	132,785
Gender	151,693	127,000	133,223	139,484
Youth Development	1,020,948	1,106,000	1,160,194	1,214,723
Arts and Culture projects	697,489	743,200	779,617	816,259
Bulwer Community Service Center	42,734	40,500	42,485	44,481
Mayoral Cup	146,143	939,000	985,011	1,031,307
Sport Development Project	324,268	327,500	343,548	359,694
Disaster Management	527,083	884,900	928,260	971,888
LED Programmes	4,009,639	3,620,500	3,797,905	3,976,406
Tourism Programmes	491,567	829,000	869,621	910,493
Communication	194,458	270,000	283,230	296,542
Community Functions	1,021,028	550,000	576,950	604,067
Public Participation	462,500	700,000	734,300	768,812
Ward Committees	2,827,571	3,220,000	3,377,780	3,536,536
Spluma	2,308,879	1,418,000	1,987,482	2,057,394
Employee Wellness	219,069	303,269	318,129	333,081
<b>TOTAL PROGRAMMES</b>	<b>15,065,863</b>	<b>15,936,869</b>	<b>17,217,776</b>	<b>18,003,511</b>

Programmes and projects earmarked as follows:

- 1xBongumusa Marathon,
- 1x Sani stagger Marathon,
- 1x Harry Gwala Summer Cup,
- 1x Sazi Langa training Marathon,
- 1x Youth Games,
- 1x School sport program,
- 1x Ward Cultural Competition
- 1x Mayoral Cup and
- 1x Willy Mtolo cross Country

Conduct 10 trainings by June 2024

- 1x Jockeys training conducted,
- 1x training on GBV and Femicide
- 1x training of sport coaches,

- 1x training on GBV and Femicide
- 1x training of artists,
- 1x training of crafters,
- 1x training on GBV and Femicide
- 1x training of 35 youth on driving skills,
- 1x life skills training

To coordinate and ensure sustainable partnerships through various structures.

- Forums coordinated in 2 Gender Forum (Women& Men)
- Children's Forum
- Senior Citizen's Forum
- Disability Forum
- Local Aids Forum
- Arts and Culture Forum
- Sports Federation
- Youth Council.
- OSS Local Task Team.
- LRC (CWP)

### **COMMUNICATION, WARD COMMITTEES AND PUBLIC PARTICIPATION**

A budget of **R4 470 000.00** has been set aside for communication, ward committees and public participation in order to encourage participation of the local community in the affairs of the municipality by 30 June 2024

### **LOCAL ECONOMIC DEVELOPMENT**

A budget of **R3 620 500.00** has been set aside for LED programmes in order to promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipment. 13 Skills Trainings Sessions will be conducted for Emerging Enterprises in the various sectors of the local economy, which include the following:

- Construction Contract Management
- Beauty and Nail Technology
- Clothing and Textile designing
- Massage Therapy
- Plant Production
- Basic Bookkeeping & Saving in the Informal Economy.
- health, Hygiene and Safety in the informal economy.
- Hospitality
- Community House Building
- Body spray/cologne manufacturing
- Business Planning & Financing
- Technical Skills
- Hair Dressing

30 SMMEs and Cooperatives will be supported with material/ Equipment.

## **TOURISM**

A budget of **R829 000** has been set aside for the facilitation and co-ordination of market exposure of local businesses through attendance of various Trade Exhibitions.

- 1x Cape Town Gateway
- International Trade Fair (Cape Town)
- Aloe Festival
- 1x Gauteng Gateway Show
- 1x Royal Show
- Tourism Indaba
- Meetings Africa

We will also provide support to community tourism initiatives, organizations and individuals i.e.

- 1X Destination Marketing & Tourism Awards Program

- 1x Budget allocation to SDCTO
- 3x Tourism Awareness

Underberg has over the years proved itself a “laid back” tourist town forming the core in a web of adjoining tourist destinations including Lesotho, Maluti Drakensberg and other. It also accommodates various economic and commercial activities. In this regard, it proves a stable tourist-oriented property market due to its strategic location.

### **PLANNING AND DEVELOPMENT**

A budget of **R1 418 000** has been set aside for planning and development projects.

### **FREE BASIC SERVICES: BASIC SOCIAL SERVICES PACKAGE FOR INDIGENT HOUSEHOLDS**

A Budget of **R 700 000** has been set aside for Free Basic Electricity. Due to the high level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for normal municipal services. The municipality will continue to offer rebates and exemption to qualifying and registered households.

### **REPAIRS AND MAINTENANCE**

The following budget has been aside for the R&M in order to improve access to roads infrastructure, storm water and recreational facilities. It must be stated that we are still struggling to budget for 8% of the total value of our assets. The municipality is still facing the issue of property vandalism which must be dealt with.

PROJECT DESCRIPTION	2023/2024 DRAFT BUDGET	REGION/WARD
Repairs and maintenance Community Assets		
Nkumba Community Hall	400,000	ward 11
Mkhazini Community Hall	520,000	ward 08
KwaPitela Sportfield	520,000	ward 01
Mpumlwane Sportfield	520,000	ward 05
Woodhurst Sportfield	520,000	ward 14
Kilmon Sportfield	520,000	ward 04
	<b>3,000,000</b>	
Repairs and maintenance Office Building		
Underberg Library	300,000	ward 03
Bulwer CSC	300,000	ward 10
Creighton Flats	300,000	ward 14
Creighton Animal Pound	300,000	ward 14
Creighton Main Office	500,000	ward 14
	<b>1,700,000</b>	
Electrical Repairs and Maintenance		
Municipal Buildings and streets light	900,000	
Air Conditioners (Municipal Buildings)	300,000	
	<b>1,200,000</b>	

### CAPITAL BUDGET FOR 2023/2024

A total capital budget of R91 234 000 has been set aside in order to improve access to roads infrastructure, storm water and recreational facilities.

- Municipal infrastructure grant is R31 779 000 for the 2023/2024 financial year.

DESCRIPTION	2022/2023 Original Budget	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26	Region/ Ward
<b>MIG 2022/2024</b>						
Himeville business hives	4,000,000	2,743,828	-	-	-	2
Sdangeni bridge	1,700,000	1,050,000	1,204,600	-	-	4
Langelihle Creche	3,300,000	3,228,000	25,000	-	-	12
Creighton Sport Center	8,000,000	8,000,000	5,000,000	-	-	14
Mafohla Community Hall	3,500,000	3,500,000	1,500,000	-	-	11
Bulwer Asphalt Road Phase 7	1,928,000	4,667,793	2,035,000	-	-	10
Underberg Asphalt Road Phase 4	4,000,000	4,000,000	2,014,400	-	-	3
Himeville Asphalt Surfacing Phase 3	4,000,000	3,238,379	3,000,000	-	-	2
Maguzwana Sport fields		-	4,000,000	-	-	1
Gala Crech		-	3,000,000	-	-	7
Lwazi Crech (Mkhazini)		-	3,000,000	-	-	8
Sizamokuhle Crech (Njobokazi)		-	3,000,000	-	-	10
Masaneni Community Hall		-	4,000,000	-	-	15
Mig 2023 -2026		-	-	33,078,000	34,431,000	
<b>TOTAL MIG FUNDING</b>	<b>30,558,000</b>	<b>30,558,000</b>	<b>31,779,000</b>	<b>33,078,000</b>	<b>34,431,000</b>	



DESCRIPTION	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26	Region/ Ward
<b>INTERNAL FUNDED CAPITAL PROJECTS</b>		-			
<b>RENEWAL OF GRAVEL ROADS</b>					
Renewal of Gravel Roads	6,750,000				All Wards
Stage 5 Access Road	-	450,000	-	-	1
Drakensberg Access Road	-	450,000	-	-	2
Coachmans Close- Pin Oak	-	450,000	-	-	3
Zidweni Access Road	-	450,000	-	-	4
Makubheka Access Road	-	450,000	-	-	5
KwaMfundisi Access Road (Qulashe)	-	450,000	-	-	6
Magoso Access Road	-	450,000	-	-	7
Kolubovu Access Road	-	450,000	-	-	8
Duma Access Road	-	450,000	-	-	9
Mbelu Access Road	-	450,000	-	-	10
Dlamini Access Road	-	450,000	-	-	11
Maphanga Access Road	-	450,000	-	-	12
Albertina Access Road	-	450,000	-	-	13
Jama Access Road	-	450,000	-	-	14
Emgxobeni Access Road	-	450,000	-	-	15
<b>TOTAL FOR RENEWAL OF GRAVEL ROADS</b>	<b>6,750,000</b>	<b>6,750,000</b>	<b>-</b>	<b>-</b>	
<b>ADMINISTRATIVE CAPITAL EXPENDITURE</b>					
Procurement of Furniture and Equipment	1,162,000	3,165,000	3,320,085	3,476,129	Administrative or Head Office
Procurement of Computer Equipment	759,028	1,210,000	1,269,290	1,328,947	Administrative or Head Office
Procurement of Computer Software	456,670	885,000	928,365	971,998	Administrative or Head Office
Upgrading of Server	326,000	650,000	681,850	713,897	Administrative or Head Office
Procurement of Parkhome	1,200,000	1,100,000	-	-	Administrative or Head Office
Municipal Offices	300,000	300,000	314,700	329,491	Administrative or Head Office
Backup Generator	460,000	-	-	-	Administrative or Head Office
Carport Covers	155,000	-	-	-	Administrative or Head Office
Procurement of Antivirus Software	156,000	120,000	125,880	131,796	Administrative or Head Office
Procurement of fire extinguishers	350,000	-	-	-	Administrative or Head Office
Installation of Cameras	100,000	60,000	62,940	65,898	Administrative or Head Office
Fiber connection	250,000	250,000	262,250	274,576	Administrative or Head Office
External Computer Service-Software Licences	21,600	25,000	26,225	27,458	Administrative or Head Office
Transport Assets	14,364,619	13,450,000	14,109,050	14,772,175	Administrative or Head Office
Construction of Storage Facility	3,000,000	1,000,000	1,049,000	1,098,303	Administrative or Head Office
Pocurement of Car wash Equipment	-	500,000	-	-	Administrative or Head Office
Electronic Records Management	300,000	-	-	-	Administrative or Head Office
Pin Code Operated Doors	-	75,000	-	-	
DLTC Designs	-	400,000	-	-	
Bullet Proof Glass at Reception	-	100,000	-	-	
Communication and Information System	-	800,000	-	-	
Installation of Shelter Motor Licensing	-	100,000	-	-	
<b>TOTAL ADMINISTRATIVE CAPITAL PROJECTS</b>	<b>23,360,917</b>	<b>24,190,000</b>	<b>22,149,635</b>	<b>23,190,668</b>	

DESCRIPTION	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26	Region/ Ward
<b>SERVICE DELIVERY CAPITAL PROJECTS</b>		-			
Construction of Disaster Management Centre	8,725,257	-	-	-	Whole of the Municipality
Creighton CBD Infrastructure Upgrade	1,500,000	15,000	15,735	16,475	14
Underberg CBD infrastructure Upgrade	2,500,000	900,000	944,100	988,473	3
Informal Trading Infrastructure	500,000	500,000	524,500	549,152	
Construction of Storm Water Drainage	50,000	500,000	524,500	549,152	All Wards
Makawusane Sport Field Phase 2	3,270,000	250,000	262,250	274,576	15
Hlabeni Community Hall	4,604,069	550,000	576,950	604,067	6
Procurement of Plant and Equipment	1,687,497	1,450,000	1,521,050	1,592,539	Whole of the Municipality
Bus Shelters	260,000	700,000	734,300	768,812	8 Wards
Street lights	500,000	1,100,000	1,153,900	1,208,133	10
Parks, Paving, Cemeteries and Waste Disposal Sites Toilets	400,000	-	-	-	2&14
Guard House & on transfer Station	37,909	100,000	104,900	109,830	2&3
Mobile Library	-	3,000,000	3,147,000	3,294,909	
Construction of Animal Sheds	200,000	500,000	524,500	549,152	
Upgrade of Gravel Roads	300,000	3,000,000	3,147,000	3,294,909	All Wards
Designs of Municipal Offices	1,220,000	3,000,000	3,147,000	3,294,909	Administrative or Head Office
Bulwer CBD Infrastructure Upgrade	1,100,000	2,800,000	2,937,200	3,075,248	
Centocow Shelter and Toilets Phase 2	200,000	2,200,000	2,307,800	2,416,267	
Battrey Energy Storage System	-	600,000	629,400	658,982	
Skip Bins	-	650,000	681,850	713,897	
Pedestrian Bridge	-	2,500,000	2,622,500	2,745,758	
Storm Water Pipes and Culverts	-	300,000	314,700	329,491	
Upgrading of Himeville Township Asphalts Road	-	1,000,000	1,049,000	1,098,303	2
Traffic lights (Himeville)		500,000			
Nomgidi Community Hall		2,200,000	2,307,800	2,416,267	
Donnybrook Toilets		200,000	209,800	219,661	
<b>TOTAL SERVICE DELIVERY CAPITAL PROJEC</b>	<b>27,304,732</b>	<b>28,515,000</b>	<b>29,387,735</b>	<b>30,768,959</b>	

Electrification Grant is R7 561 000 based on DoRA to be used mainly for the infills with the Dr NDZ Municipal area.

DESCRIPTION	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26	Region/ Ward
<b>ELECTRIFICATION PROJECTS (INEP) 2023/2024</b>	<b>6,352,000</b>	<b>-</b>			
Greater Stepmore/Ridge ph 6	-	504,067	-	-	1
Greater Nhlanhleni/Goxhill ph 6	-	504,067	-	-	2
Greater Underberg ph 6	-	504,067	-	-	3
Greater Amakhuze/Cabazi ph 6	-	504,067	-	-	4
Greater Khukhulela/Nomagaga ph 6	-	504,067	-	-	5
Greater Hlabeni/Centocow ph 6	-	504,067	-	-	6
Greater Gqumeni/Mqundekwni ph 6	-	504,067	-	-	7
Greater Ngwagwane ph 6	-	504,067	-	-	8
Greater Nkwezela ph 6	-	504,067	-	-	9
Greater Bulwer ph 6	-	504,067	-	-	10
Greater Nkumba/Mangwanenei ph 6	-	504,067	-	-	11
Greater Bhidla/Sizanenjana ph 6	-	504,067	-	-	12
Greater Donnybrook ph 6	-	504,067	-	-	13
Greater Mjila/Crieghton ph 6	-	504,067	-	-	14
Greater Sandanezwe/Masamini ph6	-	504,067	-	-	15
INEP 2023-2026		-	7,000,000	7,314,000	
<b>TOTAL</b>	<b>6,352,000</b>	<b>7,561,005</b>	<b>7,000,000</b>	<b>7,314,000</b>	

**SECTOR DEPARTMENT**

We will continue to engage and partner with Sector department like:

- Department of Transport -
- Department of education
- Department Health
- SAPS
- Department of Agriculture
- Eskom
- Social Development
- Department of Sport and Recreation
- Department of Arts and Culture
- Harry Gwala District Municipality
- Department of Public Works
- Department Local Economic Development
- Department of Co-operative Governance and Traditional affairs
- Department of Human Settlement

All these departments have very an important and critical role to play in changing the lives of Dr Nkosazana Dlamini Zuma people. Good relationship and working together with these departments and private partners can take our municipality forward:

**Thank you**

## **1.2 COUNCIL RESOLUTION**

On the 30th March 2023 the Council of Dr Nkosazana Dlamini-Zuma Municipality met in the Underberg Community Hall to consider the Draft Budget of the municipality for the financial year 2023/24. The Council, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) to note and adopt the following:

- The Draft Budget and Tariff of charges for the Municipality for the financial year 2023/24
- The Draft Budget related policies for the financial year 2023/24

### **Consolidated budget schedules A1 to A10.**

- Budget Summary as contained in Table A1
- Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
- Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
- Budgeted Financial Performance (revenue and expenditure) as contained in Table A4;
- Budget Capital Expenditure by municipal vote, functional classification and funding by contained in Table A5.
- Budgeted Financial Position as contained in Table A6;
- Budgeted Cash Flows as contained in Table A7;
- Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
- Asset management as contained in Table A9; and
- Basic service delivery measurement as contained in Table A10.

### **1.3 EXECUTIVE SUMMARY**

#### **Introduction**

This 2023/24 – 2025/26 Tabled Draft Medium -Term Revenue and Expenditure Framework (MTREF) budget report deals with the operating budget and tariff proposals as well as the capital budget and funding sources proposal to ensure that Dr Nkosazana Dlamini Zuma Municipality renders services to their local communities in a financial and sustainable manner.

#### **Background**

The application of sound financial management principles for the compilation of Dr Nkosazana Dlamini Zuma Municipality's budget is essential and critical to ensure that the municipality remains financially sustainable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

Dr Nkosazana Dlamini-Zuma Municipality has and will continue to implement a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality will continue to undertake various customer care initiatives to ensure that the municipality truly involves all citizens in the process of ensuring a people lead government. The municipality has a Revenue Enhancement Strategy that is reviewed annually and approved by the Council.

The South African economy has not been shielded from these global developments. National Treasury has revised South Africa's economic growth estimate for 2023 to 5.3 per cent, from 4.8 per cent at the time of the MTREF. This revision reflects a combination of the impact of changes in the global environment, along with South Africa's own unique challenges. Commodity prices, which have supported South Africa's economic recovery, slowed in the second half of 2023.

The main challenges experienced during the compilation of the 2023/24 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy
- The rate of unemployment in the community that we are serving, having a negative impact on the collection over revenue, and increasing number of indigents.
- Aging and poorly maintained infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions;

### **Financial Sustainability**

Financial sustainability over the long-term has to do with the maintenance of high priority expenditure programmes, both operating and capital to ensure programmes sustainability and desire quality of service to be rendered. There must also be rates and service charges stability and predictability in the overall rate burden by ensuring reasonable rates and service charges to fund programmes.

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitable to all communities.

The following budget principles and guidelines directly informed the compilation of the 2023/24 MTREF:

- The 2022/23 Adjustment Budget priorities and targets, as well as the base line allocations contained in the Adjustment Budget were adopted as the upper limits for the new baselines for the 2023/24 draft budget;

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act.

**Table Below Presents a Consolidated overview of the 2023/2024 Budget.**

DESCRIPTION	2022/2023 Original Budget	2022/2023 Adjustment Budget	2023/2024 Draft Budget	Budget Year +1 2024/25	Budget Year +2 2025/26
TOTAL REVENUE	- 264,145,363	- 266,717,688	- 274,343,988	- 287,467,841	- 287,755,508
TOTAL OPERATING EXPENDITURE	237,208,571	261,485,893	262,463,175	275,323,868	287,206,892
TOTAL CAPITAL EXPENDITURE	94,390,098	93,173,649	91,234,000	84,615,370	88,390,626
TOTAL OPEX & CAPEX	331,598,669	354,659,542	353,697,175	359,939,238	375,597,519

Total revenue for the municipality has increased by 3% per cent or R 7 ,6 million when comparing with adjustment. In 2024/2025 the revenue is expected to increase to R287,5 million and increase in 2025/26 to R287 million.

Total operating expenditure for the 2023/24 financial year has been decreased by 0%, or R610 119 when compared to the 2022/23 Adjustments Budget. Implementation of containment measures on various operational expenditure items contributed to a decrease. The depreciation budget has increased from R56, 1 million to R57, 3 million in the 2023/2024 financial year. Repairs and Maintenance budget decreased by 20% or R 3 million when compared to the 2022/23 Adjustment Budget.

- **Provision for debt impairment**

The provision of debt impairment was determined based on an annual collection rate for 2022/2023. A budget of R8, 4 million has been set aside in 2023/24, financial year. this item is allocated at an amount of R8, 9 million in the 2024/25 financial year and escalates to R 9, 2 million in the following year.

- **Provision for depreciation and asset impairment**

Provision for depreciation and asset impairment has been informed by the municipality's Assets Management policy. Depreciation is widely considered a proxy for the rate assets consumption. Budget appropriated for Depreciation is R 57, 3 million for 2023/24 financial year escalating to R 60,2 million in 2024/2025 financial year and R 62, 9million in 2025/2026.

- **Capital Budget**

The capital budget is R 91 ,2million for 2023/24 and that is R1,9 million decrease when compared to the 2022/23 Adjustment Budget. Capital grants such as Small Town rehabilitation grant and Disaster Management grants are not gazzetted in 2023/24 financial year.

### **1.3.1. OPERATING REVENUE FRAMEWORK**

The rates revenue collection is currently expressed as a percentage (average 77%) of annual billings based on the previous year's actual collection. The percentage could have been increased to more percentage for the upcoming financial year but due to Covid-19 impact, most businesses will take time to recover and most individuals do not have income due to the loss of their jobs as the economy was affected negatively. The performance of arrear collection will however only be considered as a source of additional cash in-flow once the performance has been prudently monitored 2023/2024. The overall tariffs have increased by approximately 5,3% when compared with the 2022/2023 tariffs.

The following stipulations in the property rates are highlighted:

- The first R 50 000.00 of the market value of property used for residential purposes and First R 15,000 of the Municipal Value of a multiple use property is excluded from the ratable values (Section 17 (h) of the MPRA).



- 30% rebate will be granted for developed properties
- 30% rebate will be granted to agriculture
- 20% rebate is granted for Tourism and Hospitality
- 100% rebate will be granted to registered indigents in terms of the indigent policy.
- For pensioners, physically and mentally disabled persons, a maximum/ total rebate 75% to owners of ratable properties if the total gross income of the applicant and his/her spouse, if any, does not exceed the amount of equal to twice the annual state pension as approved by government for a financial year.

For Dr Nkosazana Dlamini Zuma Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. 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.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);

- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

Grants remain the largest revenue source and property rates is the second and third source is interest on investment and the fourth one is other revenue. Municipality have been urged to review the tariffs of the items on annual basis to ensure they are cost reflective market related.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were considered to ensure the financial sustainability of the Municipality.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, petrol, diesel, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. The Municipality will have to implement a refuse removal strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term and this is planned for 2024.

### **Total Operating revenue and Tariffs**

The total rates revenue has increased by 5,3% for the 2023/24 financial year when compared to the 2022/23 Adjusted Budget which is below the CPI projections. For the two outer years, the total rates revenue is expected to increase by 5,3 % and 4,9 % respectively. Service Charge revenue will increase by 5,3% when compared to the 2022/23 Adjusted Budget.

Total own revenue for 2023/24 financial year has increased from R68, 6 million to R73, 3 million when compared to the 2022/23 Adjustment Budget.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. However, excessive increases are likely to be counterproductive, resulting in higher levels of non-payment. The municipality has embarked on different strategies of revenue collection in the 2022/23, more effort on finding new strategies will be deployed in 2023/24 financial year.

The following table is a summary of the 2023/23 MTREF (classified by main revenue source):

**Table A4 Summary of revenue classified by main revenue source**

KZN436 Dr Nkosazana Dlamini Zuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Sale of Goods and Rendering of Services		320	270	196	434	488	488	257	603	633	663
Agency services		-	306	552	353	653	653	502	688	722	756
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		8,172	6,424	7,601	5,594	10,913	10,913	7,906	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		836	878	1,122	935	1,433	1,433	924	1,509	1,583	1,658
Licence and permits		173	408	445	346	386	386	275	406	426	446
Operational Revenue		56	375	393	156	156	156	103	164	172	181
<b>Non-Exchange Revenue</b>											
Property rates	2	33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,552	1,631	1,328	632	832	832	473	876	919	942
Licences or permits		320	7	-	158	18	18	2	18	19	20
Transfer and subsidies - Operational		135,794	168,530	149,161	162,061	162,315	162,315	117,331	170,568	178,865	174,250
Interest		3,132	5,355	6,149	5,850	5,850	5,850	4,192	6,160	6,461	6,765
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		6,791	-	-	2,488	2,488	2,488	(1,627)	2,488	2,610	2,733
Other Gains		111	-	1,348	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>194,682</b>	<b>222,381</b>	<b>206,993</b>	<b>220,387</b>	<b>230,960</b>	<b>230,960</b>	<b>160,628</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>

The table above indicates the municipality's main sources of revenue generation. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table SA1

## Property Rates

Property rates revenue is the second largest source of revenue. The 2022/23 budget has increased by R2,9 million.

**Other revenue** for 2023/2024 financial year increased by R 123 551 when compared to the 2022/23 Adjustment Budget. An increase was applied after taking into consideration the previous year's actual performance.

**Interest on investments** is the third biggest source of revenue. The budget was increased by 5,3% after considering projected total municipal investments and actual performance as at the end of February 2023.

**Gains** are sitting at R 2,4 million due to the revenue that is expected from the sale of the municipal land.

**Interest in outstanding debtors** has been increased by 12% when compared to the 2022/223 adjustment budget, due to the significant increase in the municipal debtors' book. It should be noted that the municipality has strategies that the municipality is currently implementing to collect the outstanding debt. We have also added additional Legal practitioners to assist Revenue Management with enforcement of debt collection policy. Revenue collection plans are reviewed, improved and implemented on a monthly basis.

**Fines, penalties and forfeits** were increased by R44 104 when compared to the 2022/23. From our assessment most people are paying their fines at Magistrate Court after they have negotiated for discounts.

Pound is one of the smallest source of revenue. These funds are accrued as a result of law enforcement. The municipality do not aim to make a profit out of it. The tariff is set with an aim of recovering costs.

**Licenses and permits** show an increase of R 21 381 (5%) when compared to the 2022/23 Adjustment Budget, the current year performance was considered and a percentage (8.5%) of the

agency services that the municipality receives for performing services for the department of transport.

Agency fees budget increased by R44 101 when compared to the 2022/23 adjustment budget after taking into consideration the actual performance for the first six months and full year projections for current year.

Operating grants transfers totals R 170, 5million in the 2023/24 financial year and they show a increase of R 8 ,3million when compared to the 2022/23 Adjustment Budget. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table SA18 Operating Transfers and Grant Receipts**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		139,250	156,469	153,449	163,244	163,244	163,244	173,960	181,512	176,738
Operational Revenue:General Revenue:Equitable Share		125,869	139,476	139,476	152,466	152,466	152,466	162,271	172,562	167,336
Operational Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2,381	2,323	2,323	2,476	2,476	2,476	2,178	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		3,000	1,950	1,950	1,950	1,950	1,950	1,950	1,950	2,088
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		8,000	12,720	9,700	6,352	6,352	6,352	7,561	7,000	7,314
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		3,657	3,803	3,972	5,169	5,423	5,423	4,169	4,353	4,826
Capacity Building		-	-	-	-	-	-	-	-	-
Provincialisation of Libraries		3,657	2,714	2,806	2,946	2,946	2,946	2,946	3,076	3,214
Community Library Service Grant		-	1,089	1,166	1,223	1,477	1,477	1,223	1,277	1,612
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	1,000	1,000	1,000	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	142,907	160,272	157,421	168,413	168,667	168,667	178,129	185,865	181,564
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		27,149	26,989	42,508	30,558	30,558	30,558	31,779	33,078	34,431
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		27,149	26,989	42,508	30,558	30,558	30,558	31,779	33,078	34,431
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	13,200	5,200	5,200	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	13,200	5,200	5,200	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	27,149	26,989	42,508	43,758	35,758	35,758	31,779	33,078	34,431
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		170,056	187,261	199,929	212,171	204,425	204,425	209,908	218,943	215,995

### 1.3.2 OPERATING EXPENDITURE FRAMEWORK

Dr NDZ Municipality's expenditure framework for the 2023/24 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of 'no project plan, no budget'. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2023/24 budget and MTREF (classified per main type of operating expenditure):

Table A4 Summary of operating expenditure by standard classification item.

KZN436 Dr Nkosazana Dlamini Zuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Expenditure</b>											
Employee related costs	2	58,124	66,031	73,587	86,553	86,553	86,553	52,442	90,016	94,427	98,865
Remuneration of councillors		11,598	11,598	11,445	11,557	11,844	11,844	7,863	12,484	13,096	13,711
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	1,986	2,973	3,591	3,587	4,485	4,485	1,771	4,802	5,038	5,274
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		27,481	32,995	48,220	56,111	56,111	56,111	29,230	57,349	60,159	61,929
Interest		181	1,047	1,618	133	1,618	1,618	532	1,618	1,698	1,777
Contracted services		34,836	23,343	44,260	35,397	54,929	54,929	26,864	49,914	52,360	54,820
Transfers and subsidies		1,496	2,031	1,052	1,061	1,511	1,511	282	700	734	769
Irrecoverable debts written off		9,333	1,751	5,509	20,059	7,440	7,440	86	8,440	8,853	9,269
Operational costs		24,579	24,275	31,813	22,752	36,994	36,994	21,912	37,140	38,960	40,791
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>169,614</b>	<b>166,043</b>	<b>221,096</b>	<b>237,209</b>	<b>261,486</b>	<b>261,486</b>	<b>140,981</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>

## Operating Expenditure Budget

The total operating expenditure has decreased from R 261,4 million to R262, 4 million and that is an increase of R977 279 when compared to the 2022/23 Adjustment.

### (1) Employee Related Costs

The budgeted allocation for employee related costs for the 2023/24 financial year total to R 90 ,1million and shows an increase of 4% when compared to the 2022/23 Adjustment Budget. New positions have been discouraged. The employee costs ratio to total operating budget is 39% which is above the norm of 25%-40%. Management has set up a Placement Committee that will deal with various salary bill issues with an aim of containing salary and wage costs. Merger of 2016 pre-election entities will have last long effect on the salary bill of Dr Nkosazana Dlamini Zuma local municipality. Slow growth of revenue base because of the rurality of municipality is another cause. However, the municipality has developed a revenue enhancement plan with an aim to improve the revenue. Monthly progress reports on the implementation of revenue plan are tabled to Council structures as part of oversight processes. The municipality has also considered and will continue to explore the following options,

- (a.) Outsource some municipal services
- (b.) Merge other vacant positions and not to fill any new vacant positions that the organization can operate without.

The municipality will ensure that the above options are considered and implemented without any negative effects to the community/to the service delivery

- (2) **Remuneration of councilors** has been increased by 5% when compared to the 2022/23 adjustment budget.

(3.) **Contracted services** expenditure totals to R49, 9 million and has decreased by 10% when compared to the 2022/23 Adjustment Budget of R 54,9 million and that clearly demonstrates that the municipality will be using less of the contracted services even though there are still services that require outsourcing. Most of the services will be done internally. Only specialized skills will be outsourced as per Municipal Cost Containment Policy and position.

(4.) **Other expenditure** comprises of various line items relating to the daily operations of the municipality. The general expenditure for 2023/24 has increased by 0% when compared to the 2023/24 Adjustment Budget of R 36, 9million. General expenditure items were not increase in the draft budget because a high increase was effected during the adjustment budget of which it was used as a base line to draft budget.

**Finance charges** totals to R 1,6 million and there has been no increase in this line item when compared to the adjustment budget.

(5.) **Repairs and maintenance** has decreased by 15% when compared to the 2022/2023 adjustment budget as a percentage of operating expenditure is sitting at 6% and as a percentage of PPE is sitting at 3.0% which is far below the norm of 8% as recommended by MFMA Circular No.55. The budget has been aside for the R&M in order to improve access to roads infrastructure, storm water and recreational facilities. It must be stated that we are still struggling to budget for 8% of the total value of our assets. The municipality is still facing the issue of property vandalism which must be dealt with as part of community awareness programmes. Even though the R&M budget appear small, there are plans in place to utilize our existing plant and machinery and EPWP program to maintain the existing infrastructure and community facilities.

**Table SA1 Operational Repairs and Maintenance**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
Repairs and Maintenance by Expenditure Item	8										
Employee related costs		-	-	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)		-	-	-	-	-	-	-	-	-	-
Contracted Services		4,510	5,820	14,596	11,555	17,952	17,952	9,969	15,620	16,386	17,156
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>9</b>	<b>4,510</b>	<b>5,820</b>	<b>14,596</b>	<b>11,555</b>	<b>17,952</b>	<b>17,952</b>	<b>9,969</b>	<b>15,620</b>	<b>16,386</b>	<b>17,156</b>

**The table below provides a breakdown of the repairs and maintenance in relation to asset class:**

**Table Repairs and maintenance by asset class.**



KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Roads Infrastructure		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Roads		-	-	-	-	-	-	-	-	-
Road Structures		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		1,120	2,325	3,000	3,157	2,068	2,068	3,700	3,881	4,064
Community Facilities		1,120	2,325	3,000	3,157	2,068	2,068	3,700	3,881	4,064
Halls		1,120	2,325	2,706	3,000	2,036	2,036	3,000	3,147	3,295
Cemeteries/Crematoria		-	-	295	157	32	32	700	734	769
<b>Other assets</b>		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Operational Buildings		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Municipal Offices		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		12	4	20	40	40	40	40	42	44
Computer Equipment		12	4	20	40	40	40	40	42	44
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		46	109	124	415	375	375	423	444	465
Machinery and Equipment		46	109	124	415	375	375	423	444	465
<b>Transport Assets</b>		2,095	2,755	4,491	3,243	3,235	3,235	3,557	3,731	3,906
Transport Assets		2,095	2,755	4,491	3,243	3,235	3,235	3,557	3,731	3,906
<b>Total Repairs and Maintenance Expenditure</b>	1	4,510	5,820	14,596	11,555	17,952	17,952	15,620	16,386	17,156

## Cost Containment Measures

The municipality also has a policy in place dealing with the cost containment measures in order to cut costs on the following proposed items:

- Vehicles used for political office-bearers
- Vehicles used by officials
- Use of accommodation and training
- Travel & subsistence and Domestic Accommodation
- Telephone, cell phone and photocopying usage
- Sponsorships, events & catering
- Catering
- Printing and stationery
- Employee costs
- Mobilisation of resources for the municipality
- Refuse/waste transportation

- Construction of projects internally
- Application of premium on goods and services
- Communication and advertising
- Conferences, meetings & study tours
- Other related expenditure items

### 1.3.3 CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

Table A5 capital expenditure by vote, functional and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
<b>Capital Expenditure - Functional</b>											
<i>Governance and administration</i>		2,027	69,777	61,829	8,295	8,765	8,765	3,321	6,290	4,920	5,151
Executive and council		177	129	158	60	1,940	1,940	1,819	910	955	999
Finance and administration		1,850	69,648	61,671	8,235	6,825	6,825	1,502	5,380	3,965	4,152
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		9,074	5,807	620	19,487	12,572	12,572	8,211	14,450	13,086	13,701
Community and social services		2,893	1,037	159	4,221	1,538	1,538	577	5,100	4,511	4,723
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		6,181	4,770	462	15,266	11,034	11,034	7,635	9,350	8,576	8,979
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		66,186	250	8,548	64,908	71,537	71,537	15,248	69,344	65,403	68,275
Planning and development		65,988	69	1,557	55,298	63,136	63,136	11,712	57,144	52,605	54,876
Road transport		198	181	6,992	9,610	8,401	8,401	3,535	12,200	12,798	13,399
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	757	2,200	300	300	403	1,150	1,206	1,263
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	500	50	50	-	500	525	549
Waste management		-	-	757	1,700	250	250	403	650	682	714
<i>Other</i>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3,7	77,287	75,833	71,755	94,890	93,174	93,174	27,183	91,234	84,615	88,391
<b>Funded by:</b>											
National Government		32,067	0	(382)	30,558	30,558	30,558	7,695	31,779	33,078	34,431
Provincial Government		1,576	-	375	13,200	5,200	5,200	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	33,643	0	(7)	43,758	35,758	35,758	7,695	31,779	33,078	34,431
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		44,242	6,149	12,836	51,132	57,416	57,416	19,489	59,455	51,537	53,960
<b>Total Capital Funding</b>	7	77,885	6,149	12,829	94,890	93,174	93,174	27,183	91,234	84,615	88,391

Capital expenditure totals to R91,2million and shows a decrease of R 1,9 million when compared to the 2022/23 Adjustment Budget of R 93,1million. The capital grant of R5,2million that was allocated to the municipality will not be allocated in the next financial year.

## 1.4 ANNUAL BUDGET TABLES

The following pages present the main budget tables as required in terms of section 9 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2023/24 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

### A1 - Budget Summary

Table A1 below is a budget summary and provides a concise overview of the Dr NDZ municipality's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

A financial management reform emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

KZN436 Dr Nkosazana Dlamini Zuma - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
Service charges	3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Investment revenue	8,172	6,424	7,601	5,594	10,913	10,913	7,906	11,491	12,054	12,621
Transfer and subsidies - Operational	135,794	168,530	149,161	162,061	162,315	162,315	117,331	170,568	178,865	174,250
Other own revenue	14,291	9,231	11,535	11,352	12,304	12,304	5,103	12,914	13,547	14,163
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>194,682</b>	<b>222,381</b>	<b>206,993</b>	<b>220,387</b>	<b>230,960</b>	<b>230,960</b>	<b>160,628</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>
Employee costs	58,124	66,031	73,587	86,553	86,553	86,553	52,442	90,016	94,427	98,865
Remuneration of councillors	11,598	11,598	11,445	11,557	11,844	11,844	7,863	12,484	13,096	13,711
Depreciation and amortisation	27,481	32,995	48,220	56,111	56,111	56,111	29,230	57,349	60,159	61,929
Finance charges	181	1,047	1,618	133	1,618	1,618	532	1,618	1,698	1,777
Inventory consumed and bulk purchases	1,986	2,973	3,591	3,587	4,485	4,485	1,771	4,802	5,038	5,274
Transfers and subsidies	1,496	2,031	1,052	1,061	1,511	1,511	282	700	734	769
Other expenditure	68,748	49,370	81,583	78,208	99,364	99,364	49,209	95,494	100,173	104,881
<b>Total Expenditure</b>	<b>169,614</b>	<b>166,043</b>	<b>221,096</b>	<b>237,209</b>	<b>261,486</b>	<b>261,486</b>	<b>141,329</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit)</b>	<b>25,068</b>	<b>56,338</b>	<b>(14,103)</b>	<b>(16,821)</b>	<b>(30,526)</b>	<b>(30,526)</b>	<b>19,299</b>	<b>(19,898)</b>	<b>(20,934)</b>	<b>(33,902)</b>
Transfers and subsidies - capital (monetary allocation)	31,240	29,067	42,508	43,758	35,758	35,758	6,940	31,779	33,078	34,431
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,239</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,239</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>77,287</b>	<b>75,833</b>	<b>71,755</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>27,183</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>
Transfers recognised - capital	33,643	0	(7)	43,758	35,758	35,758	7,695	31,779	33,078	34,431
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	44,242	6,149	12,836	51,132	57,416	57,416	19,489	59,455	51,537	53,960
<b>Total sources of capital funds</b>	<b>77,885</b>	<b>6,149</b>	<b>12,829</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>27,183</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>
<b>Financial position</b>										
Total current assets	159,794	207,167	228,594	182,215	164,968	164,968	19,020	153,925	153,877	134,025
Total non current assets	430,332	472,936	501,837	557,181	555,465	555,465	(4,855)	589,350	613,806	640,268
Total current liabilities	51,135	54,610	72,583	86,032	88,774	88,774	(7,110)	99,734	111,999	118,079
Total non current liabilities	16,942	18,211	19,712	17,111	17,111	17,111	531	17,111	17,111	17,111
Community wealth/Equity	465,571	607,283	686,656	636,253	614,638	614,638	(5,495)	626,429	638,573	639,102
<b>Cash flows</b>										
Net cash from (used) operating	116,508	73,865	147,608	92,299	96,059	54,935	(262,900)	81,247	84,177	68,027
Net cash from (used) investing	(51,841)	(70,500)	(92,800)	(93,646)	(91,930)	1,244	89	(102,431)	(94,698)	(98,917)
Net cash from (used) financing	(31,814)	(829)	5	-	-	-	8	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>121,689</b>	<b>124,221</b>	<b>180,235</b>	<b>149,287</b>	<b>154,764</b>	<b>206,814</b>	<b>(262,803)</b>	<b>92,456</b>	<b>81,935</b>	<b>51,046</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	535,924	613,809	661,472	697,225	660,848	660,848	15,507	672,996	687,658	683,991
Application of cash and investments	32,140	31,654	45,075	62,209	62,122	60,877	(28,742)	68,845	77,414	84,176
<b>Balance - surplus (shortfall)</b>	<b>503,784</b>	<b>582,155</b>	<b>616,397</b>	<b>635,015</b>	<b>598,725</b>	<b>599,970</b>	<b>44,250</b>	<b>604,152</b>	<b>610,244</b>	<b>599,815</b>
<b>Asset management</b>										
Asset register summary (WDV)	430,332	472,936	501,837	557,181	555,465	555,465	-	589,350	613,806	640,268
Depreciation	27,481	32,995	48,220	56,111	56,111	56,111	-	57,349	60,159	61,929
Renewal and Upgrading of Existing Assets	18,438	51,576	46,905	24,726	25,196	25,196	-	17,379	9,037	9,462
Repairs and Maintenance	4,510	5,820	14,596	11,555	17,952	17,952	-	15,620	16,386	17,156
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	10,213	2,779	4,023	19,763	19,923	19,923	-	20,860	21,882	22,910
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

**Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

Table A2 below is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports. Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4 which excludes the transfers recognized - capital.

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Government and administration</i>		180,758	210,202	194,613	207,805	217,076	217,076	229,822	243,328	241,454
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		180,758	210,202	194,613	207,805	217,076	217,076	229,822	243,328	241,454
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		11,307	6,802	5,542	13,354	6,008	6,008	5,838	6,104	6,659
Community and social services		10,051	6,215	3,985	4,178	4,432	4,432	4,178	4,362	4,836
Sport and recreation		95	-	-	-	-	-	-	-	-
Public safety		1,161	586	1,557	9,176	1,576	1,576	1,660	1,741	1,823
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		30,434	30,566	45,340	39,439	39,439	39,439	34,262	33,398	34,766
Planning and development		112	541	483	1,205	1,205	1,205	305	320	335
Road transport		30,322	30,025	44,857	38,234	38,234	38,234	33,957	33,078	34,431
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		3,423	3,878	4,006	3,547	4,195	4,195	4,421	4,638	4,856
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3,423	3,878	4,006	3,547	4,195	4,195	4,421	4,638	4,856
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>225,922</b>	<b>251,448</b>	<b>249,501</b>	<b>264,145</b>	<b>266,718</b>	<b>266,718</b>	<b>274,344</b>	<b>287,468</b>	<b>287,736</b>
<b>Expenditure - Functional</b>										
<i>Government and administration</i>		100,271	104,607	132,265	153,382	158,825	158,825	164,504	172,565	179,618
Executive and council		20,136	20,684	22,841	25,103	25,785	25,785	25,518	26,768	28,026
Finance and administration		79,010	82,468	107,284	125,481	130,242	130,242	135,741	142,393	148,028
Internal audit		1,125	1,455	2,141	2,798	2,798	2,798	3,245	3,404	3,564
<i>Community and public safety</i>		21,512	22,674	29,938	30,055	30,312	30,312	34,684	36,383	38,093
Community and social services		11,524	12,142	16,085	15,243	15,611	15,611	18,420	19,322	20,230
Sport and recreation		205	134	154	-	-	-	-	-	-
Public safety		9,525	10,044	13,252	14,211	14,156	14,156	15,294	16,043	16,797
Housing		258	298	449	600	545	545	971	1,018	1,066
Health		-	56	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		27,633	29,160	43,288	44,101	58,774	58,774	51,894	54,437	56,995
Planning and development		6,714	9,158	12,058	22,299	22,290	22,290	23,598	24,755	25,918
Road transport		20,919	20,002	31,230	21,802	36,484	36,484	28,296	29,682	31,077
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		18,431	7,591	13,469	8,876	13,025	13,025	10,485	10,999	11,516
Energy sources		13,611	281	4,477	-	2,500	2,500	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4,820	7,310	8,992	8,876	10,525	10,525	10,485	10,999	11,516
<i>Other</i>	4	1,768	2,012	2,136	795	550	550	896	940	984
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>169,614</b>	<b>166,043</b>	<b>221,096</b>	<b>237,209</b>	<b>261,486</b>	<b>261,486</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit) for the year</b>		<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>

**Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Table A3 below is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of Dr NDZ Municipality. This means it is possible to present the operating surplus or deficit of a vote.

**KZN436 Dr Nkosazana Dlamini Zuma - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	1	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		180,739	210,192	194,437	207,753	217,023	217,023	229,767	243,270	241,394
Vote 3 - CORPORATE SERVICES		29,530	31,580	44,831	38,234	38,234	38,234	33,957	33,078	34,431
Vote 4 - COMMUNITY SERVICES		20	9	337	52	52	52	55	58	60
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		15,522	9,125	9,413	16,901	10,203	10,203	10,259	10,742	11,515
Vote 6 - PLANNING AND DEVELOPMNT		112	541	483	1,205	1,205	1,205	305	320	335
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>225,922</b>	<b>251,448</b>	<b>249,501</b>	<b>264,145</b>	<b>266,718</b>	<b>266,718</b>	<b>274,344</b>	<b>287,468</b>	<b>287,736</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		21,261	22,139	24,982	27,901	28,582	28,582	28,763	30,172	31,591
Vote 2 - BUDGET AND TREASURY		56,626	58,972	78,176	102,134	95,172	95,172	97,534	102,314	106,065
Vote 3 - CORPORATE SERVICES		41,584	30,908	49,259	38,858	57,371	57,371	48,276	50,642	53,022
Vote 4 - COMMUNITY SERVICES		22,382	23,463	29,052	23,248	35,020	35,020	38,207	40,079	41,963
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		24,214	26,419	34,775	33,876	34,377	34,377	38,230	40,103	41,988
Vote 6 - PLANNING AND DEVELOPMNT		3,547	4,143	4,853	11,192	10,964	10,964	11,453	12,014	12,579
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>169,614</b>	<b>166,043</b>	<b>221,096</b>	<b>237,209</b>	<b>261,486</b>	<b>261,486</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>

**Table A4 - Budgeted Financial Performance (revenue and expenditure)**

Total operating revenue is R242, 5million in 2023/24 and has increased to R254, 4million in 2024/25 and increases to R 253, 3million by 2025/26. This represents an increase of 0% per cent for the 2023/24 financial year. and an increase of 5% per cent for the 2024/25 and an increase of 4 per cent in 2025/26 financial year.

Transfers recognized – operating includes the national government equitable share and other operating grants from national and provincial government. The grants receipts from national and provincial government increases by increased by 5% in 2023/2024 and increased by 5% in 2024/25 and decreased by R 4, 6million or 3% in 2023/2024.

KZN436 Dr Nkosazana Dlamini Zuma - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Sale of Goods and Rendering of Services		320	270	196	434	488	488	257	603	633	663
Agency services		-	306	552	353	653	653	502	688	722	756
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		8,172	6,424	7,601	5,594	10,913	10,913	7,906	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		836	878	1,122	935	1,433	1,433	924	1,509	1,583	1,658
Licence and permits		173	408	445	346	386	386	275	406	426	446
Operational Revenue		56	375	393	156	156	156	103	164	172	181
<b>Non-Exchange Revenue</b>											
Property rates	2	33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,552	1,631	1,328	632	832	832	473	876	919	942
Licences or permits		320	7	-	158	18	18	2	18	19	20
Transfer and subsidies - Operational		135,794	168,530	149,161	162,061	162,315	162,315	117,331	170,568	178,865	174,250
Interest		3,132	5,355	6,149	5,850	5,850	5,850	4,192	6,160	6,461	6,765
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		6,791	-	-	2,488	2,488	2,488	(1,627)	2,488	2,610	2,733
Other Gains		111	-	1,348	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>194,682</b>	<b>222,381</b>	<b>206,993</b>	<b>220,387</b>	<b>230,960</b>	<b>230,960</b>	<b>160,628</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>
<b>Expenditure</b>											
Employee related costs	2	58,124	66,031	73,587	86,553	86,553	86,553	52,442	90,016	94,427	98,865
Remuneration of councillors		11,598	11,598	11,445	11,557	11,844	11,844	7,863	12,484	13,096	13,711
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	1,986	2,973	3,591	3,587	4,485	4,485	1,771	4,802	5,038	5,274
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		27,481	32,995	48,220	56,111	56,111	56,111	29,230	57,349	60,159	61,929
Interest		181	1,047	1,618	133	1,618	1,618	532	1,618	1,698	1,777
Contracted services		34,836	23,343	44,260	35,397	54,929	54,929	26,864	49,914	52,360	54,820
Transfers and subsidies		1,496	2,031	1,052	1,061	1,511	1,511	282	700	734	769
Irrecoverable debts written off		9,333	1,751	5,509	20,059	7,440	7,440	86	8,440	8,853	9,269
Operational costs		24,579	24,275	31,813	22,752	36,994	36,994	21,912	37,140	38,960	40,791
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>169,614</b>	<b>166,043</b>	<b>221,096</b>	<b>237,209</b>	<b>261,486</b>	<b>261,486</b>	<b>140,981</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit)</b>		<b>25,068</b>	<b>56,338</b>	<b>(14,103)</b>	<b>(16,821)</b>	<b>(30,526)</b>	<b>(30,526)</b>	<b>19,647</b>	<b>(19,898)</b>	<b>(20,934)</b>	<b>(33,902)</b>
Transfers and subsidies - capital (monetary allocations)	6	31,240	29,067	42,508	43,758	35,758	35,758	6,940	31,779	33,078	34,431
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,587</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,587</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,587</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>56,308</b>	<b>85,405</b>	<b>28,405</b>	<b>26,937</b>	<b>5,232</b>	<b>5,232</b>	<b>26,587</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>

**Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Table A5 below indicate a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year appropriation); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

**KZN436 Dr Nkosazana Dlamini Zuma - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure - to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	6,510	12,020	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		21,920	(709)	382	28,728	25,649	25,649	6,070	37,104	17,377	18,193
Vote 4 - COMMUNITY SERVICES		-	-	-	300	300	300	-	-	-	-
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		1,980	-	-	2,300	500	500	-	4,575	3,672	3,844
Vote 6 - PLANNING AND DEVELOPMNT		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>		<b>23,900</b>	<b>5,800</b>	<b>12,402</b>	<b>31,328</b>	<b>26,449</b>	<b>26,449</b>	<b>6,070</b>	<b>41,679</b>	<b>21,048</b>	<b>22,037</b>
<b>Single-year expenditure - to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		177	129	158	60	1,940	1,940	1,819	910	955	999
Vote 2 - BUDGET AND TREASURY		780	63,568	48,622	5,483	3,673	3,673	938	2,800	1,259	1,318
Vote 3 - CORPORATE SERVICES		44,430	894	9,859	38,161	45,145	45,145	9,065	33,520	49,369	51,488
Vote 4 - COMMUNITY SERVICES		1,071	439	838	2,152	2,552	2,552	564	2,280	2,392	2,504
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		6,902	4,937	253	17,187	12,072	12,072	8,211	9,875	9,415	9,857
Vote 6 - PLANNING AND DEVELOPMNT		29	65	(378)	520	1,343	1,343	516	170	178	187
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>53,387</b>	<b>70,033</b>	<b>59,353</b>	<b>63,563</b>	<b>66,724</b>	<b>66,724</b>	<b>21,113</b>	<b>49,555</b>	<b>63,567</b>	<b>66,353</b>
<b>Total Capital Expenditure - Vote</b>	3.7	<b>77,287</b>	<b>75,833</b>	<b>71,755</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>27,183</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>2,027</b>	<b>69,777</b>	<b>61,829</b>	<b>8,295</b>	<b>8,765</b>	<b>8,765</b>	<b>3,321</b>	<b>6,290</b>	<b>4,920</b>	<b>5,151</b>
Executive and council		177	129	158	60	1,940	1,940	1,819	910	955	999
Finance and administration		1,850	69,648	61,671	8,235	6,825	6,825	5,380	3,965	3,965	4,152
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>9,074</b>	<b>5,807</b>	<b>620</b>	<b>19,487</b>	<b>12,572</b>	<b>12,572</b>	<b>8,211</b>	<b>14,450</b>	<b>13,086</b>	<b>13,701</b>
Community and social services		2,893	1,037	159	4,221	1,538	1,538	577	5,100	4,511	4,723
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		6,181	4,770	462	15,266	11,034	11,034	7,635	9,350	8,576	8,979
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>66,186</b>	<b>250</b>	<b>8,548</b>	<b>64,908</b>	<b>71,537</b>	<b>71,537</b>	<b>15,248</b>	<b>69,344</b>	<b>65,403</b>	<b>68,275</b>
Planning and development		65,988	69	1,557	55,298	63,136	63,136	11,712	57,144	52,605	54,876
Road transport		198	181	6,992	9,610	8,401	8,401	3,535	12,200	12,798	13,399
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	<b>757</b>	<b>2,200</b>	<b>300</b>	<b>300</b>	<b>403</b>	<b>1,150</b>	<b>1,206</b>	<b>1,263</b>
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	500	50	50	-	500	525	549
Waste management		-	-	757	1,700	250	250	403	650	682	714
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3.7	<b>77,287</b>	<b>75,833</b>	<b>71,755</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>27,183</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>
<b>Funded by:</b>											
National Government		32,067	0	(382)	30,558	30,558	30,558	7,695	31,779	33,078	34,431
Provincial Government		1,576	-	375	13,200	5,200	5,200	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>33,643</b>	<b>0</b>	<b>(7)</b>	<b>43,758</b>	<b>35,758</b>	<b>35,758</b>	<b>7,695</b>	<b>31,779</b>	<b>33,078</b>	<b>34,431</b>
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		<b>44,242</b>	<b>6,149</b>	<b>12,836</b>	<b>51,132</b>	<b>57,416</b>	<b>57,416</b>	<b>19,489</b>	<b>59,455</b>	<b>51,537</b>	<b>53,960</b>
<b>Total Capital Funding</b>	7	<b>77,885</b>	<b>6,149</b>	<b>12,829</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>27,183</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>



**Table A6 - Budgeted Financial Position**

Table A6 below gives an indication of the municipality's financial status consistent with international good financial management practice and gives indication of that the municipality need to improve its financial viability on an ongoing process.

KZN436 Dr Nkosazana Dlamini Zuma - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		124,203	159,176	180,235	149,287	113,640	113,640	16,562	92,456	81,935	51,047
Trade and other receivables from exchange transactions	1	1,843	2,422	1,622	4,199	5,076	5,076	1,164	6,628	8,256	9,960
Receivables from non-exchange transactions	1	31,197	38,598	41,270	24,345	41,868	41,868	2,914	50,327	59,301	68,633
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	0	-	-	-	-	-	-	129	-	-
VAT		2,045	6,413	4,884	3,825	3,825	3,825	(1,649)	3,825	3,825	3,825
Other current assets		508	559	584	559	559	559	29	559	559	559
<b>Total current assets</b>		<b>159,794</b>	<b>207,167</b>	<b>228,594</b>	<b>182,215</b>	<b>164,968</b>	<b>164,968</b>	<b>19,020</b>	<b>153,925</b>	<b>153,877</b>	<b>134,025</b>
<b>Non current assets</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		20,411	20,411	21,759	12,025	12,025	12,025	(2,809)	13,269	13,269	13,269
Property, plant and equipment	3	409,878	452,211	479,616	543,739	542,131	542,131	(2,218)	573,913	597,467	622,984
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Intangible assets		43	314	462	1,418	1,309	1,309	172	2,168	3,070	4,015
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>430,332</b>	<b>472,936</b>	<b>501,837</b>	<b>557,181</b>	<b>555,465</b>	<b>555,465</b>	<b>(4,855)</b>	<b>589,350</b>	<b>613,806</b>	<b>640,268</b>
<b>TOTAL ASSETS</b>		<b>590,126</b>	<b>680,103</b>	<b>730,431</b>	<b>739,396</b>	<b>720,433</b>	<b>720,433</b>	<b>14,165</b>	<b>743,275</b>	<b>767,683</b>	<b>774,292</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		338	171	(0)	171	171	171	-	171	171	171
Consumer deposits		(17)	2	6	2	2	2	8	2	2	2
Trade and other payables from exchange transactions	4	33,738	37,845	50,747	53,173	56,212	56,212	(29,806)	64,949	74,882	83,346
Trade and other payables from non-exchange transactions	5	8,704	6,413	11,024	5,904	5,604	5,604	22,137	5,604	5,603	778
Provision		6,678	7,996	9,139	12,411	12,411	12,411	-	14,432	16,552	18,772
VAT		1,619	2,107	1,599	14,295	14,299	14,299	551	14,501	14,713	14,936
Other current liabilities		75	76	68	76	76	76	-	76	76	76
<b>Total current liabilities</b>		<b>51,135</b>	<b>54,610</b>	<b>72,583</b>	<b>86,032</b>	<b>88,774</b>	<b>88,774</b>	<b>(7,110)</b>	<b>99,734</b>	<b>111,999</b>	<b>118,079</b>
<b>Non current liabilities</b>											
Financial liabilities	6	-	-	-	-	-	-	-	-	-	-
Provision	7	11,521	12,114	12,925	11,014	11,014	11,014	531	11,014	11,014	11,014
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		5,421	6,097	6,787	6,097	6,097	6,097	-	6,097	6,097	6,097
<b>Total non current liabilities</b>		<b>16,942</b>	<b>18,211</b>	<b>19,712</b>	<b>17,111</b>	<b>17,111</b>	<b>17,111</b>	<b>531</b>	<b>17,111</b>	<b>17,111</b>	<b>17,111</b>
<b>TOTAL LIABILITIES</b>		<b>68,076</b>	<b>72,821</b>	<b>92,295</b>	<b>103,143</b>	<b>105,885</b>	<b>105,885</b>	<b>(6,579)</b>	<b>116,845</b>	<b>129,110</b>	<b>135,191</b>
<b>NET ASSETS</b>		<b>522,050</b>	<b>607,282</b>	<b>638,137</b>	<b>636,253</b>	<b>614,548</b>	<b>614,548</b>	<b>20,744</b>	<b>626,429</b>	<b>638,573</b>	<b>639,102</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	460,744	601,790	680,641	630,760	609,145	609,145	(5,495)	620,936	633,080	633,609
Reserves and funds	9	4,827	5,493	6,015	5,493	5,493	5,493	-	5,493	5,493	5,493
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>465,571</b>	<b>607,283</b>	<b>686,656</b>	<b>636,253</b>	<b>614,638</b>	<b>614,638</b>	<b>(5,495)</b>	<b>626,429</b>	<b>638,573</b>	<b>639,102</b>

**Table A7 - Budgeted Cash Flow Statement**

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Cash and cash equivalents total to R92, 4million as at the end of 2023/24 financial year and decreased to R81 ,9million in the 2024/25 financial year and decreased to R51 million by 2025/26.

The municipality needs to find more strategies of revenue collection in order to be able to collect more revenue and cut more on some of the expenditure items to manage the cash flow of the municipality.

KZN436 Dr Nkosazana Dlamini Zuma - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		31,950	33,001	26,400	30,985	29,681	33,776	(22,544)	33,242	34,771	36,521
Service charges		3,305	3,423	2,911	3,546	3,020	3,650	(1,621)	3,915	4,107	4,300
Other revenue		8,523	18,962	17,290	25,258	25,544	29,792	(11,429)	29,456	29,236	30,507
Transfers and Subsidies - Operational	1	153,623	167,034	160,441	168,413	168,413	168,667	(126,484)	178,129	185,864	176,738
Transfers and Subsidies - Capital	1	26,660	27,149	36,508	43,758	43,758	35,758	(18,336)	31,779	33,078	34,431
Interest		7,945	8,037	10,786	9,689	15,007	10,913	(760)	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(113,620)	(182,069)	(104,357)	(188,157)	(188,172)	(224,191)	(81,726)	(204,447)	(212,500)	(224,544)
Finance charges		(107)	(177)	(303)	(133)	(133)	(1,618)	-	(1,618)	(1,698)	(1,777)
Transfers and Subsidies	1	(1,772)	(1,496)	(2,068)	(1,061)	(1,061)	(1,811)	-	(700)	(734)	(769)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>116,508</b>	<b>73,865</b>	<b>147,608</b>	<b>92,299</b>	<b>96,059</b>	<b>54,935</b>	<b>(262,900)</b>	<b>81,247</b>	<b>84,177</b>	<b>68,027</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		418	7,043	-	1,244	1,244	1,244	(1,182)	2,488	2,610	2,733
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(52,259)	(77,543)	(92,800)	(94,890)	(93,174)	-	1,271	(104,919)	(97,308)	(101,649)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(51,841)</b>	<b>(70,500)</b>	<b>(92,800)</b>	<b>(93,646)</b>	<b>(91,930)</b>	<b>1,244</b>	<b>89</b>	<b>(102,431)</b>	<b>(94,698)</b>	<b>(98,917)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		4	18	5	-	-	-	8	-	-	-
<b>Payments</b>											
Repayment of borrowing		(31,818)	(847)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(31,814)</b>	<b>(829)</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>32,853</b>	<b>2,536</b>	<b>54,813</b>	<b>(1,348)</b>	<b>4,129</b>	<b>56,179</b>	<b>(262,803)</b>	<b>(21,184)</b>	<b>(10,520)</b>	<b>(30,889)</b>
Cash/cash equivalents at the year begin:	2	88,836	121,685	125,422	150,634	150,634	150,634	-	113,640	92,456	81,935
Cash/cash equivalents at the year end:	2	121,689	124,221	180,235	149,287	154,764	206,814	(262,803)	92,456	81,935	51,046

**Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

KZN436 Dr Nkosazana Dlamini Zuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	121,689	124,221	180,235	149,287	154,764	206,814	(262,803)	92,456	81,935	51,046
Other current investments > 90 days		4,357	37,377	1,622	4,199	(36,047)	(88,097)	280,528	6,628	8,256	9,961
Investments - Property, plant and equipment	1	409,878	452,211	479,616	543,739	542,131	542,131	(2,218)	573,913	597,467	622,984
<b>Cash and investments available:</b>		<b>535,924</b>	<b>613,809</b>	<b>661,472</b>	<b>697,225</b>	<b>660,848</b>	<b>660,848</b>	<b>15,507</b>	<b>672,996</b>	<b>687,658</b>	<b>683,991</b>
<b>Application of cash and investments</b>											
Trade payables from Non-ex change transactions: Unsp		2,409	-	-	-	(300)	(300)	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	29,731	31,654	45,075	62,209	62,422	61,177	(28,742)	68,845	77,414	84,176
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>32,140</b>	<b>31,654</b>	<b>45,075</b>	<b>62,209</b>	<b>62,122</b>	<b>60,877</b>	<b>(28,742)</b>	<b>68,845</b>	<b>77,414</b>	<b>84,176</b>
<b>Surplus(shortfall)</b>		<b>503,784</b>	<b>582,155</b>	<b>616,397</b>	<b>635,015</b>	<b>598,725</b>	<b>599,970</b>	<b>44,250</b>	<b>604,152</b>	<b>610,244</b>	<b>599,815</b>

**Table A9 - Asset Management**

Table A9 below provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

KZN436 Dr Nkosazana Dlamini Zuma - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	58,849	24,257	24,849	70,164	67,978	67,978	73,855	75,578	78,929
Roads Infrastructure		12,598	10,234	-	8,128	9,006	9,006	10,040	36,540	38,055
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	500	500	500	1,100	1,154	1,208
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	200	210	220
Solid Waste Infrastructure		-	-	-	1,300	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>12,598</b>	<b>10,234</b>	<b>-</b>	<b>9,928</b>	<b>9,506</b>	<b>9,506</b>	<b>11,340</b>	<b>37,903</b>	<b>39,483</b>
Community Facilities		7,523	4,930	12,020	14,146	15,566	15,566	20,675	6,451	6,755
Sport and Recreation Facilities		28,361	2,944	-	8,000	8,000	8,000	9,000	-	-
<b>Community Assets</b>		<b>35,884</b>	<b>7,874</b>	<b>12,020</b>	<b>22,146</b>	<b>23,566</b>	<b>23,566</b>	<b>29,675</b>	<b>6,451</b>	<b>6,755</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		338	-	1,691	16,420	14,838	14,838	7,100	5,770	6,041
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>338</b>	<b>-</b>	<b>1,691</b>	<b>16,420</b>	<b>14,838</b>	<b>14,838</b>	<b>7,100</b>	<b>5,770</b>	<b>6,041</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		102	259	303	1,043	934	934	1,830	1,080	1,131
<b>Intangible Assets</b>		<b>102</b>	<b>259</b>	<b>303</b>	<b>1,043</b>	<b>934</b>	<b>934</b>	<b>1,830</b>	<b>1,080</b>	<b>1,131</b>
Computer Equipment		456	646	1,470	386	759	759	1,210	1,269	1,329
Furniture and Office Equipment		2,246	356	586	1,812	1,512	1,512	3,650	3,645	3,817
Machinery and Equipment		2,122	621	3,438	2,729	2,497	2,497	2,600	2,203	2,306
<b>Transport Assets</b>		<b>5,105</b>	<b>4,268</b>	<b>5,342</b>	<b>15,700</b>	<b>14,365</b>	<b>14,365</b>	<b>16,450</b>	<b>17,256</b>	<b>18,067</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Renewal of Existing Assets</b>	2	<b>-</b>	<b>31,756</b>	<b>-</b>	<b>6,750</b>	<b>6,750</b>	<b>6,750</b>	<b>6,750</b>	<b>-</b>	<b>-</b>
Roads Infrastructure		-	31,756	-	6,750	6,750	6,750	6,750	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>-</b>	<b>31,756</b>	<b>-</b>	<b>6,750</b>	<b>6,750</b>	<b>6,750</b>	<b>6,750</b>	<b>-</b>	<b>-</b>
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Total Upgrading of Existing Assets</b>	6	18,438	19,821	46,905	17,976	18,446	18,446	10,629	9,037	9,462
<i>Roads Infrastructure</i>		13,805	13,625	(382)	16,000	14,600	14,600	9,729	8,093	8,473
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	382	400	250	250	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		13,805	13,625	-	16,400	14,850	14,850	9,729	8,093	8,473
Community Facilities		3,499	73	-	-	-	-	-	-	-
Sport and Recreation Facilities		1,133	-	46,905	1,500	3,270	3,270	250	262	275
<b>Community Assets</b>		4,632	73	46,905	1,500	3,270	3,270	250	262	275
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	6,122	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	6,122	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	76	326	326	650	682	714
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4	77,287	75,833	71,755	94,890	93,174	93,174	91,234	84,615	88,391
<i>Roads Infrastructure</i>		26,403	55,615	(382)	30,878	30,356	30,356	26,519	44,633	46,529
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	500	500	500	1,100	1,154	1,208
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	200	210	220
<i>Solid Waste Infrastructure</i>		-	-	382	1,700	250	250	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		26,403	55,615	-	33,078	31,106	31,106	27,819	45,996	47,957
Community Facilities		11,022	5,003	12,020	14,146	15,566	15,566	20,675	6,451	6,755
Sport and Recreation Facilities		29,494	2,944	46,905	9,500	11,270	11,270	9,250	262	275
<b>Community Assets</b>		40,516	7,947	58,925	23,646	26,836	26,836	29,925	6,714	7,029
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		338	6,122	1,691	16,420	14,838	14,838	7,100	5,770	6,041
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		338	6,122	1,691	16,420	14,838	14,838	7,100	5,770	6,041
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		102	259	303	1,043	934	934	1,830	1,080	1,131
<b>Intangible Assets</b>		102	259	303	1,043	934	934	1,830	1,080	1,131
Computer Equipment		456	646	1,470	386	759	759	1,210	1,269	1,329
Furniture and Office Equipment		2,246	356	586	1,888	1,838	1,838	4,300	4,327	4,531
Machinery and Equipment		2,122	621	3,438	2,729	2,497	2,497	2,600	2,203	2,306
Transport Assets		5,105	4,268	5,342	15,700	14,365	14,365	16,450	17,256	18,067
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		77,287	75,833	71,755	94,890	93,174	93,174	91,234	84,615	88,391

<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	430,332	472,936	501,837	557,181	555,465	555,465	589,350	24,456	26,461
<i>Roads Infrastructure</i>		138,605	175,211	175,379	170,831	171,521	171,521	154,694	2,835	3,824
<i>Storm water Infrastructure</i>		-	-	-	1,500	1,050	1,050	1,550	525	549
<i>Electrical Infrastructure</i>		-	-	-	1,000	1,000	1,000	2,100	1,154	1,208
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	382	5,340	3,890	3,890	3,890	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	500	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	800	-	-
<b>Infrastructure</b>		<b>138,605</b>	<b>175,211</b>	<b>175,761</b>	<b>178,671</b>	<b>177,461</b>	<b>177,461</b>	<b>163,534</b>	<b>4,513</b>	<b>5,581</b>
<b>Community Assets</b>		<b>174,309</b>	<b>195,332</b>	<b>215,902</b>	<b>234,397</b>	<b>236,275</b>	<b>236,275</b>	<b>260,497</b>	<b>(2,416)</b>	<b>(2,530)</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>20,411</b>	<b>20,411</b>	<b>21,759</b>	<b>12,025</b>	<b>12,025</b>	<b>12,025</b>	<b>13,269</b>	-	-
<b>Other Assets</b>		<b>60,808</b>	<b>45,963</b>	<b>50,179</b>	<b>74,486</b>	<b>73,854</b>	<b>73,854</b>	<b>80,454</b>	<b>5,245</b>	<b>5,492</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>43</b>	<b>314</b>	<b>462</b>	<b>1,418</b>	<b>1,309</b>	<b>1,309</b>	<b>2,168</b>	<b>902</b>	<b>944</b>
<b>Computer Equipment</b>		<b>2,589</b>	<b>2,421</b>	<b>2,929</b>	<b>1,894</b>	<b>2,267</b>	<b>2,267</b>	<b>2,663</b>	<b>415</b>	<b>435</b>
<b>Furniture and Office Equipment</b>		<b>4,805</b>	<b>3,520</b>	<b>3,636</b>	<b>4,295</b>	<b>4,245</b>	<b>4,245</b>	<b>6,809</b>	<b>2,506</b>	<b>2,624</b>
<b>Machinery and Equipment</b>		<b>8,990</b>	<b>8,491</b>	<b>8,078</b>	<b>12,144</b>	<b>11,913</b>	<b>11,913</b>	<b>12,537</b>	<b>131</b>	<b>137</b>
<b>Transport Assets</b>		<b>19,772</b>	<b>21,273</b>	<b>23,131</b>	<b>36,608</b>	<b>34,873</b>	<b>34,873</b>	<b>47,418</b>	<b>13,160</b>	<b>13,778</b>
<b>Land</b>		-	-	-	<b>1,244</b>	<b>1,244</b>	<b>1,244</b>	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>430,332</b>	<b>472,936</b>	<b>501,837</b>	<b>557,181</b>	<b>555,465</b>	<b>555,465</b>	<b>589,350</b>	<b>24,456</b>	<b>26,461</b>
<b>EXPENDITURE OTHER ITEMS</b>										
<b>Depreciation</b>	7	27,481	32,995	48,220	56,111	56,111	56,111	57,349	60,159	61,929
<b>Repairs and Maintenance by Asset Class</b>	3	4,510	5,820	14,596	11,555	17,952	17,952	15,620	16,386	17,156
<i>Roads Infrastructure</i>		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>697</b>	<b>459</b>	<b>5,815</b>	<b>3,000</b>	<b>9,834</b>	<b>9,834</b>	<b>5,000</b>	<b>5,245</b>	<b>5,492</b>
<b>Community Facilities</b>		<b>1,120</b>	<b>2,325</b>	<b>3,000</b>	<b>3,157</b>	<b>2,068</b>	<b>2,068</b>	<b>3,700</b>	<b>3,881</b>	<b>4,064</b>
<b>Sport and Recreation Facilities</b>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>1,120</b>	<b>2,325</b>	<b>3,000</b>	<b>3,157</b>	<b>2,068</b>	<b>2,068</b>	<b>3,700</b>	<b>3,881</b>	<b>4,064</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<b>Revenue Generating</b>		-	-	-	-	-	-	-	-	-
<b>Non-revenue Generating</b>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
<b>Operational Buildings</b>		<b>540</b>	<b>168</b>	<b>1,145</b>	<b>1,700</b>	<b>2,400</b>	<b>2,400</b>	<b>2,900</b>	<b>3,042</b>	<b>3,185</b>
<b>Housing</b>		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>540</b>	<b>168</b>	<b>1,145</b>	<b>1,700</b>	<b>2,400</b>	<b>2,400</b>	<b>2,900</b>	<b>3,042</b>	<b>3,185</b>
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<b>Servitudes</b>		-	-	-	-	-	-	-	-	-
<b>Licences and Rights</b>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>12</b>	<b>4</b>	<b>20</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>	<b>42</b>	<b>44</b>
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		<b>46</b>	<b>109</b>	<b>124</b>	<b>415</b>	<b>375</b>	<b>375</b>	<b>423</b>	<b>444</b>	<b>465</b>
<b>Transport Assets</b>		<b>2,095</b>	<b>2,755</b>	<b>4,491</b>	<b>3,243</b>	<b>3,235</b>	<b>3,235</b>	<b>3,557</b>	<b>3,731</b>	<b>3,906</b>
<b>Libraries</b>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
<b>Mature</b>		-	-	-	-	-	-	-	-	-
<b>Immature</b>		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>31,991</b>	<b>38,814</b>	<b>62,816</b>	<b>67,666</b>	<b>74,063</b>	<b>74,063</b>	<b>72,969</b>	<b>76,545</b>	<b>79,085</b>

**Table A10 - Basic Service Delivery Measurement**

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year	2023/24 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Demographics</b>												
Population		Stats SA community survey	-	-	-	118	118	118	118	118	118	118
Females aged 5 - 14		Stats SA community survey	-	-	-	24	24	24	24	24	24	24
Males aged 5 - 14		Stats SA community survey	-	-	-	22	22	22	22	22	22	22
Females aged 15 - 34		Stats SA community survey	-	-	-	24	24	24	24	24	24	24
Males aged 15 - 34		Stats SA community survey	-	-	-	22	22	22	22	22	22	22
Unemployment		Stats SA community survey	-	-	-	19	19	19	19	19	19	19
<b>Monthly household income (no. of households)</b>												
No income	1, 12	Stats SA community survey	-	-	-	5	5	5	5	5	5	5
R1 - R1 600		Stats SA community survey	-	-	-	1	1	1	1	1	1	1
R1 601 - R3 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R3 201 - R6 400		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R6 401 - R12 800		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R12 801 - R25 600		Stats SA community survey	-	-	-	8	8	8	8	8	8	8
R25 601 - R51 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R52 201 - R102 400		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R102 401 - R204 800		Stats SA community survey	-	-	-	1	1	1	1	1	1	1
R204 801 - R409 600		Stats SA community survey	-	-	-	0	0	0	0	0	0	0
R409 601 - R819 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
> R819 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13	0	-	-	-	-	-	-	-	-	-	-
	2	0	-	-	-	18,956	18,956	18,956	18,956	18,956	18,956	18,956
<b>Household/demographics (000)</b>												
Number of people in municipal area		Stats SA community survey	-	-	-	118	118	118	118	118	118	118
Number of poor people in municipal area		Stats SA community survey	-	-	-	19	19	19	19	19	19	19
Number of households in municipal area		Stats SA community survey	-	-	-	30	30	30	30	30	30	30
Number of poor households in municipal area		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)		Stats SA community survey	-	-	-	3,000	3,120	3,240	3,360	3,360	3,360	3,360
<b>Housing statistics</b>												
Formal	3	0	-	-	-	11,303	11,303	11,303	11,303	11,303	11,303	11,303
Informal		0	-	-	-	18,316	18,316	18,316	18,316	18,316	18,316	18,316
<b>Total number of households</b>			-	-	-	29,619	29,619	29,619	29,619	29,619	29,619	29,619
Dwellings provided by municipality	4	0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5	0	-	-	-	-	-	-	-	-	-	-

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Overview of the Annual Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Members of Finance Committee, Executive Council, Municipal Manager and senior managers and officials of the municipality meeting under the chairpersonship of the Mayor. The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the district IDP and the budget, considering the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and, That the various spending priorities of the different municipal departments are properly evaluated and prioritized in the allocation of resources.

#### **Budget Process Overview**

In terms of section 21 of MFMA

1.) The mayor of a municipality must: -

(a) co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any



revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(b) at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-

- (i) the preparation, tabling and approval of the annual budget;
- (ii) the annual review of- (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and (bb) the budget-related policies
- (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
- (iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

(2) When preparing the annual budget, the mayor of a municipality must-

(a) take into account the municipality's integrated development plan;

(b) take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the Municipal Systems Act, taking into account realistic revenue and expenditure projections for future years;

(c) consider the national budget, the relevant provincial budget, the national government's fiscal and macro-economic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum;

(d) consult-

(i) the relevant district municipality and all other local municipalities within the area of the district municipality, if the municipality is a local municipality;

(ii) all local municipalities within its area, if the municipality is a district municipality;

(iii) the relevant provincial treasury, and when requested, the National Treasury; and

(vi) any national or provincial organs of state, as may be prescribed; and

(e) provide, on request, any information relating to the budget-

(i) to the National Treasury; and

(ii) subject to any limitations that may be prescribed, to-

(aa) the national departments responsible for water, sanitation, electricity and any other

- service as may be prescribed;
- (bb) any other national and provincial organ of states, as may be prescribed; and (cc) another municipality affected by the budget

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year. The Mayor tabled in Council the required IDP and budget time schedule in 31 August 2022. Key dates applicable to the process were:

- a) October and November 2022 –The municipality hosted IDP roadshows as part of the public consultations as a process of the IDP review.
- b.) December – Departmental strategic planning – draft budget preparation
- b.) January 2023- Council considers the 2022/23 Mid-Year Budget and Performance Assessment;
- c.) February 2022 - Council considers the 2022/23/20 Adjustments Budget;
- d.) March 2023 – Joint strategic planning session of the Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritization criteria for the compilation of the 2021/22 MTREF;
- e.) March 2023 - Recommendations of the extended management committee are communicated to the Budget Steering Committee, and on to the respective departments and the draft 2023/24 MTREF is revised accordingly.
- f) 30 March 2023 - Tabling in Council the Draft 2023/24 IDP and Draft Budget for public consultation;
- g) April to May 2023 – Public consultation through IDP road shows will take place
- h.) May 2023 – Organizational strategic planning to consider views or comments received from Provincial Treasury, public, other stakeholders and update the draft budget.
- h.) May 2023 – finalization of the 2023/24 IDP and draft Budget MTREF, taking into consideration comments received from the public, comments from Provincial Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- k) 31 May 2023 - Tabling of the 2023/24 MTREF to Council for consideration and approval.

## 2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

The 2023/24 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure. Refer to

Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
1. Good Governance and Public Participation	1.1. To review and develop a multi-year strategic plan that responds to the needs of the community by June 2026									
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026	149,499	181,125	151,929	163,995	181,265	181,265	197,988	210,192	206,963
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2022.	29,530	31,580	44,831	38,234	38,234	38,234	33,957	33,076	34,431
4. Local Economic Development	4.1. To promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipments by 30 June 2026	20	9	337	52	52	52	55	58	60
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026	15,522	9,125	9,413	16,901	10,203	10,203	10,259	10,742	11,515
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026	112	541	483	1,205	1,205	1,205	305	320	335
<b>Allocations to other priorities</b>										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>194,682</b>	<b>222,381</b>	<b>206,993</b>	<b>220,387</b>	<b>230,960</b>	<b>230,960</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>

Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure.

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
1. Good Governance and Public Participation	1.1. To review and develop a multi-year strategic plan that responds to the needs of the community by June 2026	21,261	22,139	24,982	27,901	28,582	28,582	28,763	30,172	31,591
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026	56,626	58,972	78,176	102,134	95,172	95,172	97,534	102,314	106,065
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2022.	41,584	30,908	49,259	38,858	57,371	57,371	48,276	50,642	53,022
4. Local Economic Development	4.1. To promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipments by 30 June 2026	22,382	23,463	29,052	23,248	35,020	35,020	38,207	40,079	41,963
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026	24,214	26,419	34,775	33,876	34,377	34,377	38,230	40,103	41,988
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026	3,547	4,143	4,853	11,192	10,964	10,964	11,453	12,014	12,579

Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
1. Good Governance and Public Participation	1.1. To review and develop a multi-year strategic plan that responds to the needs of the community by June 2026	177	129	158	60	1,940	1,940	910	955	999
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026	780	70,078	60,642	5,483	3,673	3,673	2,800	1,259	1,318
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2022.	66,349	185	10,241	66,888	70,794	70,794	70,624	66,746	69,681
4. Local Economic Development	4.1. To promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipments by 30 June 2026	1,071	439	838	2,452	2,852	2,852	2,280	2,392	2,504
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026	8,882	4,937	253	19,487	12,572	12,572	14,450	13,086	13,701
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026	29	65	(378)	520	1,343	1,343	170	178	187
Allocations to other priorities										
<b>Total Capital Expenditure</b>		<b>77,287</b>	<b>75,833</b>	<b>71,755</b>	<b>94,890</b>	<b>93,174</b>	<b>93,174</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>

## 2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the NDZ has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organizational performance which in turn is directly linked to individual employee's performance.

## 2.4 OVERVIEW OF BUDGET RELATED-POLICIES

There were no major changes on budget related policies and by-laws. There were also no major changes on other policies.

Minor reviews were considered on the following policies

### **Supply Chain Management Policy**

Amendments are on Supply chain management policy following the Constitutional Court and Supreme Court of Appeal (SCA) declared that the Preferential Procurement Regulations issued by the Minister of Finance in 2017 were invalid, this therefore meant that the policies governing the municipal procurement were also invalid as they were prepared based on these regulations and a new policy or amendments to the existing policy is urgently required.

### **Tariff Policy**

The objective of this Policy is to ensure that:

- The tariffs of the Municipality comply with the legislation prevailing at the time of implementation.
- The Municipal services are financially sustainable, affordable and equitable.
- The needs of the indigent, aged and disabled are taken into consideration.
- There is consistency in how the tariffs are applied throughout the Municipality and;
- The Policy is drawn in line with the principles as outlined in the Municipal Systems Act.

### **Property Rates Policy**

The purpose of the rates policy is to: -

- Comply with the provisions of the Municipal Property Rates Act, specifically with section 3 thereof;
- Give effect to the principles outlined hereunder;
- Ensure the equitable treatment of persons liable for rates;
- Determine the methodology and to prescribe procedures for the implementation of the Act;
- Determine criteria to be applied for the levying of differential rates for different categories of properties;

- Determine or provide criteria for the determination of categories of properties and categories of owners of properties;
- Determine criteria to be applied for granting exemptions, rebates and reductions; Determine how the municipality's powers must be exercised in relation to multi- purpose properties;
- Determine measures to promote local economic and social development; and Identify which categories of properties the municipality has elected not to rate as provided for in section 7 of the Act.

### **Indigent Policy**

Due to the high level of unemployment and subsequent poverty in the municipal area, there are households which are unable to pay for normal municipal services. The Municipality therefore adopts this Policy to ensure that these households have access to at least basic municipal services and is guided in the formulation of this Policy by the national government's policy in this regard.

### **Asset Management and Disposal Policy**

The purpose of the asset management and disposal is:

- to ensure the effective and efficient control, utilization, safeguarding and management of Dr Nkosazana Dlamini Zuma Local Municipality's movable and immovable assets.
- to ensure proper recording of assets from authorisation to acquisition and subsequent disposal
- to ensure senior managers, managers, and staff members are aware of their responsibilities in regards of movable and immovable assets.
- to set out the standards of physical management, recording and internal controls to ensure movable and immovable assets are safeguarded against inappropriate loss or utilisation.
- to specify the process required before expenditure on movable and immovable assets

occurs in relation to asset management.

- to prescribe the accounting treatment for movable and immovable assets in Dr Nkosazana Dlamini Zuma Local Municipality including:
  - ✓ The criteria to be met before expenditure can be capitalised,
  - ✓ The criteria for determining the initial cost,
  - ✓ The method of calculating depreciation,
  - ✓ The criteria for capitalising subsequent expenditure,
  - ✓ The criteria for scrapping and disposal, and
  - ✓ The classification of movable and immovable assets.

**Other Budget Related Policies consist of the following: -**

- Credit control and debt collection
- Budget Process Policy
- Cash, Banking and Investment Policy
- Fleet management policy
- Funding compliance policy
- Revenue enhancement strategy policy
- Property Rates-by law policy
- Assets management and disposal policy
- Borrowing policy
- Customer Care Policy
- Customer Service Chatter Policy
- Stores Management Policy
- Virement Policy
- Cost Containment Policy
- Petty Cash Policy
- Unclaimed Monies Policy

All the above budget related policies are available on the municipal website.



## 2.5 OVERVIEW OF BUDGET ASSUMPTION

**Given the constraints on the revenue side, the Council took very tough decisions on the expenditure side. Priority was given to:**

- Protecting the poor from the worst impacts of the economic downturn
- Expediting spending on capital projects that are funded by conditional grants.
- Freezing many vacant positions
- Supporting viable Small and Micro businesses
- Cutting cost from the operating expenditure

### **General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the 2023/2024 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Dr NDZ residents and businesses;
- The impact of municipal cost drivers;
- The increase in the cost of remuneration
- Employee related costs MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. The wage agreement SALGBC concluded with the municipal worker's unions were considered

## 2.6 OVERVIEW OF BUDGET FUNDING

### **Medium-term outlook: operating revenue**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. Dr NDZ Municipality derives most of its operational revenue from property rates, operational grants and capital grants from organs of state and other minor charges (such as building plan fees, rent and traffic fines etc.)

The future fiscal sustainability of the municipality is not very positive. The following are contributing factors for this situation:

- The continued inability of consumers to settle outstanding accounts

- Government departments not paying their rates accounts
- Poor of revenue base on high rate of Indigent people around Dr NDZ area
- The continued dependency on grant funding from the national Provincial government

The revenue strategy is a function of key components such as:

- Growth in the local and economic development;
- Revenue management and enhancement;
- To achieve at least 95 per cent annual collection rate for consumer revenue

The following table is a breakdown of the operating revenue over the medium-term:

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Sale of Goods and Rendering of Services		320	270	196	434	488	488	257	603	633	663
Agency services		-	306	552	353	653	653	502	688	722	756
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		8,172	6,424	7,601	5,594	10,913	10,913	7,906	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		836	878	1,122	935	1,433	1,433	924	1,509	1,583	1,658
Licence and permits		173	408	445	346	386	386	275	406	426	446
Operational Revenue		56	375	393	156	156	156	103	164	172	181
<b>Non-Exchange Revenue</b>											
Property rates	2	33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2,552	1,631	1,328	632	832	832	473	876	919	942
Licences or permits		320	7	-	158	18	18	2	18	19	20
Transfer and subsidies - Operational		135,794	168,530	149,161	162,061	162,315	162,315	117,331	170,568	178,865	174,250
Interest		3,132	5,355	6,149	5,850	5,850	5,850	4,192	6,160	6,461	6,765
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		6,791	-	-	2,488	2,488	2,488	(1,627)	2,488	2,610	2,733
Other Gains		111	-	1,348	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>194,682</b>	<b>222,381</b>	<b>206,993</b>	<b>220,387</b>	<b>230,960</b>	<b>230,960</b>	<b>160,628</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>

## Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below gives a brief overview of the cash flow management of the of the municipality.

Table below table indicate the actual cash that the municipality is anticipating to collect. The municipality is anticipating collecting 74% of the total revenue billed in the 2023/24 financial year considering the municipality's collection trend of the previous financial years.

**Table A7 - Budget cash flow statement**

KZN436 Dr Nkosazana Dlamini Zuma - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		31,950	33,001	26,400	30,985	29,681	33,776	(22,544)	33,242	34,771	36,521
Service charges		3,305	3,423	2,911	3,546	3,020	3,650	(1,621)	3,915	4,107	4,300
Other revenue		8,523	18,962	17,290	25,258	25,544	29,792	(11,429)	29,456	29,236	30,507
Transfers and Subsidies - Operational	1	153,623	167,034	160,441	168,413	168,413	168,667	(126,484)	178,129	185,864	176,738
Transfers and Subsidies - Capital	1	26,660	27,149	36,508	43,758	43,758	35,758	(18,336)	31,779	33,078	34,431
Interest		7,945	8,037	10,786	9,689	15,007	10,913	(760)	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(113,620)	(182,069)	(104,357)	(188,157)	(188,172)	(224,191)	(81,726)	(204,447)	(212,500)	(224,544)
Finance charges		(107)	(177)	(303)	(133)	(133)	(1,618)	-	(1,618)	(1,698)	(1,777)
Transfers and Subsidies	1	(1,772)	(1,496)	(2,068)	(1,061)	(1,061)	(1,811)	-	(700)	(734)	(769)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>116,508</b>	<b>73,865</b>	<b>147,608</b>	<b>92,299</b>	<b>96,059</b>	<b>54,935</b>	<b>(262,900)</b>	<b>81,247</b>	<b>84,177</b>	<b>68,027</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		418	7,043	-	1,244	1,244	1,244	(1,182)	2,488	2,610	2,733
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(52,259)	(77,543)	(92,800)	(94,890)	(93,174)	-	1,271	(104,919)	(97,308)	(101,649)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(51,841)</b>	<b>(70,500)</b>	<b>(92,800)</b>	<b>(93,646)</b>	<b>(91,930)</b>	<b>1,244</b>	<b>89</b>	<b>(102,431)</b>	<b>(94,698)</b>	<b>(98,917)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		4	18	5	-	-	-	8	-	-	-
<b>Payments</b>											
Repayment of borrowing		(31,818)	(847)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(31,814)</b>	<b>(829)</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>32,853</b>	<b>2,536</b>	<b>54,813</b>	<b>(1,348)</b>	<b>4,129</b>	<b>56,179</b>	<b>(262,803)</b>	<b>(21,184)</b>	<b>(10,520)</b>	<b>(30,889)</b>
Cash/cash equivalents at the year begin:	2	88,836	121,685	125,422	150,634	150,634	150,634	-	113,640	92,456	81,935
Cash/cash equivalents at the year end:	2	121,689	124,221	180,235	149,287	154,764	206,814	(262,803)	92,456	81,935	51,046

**SA16 – Details of Investment**

The table on SA 16 show the status of the municipality's investment portfolio

**SA15 - Investment Particulars by Type(Refer)**

**Cash Backed Reserves/Accumulated Surplus Reconciliation**

KZN436 Dr Nkosazana Dlamini Zuma - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	121,689	124,221	180,235	149,287	154,764	206,814	(262,803)	92,456	81,935	51,046
Other current investments > 90 days		4,357	37,377	1,622	4,199	(36,047)	(88,097)	280,528	6,628	8,256	9,961
Investments - Property, plant and equipment	1	409,878	452,211	479,616	543,739	542,131	542,131	(2,218)	573,913	597,467	622,984
<b>Cash and investments available:</b>		<b>535,924</b>	<b>613,809</b>	<b>661,472</b>	<b>697,225</b>	<b>660,848</b>	<b>660,848</b>	<b>15,507</b>	<b>672,996</b>	<b>687,658</b>	<b>683,991</b>
<b>Application of cash and investments</b>											
Trade payables from Non-ex change transactions: Unsp		2,409	-	-	-	(300)	(300)	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	29,731	31,654	45,075	62,209	62,422	61,177	(28,742)	68,845	77,414	84,176
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>32,140</b>	<b>31,654</b>	<b>45,075</b>	<b>62,209</b>	<b>62,122</b>	<b>60,877</b>	<b>(28,742)</b>	<b>68,845</b>	<b>77,414</b>	<b>84,176</b>
<b>Surplus(shortfall)</b>		<b>503,784</b>	<b>582,155</b>	<b>616,397</b>	<b>635,015</b>	<b>598,725</b>	<b>599,970</b>	<b>44,250</b>	<b>604,152</b>	<b>610,244</b>	<b>599,815</b>

## Table SA10 Funding Measurement

The table SA 10 indicates a brief overview of how the municipal budget is funded

Description	MFMA section	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	95,095	374,584	373,409	244,177	206,814	206,814	(263,035)	96,625	90,457	64,394
Cash + investments at the yr end less applications - R'000	18(1)b	2	498,159	578,135	628,940	635,015	599,970	599,970	44,598	623,443	24,583	9,018
Cash year end/monthly employee/supplier payments	18(1)b	3	7.8	30.3	22.9	14.4	10.7	10.7	(24.8)	5.0	4.5	3.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	-	-	-	-	-	-	-	-	-	-
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1.1%)	(4.7%)	0.9%	3.8%	(6.0%)	(39.3%)	(1.2%)	(1.1%)	(1.3%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	11.1%	48.0%	21.6%	22.3%	22.3%	(17.6%)	21.1%	20.5%	20.6%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	5.5%	7.8%	9.3%	8.7%	9.9%	9.9%	5.8%	10.1%	10.1%	10.1%
Capital payments % of capital expenditure	18(1)c,19	8	17.1%	22.5%	15.0%	0.0%	0.0%	0.0%	(4.7%)	115.0%	115.0%	115.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	23.7%	6.9%	(41.0%)	72.0%	0.0%	(93.0%)	20.5%	(82.2%)	4.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	41.9%	0.0%	7.1%	7.2%	7.2%	0.0%	7.4%	0.0%	0.0%

**References**

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

<b>Supporting indicators</b>												
% incr total service charges (incl prop rates)	18(1)a			4.9%	1.3%	6.9%	9.8%	0.0%	(33.3%)	4.8%	4.9%	4.7%
% incr Property Tax	18(1)a			4.0%	1.1%	9.1%	9.0%	0.0%	(33.3%)	4.7%	4.9%	4.7%
% incr Service charges - Water	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Water Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - Waste Management	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
#REF!	18(1)a			13.3%	3.3%	(11.5%)	18.3%	0.0%	(33.3%)	5.4%	4.9%	4.7%
% incr in Sale of Goods and Rendering of Services	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		36,425	38,197	38,697	41,380	45,428	45,428	30,288	47,592	49,924	52,271
Service charges			36,425	38,197	38,697	41,380	45,428	45,428	30,288	47,592	49,924	52,271
Property rates			33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
Service charges - electricity revenue			-	-	-	-	-	-	-	-	-	-
Service charges - water revenue			-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue			-	-	-	-	-	-	-	-	-	-
Service charges - refuse removal			3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Service charges - other			-	-	-	-	-	-	-	-	-	-
Interest			-	306	552	353	653	653	502	688	722	756
Capital expenditure excluding capital grant funding			43,644	75,833	71,761	51,132	57,416	57,416	19,489	59,455	51,537	53,960
Cash receipts from ratepayers	18(1)a		-	28,554	126,987	59,789	67,218	67,218	(35,594)	66,613	68,113	71,328
Ratepayer & Other revenue	18(1)a		242,792	257,593	264,495	276,778	301,529	301,529	202,054	316,119	331,609	347,075
Change in consumer debtors (current and non-current)		N/A		7,981	1,872	(14,348)	18,400	-	(42,866)	52,877	(46,353)	435
Operating and Capital Grant Revenue	18(1)a		167,034	197,597	191,669	205,819	198,073	198,073	124,270	202,347	211,943	208,681
Capital expenditure - total	20(1)(vi)		77,287	75,833	71,755	94,890	93,174	93,174	27,183	91,234	84,615	88,391
Capital expenditure - renewal	20(1)(vi)		-	31,756	-	6,750	6,750	6,750	-	6,750	-	-
<b>Supporting benchmarks</b>												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										166,399	174,512	169,424
DoRA capital grants total MFY										31,779	33,078	34,431
Provincial operating grants										4,169	4,353	4,826
Provincial capital grants										-	-	-
District Municipality grants										-	-	-
Total gazetted/advised national, provincial and district grants										202,347	211,943	208,681
Average annual collection rate (arrears inclusive)												

<b>DoRA operating</b>			
Operational Revenue:General Revenue:Equitable Share	162,271	172,562	167,336
Operational:Revenue:General Revenue:Fuel Levy	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]	-	-	-
Agriculture Research and Technology	-	-	-
Agriculture, Conservation and Environmental	-	-	-
Arts and Culture Sustainable Resource Management	-	-	-
Community Library	-	-	-
Department of Environmental Affairs	-	-	-
Department of Tourism	-	-	-
Department of Water Affairs and Sanitation Masibambane	-	-	-
Emergency Medical Service	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	2,178	-	-
HIV and Aids	-	-	-
Housing Accreditation	-	-	-
Housing Top structure	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]	-	-	-
Integrated City Development Grant	-	-	-
Khayelitsha Urban Renewal	-	-	-
Local Government Financial Management Grant [Schedule 5B]	1,950	1,950	2,088
Mitchell's Plain Urban Renewal	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]	-	-	-
Municipal Disaster Grant [Schedule 5B]	-	-	-
Municipal Human Settlement Capacity Grant [Schedule 5B]	-	-	-
Municipal Systems Improvement Grant	-	-	-
Natural Resource Management Project	-	-	-
Neighbourhood Development Partnership Grant	-	-	-
Operation Clean Audit	-	-	-
Municipal Disaster Recovery Grant	-	-	-
Public Service Improvement Facility	-	-	-
Public Transport Network Operations Grant [Schedule 5B]	-	-	-
Restructuring - Seed Funding	-	-	-
Revenue Enhancement Grant Debtors Book	-	-	-
Rural Road Asset Management Systems Grant	-	-	-
Sport and Recreation	-	-	-
Terrestrial Invasive Alien Plants	-	-	-
Water Services Operating Subsidy Grant [Schedule 5B]	-	-	-
Health Hygiene in Informal Settlements	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	-	-	-
Water Services Infrastructure Grant	-	-	-
Public Transport Network Grant [Schedule 5B]	-	-	-
Smart Connect Grant	-	-	-
Urban Settlement Development Grant	-	-	-
WiFi Grant[Department of Telecommunications and Postal Services	-	-	-
Street Lighting	-	-	-
Traditional Leaders - Imbizo	-	-	-
Department of Water and Sanitation Smart Living Handbook	-	-	-
Integrated National Electrification Programme Grant	-	-	-
Municipal Restructuring Grant	-	-	-
Regional Bulk Infrastructure Grant	-	-	-
Municipal Emergency Housing Grant	-	-	-
Metro Informal Settlements Partnership Grant	-	-	-
Integrated Urban Development Grant	-	-	-
	<b>166,399</b>	<b>174,512</b>	<b>169,424</b>
<b>DoRA Capital</b>			
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	-	-
Municipal Infrastructure Grant [Schedule 5B]	31,779	33,078	34,431
Municipal Water Infrastructure Grant [Schedule 5B]	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]	-	-	-
Urban Settlement Development Grant [Schedule 4B]	-	-	-
Municipal Human Settlement	-	-	-
Community Library	-	-	-
Integrated City Development Grant [Schedule 4B]	-	-	-
Municipal Disaster Recovery Grant	-	-	-
Energy Efficiency and Demand Side Management Grant	-	-	-
Khayelitsha Urban Renewal	-	-	-
Local Government Financial Management Grant [Schedule 5B]	-	-	-
Municipal Systems Improvement Grant [Schedule 5B]	-	-	-
Public Transport Network Grant [Schedule 5B]	-	-	-
Public Transport Network Operations Grant [Schedule 5B]	-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)	-	-	-
Water Services Infrastructure Grant [Schedule 5B]	-	-	-
WiFi Connectivity	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	-	-	-
Aquaponic Project	-	-	-
Restion Settlement	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]	-	-	-
Restructuring Seed Funding	-	-	-
Municipal Disaster Relief Grant	-	-	-
Municipal Emergency Housing Grant	-	-	-
Metro Informal Settlements Partnership Grant	-	-	-
Integrated Urban Development Grant	-	-	-
	<b>31,779</b>	<b>33,078</b>	<b>34,431</b>

<u>Trend</u>											
Change in consumer debtors (current and non-current)		9,666	7,981	1,872	(14,348)	18,400	-	(42,866)	52,877	(46,353)	435
<b>Total Operating Revenue</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenditure</b>		-	-	-	-	-	-	-	-	-	-
<b>Operating Performance Surplus/(Deficit)</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash and Cash Equivalents (30 June 2012)</b>											
<b>Revenue</b>											
% Increase in Total Operating Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Expenditure</b>											
% Increase in Total Operating Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Employee Costs			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)			0	0				0			
Average Cost Per Councillor (Remuneration)			0	0				0			
R&M % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset Renewal and R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt Impairment % of Total Billable Revenue		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Capital Revenue</b>											
Internally Funded & Other (R'000)		-	-	-	-	-	-	-	-	-	-
Borrowing (R'000)		-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)		-	-	-	-	-	-	-	-	-	-
Internally Generated funds % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Capital Expenditure</b>											
Total Capital Programme (R'000)		-	-	-	-	-	-	-	-	-	-
Asset Renewal		-	-	-	-	-	-	-	-	-	-
Asset Renewal % of Total Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Cash</b>											
Cash Receipts % of Rate Payer & Other		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash Coverage Ratio		-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>											
Credit Rating (2009/10)								0			
Capital Charges to Operating		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Reserves</b>											
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-
<b>Free Services</b>											
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>High Level Outcome of Funding Compliance</b>											
Total Operating Revenue		-	-	-	-	-	-	-	-	-	-
Total Operating Expenditure		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) Budgeted Operating Statement		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) Considering Reserves and Cash Backing		-	-	-	-	-	-	-	-	-	-
<b>MTREF Funded (1) / Unfunded (0)</b>	15	1	1	1	1	1	1	1	1	1	1
<b>MTREF Funded ✓ / Unfunded ✖</b>	15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Basic Service Delivery Measurements

KZN436 Dr Nkosazana Dlamini Zuma - Table A10 Basic service delivery measurement

Description	Ref	-2019	-2020	-2021	-2022-O	-2022-A	-2022-F	-2023	-2024	-2025
		2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		2,852	2,852	2,852	2,852	2,852	2,852	2,852	2,852	2,852
Piped water inside yard (but not in dwelling)		26,767	26,767	26,767	26,767	26,767	26,767	26,767	26,767	26,767
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		29,619	29,619	29,619	29,619	29,619	29,619	29,619	29,619	29,619
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	29,619	29,619	29,619	29,619	29,619	29,619	29,619	29,619	29,619
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658
<i>Minimum Service Level and Above sub-total</i>		98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658	98,658
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		2,365	2,365	2,365	2,365	2,365	2,483	2,483	2,483	2,483
Using communal refuse dump		40,297	40,297	40,297	40,297	40,297	40,297	40,297	40,297	40,297
Using own refuse dump		2,393	2,393	2,393	2,393	2,393	2,393	2,393	2,393	2,393
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		45,055	45,055	45,055	45,055	45,055	45,173	45,173	45,173	
<b>Total number of households</b>	5	45,055	45,055	45,055	45,055	45,055	45,173	45,173	45,173	
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		176,327	176,327	176,327	184,790	192,921	192,921	203,146	213,913	
Refuse (removed at least once a week)		83,333	83,333	83,333	83,333	91,022	100,063	105,336	111,215	
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	
Electricity/other energy (50kwh per indigent household per month)		176	176	176	185	193	193	203	214	
Refuse (removed once a week for indigent households)		83	83	83	83	91	100	105	111	
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	
<b>Total cost of FBS provided</b>		260	260	260	268	284	288	293	308	
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		295,000	295,000	295,000	295,000	295,000	295,000	295,000	295,000	
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	
Refuse (average litres per week)		20	20	20	20	20	20	20	20	
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		10,213	2,779	4,023	19,763	19,923	19,923	41,492	43,443	
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	
Housing - top structure subsidies		-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	
<b>Total revenue cost of subsidised services provided</b>	6	10,213	2,779	4,023	19,763	19,923	19,923	41,492	43,443	



## 2.7 Expenditure and Grant Programmes

### SA 18 - Capital and Operational Grant Receipts

The table gives a brief indication of the capital and operational grants gazetted to the municipality for 2023/24 financial year.

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		139,250	156,469	156,469	163,244	163,244	163,244	173,960	181,512	176,738
Operational Revenue:General Revenue:Equitable Share		125,869	139,476	139,476	152,466	152,466	152,466	162,271	172,562	167,336
Operational Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2,381	2,323	2,323	2,476	2,476	2,476	2,178	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelisha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		3,000	1,950	1,950	1,950	1,950	1,950	1,950	1,950	2,088
Traditional Leaders - Imbizon		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		8,000	12,720	12,720	6,352	6,352	6,352	7,561	7,000	7,314
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		3,657	3,803	3,803	4,169	5,423	5,423	4,169	4,353	4,826
Capacity Building		-	-	-	-	-	-	-	-	-
Provincialisation of Libraries		3,657	2,714	2,714	2,946	2,946	2,946	2,946	3,076	3,214
Community Library Service Grant		-	1,089	1,089	1,223	1,477	1,477	1,223	1,277	1,612
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	1,000	1,000	-	-	-
Public Transport		-	-	-	-	-	-	-	-	-
Higher Educational Institutions		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	142,907	160,272	160,272	167,413	168,667	168,667	178,129	185,865	181,564
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		27,149	26,989	26,989	30,558	30,558	30,558	31,779	33,078	34,431
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		27,149	26,989	26,989	30,558	30,558	30,558	31,779	33,078	34,431
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	13,200	5,200	5,200	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	-	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	13,200	5,200	5,200	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	27,149	26,989	26,989	43,758	35,758	35,758	31,779	33,078	34,431
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		170,056	187,261	187,261	211,171	204,425	204,425	209,908	218,943	215,995

**SA 19 - Capital and Operational Expenditure Programme**

It is estimated that a spending rate of 100 per cent is achieved on operating expenditure and 100 per cent on the capital projects for the 2023/2024 MTREF of which performance has been factored into the cash flow budget.

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		139,250	156,469	156,469	163,244	163,244	163,244	173,960	181,512	176,738
Operational Revenue:General Revenue:Equitable Share		125,869	139,476	139,476	152,466	152,466	152,466	162,271	172,562	167,336
Operational Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
2014 African Nations Championship Host City Operating Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2,381	2,323	2,323	2,476	2,476	2,476	2,178	-	-
HIV and Aids		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		3,000	1,950	1,950	1,950	1,950	1,950	1,950	1,950	2,088
Mithell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Department of Water and Sanitation Smart Living Handbook		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		8,000	12,720	12,720	6,352	6,352	6,352	7,561	7,000	7,314
Municipal Restructuring Grant		-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-	-	-
Municipal Emergency Housing Grant		-	-	-	-	-	-	-	-	-
Metro Informal Settlements Partnership Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		3,657	3,803	3,803	4,169	4,423	4,423	4,169	4,353	4,826
Capacity Building		-	-	-	-	-	-	-	-	-
Provincialisation of Libraries		3,657	2,714	2,714	2,946	2,946	2,946	2,946	3,076	3,214
Community Library Service Grant		-	1,089	1,089	1,223	1,477	1,477	1,223	1,277	1,612
Health		-	-	-	-	-	-	-	-	-
Parent Municipality/ Entity		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>142,907</b>	<b>160,272</b>	<b>160,272</b>	<b>167,413</b>	<b>167,667</b>	<b>167,667</b>	<b>178,129</b>	<b>185,865</b>	<b>181,564</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		27,149	26,989	26,989	30,558	30,558	30,558	31,779	33,078	34,431
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		27,149	26,989	26,989	30,558	30,558	30,558	31,779	33,078	34,431
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	375	13,200	5,200	5,200	-	-	-
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		-	-	375	-	-	-	-	-	-
Disaster and Emergency Services		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	13,200	5,200	5,200	-	-	-
Libraries, Archives and Museums		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>27,149</b>	<b>26,989</b>	<b>27,364</b>	<b>43,758</b>	<b>35,758</b>	<b>35,758</b>	<b>31,779</b>	<b>33,078</b>	<b>34,431</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>170,056</b>	<b>187,261</b>	<b>187,636</b>	<b>211,171</b>	<b>203,425</b>	<b>203,425</b>	<b>209,908</b>	<b>218,943</b>	<b>215,995</b>

## 2.8 Allocations or grants made by the municipality

The municipality does not have any allocations or grants made by the municipality.

## 2.9 Councillors Allowances and Employee benefits

The following table is a breakdown of councillors’ Remuneration and Employee salaries and benefits for the year 2023/2024.

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		8,171	8,081	8,643	8,784	9,071	9,071	9,008	9,450	9,894
Pension and UIF Contributions		1,107	1,141	1,057	1,178	1,178	1,178	1,168	1,225	1,282
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1,031	1,088	550	308	308	308	951	997	1,044
Cellphone Allowance		1,288	1,288	1,195	1,288	1,288	1,288	1,357	1,424	1,491
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>11,598</b>	<b>11,598</b>	<b>11,445</b>	<b>11,557</b>	<b>11,844</b>	<b>11,844</b>	<b>12,484</b>	<b>13,096</b>	<b>13,711</b>
<b>% increase</b>	4		<b>(0.0%)</b>	<b>(1.3%)</b>	<b>1.0%</b>	<b>2.5%</b>	<b>-</b>	<b>5.4%</b>	<b>4.9%</b>	<b>4.7%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		4,524	4,480	4,352	5,485	5,485	5,485	5,357	5,620	5,884
Pension and UIF Contributions		7	115	180	184	184	184	185	194	203
Medical Aid Contributions		58	55	48	109	109	109	87	91	95
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		431	562	249	532	532	532	484	508	532
Motor Vehicle Allowance		330	330	461	572	572	572	573	601	629
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	80	80	80	83	83	83	-	-	-
Other benefits and allowances	3	193	42	75	201	201	201	101	106	111
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,623</b>	<b>5,663</b>	<b>5,444</b>	<b>7,167</b>	<b>7,167</b>	<b>7,167</b>	<b>6,786</b>	<b>7,119</b>	<b>7,453</b>
<b>% increase</b>	4		<b>0.7%</b>	<b>(3.9%)</b>	<b>31.6%</b>	<b>-</b>	<b>-</b>	<b>(5.3%)</b>	<b>4.9%</b>	<b>4.7%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		37,381	42,120	48,439	53,562	53,562	53,562	56,524	59,293	62,080
Pension and UIF Contributions		5,896	6,906	7,814	9,153	9,153	9,153	9,854	10,337	10,822
Medical Aid Contributions		2,208	2,948	3,183	3,443	3,443	3,443	3,680	3,861	4,042
Overtime		813	1,302	1,507	2,679	2,679	2,679	2,897	3,039	3,182
Performance Bonus		3,178	3,161	3,831	4,465	4,465	4,465	4,704	4,935	5,167
Motor Vehicle Allowance	3	28	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	94	110	132	400	400	400	477	500	524
Other benefits and allowances	3	1,101	1,363	1,873	2,801	2,801	2,801	3,074	3,224	3,376
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		445	990	0	459	459	459	421	442	462
Post-retirement benefit obligations	6	1,358	1,468	1,363	2,424	2,424	2,424	1,600	1,678	1,757
<b>Sub Total - Other Municipal Staff</b>		<b>52,501</b>	<b>60,367</b>	<b>68,143</b>	<b>79,386</b>	<b>79,386</b>	<b>79,386</b>	<b>83,230</b>	<b>87,309</b>	<b>91,412</b>
<b>% increase</b>	4		<b>15.0%</b>	<b>12.9%</b>	<b>16.5%</b>	<b>-</b>	<b>-</b>	<b>4.8%</b>	<b>4.9%</b>	<b>4.7%</b>
<b>Total Parent Municipality</b>		<b>69,722</b>	<b>77,628</b>	<b>85,032</b>	<b>98,110</b>	<b>98,397</b>	<b>98,397</b>	<b>102,500</b>	<b>107,523</b>	<b>112,576</b>
			<b>11.3%</b>	<b>9.5%</b>	<b>15.4%</b>	<b>0.3%</b>	<b>-</b>	<b>4.2%</b>	<b>4.9%</b>	<b>4.7%</b>

Table SA23- Salaries, allowances and benefits (Political Office Bearers/ Councilors/ Senior Managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
<b>Rand per annum</b>				<b>1.</b>				<b>2.</b>
<b>Councillors</b>	3							
Speaker	4	1	719,679	93,871	44,400	-	-	857,950
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		1	782,259	117,339	44,400	-	-	943,998
Deputy Executive Mayor		1	625,808	-	44,400	-	-	670,208
Executive Committee		-	-	-	-	-	-	-
Total for all other councillors		-	6,656,090	966,385	1,462,017	-	-	9,084,492
<b>Total Councillors</b>	8	3	<b>8,783,836</b>	<b>1,177,595</b>	<b>1,595,217</b>			<b>11,556,648</b>
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)		1	952,166	199,135	238,100	187,201	-	1,576,602
Chief Finance Officer		1	980,518	27,459	158,164	95,933	-	1,262,074
Director Corporate Services		1	982,218	60,999	181,670	-	-	1,224,887
Senior Manager PWBS		1	774,658	4,379	186,704	82,023	-	1,047,764
Senior Community Services Manager		1	852,617	129	50,000	82,023	-	984,769
		-	-	-	-	-	-	-
<i>List of each official with packages &gt;= senior manager</i>								
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Senior Manager Town Planning		1	943,260	2,254	40,000	84,893	-	1,070,407
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Total Senior Managers of the Municipality</b>	8,10	6	<b>5,485,437</b>	<b>294,355</b>	<b>854,638</b>	<b>532,073</b>		<b>7,166,503</b>

Table SA 24 – Summary of personnel numbers

2.10 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

Table SA25-Budgeted monthly revenue and expenditure

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>																
<b>Exchange Revenue</b>																
Service charges - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management		368	368	368	368	368	368	368	368	368	368	368	368	4,421	4,638	4,856
Sale of Goods and Rendering of Services		50	50	50	50	50	50	50	50	50	50	50	50	603	633	663
Agency services		57	57	57	57	57	57	57	57	57	57	57	57	688	722	756
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		958	958	958	958	958	958	958	958	958	958	958	958	11,491	12,054	12,621
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		126	126	126	126	126	126	126	126	126	126	126	126	1,509	1,583	1,658
Licence and permits		34	34	34	34	34	34	34	34	34	34	34	34	406	426	446
Operational Revenue		14	14	14	14	14	14	14	14	14	14	14	14	164	172	181
<b>Non-Exchange Revenue</b>																
Property rates		3,598	3,598	3,598	3,598	3,598	3,598	3,598	3,598	3,598	3,598	3,598	3,598	43,171	45,286	47,415
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		73	73	73	73	73	73	73	73	73	73	73	73	876	919	942
Licences or permits		2	2	2	2	2	2	2	2	2	2	2	2	18	19	20
Transfer and subsidies - Operational		14,214	14,214	14,214	14,214	14,214	14,214	14,214	14,214	14,214	14,214	14,214	14,214	170,568	178,865	174,250
Interest		513	513	513	513	513	513	513	513	513	513	513	513	6,160	6,461	6,765
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		207	207	207	207	207	207	207	207	207	207	207	207	2,488	2,610	2,733
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>20,214</b>	<b>242,565</b>	<b>254,390</b>	<b>253,305</b>
<b>Expenditure</b>																
Employee related costs		7,501	7,501	7,501	7,501	7,501	7,501	7,501	7,501	7,501	7,501	7,501	7,501	90,016	94,427	98,865
Remuneration of councillors		1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	1,040	12,484	13,096	13,711
Inventory consumed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt impairment		400	400	400	400	400	400	400	400	400	400	400	400	4,802	5,038	5,274
Depreciation and amortisation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity		4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	4,779	57,349	60,159	61,929
Interest		135	135	135	135	135	135	135	135	135	135	135	135	1,618	1,698	1,777
Contracted services		4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,159	4,160	49,914	52,360	54,820
Transfers and subsidies		58	58	58	58	58	58	58	58	58	58	58	58	700	734	769
Irrecoverable debts written off		703	703	703	703	703	703	703	703	703	703	703	703	8,440	8,853	9,269
Operational costs		3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	3,095	37,140	38,960	40,791
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,874</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit)</b>																
Transfers and subsidies - capital (monetary allocations)		2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	31,779	33,078	34,431
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		990	990	990	990	990	990	990	990	990	990	990	988	11,881	12,144	529
<b>Income Tax</b>																
Surplus/(Deficit) after income tax		990	990	990	990	990	990	990	990	990	990	990	988	11,881	12,144	529
Surplus/(Deficit) attributable to municipality		990	990	990	990	990	990	990	990	990	990	990	988	11,881	12,144	529
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	1	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>988</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>

Table SA26- Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>																
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		19,147	19,147	19,147	19,147	19,147	19,147	19,147	19,147	19,147	19,147	19,147	19,147	229,767	243,270	241,394
Vote 3 - CORPORATE SERVICES		2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	33,957	33,078	34,431
Vote 4 - COMMUNITY SERVICES		5	5	5	5	5	5	5	5	5	5	5	5	55	58	60
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		855	855	855	855	855	855	855	855	855	855	855	855	10,259	10,742	11,515
Vote 6 - PLANNING AND DEVELOPMNT		25	25	25	25	25	25	25	25	25	25	25	25	305	320	335
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>274,344</b>	<b>287,468</b>	<b>287,736</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - EXECUTIVE AND COUNCIL		2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	2,397	28,763	30,172	31,591
Vote 2 - BUDGET AND TREASURY		8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	97,534	102,314	106,065
Vote 3 - CORPORATE SERVICES		4,023	4,023	4,023	4,023	4,023	4,023	4,023	4,023	4,023	4,023	4,023	4,023	48,276	50,642	53,022
Vote 4 - COMMUNITY SERVICES		3,184	3,184	3,184	3,184	3,184	3,184	3,184	3,184	3,184	3,184	3,184	3,184	38,207	40,079	41,963
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,186	3,187	38,230	40,103	41,988
Vote 6 - PLANNING AND DEVELOPMNT		954	954	954	954	954	954	954	954	954	954	954	955	11,453	12,014	12,579
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,874</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>988</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	11,881	11,881	12,144	529
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-	-	-	11,881	11,881	12,144	529
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>988</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>

Table SA27-Budgeted monthly revenue and expenditure (standard classification)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue - Functional</b>																
<b>Governance and administration</b>		19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	229,822	243,328	241,454
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	19,152	229,822	243,328	241,454
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		486	486	486	486	486	486	486	486	486	486	487	5,838	6,104	6,659	
Community and social services		348	348	348	348	348	348	348	348	348	348	348	4,178	4,362	4,836	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		138	138	138	138	138	138	138	138	138	138	138	1,660	1,741	1,823	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	2,855	34,262	33,398	34,766	
Planning and development		25	25	25	25	25	25	25	25	25	25	25	305	320	335	
Road transport		2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	2,830	33,957	33,078	34,431	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		368	368	368	368	368	368	368	368	368	368	368	4,421	4,638	4,856	
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		368	368	368	368	368	368	368	368	368	368	368	4,421	4,638	4,856	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue - Functional</b>		<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>22,862</b>	<b>274,344</b>	<b>287,468</b>	<b>287,736</b>	
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		13,709	13,709	13,709	13,709	13,709	13,709	13,709	13,709	13,709	13,709	13,710	164,504	172,565	179,618	
Executive and council		2,126	2,126	2,126	2,126	2,126	2,126	2,126	2,126	2,126	2,126	2,127	25,518	26,768	28,026	
Finance and administration		11,312	11,312	11,312	11,312	11,312	11,312	11,312	11,312	11,312	11,312	11,312	135,741	142,393	148,028	
Internal audit		270	270	270	270	270	270	270	270	270	270	271	3,245	3,404	3,564	
<b>Community and public safety</b>		2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,890	2,891	34,684	36,383	38,093	
Community and social services		1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,536	18,420	19,322	20,230	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,275	15,294	16,043	16,797	
Housing		81	81	81	81	81	81	81	81	81	81	81	971	1,018	1,066	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		4,324	4,324	4,324	4,324	4,324	4,324	4,324	4,324	4,324	4,324	4,325	51,894	54,437	56,995	
Planning and development		1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,967	23,598	24,755	25,918	
Road transport		2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	28,296	29,682	31,077	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		874	874	874	874	874	874	874	874	874	874	874	10,485	10,999	11,516	
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		874	874	874	874	874	874	874	874	874	874	874	10,485	10,999	11,516	
<b>Other</b>		75	75	75	75	75	75	75	75	75	75	75	896	940	984	
<b>Total Expenditure - Functional</b>		<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,872</b>	<b>21,874</b>	<b>262,463</b>	<b>275,324</b>	<b>287,207</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>988</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	1	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>990</b>	<b>988</b>	<b>11,881</b>	<b>12,144</b>	<b>529</b>	

Table SA28-Budgeted monthly capital expenditure (municipal vote)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
<b>R thousand</b>																	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		3,092	3,092	3,092	3,092	3,092	3,092	3,092	3,092	3,092	3,092	3,092	3,092	37,104	17,377	18,193	
Vote 4 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		381	381	381	381	381	381	381	381	381	381	381	381	4,575	3,672	3,844	
Vote 6 - PLANNING AND DEVELOPMNT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital multi-year expenditure sub-total</b>	2	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>3,473</b>	<b>41,679</b>	<b>21,048</b>	<b>22,037</b>	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - EXECUTIVE AND COUNCIL		76	76	76	76	76	76	76	76	76	76	76	76	910	955	999	
Vote 2 - BUDGET AND TREASURY		233	233	233	233	233	233	233	233	233	233	233	233	2,800	1,259	1,318	
Vote 3 - CORPORATE SERVICES		2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	2,793	33,520	49,369	51,488	
Vote 4 - COMMUNITY SERVICES		190	190	190	190	190	190	190	190	190	190	190	190	2,280	2,392	2,504	
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		823	823	823	823	823	823	823	823	823	823	823	823	9,875	9,415	9,857	
Vote 6 - PLANNING AND DEVELOPMNT		14	14	14	14	14	14	14	14	14	14	14	14	170	178	187	
Vote 7 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Capital single-year expenditure sub-total</b>	2	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>4,130</b>	<b>49,555</b>	<b>63,567</b>	<b>66,353</b>	
<b>Total Capital Expenditure</b>	2	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>7,603</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>	



Table SA29- Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		524	524	524	524	524	524	524	524	524	524	524	524	6,290	4,920	5,151
Executive and council		76	76	76	76	76	76	76	76	76	76	76	76	910	955	999
Finance and administration		448	448	448	448	448	448	448	448	448	448	448	448	5,380	3,965	4,152
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	14,450	13,086	13,701
Community and social services		425	425	425	425	425	425	425	425	425	425	425	425	5,100	4,511	4,723
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		779	779	779	779	779	779	779	779	779	779	779	779	9,350	8,576	8,979
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		14,522	14,522	14,522	14,522	14,522	14,522	14,522	14,522	14,522	14,522	14,522	(90,397)	69,344	65,403	68,275
Planning and development		13,505	13,505	13,505	13,505	13,505	13,505	13,505	13,505	13,505	13,505	13,505	(91,414)	57,144	52,605	54,876
Road transport		1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	12,200	12,798	13,399
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		96	96	96	96	96	96	96	96	96	96	96	96	1,150	1,206	1,263
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		42	42	42	42	42	42	42	42	42	42	42	42	500	525	549
Waste management		54	54	54	54	54	54	54	54	54	54	54	54	650	682	714
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	(88,573)	91,234	84,615	88,391
<b>Funded by:</b>																
National Government		2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	31,779	33,078	34,431
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	31,779	33,078	34,431
<b>Public contributions &amp; donations</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		13,698	13,698	13,698	13,698	13,698	13,698	13,698	13,698	13,698	13,698	13,698	(91,221)	59,455	51,537	53,960
<b>Total Capital Funding</b>		16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	16,346	(88,573)	91,234	84,615	88,391

Table SA30- Budgeted monthly cash flow

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash Receipts By Source</b>													1			
Property rates	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	33,242	34,771	36,521	
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	326	326	326	326	326	326	326	326	326	326	326	326	3,915	4,107	4,300	
Rental of facilities and equipment	112	112	112	112	112	112	112	112	112	112	112	112	1,344	1,410	1,476	
Interest earned - external investments	958	958	958	958	958	958	958	958	958	958	958	958	11,491	12,054	12,621	
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	6	6	6	6	6	6	6	6	6	6	6	6	66	69	-	
Licences and permits	93	93	93	93	93	93	93	93	93	93	93	93	1,113	1,167	1,222	
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	14,844	14,844	14,844	14,844	14,844	14,844	14,844	14,844	14,844	14,844	14,844	14,844	178,129	185,864	176,738	
Other revenue	2,244	2,244	2,244	2,244	2,244	2,244	2,244	2,244	2,244	2,244	2,244	2,245	26,934	26,590	27,809	
<b>Cash Receipts by Source</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>21,353</b>	<b>256,233</b>	<b>266,031</b>	<b>260,687</b>	
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary assistance)	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648	31,779	33,078	34,431	
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	207	207	207	207	207	207	207	207	207	207	207	207	2,488	2,610	2,733	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>24,208</b>	<b>290,500</b>	<b>301,719</b>	<b>297,850</b>	
<b>Cash Payments by Type</b>																
Employee related costs	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(8,370)	(100,438)	(105,359)	(110,311)	
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(1,618)	(1,698)	(1,777)	
Bulk purchases - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(5,520)	(5,790)	(6,062)	
Contracted services	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(4,792)	(57,502)	(60,320)	(63,155)	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(58)	(700)	(734)	(769)	
Other expenditure	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(3,341)	(40,087)	(40,087)	(44,028)	
<b>Cash Payments by Type</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(17,155)</b>	<b>(205,865)</b>	<b>(213,988)</b>	<b>(226,102)</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-	(104,919)	(104,919)	(97,308)	(101,649)
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(900)	(944)	(989)	
<b>Total Cash Payments by Type</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(17,230)</b>	<b>(311,684)</b>	<b>(312,240)</b>	<b>(328,740)</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>6,978</b>	<b>(97,941)</b>	<b>(21,184)</b>	<b>(10,520)</b>	<b>(30,889)</b>	
Cash/cash equivalents at the month/year begin:	113,640	120,618	127,596	134,574	141,552	148,529	155,507	162,485	169,463	176,441	183,419	190,397	113,640	92,456	81,935	
Cash/cash equivalents at the month/year end:	120,618	127,596	134,574	141,552	148,529	155,507	162,485	169,463	176,441	183,419	190,397	92,456	92,456	81,935	51,046	

## 2.11 ANNUAL BUDGET AND SDBIP – INTERNAL DEPARTMENTS

Dr NDZ IDP is a principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

- Registration of community needs;
- Process Plan applicable to the fourth revision cycle including the following key IDP processes and deliverables:
  - ✓ Compilation of departmental business plans including key performance indicators and targets;
  - ✓ Financial planning and budgeting process;
  - ✓ Public participation process;
  - ✓ Compilation of the SDBIP, and
  - ✓ The review of the performance management and monitoring processes.

Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Table SA2 Matrix Financial Performance Budget (revenue source /expenditure type and department)

Description	Ref	Vote 1 - EXECUTIVE AND COUNCIL	Vote 2 - BUDGET AND TREASURY	Vote 3 - CORPORATE SERVICES	Vote 4 - COMMUNITY SERVICES	Vote 5 - PUBLIC WORKS AND BASIC SERVICES	Vote 6 - PLANNING AND DEVELOPMENT	Total
<b>R thousand</b>	1							
<b>Revenue</b>								
<b>Exchange Revenue</b>								
Service charges - Electricity		-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-
Service charges - Waste Management		-	-	-	-	4,421	-	4,421
Sale of Goods and Rendering of Services		-	294	-	-	9	300	603
Agency services		-	-	-	-	688	-	688
Interest		-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		-	11,491	-	-	-	-	11,491
Dividends		-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-
Rental from Fixed Assets		-	1,509	-	-	-	-	1,509
Licence and permits		-	-	-	-	401	5	406
Operational Revenue		-	109	-	55	-	-	164
<b>Non-Exchange Revenue</b>								
Property rates		-	43,171	-	-	-	-	43,171
Surcharges and Taxes		-	-	-	-	-	-	-
Fines, penalties and forfeits		-	324	-	-	552	-	876
Licences or permits		-	-	-	-	18	-	18
Transfer and subsidies - Operational		-	164,221	2,178	-	4,169	-	170,568
Interest		-	6,160	-	-	-	-	6,160
Fuel Levy		-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-
Gains on disposal of Assets		-	2,488	-	-	-	-	2,488
Other Gains		-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	229,767	2,178	55	10,259	305	242,565
<b>Expenditure</b>								
Employee related costs		7,050	15,770	21,039	13,286	25,084	7,787	90,016
Remuneration of councillors		12,484	-	-	-	-	-	12,484
Bulk purchases - electricity		-	-	-	-	-	-	-
Inventory consumed		33	56	810	596	3,283	25	4,802
Debt impairment		-	-	-	-	-	-	-
Depreciation and amortisation		-	57,349	-	-	-	-	57,349
Interest		-	1,618	-	-	-	-	1,618
Contracted services		3,963	4,178	16,995	16,554	5,144	3,080	49,914
Transfers and subsidies		-	700	-	-	-	-	700
Irrecoverable debts written off		-	8,440	-	-	-	-	8,440
Operational costs		5,233	9,424	9,432	7,771	4,718	561	37,140
Losses on disposal of Assets		-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-
<b>Total Expenditure</b>		28,763	97,534	48,276	38,207	38,230	11,453	262,463
<b>Surplus/(Deficit)</b>		(28,763)	132,233	(46,098)	(38,152)	(27,970)	(11,148)	(19,898)
Transfers and subsidies - capital (monetary allocations)		-	-	31,779	-	-	-	31,779
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-
<b>Income Tax</b>		(28,763)	132,233	(14,319)	(38,152)	(27,970)	(11,148)	11,881

SA7 - Measurable performance objectives (refer)

SA8 - Performance Indicators and Benchmarks (refer)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	16.2%	19.9%	21.8%	23.7%	21.5%	21.5%	20.7%	21.9%	21.9%	21.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	17.0%	17.5%	28.0%	30.7%	29.6%	29.6%	22.0%	28.8%	28.8%	30.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	3.1	3.8	3.1	2.1	1.9	1.9	(2.6)	1.5	0.3	(1.4)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.1	3.8	3.1	2.1	1.9	1.9	(2.6)	1.5	0.3	(1.4)
Liquidity Ratio	Monetary Assets/Current Liabilities	2.5	3.0	2.5	1.8	1.3	1.3	(2.4)	1.0	(0.3)	(2.2)
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	659.7%	786.9%	867.3%	799.1%	799.1%	-791.0%	739.5%	737.6%	739.7%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	16.0%	17.4%	19.9%	11.0%	18.1%	18.1%	1.8%	20.8%	3.5%	3.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		35.5%	10.1%	13.6%	21.8%	27.2%	27.2%	11.4%	51.6%	-4.4%	-9.6%
<b>Other Indicators</b>											
	Total Volume Losses (kW)										
	Total Volume Losses (kW) non technical										
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase Water treatment works Natural sources										
	Total Volume Losses (kℓ)										
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.9%	29.7%	35.6%	39.3%	37.5%	37.5%	32.6%	37.1%	37.1%	39.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35.8%	34.9%	41.1%	44.5%	42.6%	42.6%		42.3%	42.3%	44.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.3%	2.6%	7.1%	5.2%	7.8%	7.8%		6.4%	6.4%	6.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14.1%	14.8%	23.3%	25.5%	24.3%	24.3%	18.2%	23.6%	23.6%	24.4%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	959.0	12.4	17.8	16.7	16.7	16.7	11.6	16.5	16.6	16.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	833.4%	866.5%	868.0%	561.6%	784.6%	784.6%	81.9%	883.2%	149.7%	148.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.8	30.3	22.9	14.4	10.7	10.7	(24.8)	5.0	4.5	3.1

## **CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS**

The table below gives an indication of the contracts that have future budgetary implication in the municipality.

SA – 33 Contracts Having Future Budgetary Implications(refer)

### **2.12 CAPITAL EXPENDITURE DETAILS**

The following tables present details of the municipality's capital expenditure programme, firstly on new assets, then the upgrading of assets and finally on the repair and maintenance of assets.

SA34A- Capital expenditure on new assets by asset class

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		12,598	10,234	-	9,928	9,506	9,506	11,340	37,903	39,483
Roads Infrastructure		12,598	10,234	-	8,128	9,006	9,006	10,040	36,540	38,055
Roads		12,598	10,234	-	8,128	9,006	9,006	9,540	36,540	38,055
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	500	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	500	500	500	1,100	1,154	1,208
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	500	500	500	1,100	1,154	1,208
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	200	210	220
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	200	210	220
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	1,300	-	-	-	-	-
Landfill Sites		-	-	-	1,300	-	-	-	-	-
<b>Community Assets</b>		35,884	7,874	12,020	22,146	23,566	23,566	29,675	6,451	6,755
Community Facilities		7,523	4,930	12,020	14,146	15,566	15,566	20,675	6,451	6,755
Halls		2,921	1,152	9,804	5,110	8,214	8,214	8,250	2,885	3,020
Centres		-	-	-	3,300	3,228	3,228	25	-	-
Crèches		4,056	582	-	20	20	20	9,000	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	400	400	400	-	-	-
Public Open Space		-	-	-	100	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		308	-	-	108	200	200	2,200	2,308	2,416
Markets		238	-	2,216	4,108	2,744	2,744	-	-	-
Stalls		-	-	-	500	500	500	500	525	549
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	3,195	-	500	260	260	700	734	769
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		28,361	2,944	-	8,000	8,000	8,000	9,000	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		28,361	2,944	-	8,000	8,000	8,000	9,000	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		338	-	1,691	16,420	14,838	14,838	7,100	5,770	6,041
Operational Buildings		338	-	1,691	16,420	14,838	14,838	7,100	5,770	6,041
Municipal Offices		338	-	1,691	16,020	14,838	14,838	6,500	5,140	5,382
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	400	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	600	629	659
<b>Intangible Assets</b>		102	259	303	1,043	934	934	1,830	1,080	1,131
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		102	259	303	1,043	934	934	1,830	1,080	1,131
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		102	139	243	587	478	478	910	955	999
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	120	60	456	456	456	920	126	132
<b>Computer Equipment</b>		456	646	1,470	386	759	759	1,210	1,269	1,329
Computer Equipment		456	646	1,470	386	759	759	1,210	1,269	1,329
<b>Furniture and Office Equipment</b>		2,246	356	586	1,812	1,512	1,512	3,650	3,645	3,817
Furniture and Office Equipment		2,246	356	586	1,812	1,512	1,512	3,650	3,645	3,817
<b>Machinery and Equipment</b>		2,122	621	3,438	2,729	2,497	2,497	2,600	2,203	2,306
Machinery and Equipment		2,122	621	3,438	2,729	2,497	2,497	2,600	2,203	2,306
<b>Transport Assets</b>		5,105	4,268	5,342	15,700	14,365	14,365	16,450	17,256	18,067
Transport Assets		5,105	4,268	5,342	15,700	14,365	14,365	16,450	17,256	18,067
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	58,849	24,257	24,849	70,164	67,978	67,978	73,855	75,578	78,929

Table SA34b- Capital expenditure on the Renewal of existing assets by asset class (refer)  
 The municipality has set out a budget to renew the gravel roads through hiring of plant hire. It can be noted that even though the repairs and maintenance budget is sitting at low % of the PPE.

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	31,756	-	6,750	6,750	6,750	6,750	-	-
Roads Infrastructure		-	31,756	-	6,750	6,750	6,750	6,750	-	-
Roads		-	31,756	-	6,750	6,750	6,750	6,750	-	-
Road Structures		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	1	-	31,756	-	6,750	6,750	6,750	6,750	-	-

Table SA34c-Repairs and maintenance expenditure by asset class

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Roads Infrastructure		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Roads		-	-	-	-	-	-	-	-	-
Road Structures		697	459	5,815	3,000	9,834	9,834	5,000	5,245	5,492
Road Furniture		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		1,120	2,325	3,000	3,157	2,068	2,068	3,700	3,881	4,064
Community Facilities		1,120	2,325	3,000	3,157	2,068	2,068	3,700	3,881	4,064
Halls		1,120	2,325	2,706	3,000	2,036	2,036	3,000	3,147	3,295
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	295	157	32	32	700	734	769
Police		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Operational Buildings		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Municipal Offices		540	168	1,145	1,700	2,400	2,400	2,900	3,042	3,185
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		12	4	20	40	40	40	40	42	44
Computer Equipment		12	4	20	40	40	40	40	42	44
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		46	109	124	415	375	375	423	444	465
Machinery and Equipment		46	109	124	415	375	375	423	444	465
<b>Transport Assets</b>		2,095	2,755	4,491	3,243	3,235	3,235	3,557	3,731	3,906
Transport Assets		2,095	2,755	4,491	3,243	3,235	3,235	3,557	3,731	3,906
<b>Land</b>		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	4,510	5,820	14,596	11,555	17,952	17,952	15,620	16,386	17,156



Table SA34e- Capital expenditure on the upgrading of existing assets by asset class

Description	R thousand	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		13,805	13,625	-	16,400	14,850	14,850	9,729	8,093	8,473
Roads Infrastructure		13,805	13,625	(382)	16,000	14,600	14,600	9,729	8,093	8,473
Roads		13,805	13,625	(382)	16,000	14,600	14,600	9,729	8,093	8,473
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	382	400	250	250	-	-	-
Landfill Sites		-	-	382	400	250	250	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		4,632	73	46,905	1,500	3,270	3,270	250	262	275
Community Facilities		3,499	73	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		3,913	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		3,556	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		(3,970)	73	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1,133	-	46,905	1,500	3,270	3,270	250	262	275
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		1,133	-	46,905	1,500	3,270	3,270	250	262	275
<b>Other assets</b>		-	6,122	-	-	-	-	-	-	-
Operational Buildings		-	6,122	-	-	-	-	-	-	-
Municipal Offices		-	6,122	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	76	326	326	650	682	714
Furniture and Office Equipment		-	-	-	76	326	326	650	682	714
<b>Total Capital Expenditure on upgrading</b>		18,438	19,821	46,905	17,976	18,446	18,446	10,629	9,037	9,462

SA 35 - Future Financial Implications of the Capital Budget

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - EXECUTIVE AND COUNCIL		910	955	999				
Vote 2 - BUDGET AND TREASURY		2,800	1,259	1,318				
Vote 3 - CORPORATE SERVICES		70,624	66,746	69,681				
Vote 4 - COMMUNITY SERVICES		2,280	2,392	2,504				
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		14,450	13,086	13,701				
Vote 6 - PLANNING AND DEVELOPMNT		170	178	187				
Vote 7 - [NAME OF VOTE 8]		-	-	-				
Vote 8 - [NAME OF VOTE 9]		-	-	-				
Vote 9 - [NAME OF VOTE 10]		-	-	-				
Vote 10 - [NAME OF VOTE 11]		-	-	-				
Vote 11 - [NAME OF VOTE 12]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>91,234</b>	<b>84,615</b>	<b>88,391</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - EXECUTIVE AND COUNCIL		27,853	29,218	30,591				
Vote 2 - BUDGET AND TREASURY		94,734	101,055	104,747				
Vote 3 - CORPORATE SERVICES		(22,348)	(16,104)	(16,659)				
Vote 4 - COMMUNITY SERVICES		35,927	37,687	39,458				
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		23,780	27,017	28,286				
Vote 6 - PLANNING AND DEVELOPMNT		11,283	11,836	12,392				
Vote 7 - [NAME OF VOTE 8]		-	-	-				
Vote 8 - [NAME OF VOTE 9]		-	-	-				
Vote 9 - [NAME OF VOTE 10]		-	-	-				
Vote 10 - [NAME OF VOTE 11]		-	-	-				
Vote 11 - [NAME OF VOTE 12]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		<b>171,229</b>	<b>190,708</b>	<b>198,816</b>	-	-	-	-
<b>Future revenue by source</b>	3							
Service charges - Electricity		-	-	-				
Service charges - Water		-	-	-				
Service charges - Waste Water Management		-	-	-				
Service charges - Waste Management		4,421	4,638	4,856				
#REF!		-	-	-				
Sale of Goods and Rendering of Services		603	633	663				
Interest		-	-	-				
Dividends		-	-	-				
Rent on Land		-	-	-				
Rental from Fixed Assets		1,509	1,583	1,658				
Licence and permits		406	426	446				
Operational Revenue		164	172	181				
Non-Exchange Revenue		-	-	-				
Property rates		43,171	45,286	47,415				
Surcharges and Taxes		-	-	-				
Other Gains		-	-	-				
Transfers and subsidies - capital (monetary allocations)		31,779	33,078	34,431				
Transfers and subsidies - capital (in-kind)		-	-	-				
Surplus/(Deficit) after capital transfers & contributions		11,881	12,144	529				
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		<b>93,935</b>	<b>97,961</b>	<b>90,178</b>	-	-	-	-
<b>Net Financial Implications</b>		<b>168,528</b>	<b>177,363</b>	<b>197,029</b>	-	-	-	-

SA36 - Consolidated Detailed Capital Budget (refer)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA36 Detailed capital budget

R thousand	Function	Project Description	Type	Asset Class	Asset Sub-Class	Ward Location	2023/24 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2021/22	Current Year 2022/23 Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Parent municipality:</b>											
<i>List all capital projects grouped by Function</i>											
	Administrative and Corporate Support	Upgrading of Server	Upgrading	Furniture and Office Equipment		Whole of the Municipality		326	650	682	714
	Administrative and Corporate Support	Municipal Offices	New	Operational Buildings	Municipal Offices	Administrative or Head Office (Including Satellite O	191	300	300	315	329
	Administrative and Corporate Support	Installation of Cameras	New	Furniture and Office Equipment		Administrative or Head Office (Including Satellite O	110	100	60	63	66
	Administrative and Corporate Support	Fiber connection	New	Furniture and Office Equipment		Administrative or Head Office (Including Satellite O	83	250	250	262	275
	Administrative and Corporate Support	Procurement of Antivirus Software	New	Licences and Rights	Unspecified	Administrative or Head Office (Including Satellite O	60	156	120	126	132
	Administrative and Corporate Support	Electronic Records Management	New	Licences and Rights	Unspecified	Administrative or Head Office (Including Satellite Offices)		300			
	Administrative and Corporate Support	Procurement of fire extinguishers	New	Machinery and Equipment	Unspecified	Administrative or Head Office (Including Satellite Offices)		350			
	Disaster Management	Communication and Information systems	New	Licences and Rights	Unspecified	Whole of the Municipality			800		
	Finance	-	Upgrading	Sport and Recreation Facilities	Outdoor Facilities	Administrative or Head Office (Including Satellite O	46,905				
	Finance	Procurement of Parkhome	New	Operational Buildings	Municipal Offices	Administrative or Head Office (Including Satellite Offices),KZN436 Dr N	1,500	1,200	1,100		
	Finance	Procurement of Car Wash Equipment	New	Machinery and Equipment		Whole of the Municipality			500		
	Fire Fighting and Protection	Construction of Fire Station	New	Operational Buildings	Municipal Offices	Whole of the Municipality		8,725			
	Fire Fighting and Protection	Procurement of Furniture and Equipment	New	Furniture and Office Equipment		Administrative or Head Office (Including Satellite O	393	1,162	3,165	3,320	3,476
	Libraries and Archives	Mobile Library	New	Transport Assets		Whole of the Municipality			3,000	3,147	3,295
	Licensing and Control of Animals	Construction of Animal Shed	New	Operational Buildings	Municipal Offices	Ward 14		200	500	525	549
	Police Forces, Traffic and Street Parking Co	Traffic Lights (Himeville)	New	Roads Infrastructure		Road Furniture			500		
	Police Forces, Traffic and Street Parking Co	Installation of shelter motor licensing	New	Operational Buildings	Municipal Offices	Whole of the Municipality			100		
	Police Forces, Traffic and Street Parking Co	DLTC Designs	New	Operational Buildings	Municipal Offices	Whole of the Municipality			400		
	Police Forces, Traffic and Street Parking Co	Pin code operated doors	New	Furniture and Office Equipment		Administrative or Head Office (Including Satellite Offices)			75		
	Police Forces, Traffic and Street Parking Co	Installation of shelter motor licensing	New	Furniture and Office Equipment		Administrative or Head Office (Including Satellite Offices)			100		
	Police Forces, Traffic and Street Parking Co	Software Licenses	New	Licences and Rights	Computer Software and Applications	Administrative or Head Office (Including Satellite O	30	22	25	26	27
	Population Development	Paving and Parking	New	Community Facilities	Parks	Ward 10		400			
	Population Development	Public Open Space	New	Community Facilities	Public Open Space	Ward 2					
	Population Development	Building of Industrial Business Park/ Hub	New	Community Facilities	Public Ablution Facilities	Whole of the Municipality					
	Population Development	Fresh Produce Market	New	Community Facilities	Markets	Whole of the Municipality					
	Population Development	Informal Trading Infrastructure	New	Community Facilities	Stalls	Ward 14		500	500	525	549
	Population Development	Guard House	New	Operational Buildings	Municipal Offices	Administrative or Head Office (Including Satellite Offices)		38	100	105	110
	Population Development	Carports Covers	New	Operational Buildings	Municipal Offices	Administrative or Head Office (Including Satellite Offices)		155			
	Project Management Unit	Renewal of Gravel Roads	Renewal	Roads Infrastructure	Roads	Whole of the Municipality		6,750	6,750		
	Project Management Unit	-	Upgrading	Roads Infrastructure	Roads	Ward 4	(382)				
	Project Management Unit	Underberg Asphalt Road Phase 2	Upgrading	Roads Infrastructure	Roads	Ward 3		4,000	2,014		
	Project Management Unit	Underberg CBD Infrastructure Upgrade	Upgrading	Roads Infrastructure	Roads	Ward 3		2,500	900	944	988
	Project Management Unit	Creighton CBD Infrastructure Upgrade	Upgrading	Roads Infrastructure	Roads	Ward 14		1,500	15	16	16
	Project Management Unit	Bulwer CBD Infrastructure Upgrade	Upgrading	Roads Infrastructure	Roads	Ward 10		6,300	2,800	2,937	3,075

SA37- Projects Delayed from Previous Financial Year/s

Project Management Unit	Upgrading of Gravel Roads	Upgrading	Roads Infrastructure	Roads	Whole of the Municipality		300	3,000	3,147	3,295
Project Management Unit	High Mast Lights	New	Electrical Infrastructure	HV Switching Station	Whole of the Municipality		500	1,100	1,154	1,208
Project Management Unit	Donnybrook Toilets	New	Sanitation Infrastructure	Toilet Facilities	Ward 13			200	210	220
Project Management Unit	MIG	New	Roads Infrastructure	Roads	Whole of the Municipality				33,078	34,431
Project Management Unit	Sdangeni Bridge Road	New	Roads Infrastructure	Roads	Ward 1,Ward 4,...		1,050	1,205		
Project Management Unit	Bulwer Asphalt Road Phase 7	New	Roads Infrastructure	Roads	Ward 10		4,668	2,035		
Project Management Unit	Himeville Asphalt Surfacing Phase 2	New	Roads Infrastructure	Roads	Ward 1		3,238	3,000		
Project Management Unit	Makawusane Sport Field Phase 2	Upgrading	Sport and Recreation Facilities	Outdoor Facilities	Ward 15		3,270	250	262	275
Project Management Unit	Underberg Community Town Hall	New	Community Facilities	Halls	ive or Head Office (Including Satellite Offices)	9,804	85			
Project Management Unit	Cabazi Hall - Covid-19	New	Community Facilities	Halls	Ward 4			13		
Project Management Unit	Ndodeni Hall	New	Community Facilities	Halls	Ward 5			13		
Project Management Unit	Hlabeni Community Hall	New	Community Facilities	Halls	Ward 6		4,604	550	577	604
Project Management Unit	Mafohla Community Hall	New	Community Facilities	Halls	Ward 11		3,500	1,500		
Project Management Unit	Masameni Community Hall	New	Community Facilities	Halls	Ward 15			4,000		
Project Management Unit	Nomgidi Community Hall	New	Community Facilities	Halls	Ward 14			2,200	2,308	2,416
Project Management Unit	Langelihle Creche	New	Community Facilities	Crèches	Ward 12		3,228	25		
Project Management Unit	Sopholile Creche	New	Community Facilities	Crèches	Ward 9			10		
Project Management Unit	Lubovana Creche	New	Community Facilities	Crèches	Ward 12			10		
Project Management Unit	Gala Creche	New	Community Facilities	Crèches	Ward 7			3,000		
Project Management Unit	Lwazi Creche	New	Community Facilities	Crèches	Ward 8			3,000		
Project Management Unit	Sizamokuhle Creche	New	Community Facilities	Crèches	Ward 10			3,000		
Project Management Unit	Centocow shelter and Toilets	New	Community Facilities	Public Ablution Facilities	Ward 6		200	2,200	2,308	2,416
Project Management Unit	Himeville Business Hives	New	Community Facilities	Markets	ive or Head Office (Including Satellite Offices)	2,216	2,744			
Project Management Unit	Bus Shelters	New	Community Facilities	Taxi Ranks/Bus Terminals	Whole of the Municipality		260	700	734	769
Project Management Unit	Creighton Artificial Sportfield	New	Sport and Recreation Facilities	Outdoor Facilities	Whole of the Municipality		8,000	5,000		
Project Management Unit	Maguzwana Sportfield	New	Sport and Recreation Facilities	Outdoor Facilities	Ward 5			4,000		
Project Management Unit	Storage Rooms	New	Operational Buildings	Municipal Offices	istrative or Head Office (Including Satellite Offices)		3,000	1,000	1,049	1,098
Project Management Unit	Building of Municipal Offices	New	Operational Buildings	Municipal Offices	istrative or Head Office (Including Satellite Offices)		1,220	3,000	3,147	3,295
Project Management Unit	Procurement of Computer Equipment	New	Computer Equipment		istrative or Head Office (Including Satellite O	1,470	759	1,210	1,269	1,329
Project Management Unit	Backup Generator	New	Machinery and Equipment		Whole of the Municipality	1,000	460			
Roads	Upgrading of himeville township asphalt road	Upgrading	Roads Infrastructure	Roads	Ward 2			1,000	1,049	1,098
Roads	Storm water pipes and culverts	New	Roads Infrastructure	Roads	Whole of the Municipality			300	315	329
Roads	Pedestrian bridge	New	Roads Infrastructure	Roads	Ward 1			2,500	2,623	2,746
Roads	Battrey energy storage system	New	Operational Buildings	Capital Spares	istrative or Head Office (Including Satellite Offices)			600	629	659
Roads	Procurement of Plant and Equipment	New	Machinery and Equipment		ad Office (Including Satellite Offices),Whole e	2,438	1,687	1,450	1,521	1,593
Roads	Procurement of Transport assets	New	Transport Assets		istrative or Head Office (Including Satellite O	5,342	14,365	13,450	14,109	14,772
Solid Waste Removal	Bulwer Landfill Closure and Rehabilitation	Upgrading	Solid Waste Infrastructure	Landfill Sites	istrative or Head Office (Including Satellite O	382	250			
Solid Waste Removal	Installation of Creighton Dump Site Liner (HDP	New	Solid Waste Infrastructure	Landfill Sites	Ward 14					
Solid Waste Removal	Bulwer Landfill Site	New	Solid Waste Infrastructure	Landfill Sites	Ward 10					
Solid Waste Removal	-	New	Machinery and Equipment		Whole of the Municipality			650	682	714
Storm Water Management	Construction of Storm Water	New	Roads Infrastructure	Roads	Whole of the Municipality		50	500	525	549
Town Planning, Building Regulations and Er	Procurement of Computer Software	New	Licences and Rights	Computer Software and Applications	istrative or Head Office (Including Satellite O	213	457	885	928	972
<b>Parent Capital expenditure</b>						<b>71,755</b>	<b>93,174</b>	<b>91,234</b>	<b>84,615</b>	<b>88,391</b>

## 2.13 LEGISLATION COMPLIANCE STATUS

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

### a. In year reporting

In year reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

### b. Internship Programmes

Internship programme – the municipality is participating in the Municipal Financial Management Internship programme and has employed three interns currently and in a process to employ the other two before the end of the financial year. The three interns are undergoing training in various divisions of the Financial Services Department and internal auditing. Two of the interns have attended the MFMP and completed it, the other three interns will start at the beginning of the new financial year.

### c. Budget and Treasury Office

Budget and Treasury Office has been established in accordance with the MFMA.

### d. Audit Committee

An Audit Committee was established and is fully functional.

### e.) Service Delivery and Budget implementation Plan

The detail SDBIP document is at a draft stage and will be finalized within 28 days after approval of the 2023/24 MTREF.

### f.) Annual Report

Annual Report Annual report is compiled in terms of the MFMA and National Treasury requirements.

**g.) Policies**

Policies The review of all budget related policies has taken place in terms of Regulation 7 of the MBRR.

**h.) Budget Preparation**

This Budget has been prepared in terms of section 21 of the MFMA No. 56 of 2003. The municipality has taken into consideration the macro-economic performance and projections when preparing the 2023/2024 MTREF Municipal Budget as stipulated in MFMA circular No. 123.

<b>Fiscal year</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
CPI Inflation	4.9%	6.9%	5.3%	4.9%	4.7%

**2.13 OTHER SUPPORTING DOCUMENTS**

Table SA1 - Supporting detail to budgeted financial performance

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>	6										
Total Property Rates		43,214	37,097	38,713	57,596	61,156	61,156	29,874	64,031	67,168	70,325
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		10,213	2,779	4,023	19,763	19,923	19,923	2,383	20,860	21,882	22,910
Net Property Rates		33,001	34,318	34,690	37,833	41,233	41,233	27,491	43,171	45,286	47,415
<b>Service charges - Electricity</b>	6										
Total Service charges - Electricity		-	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Electricity		-	-	-	-	-	-	-	-	-	-
<b>Service charges - Water</b>	6										
Total Service charges - Water		-	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Net Service charges - Water		-	-	-	-	-	-	-	-	-	-

<b>Service charges - Waste Water Management</b>										
Total Service charges - Waste Water Management	-	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (free sanitation service to indigent households)	-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - Waste Water Management</b>	-	-	-	-	-	-	-	-	-	-
<b>Service charges - Waste Management</b>										
Total refuse removal revenue	3,423	3,878	4,006	3,547	4,195	4,195	2,798	4,421	4,638	4,856
Total landfill revenue	-	-	-	-	-	-	-	-	-	-
less Revenue Foregone (in excess of one removal a week to indigent households)	-	-	-	-	-	-	-	-	-	-
less Cost of Free Basic Services (removed once a week to indigent households)	-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - Waste Management</b>	<b>3,423</b>	<b>3,878</b>	<b>4,006</b>	<b>3,547</b>	<b>4,195</b>	<b>4,195</b>	<b>2,798</b>	<b>4,421</b>	<b>4,638</b>	<b>4,856</b>
<b>EXPENDITURE ITEMS:</b>										
<b>Employee related costs</b>										
Basic Salaries and Wages	41,905	46,601	52,792	59,047	59,047	59,047	36,479	61,881	64,913	67,964
Pension and UIF Contributions	5,903	7,021	7,993	9,338	9,338	9,338	5,683	10,039	10,531	11,025
Medical Aid Contributions	2,266	3,002	3,230	3,552	3,552	3,552	2,213	3,767	3,951	4,137
Overtime	813	1,302	1,507	2,679	2,679	2,679	918	2,897	3,039	3,182
Performance Bonus	3,609	3,723	4,080	4,997	4,997	4,997	4,049	5,188	5,442	5,698
Motor Vehicle Allowance	358	330	461	572	572	572	306	573	601	629
Cellphone Allowance	-	-	-	-	-	-	-	-	-	-
Housing Allowances	174	190	212	483	483	483	121	477	500	524
Other benefits and allowances	1,294	1,405	1,948	3,002	3,002	3,002	1,420	3,175	3,330	3,487
Payments in lieu of leave	-	-	-	-	-	-	-	-	-	-
Long service awards	445	990	0	459	459	459	252	421	442	462
Post-retirement benefit obligations	1,358	1,468	1,363	2,424	2,424	2,424	1,000	1,600	1,678	1,757
Entertainment	-	-	-	-	-	-	-	-	-	-
Scarcity	-	-	-	-	-	-	-	-	-	-
Acting and post related allowance	-	-	-	-	-	-	-	-	-	-
In kind benefits	-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>	<b>58,124</b>	<b>66,031</b>	<b>73,587</b>	<b>86,553</b>	<b>86,553</b>	<b>86,553</b>	<b>52,442</b>	<b>90,016</b>	<b>94,427</b>	<b>98,865</b>
Less: Employees costs capitalised to PPE	-	-	-	-	-	-	-	-	-	-
<b>Total Employee related costs</b>	<b>58,124</b>	<b>66,031</b>	<b>73,587</b>	<b>86,553</b>	<b>86,553</b>	<b>86,553</b>	<b>52,442</b>	<b>90,016</b>	<b>94,427</b>	<b>98,865</b>
<b>Depreciation and amortisation</b>										
Depreciation of Property, Plant & Equipment	27,361	32,817	48,066	55,940	55,940	55,940	28,958	57,179	59,981	61,742
Lease amortisation	121	177	155	170	170	170	272	170	179	187
Capital asset impairment	-	-	-	-	-	-	-	-	-	-
<b>Total Depreciation and amortisation</b>	<b>27,481</b>	<b>32,995</b>	<b>48,220</b>	<b>56,111</b>	<b>56,111</b>	<b>56,111</b>	<b>29,230</b>	<b>57,349</b>	<b>60,159</b>	<b>61,929</b>
<b>Bulk purchases - electricity</b>										
Electricity Bulk Purchases	-	-	-	-	-	-	-	-	-	-
<b>Total bulk purchases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers and grants</b>										
Cash transfers and grants	1,496	1,085	1,052	1,061	1,511	1,511	282	700	734	769
Non-cash transfers and grants	-	946	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	<b>1,496</b>	<b>2,031</b>	<b>1,052</b>	<b>1,061</b>	<b>1,511</b>	<b>1,511</b>	<b>282</b>	<b>700</b>	<b>734</b>	<b>769</b>
<b>Contracted services</b>										
Outsourced Services	12,489	13,061	19,080	15,196	23,686	23,686	13,645	23,053	24,183	25,320
Consultants and Professional Services	17,200	3,923	9,841	7,882	12,334	12,334	2,979	11,050	11,591	12,136
Contractors	5,147	6,359	15,340	12,320	18,910	18,910	10,239	15,811	16,585	17,365
<b>sub-total</b>	<b>34,836</b>	<b>23,343</b>	<b>44,260</b>	<b>35,397</b>	<b>54,929</b>	<b>54,929</b>	<b>26,864</b>	<b>49,914</b>	<b>52,360</b>	<b>54,820</b>
<b>Operational Costs</b>										
Collection costs	-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions	-	-	-	-	-	-	-	-	-	-
Audit fees	1,847	1,745	1,438	1,301	3,801	3,801	3,273	3,801	3,987	4,174
<b>Other Operational Costs</b>										
Operating Leases	108	115	102	58	58	58	31	67	70	74
Operational Cost	22,624	22,416	30,273	21,393	33,135	33,135	18,608	33,272	34,903	36,543
Statutory Payments other than Income Taxes	-	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-	-
<b>Total Operational Costs</b>	<b>24,579</b>	<b>24,275</b>	<b>31,813</b>	<b>22,752</b>	<b>36,994</b>	<b>36,994</b>	<b>21,912</b>	<b>37,140</b>	<b>38,960</b>	<b>40,791</b>
<b>Repairs and Maintenance by Expenditure Item</b>										
Employee related costs	-	-	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)	-	-	-	-	-	-	-	-	-	-
Contracted Services	4,510	5,820	14,596	11,555	17,952	17,952	9,969	15,620	16,386	17,156
Other Expenditure	-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>4,510</b>	<b>5,820</b>	<b>14,596</b>	<b>11,555</b>	<b>17,952</b>	<b>17,952</b>	<b>9,969</b>	<b>15,620</b>	<b>16,386</b>	<b>17,156</b>

Table SA2 - Matrix financial performance budget (revenue source/expenditure type and department)

## KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE AND COUNCIL	Vote 2 - BUDGET AND TREASURY	Vote 3 - CORPORATE SERVICES	Vote 4 - COMMUNITY SERVICES	Vote 5 - PUBLIC WORKS AND BASIC SERVICES	Vote 6 - PLANNING AND DEVELOPMNT	Total
<b>R thousand</b>	1							
<b>Revenue</b>								
<b>Exchange Revenue</b>								
Service charges - Electricity		-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-
Service charges - Waste Management		-	-	-	-	4,421	-	4,421
Sale of Goods and Rendering of Services		-	294	-	-	9	300	603
Agency services		-	-	-	-	688	-	688
Interest		-	-	-	-	-	-	-
Interest earned from Receivables		-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets		-	11,491	-	-	-	-	11,491
Dividends		-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-
Rental from Fixed Assets		-	1,509	-	-	-	-	1,509
Licence and permits		-	-	-	-	401	5	406
Operational Revenue		-	109	-	55	-	-	164
<b>Non-Exchange Revenue</b>								
Property rates		-	43,171	-	-	-	-	43,171
Surcharges and Taxes		-	-	-	-	-	-	-
Fines, penalties and forfeits		-	324	-	-	552	-	876
Licences or permits		-	-	-	-	18	-	18
Transfer and subsidies - Operational		-	164,221	2,178	-	4,169	-	170,568
Interest		-	6,160	-	-	-	-	6,160
Fuel Levy		-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-
Gains on disposal of Assets		-	2,488	-	-	-	-	2,488
Other Gains		-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	229,767	2,178	55	10,259	305	242,565
<b>Expenditure</b>								
Employee related costs		7,050	15,770	21,039	13,286	25,084	7,787	90,016
Remuneration of councillors		12,484	-	-	-	-	-	12,484
Bulk purchases - electricity		-	-	-	-	-	-	-
Inventory consumed		33	56	810	596	3,283	25	4,802
Debt impairment		-	-	-	-	-	-	-
Depreciation and amortisation		-	57,349	-	-	-	-	57,349
Interest		-	1,618	-	-	-	-	1,618
Contracted services		3,963	4,178	16,995	16,554	5,144	3,080	49,914
Transfers and subsidies		-	700	-	-	-	-	700
Irrecoverable debts written off		-	8,440	-	-	-	-	8,440
Operational costs		5,233	9,424	9,432	7,771	4,718	561	37,140
Losses on disposal of Assets		-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-
<b>Total Expenditure</b>		28,763	97,534	48,276	38,207	38,230	11,453	262,463
<b>Surplus/(Deficit)</b>		(28,763)	132,233	(46,098)	(38,152)	(27,970)	(11,148)	(19,898)
Transfers and subsidies - capital (monetary allocations)		-	-	31,779	-	-	-	31,779
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-
<b>Income Tax</b>		(28,763)	132,233	(14,319)	(38,152)	(27,970)	(11,148)	11,881



Table SA3 - Supporting detail to Budgeted Financial Position

SA9 - Social, Economic and Demographic Statistics and Assumptions

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework		
						Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Demographics</b>												
Population		Stats SA community survey	-	-	-	118	118	118	118	118	118	118
Females aged 5 - 14		Stats SA community survey	-	-	-	24	24	24	24	24	24	24
Males aged 5 - 14		Stats SA community survey	-	-	-	22	22	22	22	22	22	22
Females aged 15 - 34		Stats SA community survey	-	-	-	24	24	24	24	24	24	24
Males aged 15 - 34		Stats SA community survey	-	-	-	22	22	22	22	22	22	22
Unemployment		Stats SA community survey	-	-	-	19	19	19	19	19	19	19
<b>Monthly household income (no. of households)</b>												
No income	1, 12	Stats SA community survey	-	-	-	5	5	5	5	5	5	5
R1 - R1 600		Stats SA community survey	-	-	-	1	1	1	1	1	1	1
R1 601 - R3 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R3 201 - R6 400		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R6 401 - R12 800		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R12 801 - R25 600		Stats SA community survey	-	-	-	8	8	8	8	8	8	8
R25 601 - R51 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R52 201 - R102 400		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
R102 401 - R204 800		Stats SA community survey	-	-	-	1	1	1	1	1	1	1
R204 801 - R409 600		Stats SA community survey	-	-	-	0	0	0	0	0	0	0
R409 601 - R819 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
> R819 200		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13	0	-	-	-	-	-	-	-	-	-	-
	2	0	-	-	-	18,956	18,956	18,956	18,956	18,956	18,956	18,956
<b>Household/demographics (000)</b>												
Number of people in municipal area		Stats SA community survey	-	-	-	118	118	118	118	118	118	118
Number of poor people in municipal area		Stats SA community survey	-	-	-	19	19	19	19	19	19	19
Number of households in municipal area		Stats SA community survey	-	-	-	30	30	30	30	30	30	30
Number of poor households in municipal area		Stats SA community survey	-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)		Stats SA community survey	-	-	-	3,000	3,120	3,240	3,360	3,360	3,360	3,360
<b>Housing statistics</b>												
Formal	3	0	-	-	-	11,303	11,303	11,303	11,303	11,303	11,303	11,303
Informal		0	-	-	-	18,316	18,316	18,316	18,316	18,316	18,316	18,316
<b>Total number of households</b>			-	-	-	29,619	29,619	29,619	29,619	29,619	29,619	29,619
Dwellings provided by municipality	4	0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		0	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector		5	0	-	-	-	-	-	-	-	-	-

Table SA12a - Supporting Table SA12a Property rates by category (current year)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA12a Property rates by category (current year)																
Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Other Categories	Sum
<b>Current Year 2020/21</b>																
<b>Valuation:</b>																
No. of properties	1 750		376	1 118	376	80	63	40		11		18	-	104	877	5
No. of sectional title property values	85															0
No. of unreasonably difficult properties s7(2)																-
No. of supplementary valuations	1															0
Supplementary valuation (Rm)	75 532 000															75 532
No. of valuation roll amendments	12		5	10												0
No. of objections by rate-payers	26															0
No. of appeals by rate-payers																-
No. of appeals by rate-payers finalised																-
No. of successful objections	21															0
No. of successful objections > 10%	2															0
Estimated no. of properties not valued	70															0
Years since last valuation (select)	3	3	3	3	3	3	3	3	3	3	3	3				
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5				
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market				
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.				
Phasing-in properties s21 (number)																-
Combination of rating types used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No				
Flat rate used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				
Is balance rated by uniform rate/variable rate?	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform				
<b>Valuation reductions:</b>																
Valuation reductions-public infrastructure (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 954
Valuation reductions-nature reserves/park (Rm)	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 690
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26 385
Valuation reductions-public worship (Rm)	61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61 404
Valuation reductions-other (Rm)	49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 563
<b>Total valuation reductions:</b>																
Total value used for rating (Rm)	5 790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 790 074
Total land value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5 790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 790 074
<b>Rating:</b>																
Average rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R'000)	54 745	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54 745
Rate revenue expected to collect (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	-
Special rating areas (R'000)																-
Rebates, exemptions - indigent (R'000)	548	-	-	-	-	-	-	-	-	-	-	-	-	-	-	548
Rebates, exemptions - pensioners (R'000)	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35
Rebates, exemptions - bona fide farm. (R'000)	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28
Rebates, exemptions - other (R'000)	3 596	-	8 941	4 475	-	845	26	-	-	-	-	429	-	439	-	18 750
Phase-in reductions/discouts (R'000)	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
<b>Total rebates, exemptns, reductns, discs (R'000)</b>	<b>4 209</b>	<b>-</b>	<b>8 941</b>	<b>4 475</b>	<b>-</b>	<b>845</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>429</b>	<b>-</b>	<b>439</b>	<b>-</b>	<b>19 364</b>

Table SA 12b - Supporting Table SA12b Property rates by category (budget year)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA12b Property rates by category (budget year)																
Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.	Small Holdings	Other Categories	Sum
<b>Budget Year 2021/22</b>																
<b>Valuation:</b>																
No. of properties	1 750		376	1 118	376	80	63	40		11		18	-	104	877	5
No. of sectional title property values	85															0
No. of unreasonably difficult properties s7(2)																-
No. of supplementary valuations	1															0
Supplementary valuation (Rm)	75 532 000															75 532
No. of valuation roll amendments	12		5	10												0
No. of objections by rate-payers	26															0
No. of appeals by rate-payers																-
No. of appeals by rate-payers finalised																-
No. of successful objections	21															0
No. of successful objections > 10%	2															0
Estimated no. of properties not valued	70															0
Years since last valuation (select)	3	3	3	3	3	3	3	3	3	3	3	3				
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5	5	5	5				
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market				
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.				
Phasing-in properties s21 (number)																-
Combination of rating types used? (Y/N)	No	No	No	No	No	No	No	No	No	No	No	No				
Flat rate used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes				
Is balance rated by uniform rate/variable rate?	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform				
<b>Valuation reductions:</b>																
Valuation reductions-public infrastructure (Rm)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 954
Valuation reductions-nature reserves/park (Rm)	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18 690
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26 385
Valuation reductions-public worship (Rm)	61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61 404
Valuation reductions-other (Rm)	49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48 563
<b>Total valuation reductions:</b>																
Total value used for rating (Rm)	5 790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 790 074
Total land value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	5 790	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5 790 074
<b>Rating:</b>																
Average rate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R'000)	54 745	-	-	-	-	-	-	-	-	-	-	-	-	-	-	54 745
Rate revenue expected to collect (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	-
Special rating areas (R'000)																-
Rebates, exemptions - indigent (R'000)	548	-	-	-	-	-	-	-	-	-	-	-	-	-	-	548
Rebates, exemptions - pensioners (R'000)	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35
Rebates, exemptions - bona fide farm. (R'000)	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28
Rebates, exemptions - other (R'000)	3 596	-	8 941	4 475	-	845	26	-	-	-	-	429	-	439	-	18 750
Phase-in reductions/discounts (R'000)	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
<b>Total rebates, exemptns, reductns, discs (R'000)</b>	<b>4 209</b>	<b>-</b>	<b>8 941</b>	<b>4 475</b>	<b>-</b>	<b>845</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>429</b>	<b>-</b>	<b>439</b>	<b>-</b>	<b>19 364</b>

## SA13a - Service Tariffs by Category(refer)

## SA13b - Service Tariffs by Category – Explanatory (refer)

**KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA13b Service Tariffs by category - explanatory**

Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Exemptions, reductions and rebates (Rands)</b>									
<i>Pensioner Discounts</i>		P100 100% rebate on Rates	P100 100%	P100 100%	P100 100%	P100 100%	P100 100%	-	-
<i>Non Profit Organisations / Public Benefit Organisations</i>		100% rebate on Rates only	100% rebate	100% rebate	100% rebate	100% rebate	100% rebate	-	-
<i>Indigent</i>		100% rebate on Rates	-	-	-	-	-	-	-
<i>Tourism</i>		additional 2% over and above	100% rebate	100% rebate	100% rebate	100% rebate	100% rebate	-	-
<i>Disabled</i>		100% rebate on rates	100% rebate	100% rebate	100% rebate	100% rebate	100% rebate	-	-
<i>Child Headed Household</i>		100% rebate on rates	100% rebate	100% rebate	100% rebate	100% rebate	100% rebate	-	-
<i>Ingonyama Trust</i>		100% rebate on rates	100% rebate	100% rebate	100% rebate	100% rebate	100% rebate	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-
			-	-	-	-	-	-	-

## SA14 - Households Bills

## Table SA17 – Borrowings

## SA32 - List of External Mechanisms

**2.13.1 Municipal regulation on the Standard Chart of Accounts (mSCOA)**

The municipality has a road map that is currently using to work towards implementing all MSCOA requirements.

**2.13.2 Financial Modeling and Key Planning Drivers**

As part of the compilation of the 2023/2023 MTREF, extensive financial modeling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/24 MTREF:

- Local Economic growth

- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e., inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2022/2023 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor's payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 122, 123 and PT/MF 09 of 2023/24 and prior circulars has been taken into consideration in the planning and prioritization process.

### **2.13.3 Planning, Budgeting and Reporting Cycle**

The performance of Dr Nkosazana Dlamini Zuma Municipality relates direct to the extent to which it has achieved success in realizing its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The NDZ therefore has adopted one integrated performance management system which encompasses.

### **2.13.4 Disposal of Assets**

The municipality has identified land will be disposed in the 2023/2024 financial year. The report with a list of properties is provided as a supporting document.

- **Performance indicators and benchmarks**

#### ***a) Revenue Management***

• As part of the financial sustainability strategy, an aggressive revenue management framework will be implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

### ***b) Creditors Management***

Dr NDZ has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation.

This has had a favorable impact on supplier's perceptions of risk of doing business with Dr NDZ Municipality, which is expected to benefit the local community in the form of more competitive pricing of tenders, as suppliers compete for the Dr NDZ business

### **c) Free Basic Services: basic social services package for indigent households**

The social package assists residents that have difficulties on paying for the basic services and are registered as indigent households in terms of the Indigent Policy of the Dr Nkosazana Dlamini Zuma Municipality. Only registered indigents qualify for the free basic services.

### **e) Indigent Information**

The decision was taken to refresh the register to ensure that the application, identification, recording, vetting and managing of indigents consumers is credible and avoids further audit findings.

We have performed the following activities in trying to achieve the policy and the abovementioned objectives:

- The municipality has implemented the following communication strategy in obtaining the information:
  - Ward committees
  - Advertisement on local news papers

- Advertisement on municipal website
  - Notices on community noticeboards (Halls and libraries)
  - Social media platforms (Facebook, etc.)
  - Telephonic communication with ward councilors
  - Door to Door visits by revenue unit to Himeville, Bulwer, Donnybrook and Creighton locations.
- 
- Application forms were made available and delivered to each councillor or council representative. Furthermore, forms were made available at all municipal places to business (offices and libraries)
  - Provision of support during the application, collection and inspection of forms received to ensure completeness of documents.
  - Telephone calls placed to applicant and requested to submit missing items

### **Capacity to execute projects internally**

The municipality will procure additional Plants and Machinery. More funds have been set aside to procure those plant and Machineries. Labour intensive program will be phased in on small to medium renovation projects.

### **Electricity**

95% of Dr NDZ households have access to electricity. R 7, 5million has been set aside for infills.

### **Roads**

The municipality currently have more than 137 roads on the PPE Register which varies in sizes of kilometres. There are approximately 181 roads requests by communities on the IDP. As new roads are constructed, plans to maintain the existing roads must be implemented, hence cutting unnecessary costs and on building internal capacity is needed.

### **Community Halls**

The municipality currently have more than 58 registered and 19 unregistered community halls in 15 wards. New two community hall will be constructed in the 2022/23 financial, affordable maintenance and safeguarding of these assets is vital, while re-prioritisation and reconsideration of building community need to be explored.

### **Repairs and Maintenance**

The municipality has budget 3% on repairs and maintenance which is far below the norm of 8% of the net value of PPE. EPWP, Labour intensive approach and additional plants will complement the budget.

### **Waste Management and Cleanliness of our Towns**

Dr Nkosazana Dlamini Zuma Municipality renders waste collection services to the residences, commercial and low income. Refuse bags are distributed and some are collected from the Municipal offices. Municipal fleet is used for kerbside collection, and waste is disposed at the Municipal dump sites, in areas around Underberg and Himeville waste is disposed at the Himeville transfer station. The collection from the Himeville Transfer Station is outsourced. The Municipality has installed drums which are used for each household where waste is collected, the reason for using drums is to ensure that our areas are kept clean and during unfavourable weather conditions waste is remains clean which is beneficial to waste pickers. Waste collection schedule is as follows:

- Bulwer – on Monday, Thursday and Friday
- Donnybrook – on Tuesday and Friday
- Creighton – on Tuesday and Friday
- Hlanganani – on Monday and Thursday
- Centocow – on Tuesday and Thursday
- Underberg & Himeville Residential – on Monday
- Underberg & Himeville Business – Tuesday, Thursday and weekends
- Underberg & Himeville Low Income – Wednesday

The Municipality has 2 waste disposal sites which are used for waste disposal, located in Creighton and Bulwer. Bulwer waste disposal site has reached it capacity; therefore, the Municipality is in



the process to apply for closure license from the Competent Authority. Once closure license is issued by the Competent Authority, the Municipality will initiate a process to get authorisation for the new site.

**(a.) Environmental compliance**

To ensure compliance with environmental legislation, the Municipality will audit all waste disposal sites using a qualified service provider to ensure that the Municipality comply with license conditions. In addition to auditing of site the Municipality will play an active role in all projects which have been issued Environmental Authorisations to ensure that development does not have major damages to the environment.

**(b.) Implementation of the Environmental Management Plan**

In order to ensure that the Municipality implement projects which are identified in the Environmental Management Plan, the Municipality will develop a management plan with implementation plan which will look on how the Municipality can eradicate alien species within the jurisdiction of the Municipality. The threats these species have on our ecosystem is massive and has major impacts such as shortage of water, rivers have dried out due to the spread of alien species.