



DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY

PRESENTS

2026/2027 TO 2028/29

FINAL MEDIUM-TERM REVENUE AND EXPENDITURE FORECASTS

**Copies of this document can be viewed:
In the foyer of all Municipal buildings and
Public libraries within the Municipality**

www.ndz.gov.za

Table of Content

PART 1 – ANNUAL BUDGET

1.1 Mayors Report3 - 18
1.2 Council resolution.....18 - 19
1.3 Executive summary.....19 - 33
1.4 Annual budget tables.....34 - 45

PART 2 - SUPPORTING DOCUMENTS

2.1 Supporting documents.....46 - 80

1. PART ONE – ANNUAL BUDGET

1.1 MAYORS REPORT

Introduction

Speaker, Deputy Mayor, Members of Executive, Chief Whip, MPAC Chairperson, Chairperson for Women’s Caucus, 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 Final medium-term revenue and expenditure framework (MTREF) for 2026/2027 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 final budget in its current form to facilitate a process of consultation leading to the compilation of a final budget for the 2026/2027 financial year. It is indeed our stated intention, as the Dr Nkosazana Dlamini Zuma Local Municipality, that the budget for the 2026/2027 financial year to be tabled at the end of May 2026. It 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 2026, 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 7.1. However, the municipality has reduced the challenges in the past years and during the adjustment budget 2025/2026 that were affecting the financial position and cash flow. Even though the challenges were reduced, the municipality is still addressing few challenges 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 final MTREF using mSCOA version 7.1 that the municipality will be transacting on by the 1st of July 2026 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 final 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 final budget presentation reflects the following summary estimates:

DESCRIPTION	2025/2026 Final Budget	2025/2026 Adjustment Budget	2026/2027 Draft Budget	2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
REVENUE						
PROPERTY RATES AND PENALTIES	- 54 293 639	- 54 293 639	- 58 636 750	- 57 232 129	- 59 120 790	- 61 012 655
WASTE MANAGEMENT: REFUSE REMOVAL	- 4 861 014	- 5 421 671	- 6 160 342	- 6 160 342	- 6 314 350	- 6 472 209
LICENCES AND PERMITS	- 1 215 855	- 1 345 855	- 1 382 254	- 1 382 254	- 1 416 810	- 1 452 230
TRAFFIC: COURT FINES	- 602 728	- 702 728	- 920 850	- 920 850	- 943 871	- 967 468
GOVERNMENT GRANTS AND SUBSIDIES	- 179 187 000	- 179 712 000	- 176 230 000	- 176 220 000	- 173 128 000	- 185 247 000
INTEREST EARNED - EXTERNAL INVESTMENTS	- 16 731 673	- 13 731 673	- 14 423 737	- 14 423 737	- 14 784 330	- 15 153 939
OTHER REVENUE	- 5 624 620	- 6 850 530	- 7 429 125	- 7 413 130	- 7 655 791	- 7 899 180
TOTAL REVENUE EXCLUDING INEP	- 262 516 529	- 262 058 096	- 265 183 057	- 263 752 441	- 263 363 942	- 278 204 681

Property Rates

Property rates are the second highest source of revenue. The latest General Valuation roll was implemented with effect from 1 July 2022. Property rates tariffs have been increased by 3,4% in the 2026/2027 financial year, 3,3% in the 2027/2028 and 3,2% in the 2028/2029 financial years.

The variance above CPI is primarily driven by changes in property valuations, particularly within the business and residential categories, rather than a significant increase in the number of properties within the municipal jurisdiction.

Service charges - waste management

The municipality has experienced a growing number of service conversions to bulk and skip bin waste management solutions by hotels, BnBs, hospital, and companies. In addition, there has been an increase in ad hoc waste removal requests, including garden refuse etc. contributing to higher service demand. These factors have contributed to the conservative increased budget for the 2026/2027 financial year.

The municipality acknowledges the provisions of MFMA Circular No. 71 regarding the financial sustainability of trading services. The current budgeted deficit is attributable to the municipality being in a reinvestment phase of the waste management service, wherein a seasonal deficit is being absorbed to enable service stabilisation and capacity enhancement.

This includes the implementation of key investment components such as the procurement of waste collection vehicles, recruitment of critical personnel, and development of landfill site infrastructure. Upon completion and full operationalisation of these initiatives, the municipality will implement cost-reflective tariffs to ensure that the service moves towards full cost recovery and long-term financial sustainability.

WASTE MANAGEMENT: REFUSE REMOVAL

Premise based removal (Residential Frequency) -Himeville & Underberg	Once a week
Premise based removal (Residential Frequency)- Creighton	2 times a week
Premise based removal (Business Frequency)- Himeville & Underberg	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 in the monthly charges (Yes/No)	No
Street Cleaning Frequency in CBD daily	Daily
How soon are public areas cleaned after events (24hours/48hours/longer) – Himeville/Underberg and Creighton/Bulwer/Donnybrook	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 segment's reports prepared for the year 2020/2021, 2021/2022, 2022/2023, 2023/2024 and 2024/2025 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, 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, and affordability of the tariffs yielding unsuitable results for an increase. For trading services, we would need to consult 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 2025/2026	Dr Nkosazana Dlamini Zuma Municipality Tariffs 2026/2027
RAT01: RESIDENTIAL PROPERTIES	2.01	2.09
RAT02: BUSINESS, COMMERCIAL, INDUSTRIAL PROPERTIES	3.22	3.33
RAT03: AGRICULTURAL PROPERTIES	0.50	0.52
RAT04: PUBLIC SERVICE PURPOSES	2.01	2.09
RAT05: PUBLIC SERVICE INFRASTRUCTURE	0.50	0.52
RAT06: PUBLIC BENEFIT ORGANISATION	0.50	0.52
RAT10: RESIDENTIAL SMALL HOLDING	2.01	2.09
RAT12: VACANT LAND	2.01	2.09
UNAUTHORISED USE OF RESIDENTIALLY ZONED PROPERTIES	6.06	6.28
UNAUTHORISED USE - BUSINESS, COMMERCIAL, INDUSTRIAL PROPERTIES	9.65	10.00
MULTIPURPOSE*	*	*
*Multiple properties will be rated according to the multiple purposes as defined in the Act. This is defined as properties that have multiple use categories; however, all the categories will be billed on the same stand and account.		
REFUSE REMOVAL		
Government Housing	880	913
Residential Properties	5238	5432
Residential Properties: Creighton, Bulwer and Donnybrook	1721	1784
Tourism & Hospitality Urban properties	5238	5432
Agriculture & Residential smallholding properties	5238	5432
Bulk Refuse	123609	128182
Goods /Service		
Business and other properties are billed for the sum of the business within each Centre/Mall/Property.		

<u>Business & Other properties</u>		
Commercial	6 855	7 088
Large	26 743	27 652
“Significant volume of waste and difficult to handle”		
Medium	13 232	13 682
Small	6 476	6 696
Garden Refuse (per load)	344.52	356.23
<u>Illegal Dumping</u>		
All illegal dumping will be charge R5 000 as a fine	5 000	5 000
ROAD ENDOWMENTS		
1. 90-200 sqm	2 577	2 664
2. 201 – 400 sqm	5 156	5 332
3. 401 – 800 sqm	9 021	9 328
>801 sqm	12 887	13 325
CEMETERY		
1 Indigent burial fee	377	390
2 burial fees	1006	1041
3 ashes burial fee	125	130
4 cemetery fees	1256	1299

GOVERNMENT GRANTS AND SUBSIDIES

Item Description	2025/2026 Final	Adjustment	2026/2027	2026/2027 FINAL	2027/2028	2028/2029
	Budget	Budget	DRAFT BUDGET	BUDGET	BUDGET	BUDGET
National Governments:Local Government Financial Management Grant	- 2 000 000	- 2 000 000	- 2 100 000	- 2 100 000	- 2 200 000	- 2 300 000
National Revenue Fund:Equitable Share	- 170 119 000	- 170 119 000	- 166 587 000	- 166 587 000	- 165 256 000	- 177 275 000
Capacity Building and Other:Provincialisation of Libraries	- 3 214 000	- 3 214 000	- 3 368 000	- 3 358 000	- 3 515 000	- 3 515 000
Capacity Building and Other:Community Library Services Grant	- 1 719 000	- 2 244 000	- 2 029 000	- 2 029 000	- 1 806 000	- 1 806 000
Museum Subsidies	-	-	- 335 000	- 335 000	- 351 000	- 351 000
National Government:Municipal Infrastructure Grant	- 38 868 000	- 38 868 000	- 33 242 000	- 33 242 000	- 36 587 000	- 37 650 000
National Governments:Expanded Public Works Programme	- 2 135 000	- 2 135 000	- 1 811 000	- 1 811 000	-	-
Intergrated National Electrification Programme	-	-	- 1 880 000	- 1 880 000	- 4 544 348	- 4 749 565
TOTAL GOVERNMENT GRANTS AND SUBSIDIES	- 218 055 000	- 218 580 000	- 211 352 000	- 211 342 000	- 214 259 348	- 227 646 565

The Municipality is 72% 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 2026/27 FINANCIAL YEAR

DESCRIPTION	2025/2026 Final Budget	2025/2026 Adjustment Budget	2026/2027 Draft Budget	2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
OPERATING EXPENDITURE						
EMPLOYEE RELATED COST	104 371 989	102 372 664	106 490 404	105 490 404	107 701 792	110 394 336
COUNCILLORS REMUNERATION	14 498 746	14 498 746	14 338 721	14 338 721	14 697 189	15 064 619
GENERAL EXPENDITURE/CONTRACTED SERVICES	71 161 296	75 268 923	75 149 144	75 973 844	76 589 925	79 177 325
PROGRAMMES	25 012 682	25 390 482	24 375 152	24 375 152	24 660 152	25 450 180
REPAIRS AND MAINTENANCE	16 535 219	17 017 914	17 377 063	16 945 000	17 388 625	16 793 616
PROVISIONS	64 104 443	61 402 917	59 994 993	59 994 993	61 523 267	63 087 019
ELECTRIFICATION PROJECTS	2 000 000	1 874 200	1 634 783	1 634 783	1 675 652	1 717 543
TOTAL OPERATING EXPENDITURE	297 684 374	297 825 846	299 360 260	298 752 897	304 236 603	311 684 637

The overall operating expenditure decreased by 0.2% or R607 363 when compared to the 2026/2027 draft budget due to the decrease in employee related costs when compared to the draft budget.

EMPLOYEE RELATED COSTS

Employee related costs have an overall decrease of 0.94% when compared to 2026/2027 Draft Budget. Employee Related Costs ratio is 40% of the total operating costs budget. This percentage includes budget for long service award, leave gratuity and post medical aid benefit. There are no new positions considered in this budget that will require more budget. The Job evaluation implemented in 2021 continued to put weight on the Employee Costs budget. The implementation of cost containment measures during planning and insourcing of certain operational activities

yielded a reduction of operational costs, which has an undesirable impact on the employee related costs ratio over total operating expenditure.

DISASTER MANAGEMENT

A budget of **R2 452 890.00** has been set aside, in order to ensure improved and integrated Institutional Capacity and Responses to Disaster Incidents or Disasters by June 2026. The following activities 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 Budget of R 780 000 has been set aside for the procurement of Parkhome for Creighton Disaster and Fire Services satellite office.

LIBRARY MANAGEMENT SERVICES

To ensure improvement of literacy levels and encourage culture of reading by 30 June 2027. The Municipality has set aside **R700 000**;

The following items/projects will be procured in the upcoming Financial Year

1. Addition of Computer Equipment
2. Installation of Creighton library circulation counter
3. Partitioning of Bulwer library
4. Land scaping/upgrading of Underberg Library

TRAFFIC MANAGEMENT

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

10 Multi -Stakeholder Roadblocks will be conducted during the year.

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

COMMUNITY PROGRAMMES

Item Description	2025/2026 Final Budget	Adjustment Budget	2026/2027 DRAFT BUDGET	2026/2027 FINAL BUDGET	2027/2028 BUDGET	2028/2029 BUDGET
Senior Citizen and Women	182 500	173 000	173 000	173 000	177 325	181 758
HIV/TB	146 500	151 500	131 500	131 500	134 788	138 157
Sukhuma Sakhe	1 037 500	1 032 500	1 032 500	1 032 500	1 058 313	1 084 770
Child Programmes	124 000	124 000	124 000	124 000	127 100	130 278
Disability Programs	157 000	157 000	157 000	157 000	160 925	164 948
Gender	313 000	313 000	266 000	266 000	272 650	279 466
Youth Development	1 518 000	1 633 000	3 365 800	3 365 800	3 449 945	3 536 194
Arts and Culture projects	891 452	883 452	695 000	695 000	712 375	730 184
Bulwer Community Service Center	373 000	343 000	280 000	280 000	287 000	294 175
Mayoral Cup	1 680 000	1 563 000	1 528 000	1 528 000	1 566 200	1 605 355
Sport Development Project	436 500	406 500	386 500	386 500	396 163	406 067
LED Programmes	3 891 067	4 246 537	3 436 595	3 436 595	3 091 242	3 230 348
Tourism Programmes	1 383 520	1 168 050	1 371 900	1 371 900	1 433 636	1 498 149
Communication	1 100 000	1 114 000	960 000	960 000	1 003 200	1 048 344
Community Functions	1 091 836	1 184 836	1 480 000	1 480 000	1 517 000	1 554 925
Public Participation	640 000	666 800	700 000	700 000	717 500	735 438
Ward Committees	4 210 000	3 834 500	3 260 000	3 260 000	3 341 500	3 425 038
Spluma	1 500 000	1 289 000	900 000	900 000	940 500	982 823
Employee Wellness	749 807	519 807	525 702	525 702	549 359	574 080
EPWP, Learnerships and Internships	2 012 000	3 012 000	2 014 780	2 014 780	2 065 150	2 116 778
Bursaries External Students	1 575 000	1 575 000	1 586 875	1 586 875	1 658 284	1 732 907
TOTAL PROGRAMMES	25 012 682	25 390 482	24 375 152	24 375 152	24 680 152	25 450 180

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

To promote youth development through SMME development of Sport, Arts, Culture, and Recreation by Conducting the following competitions by June 2027

Programmers 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 2027

- 1x Jockeys training conducted,
- 1x training on GBV and Femicide
- 1x training of sport coaches,
- 1x training of artists,
- 1x training of crafters,
- 1x training of 30 youth on driving skills
- 1x training of 30 youth on Security 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, COMMUNITY FUNCTION AND PUBLIC PARTICIPATION

A budget of **R6 400 000.00** has been set aside for communication, ward committees, community functions and public participation in order to encourage participation of the local community in the affairs of the municipality by 30 June 2027

LOCAL ECONOMIC DEVELOPMENT

A budget of **R3 436 595.00** has been set aside for LED programmers to promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipment. Different 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 **R1 371 900.00** has been set aside for the facilitation and co-ordination of market exposure of local businesses through attendance of various Trade Exhibitions.

- Splashy fen Festival
- Dundee July
- Africa Travel Indaba
- Harry Gwala Summer Cup

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

- 1X Destination Marketing & Tourism Awards Program
- Development of Tourism Brochure
- 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 **R900 000** has been set aside for planning and development projects.

FREE BASIC SERVICES: BASIC SOCIAL SERVICES PACKAGE FOR INDIGENT HOUSEHOLDS

A Budget of **R 750 000** has been set aside for Free Basic Electricity and **R120 000.00** has been set aside for funeral support. 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 set aside for the R&M to improve access to roads infrastructure, storm water and recreational facilities. It must be stated that the municipality is 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.

Name of the Project	Ward no
Community Assets	
	12
Mphithini Community Hall	04
Mncane Sosibo Community Hall	09
Nkwezela Community Hall	10
Hlafuna Community Hall	08
Sonyongwane Community Hall	02
Himmeville Transfer station	02
Fencing of Enhlanhleni Sport Field	
Office Building	
Creighton Old Municipal Building	14
Refurbishment Projects	
	14
Creighton Main Building	11
Nkelabantwana Community Hall	

CAPITAL BUDGET FOR 2026/2027

A total capital budget of R 60 717 404 has been set aside to improve access to roads infrastructure, storm water and recreational facilities.

- Municipal infrastructure grant is R33 242 000 for the 2026/2027 financial year.

Item Description	2025/2026		2026/2027 Draft Budget	2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
	2025/2026 Final Budget	Adjustment Budget				
MIG 2025/2026						
Ekupholeni Creche Ward 11	5 006 607	5 006 607	-	-	-	-
Phosane Hall Ward 12	7 536 733	7 003 232	27 150	27 150	-	-
Glan Maize Community Hall Ward 14	5 487 073	5 364 467	-	-	-	-
Masameni/Mnywaneni Community Hall	-	56 808	-	-	-	-
Siyathuthuka Creche Ward 05	19 800	19 800	-	-	-	-
Maguzwana Sport Field Ward 05	25 806	113 402	-	-	-	-
Gala Creche	-	152 139	-	-	-	-
Zwelisha Creche Ward 02	19 600	19 600	-	-	-	-
Khubeni Creche Ward 03	17 344	15 591	-	-	-	-
Thonsini Community Hall Ward 04	49 520	43 139	-	-	-	-
Underberg Asphalt Road Phase 02	14 300	14 300	-	-	-	-
Bulwer Asphalt Road Phase 8 Ward 10	1 944 782	2 665 743	79 503	79 503	-	-
Construction of Jackson Street Causeway Ward 10	7 735 330	7 519 546	419 000	419 000	-	-
Bulwer Landfill Site Ward 10	-	326 485	5 456 084	5 456 084	11 658 464	19 348 088
Himeville Asphalt Roads Phase 3 (Extention of Thomas) Ward 2	300 000	300 000	3 362 057	3 362 057	12 188 251	9 000 000
Jama Concrete Road Ward 14	300 000	300 000	3 476 652	3 476 652	12 740 285	9 301 912
Creighton Artificial Sportfield Ward14	6 000 000	6 000 000	3 533 401	3 533 401	-	-
Magoso Concrete Road, Ward 08	220 000	-	-	-	-	-
Construction of Gobhogobho Pedestrian Brigde Ward 10	1 397 035	3 494 949	2 199 421	2 199 421	-	-
Construction of Half my right Pedestrian Brigde Ward 12	1 397 035	162 623	5 676 117	5 676 117	-	-
Construction of Ntwasahlobo Pedestrian Brigde Ward 1	1 397 035	289 573	9 012 616	9 012 616	-	-
TOTAL MIG FUNDING	38 868 000	38 868 001	33 242 000	33 242 000	36 587 000	37 650 000

Item Description	2025/2026			2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
	2025/2026 Final Budget	Adjustment Budget	2026/2027 Draft Budget			
INTERNAL FUNDED CAPITAL PROJECTS						
RENEWAL OF GRAVEL ROADS						
Renewal of Gravel Roads	2 800 000	2 518 000	2 900 000	3 720 000	3 887 400	4 062 333
TOTAL FOR RENEWAL OF GRAVEL ROADS	2 800 000	2 518 000	2 900 000	3 720 000	3 887 400	4 062 333
ADMINISTRATIVE CAPITAL EXPENDITURE						
Procurement of Furniture and Equipment	1 691 884	1 721 716	846 000	846 000	717 375	739 464
Procurement of Computer Equipment	1 332 250	1 412 250	850 000	850 000	877 850	906 693
Procurement of Computer Software	945 000	975 000	1 015 950	65 000	67 625	70 361
Upgrading of Server	491 917	491 917	514 053	-	-	-
Procurement of Antivirus Software	160 000	129 000	134 805	-	-	-
Installation of Cameras	100 000	100 000	100 000	100 000	104 500	109 203
Fiber connection	450 000	240 000	190 000	5 000	5 225	5 460
Installation of bullet proof window NUD DLTC	400 000	-	-	-	-	-
Transport Assets	2 485 181	4 792 575	1 200 000	1 200 000	1 230 000	1 260 750
Installation of creighton library circulation counter	400 000	30 000	150 000	150 000	156 750	163 804
Building of DLTC Offices	300 000	50 000	200 000	200 000	209 000	218 405
Partitioning of senior librarian office - NUD	200 000	-	-	-	-	-
Underberg & Himeville Fire Satellite Parkhome	700 000	870 000	780 000	780 000	799 500	819 488
Fire Service Water Tanker	2 300 000	3 050 000	800 000	800 000	820 000	840 500
Extension of Bulwer CSC Parking space and construction of carpots	560 000	200 000	100 000	100 000	102 500	105 063
Fencing of Bulwer CSC	200 000	100 000	100 000	100 000	102 500	105 063
Procurement and Installation of Underberg Back-up Generator	500 000	500 000	-	-	-	-
Supply and Installation of water tank and pump for car wash: Creighton			100 000	100 000		
Procurement of Car wash Equipment			170 000	170 000		
Partitioning of Creighton Storage			500 000	500 000		
Dividing shelves for contract office			30 000	30 000		
Partitioning of Bulwer Library			50 000	50 000		
Landscaping/ Upgrading Underberg Library			400 000	400 000		
Procurement of ICT Licences			-	1 379 805	1 441 896	1 506 782
TOTAL ADMINISTRATIVE CAPITAL PROJECTS	13 216 232	14 662 458	8 230 808	7 825 805	6 634 721	6 851 034

Item Description	2025/2026		2026/2027 Draft Budget	2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
	2025/2026 Final Budget	Adjustment Budget				
SERVICE DELIVERY CAPITAL PROJECTS						
Procurement of Plant and Equipment	2 218 164	2 201 211	1 570 000	1 570 000	1 616 650	1 664 799
Construction of Storm Water Drains	800 000	643 841	1 200 000	1 200 000	1 230 000	1 260 750
Kilmun Floodlights	300 000	467 218	200 000	200 000	205 000	210 125
Mafohla Community Hall	50 000	17 800	-	-	-	-
Bazini Sportfield	-	50 000	2 120 000	2 500 000	2 562 500	2 626 563
Nomgidi Community Hall	-	50 000	2 120 000	2 500 000	2 562 500	2 626 563
New Electrical Installations	157 208	-	-	-	-	-
Mandawe Access Road Ward 15	19 031	19 031	1 900 000	-	-	-
Bulwer CBD Infrastructure Upgrade	50 000	50 142	-	-	-	-
Mqatshe Access Road Ward 1	25 800	14 743	-	-	-	-
Ndlangisa Pedestrian Bridge	2 151 112	2 151 112	4 000 000	4 000 000	4 100 000	4 202 500
Tar's Valley Access Road Ward 7	19 649	11 228	-	-	-	-
Storm Water Pipes and Culverts	400 000	400 000	200 000	200 000	205 000	210 125
Bus Shelters	560 000	600 000	550 000	500 000	512 500	525 313
Fencing of Donnybrook Public Toilet	80 000	80 000	-	-	-	-
Bulwer Informal Traders Infrastructure	4 000 000	4 000 000	582 476	582 476	597 038	611 964
Centocow Phase 2	37 176	37 176	-	-	-	-
Skip Bins	100 000	100 000	100 000	100 000	102 500	105 063
Ekupholeni Creche Ward 11	-	407 506	97 000	97 000	99 425	101 911
Hlane Creche Ward 6	-	319 125	-	-	-	-
Construction of NUD Cemetery Toilets	200 000	300 000	20 000	20 000	20 500	21 013
Extension of Fencing Donnybrook Cemetery	200 000	230 000	200 000	200 000	205 000	210 125
Development of Bulwer Cemetery	500 000	400 000	170 000	170 000	174 250	178 606
Borehole Installation - Nkwezela Library	400 000	30 000	-	-	-	-
Fencing of Animal Pound in Creighton	150 000	150 000	-	-	-	-
Himeville Traffic Lights	500 000	100 000	50 000	50 000	52 250	54 601
Roads Concrete Signs (with street names)	100 000	250 000	50 000	50 000	51 250	52 531
Design for Upgrade of Valleyview Road	-	-	200 000	200 000	205 000	210 125
Design for Upgrade of Lewis Road	-	-	200 000	200 000	205 000	210 125
Design for Upgrade of Polo Way and Southdown Lane	-	-	200 000	200 000	205 000	210 125
Upgrade of 1km of Magoso Access Road (Phase 1 & 2)	-	-	200 000	200 000	205 000	210 125
Creighton Regional Sport Center Ward14	-	-	620 123	620 123	635 626	651 517
Design of Concrete Steephill (Ematendeni to Engudwini Primary School) Ward 9	-	-	100 000	100 000	102 500	105 063
Design of Concrete Steephill (Mzayiwa Access Road) ward 13	-	-	100 000	100 000	102 500	105 063
Refurbishment of Nkelabantwana Community Hall	-	-	-	100 000	102 500	105 063
Refurbishment of Creighton Main Office	-	-	-	100 000	102 500	105 063
Design for Mnywaneni Community Hall (ward 15)	-	-	-	170 000	174 250	178 606
TOTAL SERVICE DELIVERY CAPITAL PROJECTS	13 018 140	13 080 133	16 749 599	15 929 599	15 956 989	16 364 692
TOTAL INTERNAL FUNDED PROJECTS	29 034 372	30 260 591	27 880 408	27 475 404	26 479 111	27 278 059

The municipality has received an allocation of R1 880 000.00 for Electrification Grant.

SECTOR DEPARTMENT

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

Thank you

1.2 COUNCIL RESOLUTION

On the 28st May 2026 the Council of Dr Nkosazana Dlamini-Zuma Municipality met at Khukhulela Community to consider the final Budget of the municipality for the financial year 2026/27. 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 Final Budget and Tariffs of charges for the Municipality for the financial year 2026/27
- The final Budget related policies for the financial year 2026/27

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 2026/27 – 2028/2029 Tabled final 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 2026 to 4.3 per cent, from 4.4 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 2025.

The main challenges experienced during the compilation of the 2026/27 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 tares 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 2026/27 MTREF:

- The 2025/26 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 2026/27 final 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 2026/2027 Budget.

DESCRIPTION	2025/2026 Final Budget	2025/2026 Adjustment Budget	2026/2027 Draft Budget	2026/2027 Final Budget	2027/2028 Budget	2028/2029 Budget
TOTAL REVENUE EXCLUDING INEP	- 262 516 529	- 262 058 096	- 265 183 057	- 263 752 441	- 263 363 942	- 278 204 681
TOTAL REVENUE INCLUDING INEP	- 262 516 529	- 262 058 096	- 267 063 057	- 265 632 441	- 267 908 290	- 282 954 246
TOTAL OPERATING EXPENDITURE	297 684 374	297 825 846	299 360 260	298 752 897	304 236 603	311 684 637
OPERATING SURPLUS/DEFICT	35 167 845	35 767 750	32 297 203	33 120 455	36 328 314	28 730 391
TOTAL CAPITAL EXPENDITURE INCLUDING INEP	67 902 372	69 661 462	61 122 408	60 717 404	63 066 111	64 928 059

Total operating revenue for the municipality has decreased by 1% percent or R1.4 million when compared with draft budget. In 2027/2028 the revenue is expected to increase by R 2.2 million and increased by R15 million in 2028/29

Total operating expenditure for the 2026/27 financial year has decreased by 0.2%, or R607 363 when compared to the 2026/2027 Draft Budget. Implementation of the cost containment measures on various operational expenditure items contributed to the minimal decrease. The total contributions and provisions budget has decreased from R 61.4 million to R59.9 million in the 2026/2027 financial year. Repairs and Maintenance budget decreased by 2% or R434 Thousands when compared to the 2026/27 Draft Budget.

- **Provision for debt impairment and Irrecoverable debts written off**

The provision of debt impairment and irrecoverable debts written off was determined based on an annual collection rate for 2025/2026. A budget of R3,5 million has been set aside for this provision in 2026/27, financial year. This item is allocated at an amount of R3.6 million in the 2027/28 financial year and escalates to R 3.7 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 55 million for 2026/27 financial year escalating to R56,4 million in 2027/2028 financial year and R 57, 8 million in 2028/2029.

- **Capital Budget**

The capital budget is R 60.7 million for 2026/27 and that is R405 003 decrease when compared to the 2026/27 Draft Budget.

1.3.1. OPERATING REVENUE FRAMEWORK

The revenue collection rate is currently expressed as a percentage (average 80%) of annual billings based on the previous year's actual collection. 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 2026/2027. The overall tariffs have increased by approximately 3,4% when compared with the 2026/2027 draft 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
- 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 100% 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 2026.

Total Operating Revenue and Tariffs

The total rates revenue has increased by 3.4% for the 2026/27 financial year when compared to the 2025/26 Adjusted Budget which is the CPI projections. For the two outer years, the total rates revenue is expected to increase by 3,3% and 3,2%. Service Charge revenue will increase by 3,4% when compared to the 2025/26 Adjusted Budget.

Total revenue exclusive INEP for 2026/27 financial year has decreased from R265.1 million to R263.7 million when compared to the 2026/27 Draft 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 considered 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 2025/26, more effort on finding new strategies will be deployed in 2026/27 financial year.

The following table is a summary of the 2026/27 MTREF (classified by main revenue source):

Table A4 Summary of revenue classified by main revenue source

KZN436 Dr Nkosazana Dlamini Zuma - Table A1 Budget Summary

Description	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	41 074	42 392	44 315	46 096	46 096	46 096	38 645	48 755	50 364	51 976
Service charges	4 197	4 379	4 528	4 861	5 422	5 422	4 112	6 160	6 314	6 472
Investment revenue	14 179	15 970	13 672	16 732	13 732	13 732	9 487	14 424	14 914	15 154
Transfer and subsidies - Operational	161 784	177 143	179 345	179 187	179 712	179 712	179 028	178 100	178 354	190 709
Other own revenue	13 065	24 527	21 558	15 641	17 097	17 097	12 896	18 193	18 794	19 356
Total Revenue (excluding capital transfers and	234 299	264 411	263 417	262 517	262 058	262 058	244 168	265 632	268 741	283 667
Employee costs	75 426	85 095	88 621	104 388	103 692	103 692	82 576	106 335	108 993	111 718
Remuneration of councillors	11 578	12 498	12 750	14 499	14 499	14 499	11 457	14 339	14 697	15 065
Depreciation and amortisation	45 220	48 555	52 810	54 038	55 038	55 038	45 071	55 038	55 414	57 824
Interest	2 280	2 412	2 799	1 240	486	486	439	1 101	1 103	1 066
Inventory consumed and bulk purchases	3 697	4 475	4 838	6 627	6 534	6 534	2 900	7 639	7 891	8 153
Transfers and subsidies	499	1 851	2 357	2 075	2 265	2 265	1 835	3 987	4 115	4 248
Other expenditure	91 418	122 017	105 655	114 818	115 313	115 313	84 717	111 315	113 864	117 611
Total Expenditure	230 119	276 902	269 831	297 684	297 826	297 826	228 995	298 753	305 078	314 724
Surplus/(Deficit)	4 180	(12 491)	(6 414)	(35 168)	(35 768)	(35 768)	15 173	(33 120)	(36 337)	(31 058)
Transfers and subsidies - capital (monetary allocations)	43 108	32 385	32 185	38 868	39 401	39 401	27 767	33 242	36 587	37 650
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Capital expenditure & funds sources										
Capital expenditure	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Transfers recognised - capital	-	736	54	33 798	33 931	33 931	27 963	28 906	31 815	32 739
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	17 981	14 522	18 635	29 034	30 261	30 261	14 075	27 475	26 766	27 667
Total sources of capital funds	17 981	15 257	18 689	62 833	64 192	64 192	42 038	56 381	58 581	60 406
Financial position										
Total current assets	219 284	196 183	200 864	160 934	199 692	199 692	276 435	202 867	205 837	215 756
Total non current assets	534 038	569 839	591 431	615 740	600 985	600 985	588 799	602 329	605 497	607 079
Total current liabilities	55 494	45 478	42 761	50 619	47 511	47 511	77 025	50 872	56 125	61 382
Total non current liabilities	20 509	23 347	26 285	23 347	26 285	26 285	13 087	27 320	27 956	28 607
Community wealth/Equity	677 313	697 197	723 249	702 708	726 882	726 882	761 147	727 004	727 253	732 846
Cash flows										
Net cash from (used) operating	171 363	164 544	575 773	56 420	56 655	56 655	(534 584)	56 042	56 620	65 273
Net cash from (used) investing	(86 964)	(64 189)	(78 070)	(72 258)	(73 145)	(73 145)	(373)	(63 339)	(65 819)	(67 868)
Net cash from (used) financing	(183)	(302)	(303)	-	-	-	(313)	-	-	-
Cash/cash equivalents at the year end	264 451	259 309	636 840	70 039	116 839	116 839	(401 941)	109 542	100 343	97 748
Cash backing/surplus reconciliation										
Cash and investments available	159 256	139 440	133 333	70 039	116 839	116 839	171 976	109 542	101 705	100 491
Application of cash and investments	27 892	(4 176)	(379 247)	(50 326)	(47 834)	(47 834)	(436 535)	(55 258)	(64 380)	(74 047)
Balance - surplus (shortfall)	131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539
Asset management										
Asset register summary (WDV)	496 656	513 180	536 560	615 740	600 985	600 985		602 329	605 497	607 079
Depreciation	45 220	48 555	52 810	54 038	55 038	55 038		55 038	55 414	57 824
Renewal and Upgrading of Existing Assets	63 906	58 528	55 513	19 162	18 426	18 426		17 364	26 979	21 521
Repairs and Maintenance	16 355	17 808	13 380	16 185	17 038	17 038		17 366	17 588	18 042
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-		-	-	-
Revenue cost of free services provided	(2 179)	(21 090)	(22 138)	(24 882)	(24 882)	(24 882)		(19 185)	(24 882)	(25 703)
Households below minimum service level										
Water:	-	-	-	13	13	13		13	13	13
Sanitation/sewerage:	-	-	-	1	1	1		1	1	1
Energy:	-	-	-	14	14	14		14	14	14
Refuse:	45	45	45	45	45	45		45	45	45

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 2026/27 budget has increased by R2,6 million.

Sale of goods and rendering of services for 2026/2027 financial year is R 765 247.00.

The municipality will be commencing the General Valuation Roll project in the 2026/27 financial year, which is expected to impact revenue streams related to building plan updates, including approvals, objections, and appeals revenue positively.

Interest on investments is the third biggest source of revenue. The budget was increased by R692 064,00 after considering projected total municipal investments and actual performance as at the end of April 2026.

Gains are sitting at R1,5 million for the items that will be disposed during the financial year.

Interest in outstanding debtors has increased by R278 737 when compared to the 2025/26 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 appointed Debt Collectors to assist Revenue Management with enforcement of debt collection policy. Revenue collection plans are reviewed, improved and implemented monthly.

Fines, penalties and forfeits have increased by R286 113 thousand when compared to the 2025/26 adjustment budget. From our assessment most people pay their fines at Magistrate Court after they have negotiated discounts.

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

Licenses and permits show an increase of R 503 (1%) when compared to the 2025/26 Adjustment Budget, the current year performance was considered and a percentage (4%) of the agency services that the municipality receives for performing services for the department of transport.

Agency fees budget increased by R18 764 when compared to the 2025/26 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 178,1 million in the 2026/27 financial year and they show a decrease of R1.6 million when compared to the 2025/26 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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		165 344	174 575	181 376	174 254	174 254	174 254	172 378	172 682	185 037
Operational Revenue:General Revenue:Equitable Share		152 466	162 271	170 740	170 119	170 119	170 119	166 587	165 256	177 275
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 476	2 112	3 232	2 135	2 135	2 135	1 811	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 950	1 900	2 000	2 000	2 000	2 100	2 200	2 300
Integrated National Electrification Programme Grant		8 452	8 242	5 504	-	-	-	1 880	5 226	5 462
Provincial Government:		5 423	6 169	4 870	4 933	5 458	5 458	5 722	5 325	5 325
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		5 423	6 169	4 870	4 933	5 458	5 458	5 722	5 325	5 325
Parent Municipality / Entity		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	170 767	180 744	186 246	179 187	179 712	179 712	178 100	178 007	190 362
Capital Transfers and Grants										
National Government:		30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
TOTAL RECEIPTS OF TRANSFERS & GRANTS		201 325	204 898	217 564	218 055	218 580	218 580	211 342	214 594	228 012

1.3.2 OPERATING EXPENDITURE FRAMEWORK

Dr NDZ Municipality's expenditure framework for the 2026/27 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.

Operating Expenditure Budget

The total operating expenditure has decreased from R 299,3 million to R 298,7 million and that is a decrease of R607 363 when compared to the 2026/27 Draft Budget.

(1) Employee Related Costs

The budgeted allocation for employee-related costs for the 2026/27 financial year totals to R 106,3 million and that shows an increase of 4% when compared to the 2025/26 Adjustment Budget due to long service award, leave gratuity and post medical aid benefits which are classified as employee related costs. The employee costs ratio to the total operating budget is 40%, which is within the norm of 25% - 40%. This percentage includes budget for long service award, leave gratuity and post medical aid benefits. The 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 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 on the delivery service.

(2) **Remuneration of councilors**

The budgeted allocation for Councilor's remuneration has decreased from R14,4 million to R14,3 million and that is R160 025,00 decrease. The decrease is as a result of budget correction.

(3.) Contracted services expenditure totals to R62 million and that is an increase of 3% when compared to the 2025/26 Adjustment Budget of R60,5 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.

(4.) Other expenditure comprises of various line items relating to the daily operations of the municipality. The general expenditure for 2026/27 have decrease by 10% when compared to the 2025/26 Adjustment Budget and that is R4,7 million. General expenditure items were not increased in the final budget because a high increase was affected during the adjustment budget of which it was used as a base line to final budget.

(5.) Repairs and maintenance have decreased by 2% when compared to the 2026/2027 Draft Budget. R&M as a percentage of operating expenditure is sitting at 6% and as a percentage of PPE is sitting at 3%, which is far below the norm of 8% as recommended by MFMA Circular No.55. The budget has been set aside for the R&M to improve access to roads infrastructure, storm water and recreational facilities. It must be stated that the municipality is 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 programmers. 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.

The table SA34c below provides a breakdown of the repairs and maintenance in relation to asset class:

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

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class	1									
Infrastructure		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Roads Infrastructure		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Road Structures		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Community Assets		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Community Facilities		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Halls		1 924	3 117	781	4 500	3 950	3 950	5 330	5 463	5 600
Cemeteries/Crematoria		53	-	-	150	150	150	100	105	109
Other assets		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Operational Buildings		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Municipal Offices		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Computer Equipment		25	11	16	66	66	66	280	287	294
Computer Equipment		25	11	16	66	66	66	280	287	294
Machinery and Equipment		156	188	213	644	474	474	1 106	899	913
Machinery and Equipment		156	188	213	644	474	474	1 106	899	913
Transport Assets		4 014	3 674	4 500	2 425	4 125	4 125	2 650	2 736	2 826
Transport Assets		4 014	3 674	4 500	2 425	4 125	4 125	2 650	2 736	2 826
Total Repairs and Maintenance Expenditure	1	16 355	17 808	13 380	16 185	17 038	17 038	17 366	17 588	18 042

Cost Containment Measures

The municipality also has a policy in place dealing with the cost containment measures 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

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

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	14	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	100	250	250	-	50	51	53
Vote 3 - CORPORATE SERVICES		-	-	-	120	120	120	-	1 500	1 567	1 638
Vote 4 - COMMUNITY SERVICES		-	662	2 406	3 360	1 780	1 780	44	1 190	764	788
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		-	-	166	41 151	42 469	42 469	33 163	40 456	43 561	44 873
Vote 6 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		-	675	2 571	44 731	44 619	44 619	33 207	43 195	45 943	47 351
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		1 876	122	114	231	322	322	149	185	190	194
Vote 2 - BUDGET AND TREASURY		67 286	58 928	57 411	1 721	2 755	2 755	1 516	1 150	359	368
Vote 3 - CORPORATE SERVICES		1 662	1 741	2 261	2 562	2 321	2 321	2 100	355	371	388
Vote 4 - COMMUNITY SERVICES		1 441	7 454	6 205	6 798	7 028	7 028	1 490	3 226	3 163	3 252
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		8 397	3 943	4 900	6 384	7 041	7 041	3 800	8 040	8 316	8 601
Vote 6 - PLANNING AND DEVELOPMENT		1 225	923	634	405	505	505	175	230	240	251
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		81 887	73 111	71 525	18 102	19 973	19 973	9 231	13 186	12 638	13 054
Total Capital Expenditure - Vote	3,7	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Capital Expenditure - Functional											
Governance and administration		70 824	60 805	60 586	4 734	5 768	5 768	3 766	3 240	2 538	2 640
Executive and council		1 876	136	114	231	322	322	149	185	190	194
Finance and administration		68 948	60 669	60 471	4 503	5 446	5 446	3 617	3 055	2 348	2 446
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		1 441	8 115	8 623	10 495	9 024	9 024	1 750	4 566	4 080	4 198
Community and social services		1 098	1 313	5 876	4 717	3 396	3 396	657	3 121	2 743	2 817
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		342	6 802	2 747	5 778	5 628	5 628	1 093	1 445	1 337	1 381
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9 622	4 865	4 792	42 403	43 772	43 772	33 853	43 885	39 691	34 556
Planning and development		1 751	1 609	1 167	34 363	34 787	34 787	27 935	21 309	31 695	26 266
Road transport		7 871	3 256	3 625	8 040	8 985	8 985	5 918	22 575	7 995	8 290
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	96	900	1 561	1 561	882	3 909	11 470	18 190
Energy sources		-	-	-	-	133	133	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	800	644	644	198	1 200	1 230	1 261
Waste management		-	-	96	100	784	784	684	2 709	10 240	16 929
Other		-	-	-	4 300	4 467	4 467	2 187	782	802	822
Total Capital Expenditure - Functional	3,7	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Funded by:											
National Government		-	-	54	33 798	33 798	33 798	27 963	28 906	31 815	32 739
Provincial Government		-	736	-	-	133	133	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	736	54	33 798	33 931	33 931	27 963	28 906	31 815	32 739
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds	7	17 981	14 522	18 635	29 034	30 261	30 261	14 075	27 475	26 766	27 667
Total Capital Funding	7	17 981	15 257	18 689	62 833	64 192	64 192	42 038	56 381	58 581	60 406

Capital expenditure totals to R56.3 million and shows a decrease of R400 000 when compared to the 2026/2027 Draft Budget of R 56,7 million.

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 2026/27 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	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands										
Financial Performance										
Property rates	41 074	42 392	44 315	46 096	46 096	46 096	38 645	48 755	50 364	51 976
Service charges	4 197	4 379	4 528	4 861	5 422	5 422	4 112	6 160	6 314	6 472
Investment revenue	14 179	15 970	13 672	16 732	13 732	13 732	9 487	14 424	14 914	15 154
Transfer and subsidies - Operational	161 784	177 143	179 345	179 187	179 712	179 712	179 028	178 100	178 354	190 709
Other own revenue	13 065	24 527	21 558	15 641	17 097	17 097	12 896	18 193	18 794	19 356
Total Revenue (excluding capital transfers and	234 299	264 411	263 417	262 517	262 058	262 058	244 168	265 632	268 741	283 667
Employee costs	75 426	85 095	88 621	104 388	103 692	103 692	82 576	106 335	108 993	111 718
Remuneration of councillors	11 578	12 498	12 750	14 499	14 499	14 499	11 457	14 339	14 697	15 065
Depreciation and amortisation	45 220	48 555	52 810	54 038	55 038	55 038	45 071	55 038	55 414	57 824
Interest	2 280	2 412	2 799	1 240	486	486	439	101	103	106
Inventory consumed and bulk purchases	3 697	4 475	4 838	6 627	6 534	6 534	2 900	7 639	7 891	8 153
Transfers and subsidies	499	1 851	2 357	2 075	2 265	2 265	1 835	3 987	4 115	4 248
Other expenditure	91 418	122 017	105 655	114 818	115 313	115 313	84 717	111 315	113 864	117 611
Total Expenditure	230 119	276 902	269 831	297 684	297 826	297 826	228 995	298 753	305 078	314 724
Surplus/(Deficit)	4 180	(12 491)	(6 414)	(35 168)	(35 768)	(35 768)	15 173	(33 120)	(36 337)	(31 058)
Transfers and subsidies - capital (monetary allocations)	43 108	32 385	32 185	38 868	39 401	39 401	27 767	33 242	36 587	37 650
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Capital expenditure & funds sources										
Capital expenditure	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Transfers recognised - capital	-	736	54	33 798	33 931	33 931	27 963	28 906	31 815	32 739
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	17 981	14 522	18 635	29 034	30 261	30 261	14 075	27 475	26 766	27 667
Total sources of capital funds	17 981	15 257	18 689	62 833	64 192	64 192	42 038	56 381	58 581	60 406
Financial position										
Total current assets	219 284	196 183	200 864	160 934	199 692	199 692	276 435	202 867	205 837	215 756
Total non current assets	534 038	569 839	591 431	615 740	600 985	600 985	588 799	602 329	605 497	607 079
Total current liabilities	55 494	45 478	42 761	50 619	47 511	47 511	77 025	50 872	56 125	61 382
Total non current liabilities	20 509	23 347	26 285	23 347	26 285	26 285	13 087	27 320	27 956	28 607
Community wealth/Equity	677 313	697 197	723 249	702 708	726 882	726 882	761 147	727 004	727 253	732 846
Cash flows										
Net cash from (used) operating	171 363	164 544	575 773	56 420	56 655	56 655	(534 584)	56 042	56 620	65 273
Net cash from (used) investing	(86 964)	(64 189)	(78 070)	(72 258)	(73 145)	(73 145)	(373)	(63 339)	(65 819)	(67 868)
Net cash from (used) financing	(183)	(302)	(303)	-	-	-	(313)	-	-	-
Cash/cash equivalents at the year end	264 451	259 309	636 840	70 039	116 839	116 839	(401 941)	109 542	100 343	97 748
Cash backing/surplus reconciliation										
Cash and investments available	159 256	139 440	133 333	70 039	116 839	116 839	171 976	109 542	101 705	100 491
Application of cash and investments	27 892	(4 176)	(379 247)	(50 326)	(47 834)	(47 834)	(436 535)	(55 258)	(64 380)	(74 047)
Balance - surplus (shortfall)	131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539
Asset management										
Asset register summary (WDV)	496 656	513 180	536 560	615 740	600 985	600 985		602 329	605 497	607 079
Depreciation	45 220	48 555	52 810	54 038	55 038	55 038		55 038	55 414	57 824
Renewal and Upgrading of Existing Assets	63 906	58 528	55 513	19 162	18 426	18 426		17 364	26 979	21 521
Repairs and Maintenance	16 355	17 808	13 380	16 185	17 038	17 038		17 366	17 588	18 042
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-		-	-	-
Revenue cost of free services provided	(2 179)	(21 090)	(22 138)	(24 882)	(24 882)	(24 882)		(19 185)	(24 882)	(25 703)
Households below minimum service level										
Water:	-	-	-	13	13	13		13	13	13
Sanitation/sewerage:	-	-	-	1	1	1		1	1	1
Energy:	-	-	-	14	14	14		14	14	14
Refuse:	45	45	45	45	45	45		45	45	45

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 and Subsidies – Capital).

KZN436 Dr Nkosazana Dlamini Zuma - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional										
<i>Government and administration</i>		220 966	252 089	245 418	248 445	246 671	246 671	249 297	254 026	268 747
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		220 966	252 089	245 418	248 445	246 671	246 671	249 297	254 026	268 747
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		13 216	7 001	6 512	6 753	7 378	7 378	7 891	7 912	7 951
Community and social services		4 423	4 169	4 868	4 942	5 467	5 467	5 732	5 682	5 682
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		8 793	2 832	1 644	1 811	1 911	1 911	2 159	2 230	2 269
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		39 028	32 127	33 491	41 325	41 455	41 455	35 526	37 076	38 147
Planning and development		637	225	307	322	452	452	473	489	497
Road transport		38 391	31 901	33 184	41 003	41 003	41 003	35 053	36 587	37 650
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		4 197	5 579	10 181	4 861	5 955	5 955	6 160	6 314	6 472
Energy sources		-	1 200	4 786	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 197	4 379	5 395	4 861	5 955	5 955	6 160	6 314	6 472
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	277 407	296 796	295 602	301 385	301 459	301 459	298 874	305 328	321 317
Expenditure - Functional										
<i>Government and administration</i>		128 415	166 613	160 102	180 396	178 034	178 034	173 297	176 549	182 807
Executive and council		24 179	27 798	28 962	31 746	31 905	31 905	31 386	32 190	33 014
Finance and administration		102 278	136 059	128 413	144 732	142 614	142 614	138 467	140 828	146 174
Internal audit		1 959	2 756	2 727	3 919	3 515	3 515	3 445	3 531	3 619
<i>Community and public safety</i>		29 704	32 083	38 498	43 298	45 202	45 202	50 653	51 711	53 026
Community and social services		15 905	17 415	19 959	22 053	23 026	23 026	25 011	25 428	26 083
Sport and recreation		157	153	173	-	-	-	-	-	-
Public safety		13 217	14 057	15 578	20 237	19 799	19 799	22 030	22 580	23 147
Housing		425	458	2 788	1 009	2 377	2 377	3 613	3 703	3 795
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		49 957	54 955	51 040	57 993	59 265	59 265	56 577	58 113	59 692
Planning and development		13 640	12 331	10 156	24 432	23 725	23 725	24 974	25 695	26 439
Road transport		36 318	42 624	40 884	33 560	35 540	35 540	31 603	32 418	33 253
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		20 085	21 408	18 414	10 902	10 719	10 719	12 819	13 139	13 467
Energy sources		9 839	11 386	8 334	-	-	-	1 635	1 676	1 718
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10 246	10 022	10 079	10 902	10 719	10 719	11 184	11 463	11 750
<i>Other</i>	4	1 958	1 844	1 777	5 095	4 606	4 606	5 407	5 567	5 731
Total Expenditure - Functional	3	230 119	276 902	269 831	297 684	297 826	297 826	298 753	305 078	314 724
Surplus/(Deficit) for the year		47 287	19 893	25 771	3 700	3 633	3 633	122	250	6 592

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	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	5	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		221 042	252 131	245 749	248 386	246 612	246 612	249 236	253 961	268 680
Vote 3 - CORPORATE SERVICES		74	51	126	59	59	59	61	64	67
Vote 4 - COMMUNITY SERVICES		17 429	11 356	10 618	11 614	12 800	12 800	14 052	14 227	14 423
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		38 234	33 032	38 803	41 003	41 536	41 536	35 053	36 587	37 650
Vote 6 - PLANNING AND DEVELOPMNT		627	221	306	322	452	452	473	489	497
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	277 407	296 796	295 602	301 385	301 459	301 459	298 874	305 328	321 317
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		26 137	30 555	31 690	35 665	35 420	35 420	34 830	35 720	36 633
Vote 2 - BUDGET AND TREASURY		72 823	101 762	87 966	94 656	92 738	92 738	88 017	88 456	91 801
Vote 3 - CORPORATE SERVICES		29 454	33 835	40 446	49 575	49 876	49 876	50 400	52 320	54 319
Vote 4 - COMMUNITY SERVICES		29 279	31 624	35 710	42 290	42 825	42 825	47 040	48 008	49 230
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		61 020	69 005	63 661	56 463	59 218	59 218	60 614	62 129	63 683
Vote 6 - PLANNING AND DEVELOPMNT		11 405	10 121	10 358	19 035	17 748	17 748	17 851	18 444	19 059
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	230 119	276 902	269 831	297 684	297 826	297 826	298 753	305 078	314 724
Surplus/(Deficit) for the year	2	47 287	19 893	25 771	3 700	3 633	3 633	122	250	6 592

Table A4 - Budgeted Financial Performance (revenue and expenditure)

Transfers and subsidies – operational grants include the national government equitable share and other operating grants from national and provincial government. The grants receipts from national and provincial government decreased by 1% in 2026/2027.

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

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	4 197	4 379	4 528	4 861	5 422	5 422	4 112	6 160	6 314	6 472
Sale of Goods and Rendering of Services	2	554	855	508	647	737	737	412	765	791	811
Agency services	2	635	609	605	751	751	751	415	769	795	808
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	-	-	-	-	-	-	-	-	-
Interest earned from Current and Non Current Assets	2	14 179	15 970	13 672	16 732	13 732	13 732	9 487	14 424	14 914	15 154
Dividends	2	-	-	-	-	-	-	-	-	-	-
Renton Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	1 306	2 354	1 885	2 153	2 153	2 153	1 197	2 226	2 299	2 373
Licence and permits	2	414	461	691	445	595	595	501	592	612	622
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	4 786	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	238	801	185	825	825	825	525	854	883	912
Non-Exchange Revenue											
Property rates	2	41 074	42 392	44 315	46 096	46 096	46 096	38 645	48 755	50 364	51 976
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	978	745	911	2 602	2 702	2 702	1 646	2 989	3 086	3 172
Licences or permits	2	3	51	-	20	-	-	-	21	21	22
Transfer and subsidies - Operational	2	161 784	177 143	179 345	179 187	179 712	179 712	179 028	178 100	178 354	190 709
Interest	2	6 469	7 674	9 066	8 198	8 198	8 198	7 064	8 477	8 757	9 037
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	2	1 686	407	543	-	1 136	1 136	1 136	1 500	1 550	1 599
Other Gains	2	782	10 570	2 378	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		234 299	264 411	263 417	262 517	262 058	262 058	244 168	265 632	268 741	283 667
Expenditure											
Employee related costs	2	75 426	85 095	88 621	104 388	103 692	103 692	82 576	106 335	108 993	111 718
Remuneration of councillors	2	11 578	12 498	12 750	14 499	14 499	14 499	11 457	14 339	14 697	15 065
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	2,8	3 697	4 475	4 838	6 627	6 534	6 534	2 900	7 639	7 891	8 153
Debt impairment	2,3	-	-	(150)	4 746	3 746	3 746	-	2 516	2 599	2 682
Depreciation and amortisation	2	45 220	48 555	52 810	54 038	55 038	55 038	45 071	55 038	55 414	57 824
Interest	2	2 280	2 412	2 799	1 240	486	486	439	101	103	106
Contracted services	2	54 257	55 524	55 200	59 858	60 515	60 515	47 093	62 064	63 069	65 269
Transfers and subsidies	2	499	1 851	2 357	2 075	2 265	2 265	1 835	3 987	4 115	4 248
Irrecoverable debts written off	2	1 257	24 339	2 566	3 900	1 200	1 200	600	1 034	1 068	1 102
Operational costs	2	35 904	42 154	48 039	46 314	49 851	49 851	37 025	45 066	46 477	47 890
Losses on disposal of Assets	2	-	-	-	-	-	-	-	-	-	-
Other Losses	2	-	-	-	-	-	-	-	635	651	668
Total Expenditure		230 119	276 902	269 831	297 684	297 826	297 826	228 995	298 753	305 078	314 724
Surplus/(Deficit)		4 180	(12 491)	(6 414)	(35 168)	(35 768)	(35 768)	15 173	(33 120)	(36 337)	(31 058)
Transfers and subsidies - capital (monetary allocations)	6	43 108	32 385	32 185	38 868	39 401	39 401	27 767	33 242	36 587	37 650
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	47 287	19 893	25 771	3 700	3 633	3 633	42 940	122	250	6 592

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	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure - Vote	1										
Multi-year expenditure - to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	14	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	100	250	250	-	50	51	53
Vote 3 - CORPORATE SERVICES		-	-	-	120	120	120	-	1 500	1 567	1 638
Vote 4 - COMMUNITY SERVICES		-	662	2 406	3 360	1 780	1 780	44	1 190	764	788
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		-	-	166	41 151	42 469	42 469	33 163	40 456	43 561	44 873
Vote 6 - PLANNING AND DEVELOPMNT		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total		-	675	2 571	44 731	44 619	44 619	33 207	43 195	45 943	47 351
Single-year expenditure - to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		1 876	122	114	231	322	322	149	185	190	194
Vote 2 - BUDGET AND TREASURY		67 286	58 928	57 411	1 721	2 755	2 755	1 516	1 150	359	368
Vote 3 - CORPORATE SERVICES		1 662	1 741	2 261	2 562	2 321	2 321	2 100	355	371	388
Vote 4 - COMMUNITY SERVICES		1 441	7 454	6 205	6 798	7 028	7 028	1 490	3 226	3 163	3 252
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		8 397	3 943	4 900	6 384	7 041	7 041	3 800	8 040	8 316	8 601
Vote 6 - PLANNING AND DEVELOPMNT		1 225	923	634	405	505	505	175	230	240	251
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		81 887	73 111	71 525	18 102	19 973	19 973	9 231	13 186	12 638	13 054
Total Capital Expenditure - Vote	3.7	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Capital Expenditure - Functional											
Governance and administration		70 824	60 805	60 586	4 734	5 768	5 768	3 766	3 240	2 538	2 640
Executive and council		1 876	136	114	231	322	322	149	185	190	194
Finance and administration		68 948	60 669	60 471	4 503	5 446	5 446	3 617	3 055	2 348	2 446
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		1 441	8 115	8 623	10 495	9 024	9 024	1 750	4 566	4 080	4 198
Community and social services		1 098	1 313	5 876	4 717	3 396	3 396	657	3 121	2 743	2 817
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		342	6 802	2 747	5 778	5 628	5 628	1 093	1 445	1 337	1 381
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		9 622	4 865	4 792	42 403	43 772	43 772	33 853	43 885	39 691	34 556
Planning and development		1 751	1 609	1 167	34 363	34 787	34 787	27 935	21 309	31 695	26 266
Road transport		7 871	3 256	3 625	8 040	8 985	8 985	5 918	22 575	7 995	8 290
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	96	900	1 561	1 561	882	3 909	11 470	18 190
Energy sources		-	-	-	-	133	133	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	800	644	644	198	1 200	1 230	1 261
Waste management		-	-	96	100	784	784	684	2 709	10 240	16 929
Other		-	-	-	4 300	4 467	4 467	2 187	782	802	822
Total Capital Expenditure - Functional	3.7	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406
Funded by:											
National Government		-	-	54	33 798	33 798	33 798	27 963	28 906	31 815	32 739
Provincial Government		-	736	-	-	133	133	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/Prov Departm		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	736	54	33 798	33 931	33 931	27 963	28 906	31 815	32 739
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		17 981	14 522	18 635	29 034	30 261	30 261	14 075	27 475	26 766	27 667
Total Capital Funding	7	17 981	15 257	18 689	62 833	64 192	64 192	42 038	56 381	58 581	60 406

Table A6 - Budgeted Financial Position

Table A6 below gives an indication of the municipality’s financial status consistent with good international 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	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand											
ASSETS											
Current assets											
Cash and cash equivalents	1	159 256	139 440	133 333	70 039	116 839	116 839	192 880	109 542	101 705	100 491
Short term Investments	2	-	-	-	-	-	-	-	-	-	-
Trade and other receivables from exchange transactions	3	(3 224)	3 351	4 191	5 281	6 475	6 475	7 143	8 382	10 341	12 353
Receivables from non-exchange transactions	3	50 507	50 097	57 887	78 941	70 926	70 926	72 120	79 490	88 338	97 459
Current portion of non-current receivables	4	-	-	-	-	-	-	-	-	-	-
Inventory	5	-	-	-	586	-	-	-	-	-	-
VAT	6	12 107	2 563	4 700	5 354	4 700	4 700	3 539	4 700	4 700	4 700
Other current assets	7	638	732	753	732	753	753	753	753	753	753
Total current assets		219 284	196 183	200 864	160 934	199 692	199 692	276 435	202 867	205 837	215 756
Non current assets											
Investments	8	-	-	-	-	-	-	-	-	-	-
Investment property	9	19 732	30 302	30 780	30 302	30 780	30 780	30 780	30 780	30 780	30 780
Property, plant and equipment	10	513 888	538 682	559 906	584 478	568 971	568 971	557 344	569 977	572 767	573 930
Biological assets	11	-	-	-	-	-	-	-	-	-	-
Living and non-living resources	12	-	-	-	-	-	-	-	-	-	-
Heritage assets	13	-	-	-	-	-	-	-	-	-	-
Intangible assets	14	418	855	746	961	1 235	1 235	675	1 573	1 950	2 369
Trade and other receivables from exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions	15	-	-	-	-	-	-	-	-	-	-
Other non-current assets	16	-	-	-	-	-	-	-	-	-	-
Total non current assets		534 038	569 839	591 431	615 740	600 985	600 985	588 799	602 329	605 497	607 079
TOTAL ASSETS		753 322	766 022	792 295	776 674	800 678	800 678	865 233	805 196	811 334	822 834
LIABILITIES											
Current liabilities											
Bank overdraft	17	-	-	-	-	-	-	-	-	-	-
Financial liabilities	18	233	264	120	264	120	120	1 012	120	120	120
Consumer deposits	19	(9)	(8)	(9)	-	(9)	(9)	(1)	(9)	(9)	(9)
Trade and other payables from exchange transactions	20	42 569	40 820	39 662	40 036	38 852	38 852	50 893	41 187	43 598	45 958
Trade and other payables from non-exchange transactions	21	6 355	(0)	533	157	(0)	(0)	12 318	-	-	-
Provision	22	8 334	8 539	9 569	10 663	11 605	11 605	10 611	11 205	11 221	11 237
VAT	23	(2 725)	(4 672)	(7 584)	(1 879)	(5 251)	(5 251)	2 192	(5 251)	(3 889)	(2 508)
Other current liabilities	24	737	536	469	1 378	2 193	2 193	-	3 620	5 083	6 583
Total current liabilities		55 494	45 478	42 761	50 619	47 511	47 511	77 025	50 872	56 125	61 382
Non current liabilities											
Financial liabilities	25	385	120	0	120	-	-	0	-	-	-
Provision	26	9 878	11 367	12 225	11 367	12 225	12 225	13 087	13 260	13 895	14 547
Long term portion of trade payables	27	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities	28	10 246	11 859	14 060	11 859	14 060	14 060	-	14 060	14 060	14 060
Total non current liabilities		20 509	23 347	26 285	23 347	26 285	26 285	13 087	27 320	27 956	28 607
TOTAL LIABILITIES		76 003	68 825	69 046	73 966	73 796	73 796	90 113	78 192	84 080	89 989
NET ASSETS		677 319	697 197	723 249	702 708	726 882	726 882	775 121	727 004	727 253	732 846
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	670 482	690 969	718 567	695 877	722 200	722 200	756 466	722 322	722 571	728 164
Reserves and funds	30	6 831	6 228	4 682	6 831	4 682	4 682	4 682	4 682	4 682	4 682
Other	31	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	10	677 313	697 197	723 249	702 708	726 882	726 882	761 147	727 004	727 253	732 846

Table A7 Budgeted Cash Flows

Table A7 below 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.

KZN436 Dr Nkosazana Dlamini Zuma - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		29 894	48 030	384 160	35 494	37 798	37 798	(274 684)	39 004	40 291	41 581
Service charges		2 362	2 384	2 539	4 304	4 752	4 752	(2 536)	5 668	5 809	5 954
Other revenue		2 366	2 110	1 712	30 535	31 399	31 399	(1 636)	29 912	30 855	31 816
Transfers and Subsidies - Operational	1	170 868	185 540	248 127	179 187	179 712	179 712	(116 827)	178 100	178 354	190 709
Transfers and Subsidies - Capital	1	22 918	5 500	18 440	38 868	38 868	38 868	(28 000)	33 242	36 587	37 650
Interest		-	-	-	16 732	13 732	13 732	(233)	22 329	23 080	23 581
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(57 045)	(79 021)	(79 206)	(245 385)	(244 705)	(244 705)	(110 667)	(248 125)	(254 138)	(261 664)
Interest		-	-	-	(1 240)	(2 826)	(2 826)	-	(101)	(103)	(106)
Transfers and Subsidies	1	-	-	-	(2 075)	(2 075)	(2 075)	-	(3 987)	(4 115)	(4 248)
NET CASH FROM/(USED) OPERATING ACTIVITIES		171 363	164 544	575 773	56 420	56 655	56 655	(534 584)	56 042	56 620	65 273
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(4 293)	-	-	-	1 136	1 136	-	1 500	1 550	1 599
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Insurance Refund - Capital		-	-	-	-	-	-	-	-	-	-
Interest on Short Term Investment (Greater		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(82 672)	(64 189)	(78 070)	(72 258)	(74 280)	(74 280)	(373)	(64 839)	(67 368)	(69 467)
Retention (Capital)		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(86 964)	(64 189)	(78 070)	(72 258)	(73 145)	(73 145)	(373)	(63 339)	(65 819)	(67 868)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(9)	(4)	(6)	-	-	-	(2)	-	-	-
Payments											
Repayment of borrowing		(174)	(298)	(297)	-	-	-	(311)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(183)	(302)	(303)	-	-	-	(313)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		84 216	100 053	497 400	(15 838)	(16 489)	(16 489)	(535 269)	(7 297)	(9 199)	(2 595)
Cash/cash equivalents at the year begin:	2	180 235	159 256	139 440	85 877	133 328	133 328	133 328	116 839	109 542	100 343
Cash/cash equivalents at the year	2	264 451	259 309	636 840	70 039	116 839	116 839	(401 941)	109 542	100 343	97 748

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN436 Dr Nkosazana Dlamini Zuma - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	273 219	259 611	637 143	70 039	116 839	116 839	582 993	109 542	101 705	100 491
Other current investments > 90 days		(113 963)	(120 170)	(503 810)	-	-	-	(411 017)	-	-	-
Non current Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		159 256	139 440	133 333	70 039	116 839	116 839	171 976	109 542	101 705	100 491
Application of cash and investments											
Trade payables from Non-exchange transactions: Unspent conc		6 355	(0)	533	-	(0)	(0)	12 318	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	(2 894)	(4 480)	(7 625)	(4 077)	(4 974)	(4 974)	(4 073)	(4 725)	(3 088)	(1 443)
Other working capital requirements	3	8 529	(14 999)	(386 875)	(65 120)	(61 340)	(61 340)	(460 867)	(66 420)	(77 194)	(88 523)
Other provisions		9 071	9 075	10 038	12 041	13 798	13 798	11 406	11 205	11 221	11 237
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	6 831	6 228	4 682	6 831	4 682	4 682	4 682	4 682	4 682	4 682
Total Application of cash and investments:		27 892	(4 176)	(379 247)	(50 326)	(47 834)	(47 834)	(436 535)	(55 258)	(64 380)	(74 047)
Surplus(shortfall) - Excluding Non-Current Creditors Trf to		131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - Including Non-Current Creditors Trf to		131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539

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	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year	Budget Year
CAPITAL EXPENDITURE										
Total New Assets	1	17 981	15 257	18 583	43 670	46 165	46 165	39 017	31 602	38 884
Roads Infrastructure		-	-	-	7 640	6 852	6 852	20 700	5 792	5 938
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	100	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	284	284	2 609	10 138	16 824
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	7 640	7 136	7 136	23 408	15 930	22 763
Community Facilities		-	-	38	21 418	21 896	21 896	4 143	4 222	4 328
Sport and Recreation Facilities		-	-	-	22	149	149	3 120	3 198	3 278
Community Assets		-	-	38	21 441	22 045	22 045	7 263	7 421	7 606
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	2 371	1 907	1 200	1 200	1 080	1 111	1 143
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	2 371	1 907	1 200	1 200	1 080	1 111	1 143
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Intangible Assets		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Computer Equipment		473	1 380	1 806	1 332	1 412	1 412	850	878	907
Furniture and Office Equipment		1 537	3 455	1 430	2 642	2 092	2 092	1 131	984	1 018
Machinery and Equipment		4 902	832	1 045	2 818	3 334	3 334	1 840	1 719	1 770
Transport Assets		10 625	8 331	10 266	4 785	7 843	7 843	2 000	2 050	2 101
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Total Renewal of Existing Assets	2	-	-	-	2 800	2 446	2 446	3 820	3 898	4 167
Roads Infrastructure		-	-	-	2 800	2 446	2 446	3 720	3 887	4 062
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	2 800	2 446	2 446	3 720	3 887	4 062
Community Facilities		-	-	-	-	-	-	100	11	105
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	100	11	105
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	63 906	58 528	55 513	16 362	15 980	15 980	13 544	23 081	17 354
Roads Infrastructure		-	-	(12)	9 193	9 441	9 441	9 052	22 599	16 860
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	(12)	9 193	9 441	9 441	9 052	22 599	16 860
Community Facilities		-	-	-	700	630	630	820	379	389
Sport and Recreation Facilities		63 906	58 528	55 525	5 217	5 217	5 217	3 073	-	-
Community Assets		63 906	58 528	55 525	5 917	5 847	5 847	3 893	379	389
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	200	-	-	500	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	200	-	-	500	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	492	492	492	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	560	200	200	100	103	105
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	81 887	73 786	74 096	62 833	64 592	64 592	56 381	58 581	60 406
Roads Infrastructure		-	-	(12)	19 633	18 739	18 739	33 471	32 279	26 861
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	100	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	284	284	2 609	10 138	16 824
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-

Infrastructure		-	-	(12)	19 633	19 023	19 023	36 180	42 417	43 685
Community Facilities		-	-	38	22 118	22 526	22 526	5 063	4 612	4 822
Sport and Recreation Facilities		63 906	58 528	55 525	5 240	5 366	5 366	6 193	3 198	3 278
Community Assets		63 906	58 528	55 564	27 358	27 892	27 892	11 256	7 810	8 100
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	2 371	2 107	1 200	1 200	1 580	1 111	1 143
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	2 371	2 107	1 200	1 200	1 580	1 111	1 143
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Intangible Assets		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Computer Equipment		473	1 380	1 806	1 332	1 412	1 412	850	878	907
Furniture and Office Equipment		1 537	3 455	1 430	3 134	2 584	2 584	1 131	984	1 018
Machinery and Equipment		4 902	832	1 045	2 818	3 334	3 334	1 840	1 719	1 770
Transport Assets		10 625	8 331	10 266	5 345	8 043	8 043	2 100	2 153	2 206
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		81 887	73 786	74 096	62 833	64 592	64 592	56 381	58 581	60 406
ASSET REGISTER SUMMARY - PPE (WDV)	5	496 656	513 180	536 560	615 740	600 985	600 985	602 329	605 497	607 079
<i>Roads Infrastructure</i>		158 134	171 495	169 481	165 115	159 939	159 939	156 965	138 821	119 492
<i>Storm water Infrastructure</i>		-	-	-	1 420	644	644	1 844	3 074	4 335
<i>Electrical Infrastructure</i>		-	-	-	2 561	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	100	100	100
<i>Solid Waste Infrastructure</i>		382	382	382	382	666	666	3 274	13 412	30 237
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		158 516	171 877	169 862	169 478	161 249	161 249	162 183	155 407	154 163
Community Assets		220 762	240 112	263 398	272 841	276 199	276 199	280 333	297 320	307 510
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		19 732	30 302	30 780	30 302	30 780	30 780	30 780	30 780	30 780
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		52 126	20 151	17 674	83 057	75 276	75 276	77 546	76 856	76 156
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		418	855	746	961	1 235	1 235	1 573	1 950	2 369
Computer Equipment		2 269	2 804	3 951	4 029	4 288	4 288	3 827	3 362	2 892
Furniture and Office Equipment		3 797	5 763	5 392	7 827	5 751	5 751	5 113	4 435	3 746
Machinery and Equipment		9 734	9 535	8 733	11 954	8 737	8 737	7 897	6 813	5 505
Transport Assets		29 302	31 783	36 024	35 292	37 472	37 472	33 078	28 573	23 956
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	496 656	513 180	536 560	615 740	600 985	600 985	602 329	605 497	607 079
EXPENDITURE OTHER ITEMS										
Depreciation	7	45 220	48 555	52 810	54 038	55 038	55 038	55 038	55 414	57 824
Repairs and Maintenance by Asset Class	3	16 355	17 808	13 380	16 185	17 038	17 038	17 366	17 588	18 042
<i>Roads Infrastructure</i>		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
<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>		-	-	-	-	-	-	-	-	-
Infrastructure		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Community Facilities		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Housing		-	-	-	-	-	-	-	-	-
Other Assets		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		25	11	16	66	66	66	280	287	294
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		156	188	213	644	474	474	1 106	899	913
Transport Assets		4 014	3 674	4 500	2 425	4 125	4 125	2 650	2 736	2 826
Libraries		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		61 575	66 363	66 190	70 223	72 076	72 076	72 404	73 002	75 866

Table A10 - Basic Service Delivery Measurement

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

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Household service targets	1									
Water:										
Piped water inside dwelling		2 852	2 852	2 852	6 698	6 698	6 698	6 698	6 698	6 698
Piped water inside yard (but not in dwelling)		26 767	26 767	26 767	6 089	6 089	6 089	6 089	6 089	6 089
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	12 787	12 787	12 787	12 787	12 787	12 787
Using public tap (< min.service level)	3	-	-	-	4 606	4 606	4 606	4 606	4 606	4 606
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	8 133	8 133	8 133	8 133	8 133	8 133
<i>Below Minimum Service Level sub-total</i>		-	-	-	12 739	12 739	12 739	12 739	12 739	12 739
Total number of households	5	29 619	29 619	29 619	25 526	25 526	25 526	25 526	25 526	25 526
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	8 048	8 048	8 048	8 048	8 048	8 048
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	2 411	2 411	2 411	2 411	2 411	2 411
Pit toilet (ventilated)		-	-	-	13 913	13 913	13 913	13 913	13 913	13 913
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	24 372	24 372	24 372	24 372	24 372	24 372
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	141	141	141	141	141	141
No toilet provisions		-	-	-	800	800	800	800	800	800
<i>Below Minimum Service Level sub-total</i>		-	-	-	941	941	941	941	941	941
Total number of households	5	-	-	-	25 313	25 313	25 313	25 313	25 313	25 313
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	37 246	37 246	37 246	37 246	37 246	37 246
<i>Minimum Service Level and Above sub-total</i>		-	-	-	37 246	37 246	37 246	37 246	37 246	37 246
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	13 806	13 806	13 806	13 806	13 806	13 806
<i>Below Minimum Service Level sub-total</i>		-	-	-	13 806	13 806	13 806	13 806	13 806	13 806
Total number of households	5	-	-	-	51 052	51 052	51 052	51 052	51 052	51 052
Refuse:										
Removed at least once a week		-	-	-	5 886	5 886	5 886	5 886	5 886	5 886
<i>Minimum Service Level and Above sub-total</i>		-	-	-	5 886	5 886	5 886	5 886	5 886	5 886
Removed less frequently than once a week		2 365	2 365	2 365	2 365	2 365	2 365	2 365	2 365	2 365
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	45 055	45 055	45 055	45 055
Total number of households	5	45 055	45 055	45 055	50 941	50 941	50 941	50 941	50 941	50 941
Households receiving Free Basic Service	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	202 374	211 683	221 421
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Informal Settlements		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)	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)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)										
Total cost of FBS provided										
Highest level of free service provided per household										
Property rates (R value threshold)		-	-	-	-	-	-	15 000	15 000	15 000
Water (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (average litres per week)		-	-	-	-	-	-	2 033	2 121	2 218
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of		(833)	(18 688)	(19 735)	(24 882)	(24 882)	(24 882)	(16 783)	(24 882)	(25 703)
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	6	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided		(833)	(18 688)	(19 735)	(24 882)	(24 882)	(24 882)	(16 783)	(24 882)	(25 703)

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 August 2025. Key dates applicable to the process were:

- a) October and November 2025 –The municipality hosted IDP roadshows as part of the public consultations as a process of the IDP review.
- b.) December – Departmental strategic planning – Final budget preparation
- b.) January 2026- Council considers the 2025/26 Mid-Year Budget and Performance Assessment;
- c.) February 2026 - Council considers the 2025/26 Adjustments Budget;
- d.) March 2026 – 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 2026/27 MTREF;
- e.) March 2025 - Recommendations of the extended management committee are communicated to the Budget Steering Committee, and on to the respective departments and the final 2026/27 MTREF is revised accordingly.
- f) 31 March 2026 - Tabling in Council the Final 2026/27 IDP and Final Budget for public consultation;
- g) April to May 2026 – Public consultation through IDP road shows will take place
- h.) May 2026 – Organizational strategic planning to consider views or comments received from Provincial Treasury, public, other stakeholders and update the final budget.
- h.) May 2026 – finalization of the 2025/26 IDP and final 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) 30 May 2026 - Tabling of the 2026/27 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 2026/27 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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
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		-	5	-	-	-	-	-	-	-
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026		221 042	252 131	245 749	248 386	246 612	246 612	249 236	253 961	268 680
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2026.		74	51	126	59	59	59	61	64	67
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		17 429	11 356	10 618	11 614	12 800	12 800	14 052	14 227	14 423
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026		38 234	33 032	38 803	41 003	41 536	41 536	35 053	36 587	37 650
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026		627	221	306	322	452	452	473	489	497
Allocations to other priorities		2									
Total Revenue (excluding capital transfers and contributions)		1	277 407	296 796	295 802	301 385	301 459	301 459	298 874	305 328	321 317

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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
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		26 137	30 555	31 690	35 665	35 420	35 420	34 830	35 720	36 633
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026		72 823	101 762	87 966	94 656	92 738	92 738	88 017	88 456	91 801
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2026.		29 454	33 835	40 446	49 575	49 876	49 876	50 400	52 320	54 319
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		29 279	31 624	35 710	42 290	42 825	42 825	47 040	48 008	49 230
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026		61 020	69 005	63 661	56 463	59 218	59 218	60 614	62 129	63 683
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026		11 405	10 121	10 358	19 035	17 748	17 748	17 851	18 444	19 059
Allocations to other priorities											
Total Expenditure		1	230 119	276 902	269 831	297 684	297 826	297 826	298 753	305 078	314 724

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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
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	A	136	114	231	322	322	149	185	190	194
2. Sound Financial and Supply Chain Management	2.1 To manage financial resources effectively and efficiently for improved service delivery by June 2026	B	58 928	57 411	1 821	3 005	3 005	1 516	1 200	410	420
3. Municipal Institutional Development and Transformation	3.1 To review existing HR policies to improve effectiveness and efficiency in service delivery by June 2026.	C	1 741	2 261	2 682	2 441	2 441	2 100	1 855	1 938	2 025
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	D	8 115	8 611	10 158	8 808	8 808	1 534	4 416	3 926	4 040
5. Delivering Basic Services and Infrastructure	5.1. To improve access to roads infrastructure by 30 June 2026	E	3 943	5 065	47 535	49 510	49 510	36 963	48 496	51 877	53 474
6. Spatial Development	6.1. To improve and optimise land usage by 30 June 2026	F	923	634	405	505	505	175	230	240	251
Allocations to other priorities		3									
Total Capital Expenditure		1	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406

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

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

Other Budget Related Policies consist of the following: -

- Asset Management and Disposal Policy
- Credit control and debt collection
- Budget Process Policy
- Indigent Policy
- Cash, Banking and Investment Policy
- Supply Chain Management Policy
- SCM Infrastructure Policy
- Contract Management Policy
- Fleet management policy
- Funding compliance policy
- Revenue enhancement strategy policy
- Expenditure Management 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
- Loss Control 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.
- Supporting viable Small and Micro businesses
- Cutting cost from the operating expenditure

General inflation outlook and its impact on the municipal activities

There are six key factors that have been taken into consideration in the compilation of the 2026/2027 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 were increased by 4%, which is below CPI.
- Decrease in grants allocation

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

Table SA10 Funding Measurement

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

KZN436 Dr Nkosazana Dlamini Zuma Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	264 451	259 309	636 840	70 039	116 839	116 839	(401 941)	109 542	100 343	97 748
Cash + investments at the yr end less applications - R'000	18(1)b	2	131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539
Cash year end/monthly employee/supplier payments	18(1)b	3	9,9	8,9	21,3	2,2	3,6	3,6	(14,4)	3,4	3,1	2,9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	49 399	45 424	29 623	4 700	4 633	4 633	43 339	122	250	6 592
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	1008,4%	(1,6%)	(1,7%)	(4,9%)	(6,0%)	(23,0%)	0,6%	(2,8%)	(2,9%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	72,0%	104,4%	687,1%	125,0%	129,4%	129,4%	(602,8%)	122,5%	122,4%	122,5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0,0%	0,0%	(0,3%)	9,3%	7,3%	7,3%	0,0%	4,6%	4,6%	4,6%
Capital payments % of capital expenditure	18(1);19	8	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 (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								55,9%	56,3%	56,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	343,0%	16,5%	34,5%	(7,7%)	0,0%	2,4%	11,9%	12,3%	11,3%
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	3,3%	3,5%	2,5%	2,6%	2,8%	2,8%	2,9%	2,9%	3,0%	0,0%
Asset renewal % of capital budget	20(1)(vi)	14	0,0%	0,0%	0,0%	4,5%	3,8%	3,8%	0,0%	6,8%	6,7%	6,9%

Dr Nkosazana Dlamini Zuma Municipality Final Budget

2026/27

Supporting indicators												
% inc total service charges (incl prop rates)	18(1)a	0.0%	1014.4%	4.4%	4.3%	1.1%	0.0%	(17.0%)	6.6%	3.2%	3.1%	
% inc Property Tax	18(1)a	0.0%	0.0%	4.5%	4.0%	0.0%	0.0%	(16.2%)	5.8%	3.3%	3.2%	
% inc Service charges - Electricity	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% inc Service charges - Water	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% inc 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%	0.0%	
% inc Service charges - Waste Management	18(1)a	0.0%	4.3%	3.4%	7.4%	11.5%	0.0%	(24.1%)	13.6%	2.5%	2.5%	
% inc 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%	0.0%	
Total billable revenue	18(1)a	4 197	46 771	48 843	50 957	51 517	51 517	42 760	54 916	56 679	58 448	
Service charges		4 197	46 771	48 843	50 957	51 517	51 517	42 760	54 916	56 679	58 448	
Property rates		-	42 392	44 315	46 096	46 096	46 096	38 648	48 755	50 364	51 976	
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	
Service charges - refuse removal		4 197	4 379	4 528	4 861	5 422	5 422	4 112	6 160	6 314	6 472	
Service charges - other		-	-	-	-	-	-	-	-	-	-	
Interest		635	609	605	751	751	751	415	769	795	808	
Capital expenditure excluding capital grant funding		81 887	73 050	74 042	29 034	30 661	30 661	14 475	27 475	26 766	27 667	
Cash receipts from ratepayers	18(1)a	34 622	52 524	388 411	70 333	73 949	73 949	(278 856)	74 584	76 956	79 351	
Ratepayer & Other revenue	18(1)a	48 093	50 292	56 529	56 247	57 128	57 128	46 258	60 906	62 867	64 795	
Change in consumer debtors (current and non-current)		N/A	42 051	8 953	21 822	(6 567)	-	1 862	7 489	10 807	11 132	
Operating and Capital Grant Revenue	18(1)a	204 892	209 528	211 530	218 055	219 113	219 113	206 795	211 342	214 941	228 359	
Capital expenditure - total	20(1)(v)	81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406	
Capital expenditure - renewal	20(1)(v)	-	-	-	2 800	2 446	2 446	-	3 820	3 898	4 167	
Supporting benchmarks												
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									172 378	172 682	185 037	
Provincial operating grants									172 378	172 682	185 037	
Provincial capital grants									-	-	-	
District Municipality grants									33 242	36 587	37 650	
Total gazetted/advised national, provincial and district grants									377 998	381 951	407 724	
Average annual collection rate (arrears inclusive)												
DoRA operating												
Operational Revenue: General Revenue: Equitable Share									166 587	165 256	177 275	
Operational Revenue: General Revenue: Fuel Levy									-	-	-	
Expanded Public Works Programme Integrated Grant for Municipalities (Schedule 5B)									1 811	-	-	
Khayelitsha Urban Renewal									-	-	-	
Local Government Financial Management Grant (Schedule 5B)									2 100	2 200	2 300	
Integrated National Electrification Programme Grant									1 880	5 226	5 462	
									172 378	172 682	185 037	
Provincial operating grants												
Libraries, Archives and Museums									5 722	5 672	5 672	
									172 378	172 682	185 037	
									-	-	-	
									-	-	-	
DoRA Capital grants												
Integrated National Electrification Programme (Municipal Grant) (Schedule 5B)									-	-	-	
Municipal Infrastructure Grant (Schedule 5B)									33 242	36 587	37 650	
									33 242	36 587	37 650	
Trend												
Change in consumer debtors (current and non-current)		N/A	42 051	8 953	21 822	(6 567)	-	1 862	7 489	10 807	11 132	
Total Operating Revenue												
Total Operating Revenue		234 299	264 411	263 417	262 517	262 058	262 058	244 171	265 632	268 741	283 667	
Total Operating Expenditure		228 008	251 372	265 979	296 684	296 826	296 826	228 599	298 753	305 078	314 724	
Operating Performance Surplus/(Deficit)		6 291	13 039	(2 562)	(34 168)	(34 768)	(34 768)	15 572	(33 120)	(36 337)	(31 058)	
Cash and Cash Equivalents (30 June 2012)												
Revenue												
% Increase in Total Operating Revenue			12.9%	(0.4%)	(0.3%)	(0.2%)	0.0%	(6.8%)	1.4%	1.2%	5.6%	
% Increase in Property Rates Revenue			0.0%	4.5%	4.0%	0.0%	0.0%	(16.2%)	26.2%	3.3%	3.2%	
% 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			1014.4%	4.4%	4.3%	1.1%	0.0%	(17.0%)	6.6%	3.2%	3.1%	
Expenditure												
% Increase in Total Operating Expenditure			10.2%	5.8%	11.5%	0.0%	0.0%	(23.0%)	0.6%	2.1%	3.2%	
% Increase in Employee Costs			12.5%	4.1%	18.4%	(0.7%)	0.0%	(20.0%)	3.5%	2.5%	2.5%	
% 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	158010,0829	310801,8384	256545,9777	201751,5697	360321,2246	198023,8996	201773,6072	366979,9529	1175977,674	
Average Cost Per Councillor (Remuneration)		0	0	439666,3086	0	499956,7586	499956,7586	0	494438,6897	506799,5862	0	
R&M % of PPE		3.3%	3.5%	2.9%	2.8%	2.8%	2.8%	2.9%	2.9%	2.9%	3.0%	
Asset Renewal and R&M as a % of PPE		16.2%	14.9%	12.9%	5.7%	5.9%	5.9%	5.8%	5.8%	7.4%	6.5%	
Debt Impairment % of Total Billable Revenue		0.0%	0.0%	(0.3%)	9.3%	7.3%	7.3%	0.0%	4.6%	4.6%	4.6%	
Capital Revenue												
Internally Funded & Other (R'000)		17 981	14 522	18 635	29 034	30 261	30 261	14 075	27 475	26 766	27 667	
Borrowing (R'000)		-	-	-	33 798	33 931	33 931	27 963	28 906	31 815	32 739	
Grant Funding and Other (R'000)		-	736	54	-	-	-	-	-	-	-	
Internally Generated funds % of Non Grant Funding		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Borrowing % of Non Grant Funding		0.0%	5.1%	0.3%	116.4%	112.1%	112.1%	198.7%	105.2%	118.9%	118.3%	
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%	
Capital Expenditure												
Total Capital Programme (R'000)		81 887	73 786	74 096	62 833	64 592	64 592	42 438	56 381	58 581	60 406	
Asset Renewal		63 906	58 528	55 513	19 162	18 426	18 426	-	17 364	26 979	21 521	
Asset Renewal % of Total Capital Expenditure		355.4%	383.6%	297.0%	30.5%	28.7%	28.7%	0.0%	30.8%	46.1%	35.6%	
Cash												
Cash Receipts % of Rate Payer & Other		72.0%	104.4%	687.1%	125.0%	129.4%	129.4%	(602.8%)	122.5%	122.4%	122.5%	
Cash Coverage Ratio		0	0	0	0	0	0	(0)	0	0	0	
Borrowing												
Credit Rating (2009/10)									0			
Capital Charges to Operating		1.1%	1.1%	1.2%	0.4%	0.2%	0.2%	0.3%	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%	
Reserves												
Surplus/(Deficit)		131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539	
Free Services												
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)		(1.1%)	(21.4%)	(23.5%)	(29.9%)	(30.2%)	(30.2%)	(25.8%)	(28.4%)	(28.4%)	0.0%	
Total Operating Revenue		234 299	264 411	263 417	262 517	262 058	262 058	244 171	265 632	268 741	283 667	
Total Operating Expenditure		228 008	251 372	265 979	296 684	296 826	296 826	228 599	298 753	305 078	314 724	
Surplus/(Deficit) Budgeted Operating Statement		6 291	13 039	(2 562)	(34 168)	(34 768)	(34 768)	15 572	(33 120)	(36 337)	(31 058)	
Surplus/(Deficit) Considering Reserves and Cash Backing		131 364	143 617	512 580	120 365	164 673	164 673	608 511	164 800	166 085	174 539	
MTREF Funded (1) / Unfunded (0)	15	1	1	1	1	1	1	1	1	1	1	
MTREF Funded ✓ / Unfunded ✗	15	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

SA16 – Details of Investment

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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														
FNB 32 DAY FLEXI NOTICE - 74166005518		12 Months	320Day Flexi Notice		Variable Interest Rate		No	No	30/06/2027	1 145 052,10	69 489,03			1 214 541,13
FNB BANK INVESTMENT - 62008452071		12 Months	Money On Call		Variable Interest Rate	5.15%	No	No	30/06/2027	6 685 721,93	1 097 004,25	-189 500 000,00	205 000 000,00	23 292 726,18
FNB CALL ACCOUNT - 63089927886		12 Months	Call Account		Variable Interest Rate	6.00%	No	No	30/06/2027	4 988 244,97	242 789,57	-3 792 630,00	3 000 000,00	4 438 404,54
FNB CALL ACCOUNT - 76206036280		12 Months	48 Hour Cash Accelerator		Variable Interest Rate	6.55%	No	No	30/06/2027	6 975 167,69	407 490,79	-5 000 000,00	20 000 000,00	22 382 648,48
NEDBANK NOTICE DEPOSIT - 037881098635000052		12 Months	Notice Deposit		Variable Interest Rate	6.50%	No	No	30/06/2027	3 141 824,93	161 506,05			3 303 330,98
NEDBANK NOTICE DEPOSIT - 037881098635000058		12 Months	Notice Deposit		Variable Interest Rate	7.30%	No	No	30/06/2027	24 301 748,98	1 403 991,22			25 705 740,20
STANDARD BANK - 478735995-036			Fixed Deposit		Fixed Interest Rate	7.45%	No	No	30/06/2027				30 000 000,00	30 000 000,00
ABSA BUSINESS BANK - 93-7405-3205		12 Months	Notice Deposit		Variable Interest Rate		No	No	30/06/2027	2 413 155,65			20 000 000,00	22 413 155,65
ABSA BUSINESS BANK - 20-8228-8701		12 Months	Fixed Deposit		Fixed Interest Rate	5.98%	No	No	30/06/2027		1 134 247,86		30 591 577,66	31 725 825,52
Municipality sub-total										49 660 916,25		-198 292 630,00	308 591 577,66	164 476 372,60
TOTAL INVESTMENTS AND INTEREST	1									49 660 916,25		-198 292 630,00	308 591 577,66	164 476 372,60

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 2026/27 financial year.

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		165 344	174 575	181 376	174 254	174 254	174 254	172 378	172 682	185 037
Operational Revenue:General Revenue:Equitable Share		152 466	162 271	170 740	170 119	170 119	170 119	166 587	165 256	177 275
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 476	2 112	3 232	2 135	2 135	2 135	1 811	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 950	1 900	2 000	2 000	2 000	2 100	2 200	2 300
Integrated National Electrification Programme Grant		8 452	8 242	5 504	-	-	-	1 880	5 226	5 462
Provincial Government:		5 423	6 169	4 870	4 933	5 458	5 458	5 722	5 672	5 672
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		5 423	6 169	4 870	4 933	5 458	5 458	5 722	5 672	5 672
Total Operating Transfers and Grants	5	170 767	180 744	186 246	179 187	179 712	179 712	178 100	178 354	190 709
Capital Transfers and Grants										
National Government:		30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
Total Capital Transfers and Grants	5	30 558	24 154	31 318	38 868	38 868	38 868	33 242	36 587	37 650
TOTAL RECEIPTS OF TRANSFERS & GRANTS		201 325	204 898	217 564	218 055	218 580	218 580	211 342	214 941	228 359

SA 19 - Capital and Operational Expenditure Programme

It is estimated that a spending rate of 100 per cent will be achieved on operating grant expenditure and 100 per cent on the capital grant projects for the 2026/2027 MTREF of which performance has been factored into the cash flow budget.

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		147 749	156 446	172 685	176 072	178 488	178 488	172 378	172 682	185 037
Operational Revenue:General Revenue:Equitable Share		143 309	149 299	164 176	171 937	174 353	174 353	166 587	165 256	177 275
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 476	5 267	1 849	2 135	2 135	2 135	1 811	-	-
Local Government Financial Management Grant [Schedule 5B]		1 963	1 881	1 875	2 000	2 000	2 000	2 100	2 200	2 300
Integrated National Electrification Programme Grant		-	-	4 786	-	-	-	1 880	5 226	5 462
Provincial Government:		5 555	5 552	5 138	4 934	5 419	5 419	5 722	5 672	5 672
Capacity Building		-	-	-	-	-	-	-	-	-
Capacity Building and Other		5 555	5 552	5 138	4 934	5 419	5 419	5 722	5 672	5 672
Total operating expenditure of Transfers and Grants:		153 304	161 999	177 823	181 006	183 908	183 908	178 100	178 354	190 709
Capital expenditure of Transfers and Grants										
National Government:		-	-	54	33 798	33 798	33 798	33 242	36 587	37 650
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		-	-	54	33 798	33 798	33 798	33 242	36 587	37 650
Provincial Government:		-	736	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	736	54	33 798	33 798	33 798	33 242	36 587	37 650
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		153 304	162 734	177 878	214 804	217 706	217 706	211 342	214 941	228 359

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 2026/2027.

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		8 631	9 278	9 432	10 861	10 861	10 861	10 539	10 803	11 073
Cell phone Allowance		1 262	1 332	1 326	1 424	1 424	1 424	1 487	1 524	1 562
Travelling Allowance		531	743	795	949	949	949	991	1 016	1 041
Use of Personal Facilities		-	-	-	-	-	-	-	-	-
Total Allowances and Service Related Benefits		10 423	11 354	11 553	13 234	13 234	13 234	13 017	13 343	13 676
Social Contributions										
Medial Aid Benefits		-	-	-	-	-	-	-	-	-
Pension Fund Contributions		1 155	1 144	1 198	1 265	1 265	1 265	1 321	1 354	1 388
Total Social Contributions		1 155	1 144	1 198	1 265	1 265	1 265	1 321	1 354	1 388
Total Councillors		11 578	12 498	12 750	14 499	14 499	14 499	14 339	14 697	15 065
% increase	4		7,9%	2,0%	13,7%	-	-	(1,1%)	2,5%	2,5%
Senior Managers of the Municipality										
Salaries and Allowances										
Basic Salary		4 891	6 669	5 438	5 909	5 909	5 909	6 172	6 326	6 484
Bonuses		173	117	54	581	581	581	606	622	637
Allowance										
Accommodation, Travel and Incidental		1	40	58	105	105	105	110	113	115
Travel or Motor Vehicle	3	459	480	557	617	617	617	645	661	677
Voluntary Work		-	-	-	-	-	-	-	-	-
Total Allowance		480	527	615	723	723	723	755	774	793
Total Salaries and Allowances		5 544	7 313	6 107	7 212	7 212	7 212	7 533	7 721	7 914
Social Contributions										
Bargaining Council		1	3	3	1	1	1	1	1	1
Group Life Insurance		-	-	-	-	-	-	-	-	-
Medical		33	30	43	95	95	95	100	102	105
Pension		133	229	257	189	189	189	197	202	207
Unemployment Insurance		9	9	9	15	15	15	15	16	16
Total Social Contributions		175	270	312	300	300	300	314	321	329
Costs Capitalised to PPE		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 719	7 582	6 418	7 512	7 512	7 512	7 847	8 043	8 244
% increase	4		32,6%	(15,4%)	17,0%	-	-	4,5%	2,5%	2,5%
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		49 865	54 888	57 728	67 296	65 297	65 297	66 765	68 434	70 145
Bonuses		1 467	1 602	1 705	1 965	1 965	1 965	2 053	2 104	2 157
Allowance										
Accommodation, Travel and Incidental		647	452	591	532	532	532	555	569	583
Cellular and Telephone	3	-	-	-	-	-	-	-	-	-
Housing Benefits	3	150	164	207	520	520	520	543	557	570
Non-pensionable	3	-	-	-	-	-	-	-	-	-
Travel or Motor Vehicle	3	-	-	-	-	-	-	-	-	-
Voluntary Work		-	-	-	-	-	-	-	-	-
Total Allowance		797	616	798	1 052	1 052	1 052	1 098	1 126	1 154
Service Related Benefits										
Acting	3	-	-	-	-	-	-	-	-	-
Bonus	3	2 508	2 833	2 999	3 756	3 756	3 756	3 923	4 021	4 121
Long Service Award		223	402	79	421	419	419	523	536	549
Overtime		1 519	1 551	1 745	2 511	2 511	2 511	2 623	2 688	2 756
Scarcity	3	-	-	-	-	-	-	-	-	-
Standby Allowance	3	1 605	1 640	1 390	2 407	2 407	2 407	2 515	2 577	2 642
Tools Allowance	3	-	-	-	-	-	-	-	-	-
Uniform/Special/Protective Clothing	3	-	-	-	-	-	-	-	-	-
Leave gratuity		-	-	-	-	-	-	885	907	929
Long Term Service Award		-	-	-	-	-	-	-	-	-
Total Service Related Benefits		5 854	6 426	6 212	9 095	9 094	9 094	10 468	10 729	10 997
Total Salaries and Allowances		57 983	63 531	66 442	79 408	77 407	77 407	80 383	82 393	84 453

Social Contributions									
Bargaining Council	28	29	30	41	41	41	42	43	44
Group Life Insurance	-	-	-	-	-	-	-	-	-
Medical	2 657	3 805	4 855	4 563	4 563	4 563	4 766	4 885	5 007
Pension	7 933	8 846	9 145	11 238	11 238	11 238	11 738	12 032	12 332
Unemployment Insurance	474	511	523	626	626	626	654	670	687
Total Social Contributions	11 092	13 192	14 553	16 468	16 468	16 468	17 200	17 630	18 071
Post-retirement Benefit	6								
Medical	-	-	-	-	1 304	1 304	904	927	950
Other Benefits	-	-	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	-	-	-
Total Post-retirement Benefit	-	-	-	-	1 304	1 304	904	927	950
Costs Capitalised to PPE	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	69 075	76 723	80 996	95 876	95 179	95 179	98 488	100 950	103 474
% increase	4	11,1%	5,6%	18,4%	(0,7%)	-	3,5%	2,5%	2,5%
Total Parent Municipality	86 373	96 803	100 164	117 887	117 190	117 190	120 673	123 690	126 782
TOTAL SALARY, ALLOWANCES & BENEFITS	86 373	96 803	100 164	117 887	117 190	117 190	120 673	123 690	126 782
% increase	4	12,1%	3,5%	17,7%	(0,6%)	-	3,0%	2,5%	2,5%
TOTAL MANAGERS AND STAFF	5,7	74 795	84 306	87 414	103 388	102 692	106 335	108 993	111 718

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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/seni

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	542 593	81 388	245 291	-	-	869 272
Chief Whip		-	-	-	-	-	-	-
Executive Mayor		1	640 816	100 832	300 723	-	-	1 042 371
Deputy Executive Mayor		1	817 995	-	51 276	-	-	869 271
Executive Committee		-	-	-	-	-	-	-
Total for all other councillors		#N/A	8 537 790	1 139 217	1 880 801	-	-	11 557 808
Section 79 committee chairperson		-	-	-	-	-	-	-
Total Councillors	8	#N/A	10 539 194	1 321 437	2 478 091			14 338 722
Senior Managers of the Municipality	5							
Municipal Manager (MM)		1	1 103 334	231 664	208 368	-	207 568	1 750 934
Chief Finance Officer		1	963 899	2 738	80 665	-	155 800	1 203 102
		1	1 141 367	71 002	153 005	-	-	1 365 374
		1	900 176	5 319	213 770	-	81 018	1 200 283
		1	990 767	157	54 915	-	81 018	1 126 857
		-	-	-	-	-	-	-
List of each official with packages >= senior manager		-	-	-	-	-	-	-
		1	1 072 336	2 738	43 932	-	81 018	1 200 024
		-	-	-	-	-	-	-
Total Senior Managers of the Municipality	8,10	6	6 171 879	313 618	754 655			7 846 574
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	#N/A	16 711 073	1 635 055	3 232 746			22 185 296

Table SA 24 – Summary of personnel numbers

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
	Councillors (Political Office Bearers plus Other Councillors)		29	-	29	29	-	29	29	-	29
	Board Members of municipal entities	4	-	-	-	-	-	-	-	-	-
Municipal employees											
	Municipal Manager and Senior Managers	3	5	-	5	6	-	6	6	3	3
	Other Managers	7	13	13	-	15	15	-	15	15	-
	Professionals		81	74	7	81	74	7	141	129	13
	<i>Finance</i>		17	13	4	17	13	4	48	37	11
	<i>Spatial/town planning</i>		7	6	1	7	6	1	9	9	-
	<i>Information Technology</i>		4	3	1	3	2	1	4	3	1
	<i>Roads</i>		3	3	-	3	3	-	23	23	-
	<i>Refuse</i>		2	1	1	2	1	1	57	57	1
	<i>Other</i>		48	48	-	49	49	-	-	-	-
	Technicians		6	5	1	5	5	-	5	5	-
	<i>Roads</i>		5	4	1	4	4	-	4	4	-
	<i>Electricity</i>		1	1	-	1	1	-	1	1	-
	Clerks (Clerical and administrative)		97	50	47	99	51	48	36	36	-
	Plant and Machine Operators		12	12	-	12	12	-	16	16	-
	Elementary Occupations		67	67	-	67	67	-	70	70	-
TOTAL PERSONNEL NUMBERS			310	221	89	314	224	90	318	274	45
% increase						1,3%	1,4%	1,1%	1,3%	22,3%	(50,0%)
Total municipal employees headcount											
	Finance personnel headcount	8, 10	31	28	3	33	29	4	-	-	-
	Human Resources personnel headcount	8, 10	7	6	1	7	6	1	-	-	-

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 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand																
Revenue																
Exchange Revenue																
Service charges - Waste Management		513	513	513	513	513	513	513	513	513	513	513	513	6 160	6 314	6 472
Sale of Goods and Rendering of Services		64	64	64	64	64	64	64	64	64	64	64	64	765	791	811
Agency services		64	64	64	64	64	64	64	64	64	64	64	64	769	795	808
Interest earned from Current and Non Current Assets		1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	14 424	14 914	15 154
Rental from Fixed Assets		186	186	186	186	186	186	186	186	186	186	186	186	2 226	2 299	2 373
Licence and permits		49	49	49	49	49	49	49	49	49	49	49	49	592	612	622
Operational Revenue		71	71	71	71	71	71	71	71	71	71	71	71	854	883	912
Non-Exchange Revenue																
Property rates		4 063	4 063	4 063	4 063	4 063	4 063	4 063	4 063	4 063	4 063	4 063	4 063	48 755	50 364	51 976
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		249	249	249	249	249	249	249	249	249	249	249	249	2 989	3 086	3 172
Licences or permits		2	2	2	2	2	2	2	2	2	2	2	2	21	21	22
Transfer and subsidies - Operational		14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	178 100	178 354	190 709
Interest		706	706	706	706	706	706	706	706	706	706	706	706	8 477	8 757	9 037
Gains on disposal of Assets		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 550	1 599
Total Revenue (excluding capital transfers and contributions)		22 136	22 136	22 136	22 136	22 136	22 136	22 136	22 136	22 136	22 136	22 136	22 136	265 632	268 741	283 667
Expenditure																
Employee related costs		8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	8 861	106 335	108 993	111 718
Remuneration of councillors		1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	1 195	14 339	14 697	15 065
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		637	637	637	637	637	637	637	637	637	637	637	637	7 639	7 891	8 153
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	-	2 516	2 599	2 682
Depreciation and amortisation		4 586	4 586	4 586	4 586	4 586	4 586	4 586	4 586	4 586	4 586	4 586	4 586	55 038	55 414	57 824
Interest		8	8	8	8	8	8	8	8	8	8	8	8	101	103	106
Contracted services		5 172	5 172	5 172	5 172	5 172	5 172	5 172	5 172	5 172	5 172	5 172	5 172	62 064	63 069	65 269
Transfers and subsidies		332	332	332	332	332	332	332	332	332	332	332	332	3 987	4 115	4 248
Irrecoverable debts written off		86	86	86	86	86	86	86	86	86	86	86	86	1 034	1 068	1 102
Operational costs		3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	3 755	45 066	46 477	47 890
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		263	263	263	263	263	263	263	263	263	263	263	(2 254)	635	651	668
Total Expenditure		24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	298 753	305 078	314 724
Surplus/(Deficit)																
Transfers and subsidies - capital (monetary allocations)		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	36 587	37 650
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592
Surplus/(Deficit)	1	10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592

Table SA26-Budgeted monthly revenue and expenditure(Municipal votes)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote																
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	249 236	253 961	268 680
Vote 3 - CORPORATE SERVICES		5	5	5	5	5	5	5	5	5	5	5	5	61	64	67
Vote 4 - COMMUNITY SERVICES		1 171	1 171	1 171	1 171	1 171	1 171	1 171	1 171	1 171	1 171	1 171	1 171	14 052	14 227	14 423
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	35 053	36 587	37 650
Vote 6 - PLANNING AND DEVELOPMNT		39	39	39	39	39	39	39	39	39	39	39	39	473	489	497
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote		24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	298 874	305 328	321 317
Expenditure by Vote to be appropriated																
Vote 1 - EXECUTIVE AND COUNCIL		2 903	2 903	2 903	2 903	2 903	2 903	2 903	2 903	2 903	2 903	2 903	2 903	34 830	35 720	36 633
Vote 2 - BUDGET AND TREASURY		7 335	7 335	7 335	7 335	7 335	7 335	7 335	7 335	7 335	7 335	7 335	7 335	88 017	88 456	91 801
Vote 3 - CORPORATE SERVICES		4 200	4 200	4 200	4 200	4 200	4 200	4 200	4 200	4 200	4 200	4 200	4 200	50 400	52 320	54 319
Vote 4 - COMMUNITY SERVICES		3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	3 920	47 040	48 008	49 230
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		5 051	5 051	5 051	5 051	5 051	5 051	5 051	5 051	5 051	5 051	5 051	5 051	60 614	62 129	63 683
Vote 6 - PLANNING AND DEVELOPMNT		1 488	1 488	1 488	1 488	1 488	1 488	1 488	1 488	1 488	1 488	1 488	1 488	17 851	18 444	19 059
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	298 753	305 078	314 724
Surplus/(Deficit) before assoc.		10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-	-	-	-	-	122	122	250	6 592
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592

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 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional																
<i>Governance and administration</i>		20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	249 297	254 026	268 747
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	20 775	249 297	254 026	268 747
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		658	658	658	658	658	658	658	658	658	658	658	658	7 891	7 912	7 951
Community and social services		478	478	478	478	478	478	478	478	478	478	478	478	5 732	5 682	5 682
Public safety		180	180	180	180	180	180	180	180	180	180	180	180	2 159	2 230	2 269
<i>Economic and environmental services</i>		2 960	2 960	2 960	2 960	2 960	2 960	2 960	2 960	2 960	2 960	2 960	2 960	35 526	37 076	38 147
Planning and development		39	39	39	39	39	39	39	39	39	39	39	39	473	489	497
Road transport		2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	2 921	35 053	36 587	37 650
<i>Trading services</i>		513	513	513	513	513	513	513	513	513	513	513	513	6 160	6 314	6 472
Waste management		513	513	513	513	513	513	513	513	513	513	513	513	6 160	6 314	6 472
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	24 906	298 874	305 328	321 317
Expenditure - Functional																
<i>Governance and administration</i>		14 441	14 441	14 441	14 441	14 441	14 441	14 441	14 441	14 441	14 441	14 441	14 441	173 297	176 549	182 807
Executive and council		2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	2 615	31 386	32 190	33 014
Finance and administration		11 539	11 539	11 539	11 539	11 539	11 539	11 539	11 539	11 539	11 539	11 539	11 539	138 467	140 828	146 174
Internal audit		287	287	287	287	287	287	287	287	287	287	287	287	3 445	3 531	3 619
<i>Community and public safety</i>		4 221	4 221	4 221	4 221	4 221	4 221	4 221	4 221	4 221	4 221	4 221	4 221	50 653	51 711	53 026
Community and social services		2 084	2 084	2 084	2 084	2 084	2 084	2 084	2 084	2 084	2 084	2 084	2 084	25 011	25 428	26 083
Public safety		1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	1 836	22 030	22 580	23 147
Housing		301	301	301	301	301	301	301	301	301	301	301	301	3 613	3 703	3 795
<i>Economic and environmental services</i>		4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	4 715	56 577	58 113	59 692
Planning and development		2 081	2 081	2 081	2 081	2 081	2 081	2 081	2 081	2 081	2 081	2 081	2 081	24 974	25 695	26 439
Road transport		2 634	2 634	2 634	2 634	2 634	2 634	2 634	2 634	2 634	2 634	2 634	2 634	31 603	32 418	33 253
<i>Trading services</i>		1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	1 068	12 819	13 139	13 467
Energy sources		136	136	136	136	136	136	136	136	136	136	136	136	1 635	1 676	1 718
Waste management		932	932	932	932	932	932	932	932	932	932	932	932	11 184	11 463	11 750
<i>Other</i>		451	451	451	451	451	451	451	451	451	451	451	451	5 407	5 567	5 731
Total Expenditure - Functional		24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	24 896	298 753	305 078	314 724
Surplus/(Deficit) before assoc.		10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	10	10	10	10	10	10	10	10	10	10	10	10	122	250	6 592

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 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Multi-year expenditure to be appropriated	1															
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		4	4	4	4	4	4	4	4	4	4	4	4	50	51	53
Vote 3 - CORPORATE SERVICES		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 567	1 638
Vote 4 - COMMUNITY SERVICES		99	99	99	99	99	99	99	99	99	99	99	99	1 190	764	788
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		3 371	3 371	3 371	3 371	3 371	3 371	3 371	3 371	3 371	3 371	3 371	3 371	40 456	43 561	44 873
Vote 6 - PLANNING AND DEVELOPMNT		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	2	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	43 195	45 943	47 351
Single-year expenditure to be appropriated																
Vote 1 - EXECUTIVE AND COUNCIL		15	15	15	15	15	15	15	15	15	15	15	15	185	190	194
Vote 2 - BUDGET AND TREASURY		96	96	96	96	96	96	96	96	96	96	96	96	1 150	359	368
Vote 3 - CORPORATE SERVICES		30	30	30	30	30	30	30	30	30	30	30	30	355	371	388
Vote 4 - COMMUNITY SERVICES		269	269	269	269	269	269	269	269	269	269	269	269	3 226	3 163	3 252
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		670	670	670	670	670	670	670	670	670	670	670	670	8 040	8 316	8 601
Vote 6 - PLANNING AND DEVELOPMNT		19	19	19	19	19	19	19	19	19	19	19	19	230	240	251
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	2	1 099	1 099	1 099	1 099	1 099	1 099	1 099	1 099	1 099	1 099	1 099	1 099	13 186	12 638	13 054
Total Capital Expenditure	2	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	4 698	56 381	58 581	60 406

Table SA29- Budgeted monthly capital expenditure (standard classification)

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital Expenditure - Functional	1															
<i>Governance and administration</i>		304	304	304	304	304	304	304	304	304	304	304	304	3 645	2 961	3 082
Executive and council		15	15	15	15	15	15	15	15	15	15	15	15	185	190	194
Finance and administration		288	288	288	288	288	288	288	288	288	288	288	288	3 460	2 772	2 888
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		381	381	381	381	381	381	381	381	381	381	381	380	4 566	4 080	4 198
Community and social services		260	260	260	260	260	260	260	260	260	260	260	260	3 121	2 743	2 817
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		120	120	120	120	120	120	120	120	120	120	120	120	1 445	1 337	1 381
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	3 479	41 749	39 766	34 522
Planning and development		1 470	1 470	1 470	1 470	1 470	1 470	1 470	1 470	1 470	1 470	1 470	1 470	17 643	30 111	24 625
Road transport		2 009	2 009	2 009	2 009	2 009	2 009	2 009	2 009	2 009	2 009	2 009	2 009	24 105	9 656	9 897
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		504	504	504	504	504	504	504	504	504	504	504	504	6 044	11 470	18 190
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		100	100	100	100	100	100	100	100	100	100	100	100	1 200	1 230	1 261
Waste management		404	404	404	404	404	404	404	404	404	404	404	404	4 844	10 240	16 929
<i>Other</i>		65	65	65	65	65	65	65	65	65	65	65	65	782	802	822
Total Capital Expenditure - Functional	2	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	56 786	59 080	60 814
Funded by:																
National Government		2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	28 906	31 815	32 739
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	2 409	28 906	31 815	32 739
Public contributions & donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		2 323	2 323	2 323	2 323	2 323	2 323	2 323	2 323	2 323	2 323	2 323	2 323	27 880	27 265	28 075
Total Capital Funding		4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	4 732	56 786	59 080	60 814

Table SA30- Budgeted monthly cash flow

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

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousand													1		
Cash Receipts By Source															
Property rates	3 250	3 250	3 250	3 250	3 250	3 250	3 250	3 250	3 250	3 250	3 250	3 250	39 004	40 291	41 581
Service charges - refuse revenue	472	472	472	472	472	472	472	472	472	472	472	472	5 668	5 809	5 954
Rental of facilities and equipment	172	172	172	172	172	172	172	172	172	172	172	172	2 059	2 127	2 195
Interest earned - external investments	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	1 202	14 424	14 914	15 154
Interest earned - outstanding debtors	659	659	659	659	659	659	659	659	659	659	659	659	7 905	8 166	8 427
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	100	100	100	100	100	100	100	100	100	100	100	100	1 198	1 234	1 271
Licences and permits	115	115	115	115	115	115	115	115	115	115	115	115	1 382	1 429	1 452
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	14 842	178 100	178 354	190 709
Other revenue	165	165	165	165	165	165	165	165	165	165	165	165	1 983	2 048	2 108
Cash Receipts by Source	20 977	20 977	20 977	20 977	20 977	20 977	20 977	20 977	20 977	20 977	20 977	20 977	251 723	254 373	268 852
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	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	36 587	37 650
Proceeds on Disposal of Fixed and Intangible Assets	125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 550	1 599
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vat Control (receipts)	1 941	1 941	1 941	1 941	1 941	1 941	1 941	1 941	1 941	1 941	1 941	1 941	23 290	24 016	24 790
Interest on Short Term Investment (> 90 days) and Long Term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	25 813	25 813	25 813	25 813	25 813	25 813	25 813	25 813	25 813	25 813	25 813	25 813	309 755	316 526	332 891
Cash Payments by Type															
Employee related costs	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(8 691)	(104 290)	(106 898)	(109 600)
Remuneration of councillors	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(1 195)	(14 339)	(14 697)	(15 065)
Finance charges	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(101)	(103)	(106)
Other materials	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(8 781)	(9 071)	(9 372)
Contracted services	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(5 544)	(66 529)	(67 604)	(70 027)
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(332)	(3 987)	(4 115)	(4 248)
Other expenditure	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(4 402)	(52 824)	(54 488)	(56 163)
Cash Payments by Type	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(20 904)	(250 851)	(256 976)	(264 581)
Other Cash Flows/Payments by Type															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	(64 839)	(64 839)	(67 368)	(69 467)
Other Cash Flows/Payments	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(114)	(1 362)	(1 381)	(1 438)
Total Cash Payments by Type	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(21 018)	(317 052)	(325 725)	(335 485)
NET INCREASE/(DECREASE) IN CASH HELD	4 795	4 795	4 795	4 795	4 795	4 795	4 795	4 795	4 795	4 795	4 795	(60 043)	(7 297)	(9 199)	(2 595)
Cash/cash equivalents at the month/year begin:	116 839	121 634	126 429	131 224	136 019	140 815	145 610	150 405	155 200	159 995	164 791	169 586	116 839	109 542	100 343
Cash/cash equivalents at the month/year end:	121 634	126 429	131 224	136 019	140 815	145 610	150 405	155 200	159 995	164 791	169 586	109 542	109 542	100 343	97 748

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)

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

R thousand	1	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
Revenue								
Exchange Revenue								
Service charges - Waste Management		-	-	-	6 160	-	-	6 160
Sale of Goods and Rendering of Services		-	427	-	10	-	329	765
Agency services		-	-	-	769	-	-	769
Interest earned from Current and Non Current Assets		-	14 424	-	-	-	-	14 424
Rental from Fixed Assets		-	2 226	-	-	-	-	2 226
Licence and permits		-	-	-	448	-	144	592
Special rating levies		-	-	-	448	-	144	592
Construction Contract Revenue		-	-	-	448	-	144	592
Development Charges		-	-	-	448	-	144	592
Operational Revenue		-	793	61	-	-	-	854
Non-Exchange Revenue								
Property rates		-	48 755	-	-	-	-	48 755
Surcharges and Taxes		-	-	-	-	-	-	-
Fines, penalties and forfeits		-	2 068	-	921	-	-	2 989
Licences or permits		-	-	-	21	-	-	21
Transfer and subsidies - Operational		-	170 567	-	5 722	1 811	-	178 100
Interest		-	8 477	-	-	-	-	8 477
Gains on disposal of Assets		-	1 500	-	-	-	-	1 500
Total Revenue (excluding capital transfers and contributions)		-	249 236	61	15 397	1 811	904	267 409
Expenditure								
Employee related costs		9 111	13 443	16 722	30 926	26 097	10 036	106 335
Remuneration of councillors		14 339	-	-	-	-	-	14 339
Bulk purchases - electricity		-	-	-	-	-	-	-
Inventory consumed		450	110	1 039	3 187	1 000	1 853	7 639
Debt impairment		-	2 516	-	-	-	-	2 516
Depreciation and amortisation		-	55 038	-	-	-	-	55 038
Interest		-	101	-	-	-	-	101
Contracted services		3 521	4 375	22 421	5 004	23 150	3 593	62 064
Transfers and subsidies		-	750	1 437	1 800	-	-	3 987
Irrecoverable debts written off		-	1 034	-	-	-	-	1 034
Operational costs		7 410	10 650	8 781	6 123	10 368	2 369	45 701
Losses on disposal of Assets		-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-
Total Expenditure		34 830	88 017	50 400	47 040	60 614	17 851	298 753
Surplus/(Deficit)		(34 830)	161 219	(50 338)	(31 643)	(58 803)	(16 947)	(31 344)
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	33 242	-	33 242
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(34 830)	161 219	(50 338)	(31 643)	(25 561)	(16 947)	1 898

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	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on new assets by Asset Class/Sub-class	1									
Infrastructure		-	-	-	7 640	7 136	7 136	23 408	15 930	22 763
Roads Infrastructure		-	-	-	7 640	6 852	6 852	20 700	5 792	5 938
Roads		-	-	-	5 925	6 500	6 500	12 813	5 740	5 884
Road Structures		-	-	-	1 215	252	252	7 837	-	-
Road Furniture		-	-	-	500	100	100	50	52	55
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	100	-	-
PRV Stations		-	-	-	-	-	-	100	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	284	284	2 609	10 138	16 824
Landfill Sites		-	-	-	-	284	284	2 609	10 138	16 824
Community Assets		-	-	38	21 441	22 045	22 045	7 263	7 421	7 606
Community Facilities		-	-	38	21 418	21 896	21 896	4 143	4 222	4 328
Halls		-	-	-	11 418	10 909	10 909	2 694	2 737	2 805
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	4 403	5 260	5 260	97	99	102
Testing Stations		-	-	-	400	-	-	-	-	-
Libraries		-	-	38	-	-	-	-	-	-
Public Open Space		-	-	-	300	467	467	200	205	210
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	237	337	337	20	21	21
Markets		-	-	-	4 000	4 000	4 000	582	597	612
Taxi Ranks/Bus Terminals		-	-	-	560	672	672	500	513	525
Capital Spares		-	-	-	100	250	250	50	51	53
Sport and Recreation Facilities		-	-	-	22	149	149	3 120	3 198	3 278
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	22	149	149	3 120	3 198	3 278
Capital Spares		-	-	-	-	-	-	-	-	-
Other assets		-	-	2 371	1 907	1 200	1 200	1 080	1 111	1 143
Operational Buildings		-	-	2 371	1 907	1 200	1 200	1 080	1 111	1 143
Municipal Offices		-	-	2 100	1 907	1 200	1 200	1 080	1 111	1 143
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	271	-	-	-	-	-	-
Intangible Assets		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		444	1 260	1 626	1 105	1 104	1 104	1 445	1 510	1 577
Computer Software and Applications		367	1 171	1 529	945	975	975	1 445	1 510	1 577
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		77	89	98	160	129	129	-	-	-
Computer Equipment		473	1 380	1 806	1 332	1 412	1 412	850	878	907
Computer Equipment		473	1 380	1 806	1 332	1 412	1 412	850	878	907
Furniture and Office Equipment		1 537	3 455	1 430	2 642	2 092	2 092	1 131	984	1 018
Furniture and Office Equipment		1 537	3 455	1 430	2 642	2 092	2 092	1 131	984	1 018
Machinery and Equipment		4 902	832	1 045	2 818	3 334	3 334	1 840	1 719	1 770
Machinery and Equipment		4 902	832	1 045	2 818	3 334	3 334	1 840	1 719	1 770
Transport Assets		10 625	8 331	10 266	4 785	7 843	7 843	2 000	2 050	2 101
Transport Assets		10 625	8 331	10 266	4 785	7 843	7 843	2 000	2 050	2 101
Total Capital Expenditure on new assets	1	17 981	15 257	18 583	43 670	46 165	46 165	39 017	31 602	38 884

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.

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

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	2 800	2 446	2 446	3 720	3 887	4 062
Roads Infrastructure		-	-	-	2 800	2 446	2 446	3 720	3 887	4 062
Roads		-	-	-	2 800	2 446	2 446	3 720	3 887	4 062
Road Structures		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	100	11	105
Community Facilities		-	-	-	-	-	-	100	11	105
Halls		-	-	-	-	-	-	100	11	105
Total Capital Expenditure on renewal of existing assets	1	-	-	-	2 800	2 446	2 446	3 820	3 898	4 167

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	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Roads Infrastructure		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Roads		-	-	-	-	-	-	-	-	-
Road Structures		7 201	9 110	6 814	6 500	6 000	6 000	6 500	6 663	6 829
Community Assets		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Community Facilities		1 978	3 117	781	4 650	4 100	4 100	5 430	5 568	5 709
Halls		1 924	3 117	781	4 500	3 950	3 950	5 330	5 463	5 600
Cemeteries/Crematoria		53	-	-	150	150	150	100	105	109
Other assets		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Operational Buildings		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Municipal Offices		2 981	1 708	1 057	1 900	2 273	2 273	1 400	1 435	1 471
Computer Equipment		25	11	16	66	66	66	280	287	294
Computer Equipment		25	11	16	66	66	66	280	287	294
Machinery and Equipment		156	188	213	644	474	474	1 106	899	913
Machinery and Equipment		156	188	213	644	474	474	1 106	899	913
Transport Assets		4 014	3 674	4 500	2 425	4 125	4 125	2 650	2 736	2 826
Transport Assets		4 014	3 674	4 500	2 425	4 125	4 125	2 650	2 736	2 826
Total Repairs and Maintenance Expenditure	1	16 355	17 808	13 380	16 185	17 038	17 038	17 366	17 588	18 042

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

KZN436 Dr Nkosazana Dlamini Zuma - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	(12)	9 193	9 441	9 441	9 052	22 599	16 860
Roads Infrastructure		-	-	(12)	9 193	9 441	9 441	9 052	22 599	16 860
Roads		-	-	(12)	9 193	9 441	9 441	9 052	22 599	16 860
Road Structures		-	-	-	-	-	-	-	-	-
Community Assets		63 906	58 528	55 525	5 917	5 847	5 847	3 893	379	389
Community Facilities		-	-	-	700	630	630	820	379	389
Libraries		-	-	-	-	-	-	450	-	-
Cemeteries/Crematoria		-	-	-	500	400	400	170	174	179
Public Open Space		-	-	-	200	230	230	200	205	210
Sport and Recreation Facilities		63 906	58 528	55 525	5 217	5 217	5 217	3 073	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		63 906	58 528	55 525	5 217	5 217	5 217	3 073	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	200	-	-	500	-	-
Operational Buildings		-	-	-	200	-	-	500	-	-
Municipal Offices		-	-	-	200	-	-	500	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	492	492	492	-	-	-
Furniture and Office Equipment		-	-	-	492	492	492	-	-	-
Transport Assets		-	-	-	560	200	200	100	103	105
Transport Assets		-	-	-	560	200	200	100	103	105
Total Capital Expenditure on upgrading of existing assets	1	63 906	58 528	55 513	16 362	15 980	15 980	13 544	23 081	17 354

SA 35 - Future Financial Implications of the Capital Budget

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

Vote Description	Ref	2026/27 Medium Term Revenue & Expenditure Framework		
		Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure				
Vote 1 - EXECUTIVE AND COUNCIL	1	185	190	194
Vote 2 - BUDGET AND TREASURY		1 200	410	420
Vote 3 - CORPORATE SERVICES		1 855	1 938	2 025
Vote 4 - COMMUNITY SERVICES		4 416	3 926	4 040
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		48 496	51 877	53 474
Vote 6 - PLANNING AND DEVELOPMNT		230	240	251
Total Capital Expenditure		56 381	58 581	60 406
Future operational costs by vote				
Vote 1 - EXECUTIVE AND COUNCIL	2	34 645	35 531	36 439
Vote 2 - BUDGET AND TREASURY		86 817	88 046	91 380
Vote 3 - CORPORATE SERVICES		48 545	50 382	52 293
Vote 4 - COMMUNITY SERVICES		42 624	44 082	45 190
Vote 5 - PUBLIC WORKS AND BASIC SERVICES		12 118	10 253	10 208
Vote 6 - PLANNING AND DEVELOPMNT		17 621	18 204	18 808
Total future operational costs		242 371	246 497	254 319
Future revenue by source				
Exchange Revenue	3	16 692	-	-
Service charges - Waste Management		6 160	6 314	6 472
Agency services		769	795	808
Total future revenue		23 621	7 119	7 280
Net Financial Implications		275 131	297 968	307 444

SA36 - Consolidated Detailed Capital Budget (refer)

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

R thousand	Function	Project Description	Ward Location	2026/27 Medium Term Revenue & Expenditure Framework			
				Audited Outcome 2024/25	Current Year 2025/26 Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28
Parent municipality:							
<i>List all capital projects grouped by Function</i>							
Population Development	Development of Bulwer Cemetery	Ward 10	-	400	170	174	179
Population Development	Extension of Fencing Donnybrook Cemetery	rative or Head Office (Including Satellite	-	230	200	205	210
Population Development	Extension of Bulwer CSC Parking space and	rative or Head Office (Including Satellite	-	200	100	103	105
Population Development	Construction of NUD Cemetery Toilets	Ward 3	-	300	20	21	21
Population Development	Fencing Of Bulwer CSC	rative or Head Office (Including Satellite	-	100	100	103	105
Population Development	Procurement of Computer Equipment	rative or Head Office (Including Satellite	507	100	100	103	105
Fire Fighting and Protection	Procurement of Plant and Equipment	Whole of the Municipality	26	350	200	205	210
Population Development	Furniture and Office Equipment		-	-	1	1	1
Disaster Management	Procurement of Park home for Fire Satellite	rative or Head Office (Including Satellite	-	870	780	800	819
Fire Fighting and Protection	Procurement of Furniture and Equipment	rative or Head Office (Including Satellite	118	250	95	97	100
Fire Fighting and Protection	Procurement of Plant and Equipment	Whole of the Municipality	453	1 178	500	513	525
Fire Fighting and Protection	Procurement of Transport assets	rative or Head Office (Including Satellite	2 139	3 050	800	820	841
Finance	Concrete signs	rative or Head Office (Including Satellite	-	250	50	51	53
Finance	Procurement of Computer Equipment	Whole of the Municipality	-	286	150	154	158
Finance	Procurement of Furniture and Equipment	Whole of the Municipality	-	500	200	205	210
Finance	Procurement of Transport assets	rative or Head Office (Including Satellite	-	35	-	-	-
Finance	Supply and Installation of water tank and pump for car wash: Creighton		-	-	100	-	-
Finance	Procurement of Car wash Equipment		-	-	170	-	-
Finance	Partitioning of Creighton Storage		-	-	500	-	-
Finance	Furniture and Office Equipment		-	-	30	-	-
Libraries and Archives	Procurement of Computer Equipment	rative or Head Office (Including Satellite	-	87	100	105	109
Libraries and Archives	Installation of Creighton library circulation cou	rative or Head Office (Including Satellite	-	-	150	157	164
Libraries and Archives	Partitioning of Bulwer Library		-	-	50	-	-
Libraries and Archives	Landscaping/ Upgrading Underberg Library		-	-	400	-	-
Libraries and Archives	Procurement and Installation of Underberg B	rative or Head Office (Including Satellite	-	-	-	-	-
Licensing and Control of Animals	Procurement of Plant and Equipment	Whole of the Municipality	-	500	250	261	273
Police Forces, Traffic and Street Parking Cor	Himeville Traffic Lights	Ward 2	-	100	50	52	55
Police Forces, Traffic and Street Parking Cor	Building of DLTC Offices	Whole of the Municipality	-	50	200	209	218
Police Forces, Traffic and Street Parking Cor	Furniture and Office Equipment		-	-	150	-	-
Municipal Manager, Town Secretary and Ch	Procurement of Computer Equipment	rative or Head Office (Including Satellite	-	126	120	123	126
Municipal Manager, Town Secretary and Ch	Procurement of Furniture and Equipment	rative or Head Office (Including Satellite	-	181	50	51	53
Municipal Manager, Town Secretary and Ch	Procurement of Computer Software	rative or Head Office (Including Satellite	-	15	15	15	16
Mayor and Council	Procurement of Plant and Equipment	Whole of the Municipality	-	-	-	-	-
Project Management Unit	Himeville Asphalt Roads Phase 3 (Extension	Ward 3	-	300	3 991	12 188	9 000
Project Management Unit	Jama Concrete Road Ward 14	Ward 10	-	300	4 091	12 740	9 302
Project Management Unit	Bulwer Asphalt Road Phase 7	Whole of the Municipality	-	2 666	69	-	-
Project Management Unit	Construction of Jackson Street Bridge	Whole of the Municipality	-	7 520	364	-	-
Project Management Unit	Gobhogobho Pedestrian Bridge	Ward 13	-	3 495	1 913	-	-
Project Management Unit	Bulwer Landfill Site Ward 10	Ward 10	-	326	2 609	11 658	19 348
Project Management Unit	Half My Right Pedestrian Bridge	Ward 1	-	163	4 936	-	-
Project Management Unit	Construction of Nwasahlobo Pedestrian Brid	Ward 10	-	290	7 837	-	-
Project Management Unit	Phosane Hall Ward 12	Ward 15	-	7 003	24	-	-
Project Management Unit	Creighton Artificial Sportfield	Ward 4	-	6 000	3 073	-	-
Solid Waste Removal	Skip Bins	Whole of the Municipality	-	100	100	103	105
Roads	Renewal of Gravel Roads	Whole of the Municipality	-	2 518	3 720	3 887	4 062
Roads	Ndlangisa Pedestrian Bridge	Ward 5	-	2 151	4 000	4 100	4 203
Roads	Storm Water Pipes and Culverts	Whole of the Municipality	-	400	200	205	210
Roads	Construction of Storm Water	Whole of the Municipality	-	620	1 200	-	-

Roads	Kimun Floodlights	Ward 4	–	467	200	205	210
Roads	Bulwer Informal Traders Infrastructure	Whole of the Municipality	–	4 000	582	597	612
Roads	Bus Shelters	Whole of the Municipality	–	600	500	513	525
Roads	Procurement of Computer Equipment	rative or Head Office (Including Satellite	–	130	150	157	161
Roads	Procurement of Furniture and Equipment	rative or Head Office (Including Satellite	–	216	150	154	158
Roads	Procurement of Plant and Equipment	rative or Head Office (Including Satellite	–	260	500	513	525
Roads	Procurement of Transport assets	rative or Head Office (Including Satellite	–	3 263	1 200	1 230	1 261
Roads	Design for Upgrade of Valleyview Road		–	–	200	205	210
Roads	Design for Upgrade of Lewis Road		–	–	200	205	210
Roads	Design for Upgrade of Polo Way and Southdown Lane		–	–	200	205	210
Roads	Upgrade of 1km of Magoso Access Road (Phase 1 & 2)		–	–	200	205	210
Roads	Creighton Regional Sport Center Ward14		–	–	620	636	652
Roads	Design of Concrete Steephill (Ematendeni to Engudwini Primary School) Ward 9		–	–	100	103	105
Roads	Design of Concrete Steephill (Mzayiwa Access Road) ward 13		–	–	100	103	105
Roads	Bazini Sportfield		–	–	2 500	2 563	2 627
Roads	Nomjidi Community Hall		–	–	2 500	2 563	2 627
Roads	Refurbishment of Nkelabantwana Community	Ward 11	–	–	100	103	105
Roads	Refurbishment of Creighton Main Building	rative or Head Office (Including Satellite	–	–	100	103	105
Roads	Design for Mnywaneni Community Hall (ward	Ward 15	–	–	170	174	179
Roads	Ekupholeni Creche Ward 11		–	–	97		
Administrative and Corporate Support	Procurement of Computer Equipment	rative or Head Office (Including Satellite	–	250	150	157	164
Administrative and Corporate Support	Installation of Cameras	rative or Head Office (Including Satellite	–	60	100	105	107
Administrative and Corporate Support	Procurement of Furniture and Equipment	rative or Head Office (Including Satellite	–	200	100	125	131
Administrative and Corporate Support	Fiber connection	rative or Head Office (Including Satellite	–	240	5	5	5
Administrative and Corporate Support	Procurement of Computer Software	rative or Head Office (Including Satellite	–	910	1 380	1 442	1 507
Administrative and Corporate Support	Procurement of Plant and Equipment	rative or Head Office (Including Satellite Offices)	–	120	120	125	131
Town Planning, Building Regulations and En	Procurement of Computer Equipment	rative or Head Office (Including Satellite	–	80	80	84	87
Town Planning, Building Regulations and En	Procurement of Furniture and Equipment	rative or Head Office (Including Satellite	–	375	100	105	109
Town Planning, Building Regulations and En	Procurement of Computer Software	rative or Head Office (Including Satellite	–	50	50	52	55
Parent Capital expenditure			3 242	54 232	56 381	62 140	63 977
Entities:							
<i>List all capital projects grouped by Entity</i>							
Entity Capital expenditure			–	–	–	–	–
Total Capital expenditure			3 242	54 232	56 381	62 140	63 977

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 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 these interns have attended the MFMP and completed it, the other one intern will start in the month of April to attend MFMP classes.

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 final stage and will be finalized within 28 days after approval of the 2026/27 MTREF.

f.) Annual Report

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

g.) Policies

The review of all budget related policies have 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 2026/2027 MTREF Municipal Budget as stipulated in MFMA circular No. 134.

Table 1: Macroeconomic Performance and Projections, 2025 -2029					
Fiscal year	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029
	Actual	Estimate	Forecast	Forecast	Forecast
CPI Inflation	4.4%	3.2%	3.4%	3.3%	3.2%

2.13 OTHER SUPPORTING DOCUMENTS

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 2026/2027 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 2026/27 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 2025/2026 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 Circular No.132 and PT/MF 13 of 2025/26 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.

- **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 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 in 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 councilor 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

Electricity

R 1.8 million has been set aside for electrical physibility studies for infills.

Roads

The municipality currently have 290 roads on the PPE Register which varies in sizes of kilometres. 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 70 community halls. One new community hall will be constructed in the 2026/27 financial year, 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 collecting 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 all arears 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 Creighton waste disposal sites and Himeville Transfer Station. Bulwer waste disposal site has reached its capacity; therefore, the Municipality has obtained a closure licence for the Bulwer waste disposal site. The Municipality has plans to establish a new landfill in Bulwer, currently Environmental Authorisation has been issued for Bulwer Landfill and the designs have been finalised by the Engineer. The budget allocation of R5.4 million has been made in 2026/27 financial year for the construction.

(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 complies 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.) Climate Change Adaptation and Mitigation

In compliance with Climate Change Act 2024, the Municipality will develop a plan detailing on how will they adjust with future effects of climate change. By Mitigation how will the Municipality prevent or reduce the emissions of greenhouse gases (GHG) into the atmosphere to make the impacts of climate change less severe.