



DRAFT BUDGET OF

UMHLABUYALINGANA MUNICIPALITY

2022/2023

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

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Part 1 – Annual Budget

1.1 Mayor's Report

Madam Speaker, and Fellow Councillors

During the month of August 2021 the council adopted its IDP/Budget Process Plan which give guidance on activities that needs to be undertaken by the municipality in order to prepare and adopt its IDP and Budget for 2022/2023 financial year. There were five community consultative meetings to review IDP document that were held in the month of September and October 2021. The 1st meeting was on the 30th of September 2021 at KwaMaviyo Community Hall in Skhemelele, the 2nd meeting was on the 7th of October 2021 at New Era Primary School in Mseleni, the 3rd meeting was on the 13th of October 2021 at Hlazane, the 4th meeting was on the 19th of October 2021 at Kwamazambane Clinic and the last meeting was on the 26th of October 2021 at Mvelabusha Hall. In those consultations, the public voiced out their needs and the municipality has taken those needs and concerns into consideration when reviewing the Integrated Development Plan for 2022/2023 financial year.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within Umhlabuyalingana Municipality. Budgeting is primarily about the choice that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

The application of sound financial management principles for the compilation of Umhlabuyalingaba financial plan is essential and critical to ensure that the municipality remains financial viable and that sustainable municipal service is provided economically and equitably to all communities.

Our limited resources has enabled us as the municipality to reserve R249 760 million for operation revenue in the 2022/2023 financial year. It will increase to R263 702 million and R282 259 million in 2023/2024 to 2024/2025 financial year. Operational expenditure will be R238 912 million in 2022/2023 financial year, it will increase to R257 910 million to R279 419 million in 2023/2024 to 2024/2025 financial year. Capital revenue contribution which is funded by conditional grants and transfers from operational revenue is R54 885 000 million in 2022/2023, financial year and it will be R41 177 00 million and R42 936 000 million in 2023/2024 to 2024/2025 financial year. Capital expenditure is R57 414 945 million in 2021/2022 financial year and it will increase to R48 683 360 and R50 780 146 in the next two outer years.

Conclusion

In closing, I would like to encourage the administration of this municipality to strategize and come up with other revenue strategies to improve revenue base of this municipality so that we will reduce the grant dependency in this municipality. Once more I would like to take this opportunity to thank the honorable councilors for listening to me, and I would like to thank all officials for their hard work in preparing this draft budget for 2022/2023 MTREF.

Thank you

Mayor, Councilor T. S. Khumalo

1.2 Council Resolutions

On the 30th of March 2022 the council of Umhlabuyalingana Local Municipality met in its Council Chambers to consider the draft annual budget of the municipality for the 2022/2023 financial year. The Council approved and adopted the following resolutions:

1. The Council of Umhlabuyalingana Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, approves and adopts:
 - 1.1 The draft annual budget of the municipality for the financial year 2022/2023 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1 Budgeted Financial Performance (revenue and expenditure by standard classification)
 - 1.1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3 Budgeted financial Performance (revenue by source and expenditure by type)
 - 1.1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source
 - 1.2 The financial position, cash flow budget, cash backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1 Budgeted Financial Position
 - 1.2.2 Budgeted Cash Flow
 - 1.2.3 Cash backed reserves and accumulated surplus reconciliation
 - 1.2.4 Asset management
 - 1.2.5 Basic service delivery measurement
 - 1.3 draft budget policies as listed below
 - 1.3.1 Budget policy
 - 1.3.2 Virement policy
 - 1.3.3 SCM policy
 - 1.3.4 Property Rates policy
 - 1.3.5 Tariffs policy
 - 1.3.6 Asset Management policy
 - 1.3.7 Credit control and debt management policy, and
 - 1.3.8 Contract Management policy

Attached as annexure A in the budget document

1.3 Executive Summary

Legislation stipulates clearly that a municipality must not only give effect to its IDP but must also conduct its affairs in a manner which is consistent with its IDP. This include the compilation of Medium –term Revenue and Expenditure Framework

The municipality's Growth and Development Strategy and Infrastructure Development Plan are its strategic planning instrument which directly guide and inform its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation, which directly informs the Service Delivery and Budget Implementation Plan

The compilation of the MTREF remains a huge challenge to balance the budget between the limited revenue resources available and the immense need to provide quality service delivery to our community. Tariff increases must be limited to be within the affordability levels of our community and must still promote economic growth to ensure financial sustainability. Council on the other hand must address the huge demand to improve the standard of service delivery and to do more with less funds available.

The MTREF used the guidelines set by the minister of finance in his Medium-term Budget Policy statement speech as well as the guidelines in terms of MFMA Circular 112 issued on the 06th of December 2021 and MFMA Circular 115 issued on the 02nd of March 2022 as issued by National Treasury.

The Consumer Price Inflation as set out in MFMA Circular 115 issued on the 02nd of March 2022 is estimated at 4.5% for 2021/2022. It is projected to be 4.8% for 2022/2023, 4.4% for 2023/2024 and 4.5% for 2024/2025.

Property rates tariffs did not increase because the municipality is still implementing the valuation roll that was rolled out for implementation in 2019/2020 financial year. These tariffs will remain the same until the next generation of the valuation roll in 2024/2025. Another factor that the municipality considers in the determination of tariffs is the affordability of these tariffs by our rate payers and customers in general.

Although there is a decrease in refuse removal income when compared to the adjustment budget, refuse removal tariffs were also not adjusted because the municipality also considers the affordability of these tariffs by our customers. Decrease in refuse removal income resulted from the assessment conducted in March 2022 on the refuse removal service provided to customers. It was discovered that other customers are being billed but there is no service being provided directly to them, or incorrectly being billed. The debt incurred by accounts incorrectly billed will be written off by council resolution in the next council meeting.

Property rental tariffs were also not increased. There are some issues that are being attended by management relating to maintenance of market stalls in Manguzi Town. Management then decided that it will not be fair to increase the tariffs for market rentals as yet until all the issues raised by tenants are resolved.

The financial sustainability of the 2022/2023 MTREF is largely dependent on the collection level of billed income. Provision is made for a collection rate of 99% on property rates income, refuse removal income and rental of properties income. This collection rate looks like it is overstated but it is not because it includes collection from long outstanding debts especially on government properties for property rates.

There is a confirmation from department of Public Works National that they will pay more than R4 million rand for property rates which is long outstanding.

The MTREF for the 2022/2023 multi-year budget with comparative information is as follows:

Table 1 Budget Summary

Description	Budget Year 2021/2022	Final Adjustment Budget 2021/2022	Budget Year 2022/2023	Budget Year 2023/2024	Budget Year 2024/2025
MUNICIPAL REVENUE					
Operating Grants	196,149,053	193,671,643	221,240,055	233,731,000	250,940,000
Capital Grants	35,297,947	40,800,909	46,566,945	41,177,000	42,936,000
Own income	28,930,522	26,769,332	26,374,524	27,730,552	28,978,427
Interest income	3,113,626	2,145,919	2,145,919	2,240,340	2,341,155
Surplus Fund	-	-	-	-	-
	263,491,148	263,387,803	296,327,443	304,878,892	325,195,582
OPERATING EXPENDITURE					
Councillor allowance	16,522,612	14,028,379	16,162,277	17,195,053	18,140,781
Employees related costs	92,974,672	78,739,891	84,203,743	87,915,695	91,858,145
Debt impairment	3,944,747	1,394,716	7,252,969	7,347,274	12,976,400
Operational cost	31,942,374	49,607,374	45,933,398	47,519,605	52,772,951
Contract services	31,277,797	37,293,652	45,438,000	47,408,133	49,467,250
Transfer and subsidies	8,460,000	13,537,189	11,100,000	9,865,800	10,309,762
Interest	995,472	745,472	995,472	1,039,273	1,086,040
Inventory consumed	1,417,250	1,417,250	2,321,850	2,424,011	2,533,092
Operational lease	2,688,767	1,304,481	2,983,714	3,114,997	3,255,172
Depreciation & asset impairments	24,015,762	24,295,990	22,521,075	34,080,690	37,019,842
	214,239,453	222,364,393	238,912,498	257,910,532	279,419,435
CAPITAL EXPENDITURE					
Municipal Access Roads	30,169,520	32,080,909	38,066,945	41,177,000	42,936,000
Municipal Buildings (Halls, Markets etc)	10,500,000	13,720,000	10,500,000	-	-
Sport grounds	-	-	-	-	-
Electrification	-	3,000,000	-	-	-
Other Assets	6,538,495	4,688,495	8,848,000	7,506,360	7,844,146
	47,208,015	53,489,404	57,414,945	48,683,360	50,780,146
CONSOLIDATED EXPENDITURE	261,447,468	275,853,797	296,327,442	306,593,892	330,199,581

Table 2 Consolidated Overview of the 2022/2023 MTREF

Description	2021/2022 MTREF		2022/2023 MTREF		
	Original budget	Adjustment budget	2022/2023	2023/2024	2024/2025
MUNICIPAL REVENUE					
Total revenue	263,491,148	263,387,803	296,327,443	304,878,892	325,195,582
Total operating expenditure	214,239,453	222,364,393	238,912,498	257,910,532	279,419,435
Total capital expenditure	47,208,015	53,489,404	57,414,945	48,683,360	50,780,146

Total operating revenue for 2022/2023 has increased by 21% or R32 939 640 when compared to 2021/2022 adjustment budget. The reason for the increase is because the increase in both operational grant and capital grants of 13%, and for the two outer years it will increase by 3% and 7%

Total operating expenditure for 2022/2023 has increased by 7% or R16 548 105 when compared to the 2021/2022 financial year. For the two outer years operational expenditure will increase by 8% respectively.

1.4 Operating Revenue Framework

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

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 99% annual collection rate for property rates and other key service charges;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004;
- Tariff policies of the municipality.

The following table is a summary of the 2022/2023 MTREF (classified by main revenue source)

Table 3 Summary of revenue classified by main revenue source

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year+1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	32,083	24,690	25,199	18,241	20,986	20,986	15,380	20,986	21,909	22,895
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	583	624	624	209	624	624	416	437	652	681
Rental of facilities and equipment		368	380	395	395	407	407	272	407	425	444
Interest earned - external investments		4,802	4,675	1,996	2,146	2,146	2,146	1,509	2,146	2,240	2,341
Interest earned - outstanding debtors		610	400	(1,171)	968	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,578	881	1,052	3,327	1,305	1,305	542	1,305	1,362	1,423
Licences and permits		3,569	2,293	3,238	6,294	2,867	2,867	1,917	2,867	2,993	3,128
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		155,449	175,772	224,415	196,149	193,672	193,672	147,363	221,240	233,731	250,940
Other revenue	2	630	1,093	499	467	581	581	434	373	389	407
Gains		(672)	(2,540)	(367)	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		199,000	208,270	255,881	228,193	222,587	222,587	167,834	249,760	263,702	282,260

Revenue generated from property rates contributes 8% (in 2022//2023) of the total revenue basket for the municipality.

Revenue generated from refuse removal and rental income contributes less than 1% of the total revenue basket.

Revenue generated from interest on investments, fines and other revenue including licensing income contributes 1% of the total revenue.

Operating grants and transfers total R221 240 055 or 88% of the total income budget in the 2022/2023 financial year. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over a medium term

Table 4 Operating Transfers and Grant receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		124,232	125,223	139,913	168,623	172,623	172,623	190,440	202,304	215,559
Local Government Equitable Share		121,138	121,121	133,848	145,676	145,676	145,676	166,017	179,115	193,659
Finance Management		1,800	1,825	1,900	1,900	1,900	1,900	1,900	1,900	1,900
EPWP Incentive		1,294	2,277	4,165	3,047	3,047	3,047	3,523	-	-
Integrated National Electrification Programme		-	-	-	18,000	22,000	22,000	19,000	21,289	20,000
Other transfers/grants [insert description]										
Provincial Government:		1,476	3,550	1,657	4,656	6,373	4,373	3,055	2,711	2,874
		1,476	3,550	1,657	1,676	1,676	1,676	2,249	1,848	1,950
					1,722	197	197	806	863	924
					1,200	2,450	2,450			
Other transfers/grants [insert description]					58	50	50			
						2,000				
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	125,708	128,773	141,570	173,279	178,996	176,996	193,495	205,015	218,433
Capital Transfers and Grants										
National Government:		33,827	36,825	35,481	34,265	40,265	40,265	34,918	36,419	36,724
Municipal Infrastructure Grant (MIG)		33,827	36,825	35,481	34,265	34,265	34,265	34,918	36,419	36,724
						6,000	6,000			
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	33,827	36,825	35,481	34,265	40,265	40,265	34,918	36,419	36,724
TOTAL RECEIPTS OF TRANSFERS & GRANTS		159,535	165,598	177,051	207,544	219,261	217,261	228,413	241,434	255,157

1.4.1 Property Rates

The following factors were taken into consideration in the determination of proposed rates:

- Operational and capital funding requirements
- Market values of properties as published in the general valuation roll including supplementary valuation rolls published after the implementation date;
- Anticipated property development and growth in supplementary property values.

Property rates tariffs were not adjusted or increased in the 2022/2023 financial year because the municipality is still implementing the valuation roll that was rolled out in 2019/2020 financial year. Another reason for not increasing tariffs is that the council of Umhlabyalingana Municipality considered the affordability of its rate payers and customers before they take a decision to adjust their tariffs.

1.4.2 Waste Removal service

Waste removal tariffs were not adjusted in 2022/2023 financial year. The municipality had 25 customers in 2021/2022 financial year that were billed for refuse removal which is mainly business properties and 4 government properties. There was an assessment conducted on all properties being billed for refuse removal and it was discovered that other properties were incorrectly billed and other do not even get the services being billed for. 15 properties were incorrectly and the debt raise from these properties will be written off by council in the next council meeting. This is the reason why this revenue stream has decreased when compared to the adjustment budget.

1.4.3 Rental of properties and facilities

The tariff for the rental of properties and facilities was not adjusted in 2022/2023 financial year, it remained the same as the adjustment budget projection. The reason for not adjusting this tariff is because of the unfinished process of maintenance of the markets stalls that was promised by the municipality to its tenants, hence the municipality resolved not to increase this tariff at the moment until they are finished with the maintenance in order for the municipality to generate more revenue from this source.

1.4.4 Interest on investments

Revenue to be generated from interest on investments or short term deposits is R2 145 919. The municipality is planning on investing or depositing grant funds to these short term deposits account that can be withdrawn within 14 to 30 days' notice.

1.4.5 Interest on outstanding debtors

There will be no interest charged to outstanding debtors because the council took a resolution not to charge interest to its property rates debtors as COVID-19 relief, until council revoke that decision there will be no interest charged.

1.4.6 Fines and penalties

Revenue to be generated from traffic fines and penalties on late returns of library books is estimated to be R1 304 533. The municipality reduced this revenue in the adjustment budget after assessing the mid-year performance. For the 2022/2023 financial year it is estimated that it will be the same as the adjustment

budget projections since the issues that resulted to the poor performance of this revenue stream have not been addressed yet.

1.4.7 Licences and permits

Revenue to be generated from licenses and permits includes motor vehicle renewal licenses, learners licenses applications, motor vehicle registrations and business licensing. Tariffs for motor vehicle licenses are not regulated by the municipality but by the Department of Transport because this service is not a function of the municipality but of Department of Transport. This revenue stream was reduced in the adjustment budget after the assessing the mid-year performance. For the 2022/2023 financial year it is estimated that it will be the same as the adjustment budget projections since the issues that resulted to the poor performance of this revenue stream have not been addressed yet.

1.5 Operating Expenditure Framework

The municipality's expenditure framework for the 2023/2022 budget and MTREF is informed by the following:

- The asset renewal and the repairs and maintenance requirements;
- Balanced budget constraint (operating expenditure should not exceed operating revenue)
- Funding of the budget over the medium-term, as informed by Section 18 and 19 of the MFMA
- Capital programme is aligned to the asset renewal needs and backlog eradication goals
- The prioritization of capital needs is based on the Capital Investment Framework

Table 5 Summary of operating expenditure by standard classification item

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Expenditure By Type											
Employee related costs	2	66,611	72,111	76,666	92,975	78,740	78,740	51,166	84,204	87,916	91,858
Remuneration of councillors		12,472	13,026	12,988	16,523	14,028	14,028	9,103	16,162	17,195	18,141
Debt impairment	3	6,446	5,975	9,066	3,945	1,395	1,395	–	7,253	7,347	12,976
Depreciation & asset impairment	2	26,908	24,474	24,584	24,016	24,296	24,296	22,498	22,521	34,367	37,020
Finance charges		3	337	17	995	745	745	6	995	1,039	1,086
Bulk purchases - electricity	2	–	–	–	–	–	–	–	–	–	–
Inventory consumed	8	–	–	–	1,417	1,417	1,417	1,244	2,322	2,424	2,533
Contracted services		40,853	47,051	50,072	32,771	37,293	37,293	30,772	45,438	47,408	49,467
Transfers and subsidies		2,243	8,490	13,624	9,010	13,537	13,537	8,429	11,100	9,866	10,310
Other expenditure	4, 5	50,901	50,308	48,772	34,631	50,912	50,912	39,454	48,917	50,635	56,028
Losses		826	(18)	0	–	–	–	–	–	–	–
Total Expenditure		207,263	221,753	235,789	216,283	222,364	222,364	162,671	238,913	258,197	279,420

The budget allocation for employee related costs and remuneration of Councilors for the 2022/2023 financial year totals R100 366 289, which represents 42% of the total operating expenditure. Employee related costs increased by 8% when compared to the 2021/2022 adjustment budget. The increase in 2022/2023 financial year is a result of annual increment projected at 7% for all employees. Remuneration of councilor for 2022/2023 are based on the upper limits gazette for 2021/2022 issued on the 2nd of November 2021.

The provision of debt impairment was determined based on an annual collection rate of 69% and the principles as set out in the Provision of Doubtful Debt and Debt Write-off Policy. Provision for debt impairment for 2021/2022 is R7 257 300

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Budget provision in this regard totals to R22 521 075 in the 2022/2023 financial year

1.5.1 Repairs and maintenance

Repairs and maintenance comprise of, amongst others, the purchase of materials for maintenance, and appointment of contractors to perform maintenance work. The budget provision for 2022/2023 against repairs and maintenance is R10 610 675 which represents 6.4% of the total operating expenditure, and 1.5% of the total property plant and equipment. It is below the norm of 8% but due to the affordability of the municipality it will remain below the norm but it has improved when compared to the adjustment budget.

Aligned to the priority given to preserving and maintaining the municipality's current infrastructure the 2022/2023 budget and MTREF provide for growth in the area of asset maintenance as informed by the asset renewal and repairs and maintenance requirements of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered as direct expenditure driver but an outcome of certain other expenditures such as remuneration, purchase of, materials and contracted services. The following table is extracted from Table SA1 and SA34c to reflect the amount provided for repairs and maintenance in context with the amount provided for PPE, depreciation and the renewal of assets.

Table 6 Operational repairs and maintenance

KZN271 Umhlabuyalingana - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

TABLE 7: Estimated Expenditure – Supporting Table on Supporting Detail to Budgeted Medium Expenditure											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
by Expenditure Item	8										
Employee related costs											
Inventory Consumed (Project Maintenance)											
Contracted Services		4,094	3,928	5,165	5,680	6,701	6,701	–	10,611	11,078	11,576
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	4,094	3,928	5,165	5,680	6,701	6,701	–	10,611	11,078	11,576

The table below is a breakdown of repairs and maintenance in relation to asset class as summarized from SA34c

Table 7 Consolidated repairs and maintenance by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
Roads Infrastructure		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
Roads		-	-	-	3,658	4,915	4,915	6,000	6,264	6,546
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		3,543	3,851	4,826	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		328	-	-	-	-	-	-	-	-
Community Facilities		328	-	-	-	-	-	-	-	-
Other assets		-	-	-	784	1,055	1,055	836	873	913
Operational Buildings		-	-	-	784	1,055	1,055	836	873	913
Municipal Offices		-	-	-	784	1,055	1,055	836	873	913
Computer Equipment		48	77	52	99	99	99	562	587	613
Computer Equipment		48	77	52	99	99	99	562	587	613
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		175	-	287	460	460	460	212	221	231
Machinery and Equipment		175	-	287	460	460	460	212	221	231
Transport Assets		-	-	-	679	172	172	3,000	3,132	3,273
Transport Assets		-	-	-	679	172	172	3,000	3,132	3,273
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	4,094	3,928	5,165	5,680	6,701	6,701	10,611	11,078	11,576
R&M as a % of PPE		1.4%	1.3%	1.6%	1.6%	1.9%	1.9%	1.5%	2.8%	2.8%
R&M as % Operating Expenditure		2.0%	1.8%	2.2%	2.6%	3.0%	3.0%	6.4%	4.6%	4.5%

The amount budgeted for repairs and maintenance in the 2022/2023 financial year represents 1.5 % of the value of Property Plant and Equipment.

1.5.2 Free Basic Services: Basic Social Services Package

In the previous financial year the municipality made a provision for free basic electricity through Eskom Electricity distribution to its indigent residents after they have applied for that benefit from the municipality. But in the 2022/2023 financial year the municipality has not made a provision because the municipality

decided to re-create a proper indigent register after it has been discovered that the indigent register we had has outdated information and it is no longer qualifying as indigent register. The process has started and it will be concluded in the middle of the financial year

1.6 Capital expenditure

Capital budget will be funded as follows:

- Municipal Infrastructure Grant – Allocations as per the 2022 Division of Revenue Act to fund road infrastructure projects and Community Assets
- Provincial grant allocation through the department of Economic Development and Tourism
- Cash generated from revenue – to fund movable assets and other assets

The capital programme is aligned to asset renewal needs and backlog eradication goals.

Projects were subjected to project prioritization based on capital prioritization as informed by the capital investment framework.

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

Table 8 Capital budget per vote, function and classification

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-
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	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		164,250	174,959	982	4,588	4,538	4,538	5,022	6,798	6,254	6,535
Vote 2 - Executive and council		-	-	242	-	150	150	(197)	-	-	-
Vote 3 - Community and social services		49,361	47,594	51,115	11,500	13,720	13,720	39,183	8,000	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		10,217	10,085	298	950	-	-	-	400	209	218
Vote 6 - Energy Sources		0	0	-	-	3,000	3,000	-	-	-	-
Vote 7 - Planning and Development		29,902	27,211	964	-	-	-	1,000	2,500	-	-
Vote 8 - Public Safety		903	1,078	48	-	-	-	-	1,000	1,044	1,091
Vote 9 - Roads		20,675	40,231	69,802	30,170	32,081	32,081	92,109	38,067	41,177	42,936
Vote 10 - Sport and Recreation		404	404	-	-	-	-	-	-	-	-
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		275,713	301,561	123,452	47,208	53,490	53,490	137,118	56,765	48,683	50,780
Total Capital Expenditure - Vote		275,713	301,561	123,452	47,208	53,490	53,490	137,118	56,765	48,683	50,780
Capital Expenditure - Functional											
Governance and administration		164,250	174,959	1,225	4,588	4,688	4,688	-	6,798	6,254	6,535
Executive and council		-	-	242	-	150	150	-	-	-	-
Finance and administration		164,250	174,959	982	4,588	4,538	4,538	-	6,798	6,254	6,535
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		93,090	87,102	51,163	11,500	13,720	13,720	-	9,000	1,044	1,091
Community and social services		49,188	47,420	51,115	11,500	13,720	13,720	-	8,000	-	-
Sport and recreation		41,727	37,331	-	-	-	-	-	-	-	-
Public safety		1,307	1,482	48	-	-	-	-	1,000	1,044	1,091
Housing		-	-	-	-	-	-	-	-	-	-
Health		869	869	-	-	-	-	-	-	-	-
Economic and environmental services		50,578	67,442	70,766	30,170	32,081	32,081	-	40,567	41,177	42,936
Planning and development		29,902	27,211	964	-	-	-	-	2,500	-	-
Road transport		20,675	40,231	69,802	30,170	32,081	32,081	-	38,067	41,177	42,936
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		10,217	10,085	315	950	3,000	3,000	-	400	209	218
Energy sources		0	0	-	-	3,000	3,000	-	-	-	-
Water management		-	-	17	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		10,217	10,085	298	950	-	-	-	400	209	218
Other		21,080	23,659	-	-	-	-	-	650	-	-
Total Capital Expenditure - Functional	3	339,215	363,247	123,469	47,208	53,490	53,490	-	57,415	48,683	50,780
Funded by:											
National Government		57,536	73,518	41,526	35,298	34,920	34,920	-	38,567	41,177	42,936
Provincial Government		7,779	2,862	1,043	-	4,720	4,720	-	5,500	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	65,315	76,379	42,569	35,298	39,640	39,640	-	44,067	41,177	42,936
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		273,900	286,868	80,899	11,910	13,850	13,850	-	13,348	7,506	7,844
Total Capital Funding	7	339,215	363,247	123,469	47,208	53,490	53,490	-	57,415	48,683	50,780

1.7 Annual Budget Tables

The following pages in this section presents the main 10 budget tables as required in terms of Section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022/2023 budget and MTREF as approved by Council.

Attached to budget document as annexure B

Table 9 MBRR Table A1 – Budget Summary

Table A1 from the A Schedule could not be copied and pasted to this document because it gave me a message that this sheet is protected hence I could not copy it

- Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of 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 from operating performance and resources deployed to capital expenditure, financial position, cash and funding compliance and the municipality's commitment to eliminating basic service delivery backlogs.
- Financial management reforms emphasizes the importance of funding for the municipal budget. 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:
 - (a) The operating surplus/deficit (after total expenditure) is positive over the MTREF
 - (b) Capital expenditure is balanced by capital funding sources of which:
 - (i) Transfers recognized are reflected on the Financial Performance Budget.
 - (ii) Internally generated funds are financed from current operating surplus

Table 10 MBRR Table A2 – Budget Financial Performance (revenue and expenditure by standard classification)

KZN271 Umhlabuyalingana - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Revenue - Functional										
Governance and administration		179,225	191,846	240,239	214,234	214,097	214,097	240,821	257,363	275,638
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		179,225	191,846	240,239	214,234	214,097	214,097	240,821	257,363	275,638
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		14,577	3,977	2,712	10,882	6,850	6,850	3,488	2,990	3,122
Community and social services		14,551	3,948	2,708	10,850	6,850	6,850	3,488	2,990	3,122
Sport and recreation		17	29	5	–	–	–	–	–	–
Public safety		9	–	–	32	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		33,712	29,219	57,183	38,167	41,817	41,817	51,582	43,874	45,755
Planning and development		6,663	5,753	5,615	1,225	5,381	5,381	9,160	(1,849)	(1,932)
Road transport		27,050	23,467	51,568	36,942	36,435	36,435	42,421	45,723	47,686
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		583	624	624	209	624	624	437	652	681
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		583	624	624	209	624	624	437	652	681
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	228,097	225,667	300,758	263,491	263,388	263,388	296,327	304,879	325,196
Expenditure - Functional										
Governance and administration		122,751	133,150	138,865	125,772	126,043	126,043	140,683	154,805	167,154
Executive and council		38,269	42,418	41,707	39,901	43,858	43,858	41,821	42,562	44,635
Finance and administration		81,918	86,981	94,241	83,199	80,513	80,513	96,688	109,973	120,146
Internal audit		2,565	3,751	2,918	2,672	1,672	1,672	2,175	2,271	2,373
Community and public safety		47,555	47,537	50,842	39,987	44,041	44,041	41,896	43,747	45,716
Community and social services		46,448	45,011	47,139	37,988	42,780	42,780	40,107	41,880	43,765
Sport and recreation		–	14	16	–	–	–	–	–	–
Public safety		1,107	2,512	3,687	1,999	1,261	1,261	1,789	1,867	1,951
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		34,940	34,307	37,059	47,890	43,672	43,672	48,819	50,142	55,514
Planning and development		23,453	21,953	23,210	33,163	28,602	28,602	30,591	31,113	35,629
Road transport		11,487	12,354	13,850	14,726	15,069	15,069	18,228	19,030	19,885
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		3,276	9,542	12,319	2,547	8,432	8,432	7,415	9,397	10,927
Energy sources		330	–	285	572	422	422	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		2,946	9,542	12,034	1,976	8,010	8,010	7,415	9,397	10,927
Other	4	–	–	–	88	175	175	100	104	109
Total Expenditure - Functional	3	208,522	224,536	239,086	216,283	222,364	222,364	238,913	258,197	279,420
Surplus/(Deficit) for the year		19,575	1,131	61,673	47,208	41,024	41,024	57,415	46,682	45,776

- Table A2 is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- Total revenue in this table includes capital revenues (transfers recognized – capital) and it reconciles to table A4 which reported a surplus of R57 414 677

Table 11 MBRR Table A3 Consolidated – Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN271 Umhlabyalingana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Revenue by Vote	1									
Vote 1 - Finance and Admin		179,225	191,846	240,239	214,234	214,097	214,097	240,821	257,363	275,638
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		14,551	3,948	2,708	10,850	6,850	6,850	3,488	2,990	3,122
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		583	624	624	209	624	624	437	652	681
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		6,663	5,753	5,615	1,225	2,381	2,381	9,160	(1,849)	(1,932)
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 9 - Roads		21,823	20,896	48,182	30,601	33,380	33,380	39,366	42,533	44,353
Vote 10 - Sport and Recreation		5,236	2,570	3,387	6,374	6,055	6,055	3,055	3,189	3,333
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	228,081	225,638	300,754	263,491	263,388	263,388	296,327	304,879	325,196
Expenditure by Vote to be appropriated	1									
Vote 1 - Finance and Admin		81,727	86,423	94,241	83,042	80,357	80,357	96,438	109,712	119,873
Vote 2 - Executive and council		38,269	42,418	41,707	39,901	43,858	43,858	41,821	42,562	44,635
Vote 3 - Community and social services		45,014	43,556	45,042	36,770	41,624	41,624	37,735	39,404	41,177
Vote 4 - Internal Audit		2,565	3,751	2,918	2,672	1,672	1,672	2,175	2,271	2,373
Vote 5 - Waste Management		2,946	9,542	12,034	1,976	8,010	8,010	7,415	9,397	10,927
Vote 6 - Energy Sources		330	-	285	572	422	422	-	-	-
Vote 7 - Planning and Development		23,452	21,953	22,642	30,675	24,390	24,390	26,325	26,659	30,974
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 9 - Roads		4,032	3,988	4,838	3,708	5,002	5,002	6,150	6,421	6,710
Vote 10 - Sport and Recreation		10,187	12,892	15,363	16,968	17,029	17,029	20,854	21,772	22,751
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	208,522	224,522	239,070	216,283	222,364	222,364	238,913	258,197	279,420
Surplus/(Deficit) for the year	2	19,559	1,116	61,684	47,208	41,024	41,024	57,415	46,682	45,776

Table A3 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 the municipality.

Table 12 MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure)

KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Revenue By Source											
Property rates	2	32,083	24,690	25,199	18,241	20,986	20,986	15,380	20,986	21,909	22,895
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	583	624	624	209	624	624	416	437	652	681
Rental of facilities and equipment		368	380	395	395	407	407	272	407	425	444
Interest earned - external investments		4,802	4,675	1,996	2,146	2,146	2,146	1,509	2,146	2,240	2,341
Interest earned - outstanding debtors		610	400	(1,171)	968	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,578	881	1,052	3,327	1,305	1,305	542	1,305	1,362	1,423
Licences and permits		3,569	2,293	3,238	6,294	2,867	2,867	1,917	2,867	2,993	3,128
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		155,449	175,772	224,415	196,149	193,672	193,672	147,363	221,240	233,731	250,940
Other revenue	2	630	1,093	499	467	581	581	434	373	389	407
Gains		(672)	(2,540)	(367)	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		199,000	208,270	255,881	228,193	222,587	222,587	167,834	249,760	263,702	282,260
Expenditure By Type											
Employee related costs	2	66,611	72,111	76,666	92,975	78,740	78,740	51,166	84,204	87,916	91,858
Remuneration of councillors		12,472	13,026	12,988	16,523	14,028	14,028	9,103	16,162	17,195	18,141
Debt impairment	3	6,446	5,975	9,066	3,945	1,395	1,395	-	7,253	7,347	12,976
Depreciation & asset impairment	2	26,908	24,474	24,584	24,016	24,296	24,296	22,498	22,521	34,367	37,020
Finance charges		3	337	17	995	745	745	235	995	1,039	1,086
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	1,417	1,417	1,417	1,343	2,322	2,424	2,533
Contracted services		40,853	47,051	50,072	32,771	37,293	37,293	32,060	45,438	47,408	49,467
Transfers and subsidies		2,243	8,490	13,624	9,010	13,537	13,537	8,429	11,100	9,866	10,310
Other expenditure	4, 5	50,901	50,308	48,772	34,631	50,912	50,912	39,782	48,917	50,635	56,028
Losses		826	(18)	0	-	-	-	-	-	-	-
Total Expenditure		207,263	221,753	235,789	216,283	222,364	222,364	164,616	238,913	258,197	279,420
Surplus/(Deficit)		(8,263)	(13,483)	20,092	11,910	223	223	3,218	10,848	5,505	2,840
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		40,277	20,695	47,134	35,298	37,801	37,801	24,338	46,567	41,177	42,936
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporators, Higher Educational Institutions)	6	-	-	-	-	3,000	3,000	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		32,014	7,212	67,226	47,208	41,024	41,024	27,556	57,415	46,682	45,776
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		32,014	7,212	67,226	47,208	41,024	41,024	27,556	57,415	46,682	45,776
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		32,014	7,212	67,226	47,208	41,024	41,024	27,556	57,415	46,682	45,776
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		32,014	7,212	67,226	47,208	41,024	41,024	27,556	57,415	46,682	45,776

- Revenue generated from property rates and service charges contributes 8% of the total operating revenue basket. In 2022/2023 revenue from property rates totaled R20 985 640 in the income budget. It has increased when compared to the 2021/2022 adjustment budget. The reason for the increase is because of the changes in property market values in the supplementary valuation roll since there were not adjustments on the tariffs for property rates.
- Budget for refuse revenue for 2022/2023 is R437 052, it has decreased when compared to the 2021/2021 adjustment budget because it has been discovered other accounts are being billed but there is no service being received by those customers. It then prompted the management to take a decision to reduce the projected revenue to be raised and submit an item to council to write off the debt that has been accumulated in the past years.
- Projected revenue for rental of facilities in 2022/2023 will be R407 183. It is the same as revenue projected in the adjustment budget for 2021/2022 because there were not tariffs adjustment.
- Interest from short term deposits/investments in 2022/2023 is R2 145 919 this projection is based on that the grant funds will be invested to short term deposits accounts of the municipality with the intention of generation more revenue on interest received from investments and bank accounts.
- Fines and penalties for 2022/2023 is projected to be R1 304 533, it has decreased when compared to 2021/2022 original budget. This item decreased because after the mid-year assessment it was evident that there is poor performance in terms of raising this revenue. Management then decided not to increase it in the 2022/2023 because the challenges relating to poor performance have not been resolved
- Licenses and permits revenue for 2022/2023 will be R2 867 042, it has decreased when compared to 2021/2022 original budget. This item decreased because just like the fines and penalties after the mid-year assessment it was evident that there is poor performance in terms of raising this revenue. Management then decided not to increase it in the 2022/2023 because the challenges relating to poor performance have not been resolved
- Transfers and subsidies operational for 2022/2023 will be R221 240 055 which is made up of Equitable Share of R213 526 000 and conditional grants with are FMG of R1 850 000, EPWP of R1 975 000, MIG (PMU) of R956 055, Provincialisation of Libraries Grant of R1 964 000 and Community Library Grant of R969 000.
- Other revenue in 2022/2023 will be R373 074, this revenue includes revenue to be generated from sale of tender documents, income from photocopies and faxes from the library services, income generated from the issue of rates clearance certificates, and income received from commissions or handling fees, income received from approval of building plans and LG Seta refunds.
- Employee related costs in 2022/2023 will be R84 203 743 excluding councilors allowances. It has increased when compared to the adjustment budget as a result of a provision of 7% annual increase for all employees. It includes vacant positions that have been vacated by officials who got promotional positions in the current year and who have resigned in the current year. There is also a vacant position for Director Technical Services which has been vacant as from April 2021.
- Councilors allowances increase to R16 162 277 in 2022/2023 financial year when compared to the adjustment budget. The provision is as per the provision of the gazette for the remuneration of councilors that was issued in November 2021.
- Debt impairment increased to R7 252 969 when compared with the 2021/2022 adjustment figures. This provision is based on the fact that the municipality will have to impair its debtors because the

overall revenue collections is estimated to be 69% of billed revenue. Collection rate reflected in table A7 shows 99% collection because it includes collection from long outstanding debts. Department of Public Works (National) has confirmed to pay more than R4 million which is part of the long outstanding debt which then will increase the overall collection rate.

- Depreciation and asset impairment is estimated to be R22 521 075 in the 2022/2023 financial year. This provision has decreased when compared to the adjustment budget because there are assets that will be written off in the current year which will then reduce the depreciation value for 2022/2023.
- Contracted services budget increased to R45 438 000 in 2022/2023 when compared to the adjustment budget. The increase in contracted services is a result of 88% increase from the original budget of maintenance of roads as well as 40% of fleet assets when compared to the original budget.
- Other expenditure decreased to R48 917 112 when compared to the adjustment budget. This decrease in other expenditure is the municipality's response to the cost containment regulations as issued by National Treasury through Circular 97.

Table 13 MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-
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	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Finance and Admin		164,250	174,959	982	4,588	4,538	4,538	5,022	6,798	6,254	6,535
Vote 2 - Executive and council		-	-	242	-	150	150	(197)	-	-	-
Vote 3 - Community and social services		49,361	47,594	51,115	11,500	13,720	13,720	39,183	8,000	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		10,217	10,085	298	950	-	-	-	400	209	218
Vote 6 - Energy Sources		0	0	-	-	3,000	3,000	-	-	-	-
Vote 7 - Planning and Development		29,902	27,211	964	-	-	-	1,000	2,500	-	-
Vote 8 - Public Safety		903	1,078	48	-	-	-	-	1,000	1,044	1,091
Vote 9 - Roads		20,675	40,231	69,802	30,170	32,081	32,081	92,109	38,067	41,177	42,936
Vote 10 - Sport and Recreation		404	404	-	-	-	-	-	-	-	-
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		275,713	301,561	123,452	47,208	53,490	53,490	137,118	56,765	48,683	50,780
Total Capital Expenditure - Vote		275,713	301,561	123,452	47,208	53,490	53,490	137,118	56,765	48,683	50,780
Capital Expenditure - Functional											
Governance and administration		164,250	174,959	1,225	4,588	4,688	4,688	-	6,798	6,254	6,535
Executive and council		-	-	242	-	150	150	-	-	-	-
Finance and administration		164,250	174,959	982	4,588	4,538	4,538	-	6,798	6,254	6,535
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		93,090	87,102	51,163	11,500	13,720	13,720	-	9,000	1,044	1,091
Community and social services		49,188	47,420	51,115	11,500	13,720	13,720	-	8,000	-	-
Sport and recreation		41,727	37,331	-	-	-	-	-	-	-	-
Public safety		1,307	1,482	48	-	-	-	-	1,000	1,044	1,091
Housing		-	-	-	-	-	-	-	-	-	-
Health		869	869	-	-	-	-	-	-	-	-
Economic and environmental services		50,578	67,442	70,766	30,170	32,081	32,081	-	40,567	41,177	42,936
Planning and development		29,902	27,211	964	-	-	-	-	2,500	-	-
Road transport		20,675	40,231	69,802	30,170	32,081	32,081	-	38,067	41,177	42,936
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		10,217	10,085	315	950	3,000	3,000	-	400	209	218
Energy sources		0	0	-	-	3,000	3,000	-	-	-	-
Water management		-	-	17	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		10,217	10,085	298	950	-	-	-	400	209	218
Other		21,080	23,659	-	-	-	-	-	650	-	-
Total Capital Expenditure - Functional	3	339,215	363,247	123,469	47,208	53,490	53,490	-	57,415	48,683	50,780
Funded by:											
National Government		57,536	73,518	41,526	35,298	34,920	34,920	-	38,567	41,177	42,936
Provincial Government		7,779	2,862	1,043	-	4,720	4,720	-	5,500	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	65,315	76,379	42,569	35,298	39,640	39,640	-	44,067	41,177	42,936
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		273,900	286,868	80,899	11,910	13,850	13,850	-	13,348	7,506	7,844
Total Capital Funding	7	339,215	363,247	123,469	47,208	53,490	53,490	-	57,415	48,683	50,780

Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote, standard classification and funding source including capital transfers from national departments.

- Capital expenditure has been projected at R57 414 945 and it has increased when compared to 2021/2022 adjustment budget. It includes construction of road projects to the value of R38 066 945, construction of community halls to the value of R2 500 000, refurbishment of market stalls to the value of R4 500 000, construction of aquaculture fish market to the value of R1 000 000 and beach development project to the value of R2 500 000. Acquisition of other assets to the value of R8 848 000 which includes computer equipment, plant and equipment, vehicles, furniture and intangible assets.
- Capital projects funded by national departments totaled to R38 566 945 and capital projects funded by provincial departments totaled to R8 000 000 and projects and assets funded by internally generated funds totaled to R10 848 000

Table 14 MBRR Table A6 – Budgeted Financial Position

KZN271 Umhlabyalingana - Table A6 Budgeted Financial Position

Table 10 Budget Framework											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
ASSETS											
Current assets											
Cash		35,595	50,266	65,718	73,765	66,093	66,093	110,146	18,635	76,518	136,077
Call investment deposits	1	13,060	13,891	18,440	14,206	18,448	18,448	9,336	18,785	20,931	23,171
Consumer debtors	1	13,268	8,127	8,800	18,027	18,027	18,027	11,421	56,138	29,119	27,015
Other debtors		(1,597)	1,980	1,235	(6,628)	(9,931)	(9,931)	1,132	(8,284)	(8,289)	(8,366)
Current portion of long-term receivables		10	5	15	–	–	–	15	–	–	–
Inventory	2	189	190	282	250	250	250	301	282	554	288
Total current assets		60,525	74,459	94,490	99,621	92,887	92,887	132,350	85,556	118,834	178,185
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	301,221	305,544	332,624	348,640	356,191	356,191	710,582	389,545	417,020	436,041
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		825	903	596	1,461	981	981	283	1,093	768	430
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		302,047	306,447	333,220	350,101	357,172	357,172	710,866	390,637	417,788	436,471
TOTAL ASSETS		362,571	380,906	427,710	449,722	450,060	450,060	843,216	476,193	536,622	614,657
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	–	–	–	–	–	–	–
Consumer deposits		–	–	–	–	–	–	1	–	–	–
Trade and other payables	4	43,665	60,323	48,143	2,375	35,567	35,567	(69,030)	(10,220)	(10,905)	(11,396)
Provisions		–	–	–	–	–	–	–	–	–	–
Total current liabilities		43,665	60,323	48,143	2,375	35,567	35,567	(69,030)	(10,220)	(10,905)	(11,396)
Non current liabilities											
Borrowing		–	–	–	–	–	–	–	–	–	–
Provisions		–	–	–	(26,916)	(26,916)	(26,916)	–	(7,253)	(7,347)	(12,976)
Total non current liabilities		–	–	–	(26,916)	(26,916)	(26,916)	–	(7,253)	(7,347)	(12,976)
TOTAL LIABILITIES		43,665	60,323	48,143	(24,542)	8,651	8,651	(69,030)	(17,473)	(18,252)	(24,372)
NET ASSETS	5	318,907	320,583	379,567	474,264	441,409	441,409	912,245	493,666	554,874	639,029
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		264,546	265,091	262,403	(379,848)	441,409	441,409	(619,190)	398,070	316,512	231,143
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	264,546	265,091	262,403	(379,848)	441,409	441,409	(619,190)	398,070	316,512	231,143

- Table A6 is consistent with international standards of good financial management practice, and improves councilors and managements understanding of the impact of the budget on the statement of financial position.
- This format of financial position is aligned to GRAP 1.
- This table is supported by table SA3 which provides detailed analysis of the major components of a number of items, including;
 - Call investments deposits
 - Consumer debtors
 - Property plant and equipment
 - Trade and other payables
 - Provisions non-current
 - Changes in net assets; and
 - Reserves

Table 15 MBRR Table A7 – Budgeted Cash Flow Statement

KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	11,856	15,110	15,110	12,971	20,986	21,909	22,895
Service charges		–	–	–	94	375	375	351	306	456	477
Other revenue		49,588	64,283	387,909	23,044	22,375	22,375	571,901	4,874	5,088	5,317
Transfers and Subsidies - Operational	1	–	–	–	196,149	195,392	195,392	25,965	259,994	272,485	289,694
Transfers and Subsidies - Capital	1	–	–	–	47,798	51,581	51,581	44,600	46,567	49,177	54,885
Interest		–	–	8	–	–	–	69	2,146	2,240	2,341
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		2,848	6,395	(4,381)	(178,317)	(145,375)	(145,375)	178,067	(235,797)	(242,616)	(251,777)
Finance charges		–	–	–	(995)	(745)	(745)	–	(995)	(1,039)	(1,086)
Transfers and Grants	1	–	–	(5,399)	(9,010)	(13,537)	(13,537)	1,589	(11,100)	(9,866)	(10,310)
NET CASH FROM/(USED) OPERATING ACTIVITIES		52,436	70,677	378,138	90,618	125,174	125,174	835,513	86,980	97,834	112,436
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables									–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		–	–	–	(59,708)	(61,269)	(61,269)	(399)	(57,415)	(48,683)	(50,780)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	–	–	(59,708)	(61,269)	(61,269)	(399)	(57,415)	(48,683)	(50,780)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–
NET INCREASE/(DECREASE) IN CASH HELD		52,436	70,677	378,138	30,910	63,905	63,905	835,114	29,565	49,151	61,656
Cash/cash equivalents at the year begin:	2	(997)	(191)	–	69,122	84,158	84,158	18,448	46,435	76,000	125,151
Cash/cash equivalents at the year end:	2	51,439	70,486	378,138	100,032	148,063	148,063	853,562	76,000	125,151	186,807

- The budgeted cash flow statement is the first measurement in determining if the budget is funded or not.
- It shows the expected level of cash inflow versus cash outflow that is likely to result from the implementation of the budget.
- The collection rate that has been applied in this cash flow is 69% on all billed revenue and 100% on other revenue sources as it is assumed that it is cash based. The estimated collection rate for property rates is 72% but as per the table above the estimated collection rate for property rates is 99% because it includes collection from long outstanding debts from department of Public Works (National). The department has confirmed that they will pay more than R4 000 000 in the next financial year from the long outstanding debt they owe the municipality. The estimated collection rate for refuse removal is 70%. It is based on the actual collection rate for prior year as per

the 2020/2021 financial year and current year actual collection. Other revenue sources are estimated at 100% collection rate

- Payment of suppliers and employee costs is assumed to be 100% which includes the payment of capital projects.
- It can be seen that the municipality's cash levels are increasing steadily
- Cash and cash equivalents are expected to improve steadily

Table 16 MBRR Table A8 – Cash-backed Reserves/Accumulated Surplus Reconciliation

KZN271 Umhlaluyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	51,439	70,486	378,138	100,032	148,063	148,063	853,562	76,000	125,151	186,807
Other current investments > 90 days		(2,784)	(6,329)	(293,980)	(12,061)	(63,521)	(63,521)	(734,081)	(38,580)	(27,702)	(27,559)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		48,655	64,157	84,158	87,972	84,541	84,541	119,481	37,420	97,449	159,248
Application of cash and investments											
Unspent conditional transfers		28,434	40,341	28,737	1,876	(4,539)	(4,539)	(44,970)	1,876	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	549	(1,414)	(111,257)	(12,843)	28,656	28,656	(411,110)	(59,569)	(31,528)	(29,859)
Other provisions		–	–	–	(26,916)	(26,916)	(26,916)	–	(7,253)	(7,347)	(12,976)
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		28,983	38,927	(82,520)	(37,884)	(2,799)	(2,799)	(456,080)	(64,947)	(38,875)	(42,835)
Surplus(shortfall)		19,672	25,230	166,678	125,856	87,340	87,340	575,562	102,367	136,324	202,084

- Cash-backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42-Funding a Municipal Budget.
- The table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities that exist.
- The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded"
- The end objective of the MTREF is to ensure that the budget is funded and aligned to Section 18 of the MFMA
- From the table it can be seen that the cash surplus is increasing over the years.

Table 17 MBRR Table A9 – Asset Management

KZN271 Umhlabuyalingana - Table A9 Asset Management

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	217,591	243,736	105,953	45,400	53,182	53,182	53,957	46,073	48,053
Roads Infrastructure		159,073	184,579	69,802	30,170	32,081	32,081	38,067	41,177	42,936
Storm water Infrastructure		2,691	-	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	-	-	3,000	3,000	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	200	209	218
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		164,626	187,441	69,802	30,170	35,081	35,081	38,267	41,386	43,154
Community Facilities		46,102	44,334	35,472	10,500	13,720	13,720	10,500	-	-
Sport and Recreation Facilities		321	-	-	-	-	-	-	-	-
Community Assets		46,423	44,334	35,472	10,500	13,720	13,720	10,500	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,559	1,934	-	1,068	588	588	500	-	-
Intangible Assets		1,559	1,934	-	1,068	588	588	500	-	-
Computer Equipment		1,632	1,601	26	300	150	150	300	313	327
Furniture and Office Equipment		1,007	883	224	523	300	300	1,440	1,503	1,571
Machinery and Equipment		1,446	4,902	93	2,318	1,940	1,940	2,950	2,871	3,000
Transport Assets		898	2,640	335	523	1,403	1,403	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	121,625	119,511	17,516	1,808	308	308	3,458	2,610	2,727
Roads Infrastructure		10,224	9,705	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		10,442	10,085	298	500	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		20,667	19,790	298	500	-	-	-	-	-
Community Facilities		25,923	28,503	16,404	1,000	-	-	650	-	-
Sport and Recreation Facilities		41,406	37,331	-	-	-	-	-	-	-
Community Assets		67,329	65,833	16,404	1,000	-	-	650	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		23,535	23,535	-	308	308	308	300	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		23,535	23,535	-	308	308	308	300	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		146	146	-	-	-	-	-	-	-
Intangible Assets		146	146	-	-	-	-	-	-	-
Computer Equipment		328	327	588	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		3,410	2,423	226	-	-	-	8	-	-
Transport Assets		6,211	7,457	-	-	-	-	2,500	2,610	2,727
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	339,215	363,247	123,469	47,208	53,490	53,490	57,415	48,683	50,780
Roads Infrastructure		169,298	194,285	69,802	30,170	32,081	32,081	38,067	41,177	42,936
Storm water Infrastructure		2,691	-	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	-	-	3,000	3,000	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		10,442	10,085	298	500	-	-	200	209	218
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		185,293	207,231	70,100	30,670	35,081	35,081	38,267	41,386	43,154
Community Facilities		72,025	72,837	51,876	11,500	13,720	13,720	11,150	-	-
Sport and Recreation Facilities		41,727	37,331	-	-	-	-	-	-	-
Community Assets		113,752	110,167	51,876	11,500	13,720	13,720	11,150	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		23,535	23,535	-	308	308	308	300	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		23,535	23,535	-	308	308	308	300	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,705	2,080	-	1,068	588	588	500	-	-
Intangible Assets		1,705	2,080	-	1,068	588	588	500	-	-
Computer Equipment		1,959	1,928	614	300	150	150	300	313	327
Furniture and Office Equipment		1,007	883	224	523	300	300	1,440	1,503	1,571
Machinery and Equipment		4,857	7,325	319	2,318	1,940	1,940	2,958	2,871	3,000
Transport Assets		7,109	10,097	335	523	1,403	1,403	2,500	2,610	2,727
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		339,215	363,247	123,469	47,208	53,490	53,490	57,415	48,683	50,780

ASSET REGISTER SUMMARY - PPE (WDV)	5	302,046	306,447	333,220	350,101	357,172	357,172	390,637	417,788	436,471
<i>Roads Infrastructure</i>		126,690	136,878	160,576	30,170	32,081	32,081	329,786	364,509	383,066
<i>Storm water Infrastructure</i>		2,691	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	3,000	3,000	-	-	-
<i>Water Supply Infrastructure</i>		(8)	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		5,559	6,551	5,685	(489)	(200)	(200)	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
Infrastructure		134,932	143,429	166,261	29,680	34,881	34,881	329,786	364,509	383,066
Community Assets		128,745	121,400	125,259	11,500	13,720	13,720	10,500	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other Assets		27,014	25,718	25,703	303,797	303,797	303,797	25,902	23,679	22,378
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		825	903	596	1,461	981	981	1,093	768	430
Computer Equipment		766	973	1,173	300	150	150	300	313	327
Furniture and Office Equipment		1,277	968	1,060	523	300	300	1,440	1,503	1,571
Machinery and Equipment		3,786	6,192	10,474	2,318	1,940	1,940	19,117	24,405	25,972
Transport Assets		4,043	6,205	3,061	523	1,403	1,403	2,500	2,610	2,727
Land		659	659	(367)	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	302,046	306,447	333,220	350,101	357,172	357,172	390,637	417,788	436,471
EXPENDITURE OTHER ITEMS		26,844	26,975	29,750	28,706	30,797	30,797	32,143	41,920	43,807
Depreciation	7	22,750	23,046	24,584	23,027	24,096	24,096	21,532	30,843	32,231
Repairs and Maintenance by Asset Class	3	4,094	3,928	5,165	5,680	6,701	6,701	10,611	11,078	11,576
<i>Roads Infrastructure</i>		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
<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		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
<i>Community Facilities</i>		328	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
Community Assets		328	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	784	1,055	1,055	836	873	913
<i>Housing</i>		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	784	1,055	1,055	836	873	913
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		48	77	52	99	99	99	562	587	613
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		175	-	287	460	460	460	212	221	231
Transport Assets		-	-	-	679	172	172	3,000	3,132	3,273
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		26,844	26,975	29,750	28,706	30,797	30,797	32,143	41,920	43,807
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		35.9%	32.9%	14.2%	3.8%	0.6%	0.6%	6.0%	5.4%	5.4%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		534.6%	518.6%	71.2%	7.9%	1.3%	1.3%	16.1%	8.5%	8.5%
<i>R&M as a % of PPE</i>		1.4%	1.3%	1.6%	1.6%	1.9%	1.9%	2.7%	2.7%	2.7%
<i>Renewal and upgrading and R&M as a % of PPE</i>		42.0%	40.0%	7.0%	2.0%	2.0%	2.0%	4.0%	3.0%	3.0%

Table A9 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.

- Capital budget has an allocation of 19% to the total budget in 2022/2023 financial year.

Table 18 MBRR Table A10 – Basic Service Delivery Measurement

KZN271 Umhlabyalingana - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
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 section 17 of MPRA		(5,590)	(1,649)	(1,128)	2,436	2,436	2,436	2,436	2,543	2,657
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	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		(5,590)	(1,649)	(1,128)	2,436	2,436	2,436	2,436	2,543	2,657

- The municipality is providing a rebate of R204350621 on property rates but only for business and commercial debtors. There is no free basic electricity for 2022/2023 financial year because the municipality has stated the whole process of generating an indigent register.

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.

2.1.1 Budget Process Overview

The key deadlines for the compilation of the IDP and MTREF was submitted to council for approval during August 2020 as required by Section 21(b) of the MFMA. In terms of the approved key deadlines the draft IDP and Budget must be tabled to Council at the end of March 2021

The IDP unit conducted meetings with ward committees on the 19th of October 2020 at Mbazwana Art Center in ward 7, 20th of October 2020 in HlokoHloko Community Hall in ward 14 and 21st of October 2020 at Mlamula Community Hall in ward 15 and the last one was on the 22nd of October 2020 in Thengani Community Hall in ward 11 to get input for the review of the IDP.

IDP engagement meetings with other sector departments were planned for August 2020 but that meeting did not sit due to COVID 19 restrictions, another one was in September 2020 and third one was supposed to be in March 2021 but it also did not materialize because only two representative attended it although it was held via zoom media.

Departments received budget compilation guidelines and templates to be submitted in support of their budget requests in January 2021

Department submitted their Operational Budget and Capital Budget requests to finance department for consolidation during February 2021. Consolidation of the departmental input received and analysis of the requests took place during February and March 2021.

Key dates as approved by Council in August 2020 were as follows:

- First round public engagements at ward level with ward councilors and ward committees were from October 2020. The focus was on the following:
 - Feed back on how the priorities have / have not been accommodated in the 2020/2021 budget
 - Give strategic direction and obtain the 5 priorities for the 2021/2022 budget cycle.
- The Mid-Year Budget and Performance Assessments engagement with the Provincial Treasury in February 2021
- Public meetings regarding the tabled 2021/2022 MTREF is scheduled to take place from the 15th to 30th of April 2021.
- Final approval of the 2021/2022 MTREF will be on the 31st of May 2021

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The IDP is the municipal principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into planning statements covering the 5 year objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

All departments were part of the process of reviewing the IDP and SDBIP of the municipality for 2021/2022 financial year.

2.1.3 Community Consultation

Section 29(1)(b) of Chapter 5 of the Municipal Systems Act of 2000 states that municipalities through appropriate mechanisms, processes and procedures established in terms of public participation allow for communities to be consulted on their development needs and priorities and that the local community to participate in drafting of the IDP.

The municipality used ward committees as mechanism for the purpose of engaging and consulting communities on their needs and priorities. The IDP review meetings were held in 4 strategic points identified by the planning committee. The meetings took place on 19th of October 2020 at Mbazwana Art Centre in ward 7, 20th of October 2020 at HlokoHloko Community Hall in ward 14 and on the 21st of October 2020 at Mlamula Community Hall in ward 15 and the last one on the 22nd of October 2020 at Thengani Community Hall in ward 11.

2.2 Overview of alignment of annual budget with IDP

The alignment of the budget with the IDP has been achieved through the setting of targets by departments which were guided by the following principles:

- It had to be aligned to the national outcome related to their mandate.
- Focus on basic service delivery in terms of the eradication of backlogs, provision of basic services as well as the maintenance of existing infrastructure and community needs.
- All targets set in the IDP were cross referenced to the budget as part of the result-based budget process. Each outcome with its supporting activities set for the coming year has been linked to specific votes in the budget to be utilized to achieve it.
- The 2021/2022 MTREF is informed by the IDP revision process as per the table below.

KZN271 Umhlabyalingana - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Table SA 20 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Table 21 MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted capital expenditure

KZN271 Umhlabuyalingana - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousand													
Comply with financial reporting as outlined in the MFMA	A comprehensive, responsive and sustainable social protection system	13	–	–	–	–	500	–	–	–	–	–	
Comply with financial reporting as outlined in the MFMA	A long and healthy life for all South Africans	2	–	42,275	38,200	–	–	–	–	–	–	–	
Comply with financial reporting as outlined in the MFMA	An efficient, competitive and responsive economic infrastructure network	6	–	173,480	179,055	52,617	500	–	–	200	209	218	
Comply with financial reporting as outlined in the MFMA	An efficient, effective and development-oriented public service	12	–	63,563	70,078	17,866	4,588	4,688	4,688	8,148	6,984	7,299	
Comply with financial reporting as outlined in the MFMA	Quality basic education	1	–	2,857	2,857	–	500	–	–	–	–	–	
Comply with financial reporting requirements as outlined in the MFMA	An efficient, effective and development-oriented public service	12	–	69	69	30	–	–	–	300	313	327	
Comply with MFMA, SCM regulations and related legislations	An efficient, competitive and responsive economic infrastructure network	6	–	–	–	17,313	6,439	7,033	7,033	–	10,786	9,214	
Comply with MFMA, SCM regulations and related legislations	An efficient, effective and development-oriented public service	12	–	–	–	–	4,000	–	–	500	–	–	
Solid waste removal	An efficient, effective and development-oriented public service	12	–	888	888	888	–	–	–	2,700	–	–	
To develop long term infrastructure development plans	An efficient, competitive and responsive economic infrastructure network	6	–	–	–	–	–	3,000	3,000	–	–	–	
To develop long term infrastructure development plans	Responsive, accountable, effective and efficient local government	9	–	0	0	–	–	–	–	–	–	–	
To enhance effective internal control and standard operating	An efficient, competitive and responsive economic infrastructure network	6	–	2,691	–	–	–	–	–	–	–	–	
To enhance effective internal control and standard operating	An efficient, effective and development-oriented public service	12	–	2,227	–	–	450	3,000	3,000	4,500	–	–	
To provide access and facilitate vehicular movement in Umhlabuyalingana	An efficient, competitive and responsive economic infrastructure network	6	–	9,122	28,175	–	12,189	13,230	13,230	18,488	18,571	23,722	
To provide and improve access to community/public facilities to minimum standards	A long and healthy life for all South Africans	2	–	321	–	–	–	–	–	–	–	–	
To provide and improve access to community/public facilities to minimum standards	An efficient, competitive and responsive economic infrastructure network	6	–	–	–	170	11,541	11,818	11,818	19,579	11,820	10,000	
To provide and improve access to community/public facilities to minimum standards	An efficient, effective and development-oriented public service	12	–	40,825	41,284	34,585	6,500	10,720	10,720	3,000	–	–	
To provide the optimal institutional structure to render effective and efficient services	An efficient, effective and development-oriented public service	12	–	898	2,640	–	–	–	–	–	–	–	
		O											
		P											
Allocations to other priorities				3									
Total Capital Expenditure				1	339,215	363,247	123,469	47,208	53,490	53,490	57,415	48,683	50,780
References													

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.

The performance of the municipality relates directly to the extent to which it has achieved success in realizing its goals and objectives, complied with legislative requirements and meeting stakeholders expectations. The municipality has adopted one Integrated Performance Management System which comprises of planning, monitoring, measurement, review, reporting and improvement. The performance information concepts used by the municipality in its IPMS are aligned to the framework of managing programme performance information issued by National Treasury. The following table provides the main measurable performance objective the municipality undertakes to achieve this financial year.

Table 22 MBRR Table SA7 – Measurable performance objectives

Choose name from list - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

The following table sets out the municipality's main performance objectives and benchmarks for 2022/2023 MTREF.

Table 23 MBRR Table SA8 – Performance indicators and benchmarks

KZN271 Umhlabyalingana - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.2%	0.0%	0.5%	0.3%	0.3%	0.1%	0.4%	0.4%	0.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	1.0%	0.1%	3.1%	2.6%	2.6%	1.1%	3.5%	3.5%	3.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.4	1.2	2.0	42.0	2.6	2.6	(1.9)	(8.4)	(10.9)	(15.6)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.2	2.0	42.0	2.6	2.6	(1.9)	(8.4)	(10.9)	(15.6)
Liquidity Ratio	Monetary Assets/Current Liabilities	1.1	1.1	1.7	37.0	2.4	2.4	(1.7)	(3.7)	(8.9)	(14.0)
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	64.8%	71.7%	71.7%	84.3%	99.4%	99.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	64.8%	71.7%	71.7%	84.3%	99.4%	99.1%	99.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	5.9%	4.9%	3.9%	5.0%	3.6%	3.6%	7.5%	19.2%	7.9%	6.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		28.5%	23.0%	5.5%	9.5%	33.0%	33.0%	-3.0%	-1.3%	-0.8%	-0.6%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.5%	34.6%	30.0%	40.7%	35.4%	35.4%	30.5%	33.7%	33.3%	32.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	39.7%	40.9%	35.0%	48.0%	41.7%	41.7%		40.2%	39.9%	39.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.1%	1.9%	2.0%	2.5%	3.0%	3.0%		4.2%	4.2%	4.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	13.5%	11.9%	9.6%	11.0%	11.3%	11.3%	13.5%	9.4%	13.4%	13.5%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	4,030.5	–	–	–	–	9.5	12.7	12.8	13.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	35.4%	39.4%	38.3%	60.5%	36.8%	36.8%	78.2%	219.2%	90.6%	77.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	4.1	5.1	24.9	7.0	10.7	10.7	87.2	4.9	7.8	10.8

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

The municipality does not have any borrowings.

2.3.1.3 Liquidity

The municipality's ability to adhere to its short term obligations is better since the ratios is high. For the 2022/2023 MTREF the ratios is expected to be 3.7 and improve to 8.9 and 14.0 for the two outer years.

2.3.1.4 Revenue Management

- Annual debtors collection rate indicates the percentage payment levels of the municipality. The municipal payment level percentage according to table SA 8 it is expected to be 84.3% and it will improve to 99.4% and 99.1% for the two outer years.
- Current debtors collection rate payment levels is 99.4% and it will change and be 99.1% for the two outer years.

2.3.1.5 Repairs and maintenance as a percentage of revenue (excluding capital revenue)

- It has increased from 4.2% in 2022/2023 to 4.2% in 2023/2024 and it will be 4.1% in 2024/2025 financial year but it is still below the average ratio of 8%

2.3.2 Free Basic Services: basic social services package for indigent households

The social package assist residents that have difficulty paying for municipal services and registered as indigent households in terms of the Indigent Policy of the municipality. In the previous financial years the municipality provided free basic electricity through Eskom only since they do not provide other services to the residents of umhlabuyalingana except for refuse removal which is also not yet been rolled out to residential properties. In the 2022/2023 financial year there is no provision made because the municipality is in the process of re-doing the indigent register after discovering that the information in the current indigent register is outdated in order to have a compliant indigent register. The processes has started to compile the new indigent register.

The municipality also provided property rates rebates to business and commercial debtors.

2.4 Overview of budget related policies

The following is the list of budget related policies of Umhlabuyalingana Municipality, all these policies are currently under review and will be adopted by council by 31 May 2022

- Budget policy
- Asset management policy
- Asset disposal policy
- Asset maintenance policy
- Credit control and debt collection policy
- Indigent policy
- Cash and Investment policy
- Petty cash policy
- Property rates policy
- Supply Chain Management Policy
- Tariffs policy
- Virement policy
- Contract Management Policy

2.5 Overview of budget assumptions

2.5.1 General inflation outlook and its impact on the municipal activities

The following factors have been taken into consideration in the compilation of the 2022/2023 MTREF.

- National Government macro –economic targets.
- General inflationary outlook and the impact on the municipality’s residents and business.
- The impact of municipal cost drivers
- The increase in the cost of remuneration

The inflation outlook for the MTREF is as follows

The following table reflects the inflation forecast as contained in circular 115 of National Treasury issued in March 2022.

Fiscal Year	2021/2022	2022/2023	2023/2024	2024/2025
	Estimate	Forecast		
CPI Inflation	4.5%	4.8%	4.4%	4.5%

2.5.3 Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage of 69% of annual billings. Cash flow is assumed to be 72% of billings for property rates, 60% for refuse removal and rental of facilities. Other cash flows are assumed to be 100% as they are not based on billing but cash based. In table SA8 the percentage is 99% because of it includes collection from long outstanding debts. Department of Public Works (National) has confirmed that they will pay more than R4 million which is part of long outstanding debt for property rates.

2.5.4 Salary increases

Salaries have been increase by 7.% as per the provisions of the SALGA agreement

2.5.5 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDP's provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- National Development Plan addressing inter alia economic growth and job creation.
- Enhancing education and skills development.
- Improving health services.
- Rural development and agriculture
- Fighting crime and corruption

2.5.6. Ability of the municipality to spend and deliver on the programs

it is estimated that a spending rate of 100% will be achieved on operational expenditure and capital program for the 2022/2023 MTREF of which performance has been factored into the cash flow budget

2.6 Overview of budget funding

2.6.1 Medium-term outlook: Operating Revenue

Tariffs changes

- Tariffs did not change from the prior financial year, the council decided not to change them because they considered the affordability of these tariffs especially after the COVID-19 challenges.

The table below provide detailed investment information and investment particulars by maturity.

Table 24 MBRR SA15- Detailed Investment Information

KZN271 Umhlabuyalingana - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousand											
Parent municipality	1										
Securities - National Government		-	-	-	-	-	-	-	-	-	
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-	
Deposits - Bank		13,060	13,891	18,448	14,206	18,448	18,448	18,785	20,931	23,171	
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-	
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-	
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-	
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-	
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-	
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-	
Municipal Bonds		-	-	-	-	-	-	-	-	-	
Municipality sub-total			13,060	13,891	18,448	14,206	18,448	18,448	18,785	20,931	23,171
Entities											
Securities - National Government											
Listed Corporate Bonds											
Deposits - Bank											
Deposits - Public Investment Commissioners											
Deposits - Corporation for Public Deposits											
Bankers Acceptance Certificates											
Negotiable Certificates of Deposit - Banks											
Guaranteed Endowment Policies (sinking)											
Repurchase Agreements - Banks											
Entities sub-total		-	-	-	-	-	-	-	-	-	
Consolidated total:		13,060	13,891	18,448	14,206	18,448	18,448	18,785	20,931	23,171	

Table 25 MBRR SA16 – Investment particulars by maturity

KZN271 Umhlabuyalingana - 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 - 74275266516		Months	Call accounts	Yes	Variable	0.1	None	None	30 June 2022	5,277	67			5,344
Nedbank - 28702097		Months	Call accounts	Yes	Variable	0.1	None	None	30 June 2022	38	1			38
FNB - 74822621601		Months	Call accounts	Yes	Variable	0.1	None	None	30 June 2022	7,726	67			7,793
STD Bank - 068824491		Months	Call accounts	Yes	Variable	0.1	None	None	30 June 2022	21	0			22
FNB - 6226689825		Months	Call accounts	Yes	Variable	0.1	None	None	30 June 2022	1,375	66			1,442
FNB - 62055161146		Months	Call accounts	Yes	Variable	0	None	None	30 June 2022	2,004	67			2,071
FNB - 62424086785		Months	Call accounts	Yes	Variable	0	None	None	30 June 2022	2,007	67			2,075
Municipality sub-total										18,448		-	-	18,785
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									18,448		-	-	18,785

The table above is indicating the total value of investments per investment account which is R18 785 208

2.6.2 Medium-term outlook: capital revenue

Table 26 MBRR SA17 – Detail of borrowings

The municipality does not have borrowings which is the reason we have a blank sheet for borrowings as per the table below.

KZN271 Umhlabuyalingana - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Parent municipality										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	-	-	-	-	-	-	-
Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

Table 27 MBRR SA18 – Capital transfers and grant receipts

The table below indicates grant to be received including conditional grants for 2022/2023 financial year.

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		150,623	171,329	219,737	193,354	190,877	190,877	218,307	230,798	247,878
Local Government Equitable Share		145,676	166,017	214,885	188,289	186,595	186,595	213,526	228,948	246,028
Finance Management		1,900	1,787	1,900	1,850	1,850	1,850	1,850	1,850	1,850
EPWP Incentive		3,047	3,525	2,952	1,759	1,759	1,759	1,975	-	-
					1,456	673	673	956		
Other transfers/grants [insert description]										
Provincial Government:		4,647	3,759	2,773	2,795	2,795	2,795	2,933	2,933	3,062
Sport and Recreation		17	29	5						
Other transfers/grants [insert description]		1,873	2,460	2,672	2,795	2,795	2,795	2,933	2,933	3,062
Other transfers/grants [insert description]		497	406	-						
Other transfers/grants [insert description]		1,000	864	-						
Other transfers/grants [insert description]		5 408 095								
Other transfers/grants [insert description]		200	-	97						
Other transfers/grants [insert description]		1,061	-	-						
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	155,270	175,088	222,511	196,149	193,672	193,672	221,240	233,731	250,940
Capital Transfers and Grants										
National Government:		34,236	19,544	47,774	35,298	40,801	40,801	38,567	41,177	42,936
Municipal Infrastructure Grant (MIG)		34,236	19,544	47,774	35,298	36,081	36,081	38,567	41,177	42,936
						1,720	1,720			
						3,000	3,000			
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	1,138	-	1,720	1,720	1,000	-	-
Other capital transfers/grants [insert description]				1,138		1,720	1,720	1,000		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	3,000	3,000	7,000	-	-
[insert description]						3,000	3,000	7,000		
Total Capital Transfers and Grants	5	34,236	19,544	48,912	35,298	45,521	45,521	46,567	41,177	42,936
TOTAL RECEIPTS OF TRANSFERS & GRANTS		189,506	194,633	271,423	231,447	239,193	239,193	267,807	274,908	293,876

2.6.3 Cash flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding of councilors and management. It includes :

- Clear separation of receipts and payments within each cash flow category/
- Clear separation of capital and operating receipts from government
- Separation of borrowings and loan agreements to assist with MFMA compliance assessment regarding the use of long term borrowing

Table 28 MBRR Table A7 – Budgeted Cash Flows

KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		-	-	-	11,856	15,110	15,110	12,971	20,986	21,909	22,895
Service charges		-	-	-	94	375	375	351	306	456	477
Other revenue		49,588	64,283	387,909	23,044	22,375	22,375	571,901	4,874	5,088	5,317
Transfers and Subsidies - Operational	1	-	-	-	196,149	195,392	195,392	25,965	259,994	272,485	289,694
Transfers and Subsidies - Capital	1	-	-	-	47,798	51,581	51,581	44,600	46,567	49,177	54,885
Interest		-	-	8	-	-	-	69	2,146	2,240	2,341
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		2,848	6,395	(4,381)	(178,317)	(145,375)	(145,375)	178,067	(235,797)	(242,616)	(251,777)
Finance charges		-	-	-	(995)	(745)	(745)	-	(995)	(1,039)	(1,086)
Transfers and Grants	1	-	-	(5,399)	(9,010)	(13,537)	(13,537)	1,589	(11,100)	(9,866)	(10,310)
NET CASH FROM/(USED) OPERATING ACTIVITIES		52,436	70,677	378,138	90,618	125,174	125,174	835,513	86,980	97,834	112,436
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		-	-	-	(59,708)	(61,269)	(61,269)	(399)	(57,415)	(48,683)	(50,780)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	-	-	(59,708)	(61,269)	(61,269)	(399)	(57,415)	(48,683)	(50,780)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	52,436 (997)	70,677 (191)	378,138 -	30,910 69,122	63,905 84,158	63,905 84,158	835,114 18,448	29,565 46,435	49,151 76,000	61,656 125,151
Cash/cash equivalents at the year end:	2	51,439	70,486	378,138	100,032	148,063	148,063	853,562	76,000	125,151	186,807

Table 29 MBRR Table SA30 –Budgeted monthly cash flow

KZN271 Umhlabyalingana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash Receipts By Source															
Property rates	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	20,986	21,909	22,895
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	25	25	25	25	25	25	25	25	25	25	25	25	306	456	477
Rental of facilities and equipment	34	34	34	34	34	34	34	34	34	34	34	34	407	425	444
Interest earned - external investments	179	179	179	179	179	179	179	179	179	179	179	179	2,146	2,240	2,341
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	102	102	102	102	102	102	102	102	102	102	102	102	1,227	1,281	1,338
Licences and permits	239	239	239	239	239	239	239	239	239	239	239	239	2,867	2,993	3,128
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	259,994	272,485	289,694
Other revenue	31	31	31	31	31	31	31	31	31	31	31	31	373	389	407
Cash Receipts by Source	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	288,305	302,179	320,724
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,567	49,177	54,885
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	334,872	351,356	375,609
Cash Payments by Type															
Employee related costs	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	100,366	105,111	109,999
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	83	83	83	83	83	83	83	83	83	83	83	83	995	1,039	1,086
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	193	193	193	193	193	193	193	193	193	193	193	193	2,322	2,424	2,533
Contracted services	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	84,192	84,447	83,217
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	925	925	925	925	925	925	925	925	925	925	925	925	11,100	9,866	10,310
Other expenditure	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	48,917	50,635	56,028
Cash Payments by Type	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	247,892	253,522	263,173
Other Cash Flows/Payments by Type															
Capital assets	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	48,683	50,780
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	305,307	302,205	313,953
NET INCREASE/(DECREASE) IN CASH HELD	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	29,565	49,151	61,656
Cash/cash equivalents at the month/year begin:	46,435	48,899	51,363	53,826	56,290	58,754	61,218	63,681	66,145	68,609	71,073	73,536	46,435	76,000	125,151
Cash/cash equivalents at the month/year end:	48,899	51,363	53,826	56,290	58,754	61,218	63,681	66,145	68,609	71,073	73,536	76,000	76,000	125,151	186,807

2.6.4 Cash-backed Reserves/Accumulated Surplus Reconciliation

The table below meets the requirements of MFMA circular 42 which deals with the funding of a municipal budget in accordance with Section 18 and 19 of the MFMA.

The table shows the predicted cash and cash investments that are available at the end of the budget year, how these funds are used and what is the net fund available or funding deficit?

Table 30 MBRR Table A8 – Cash-backed reserves/ accumulated surplus reconciliation

KZN271 Umhlabuyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	51,439	70,486	378,138	100,032	148,063	148,063	853,562	76,000	125,151	186,807
Other current investments > 90 days		(2,784)	(6,329)	(293,980)	(12,061)	(63,521)	(63,521)	(734,081)	(38,580)	(27,702)	(27,559)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		48,655	64,157	84,158	87,972	84,541	84,541	119,481	37,420	97,449	159,248
Application of cash and investments											
Unspent conditional transfers		28,434	40,341	28,737	1,876	(4,539)	(4,539)	(44,970)	1,876	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	549	(1,414)	(111,257)	(12,843)	28,656	28,656	(411,110)	(59,569)	(31,528)	(29,859)
Other provisions		–	–	–	(26,916)	(26,916)	(26,916)	–	(7,253)	(7,347)	(12,976)
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		28,983	38,927	(82,520)	(37,884)	(2,799)	(2,799)	(456,080)	(64,947)	(38,875)	(42,835)
Surplus(shortfall)		19,672	25,230	166,678	125,856	87,340	87,340	575,562	102,367	136,324	202,084

Unspent conditional grants reflected in the table above relates to old balances as per Annual Financial Statements that have not been spent.

2.6.5 Funding compliance measurement

The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA

Table 31 MBRR Table A10 –Basic service delivery measurement

KZN271 Umhlabyalingana - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
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 section 17 of MPRA)		(5,590)	(1,649)	(1,128)	2,436	2,436	2,436	2,436	2,543	2,657
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	6									
Other										
Total revenue cost of subsidised services provided		(5,590)	(1,649)	(1,128)	2,436	2,436	2,436	2,436	2,543	2,657

2.7 Expenditure on grants and reconciliation of unspent funds

Table 32 MBRR Table SA 19 – Expenditure on transfers and grant programmes

KZN271 Umhlabuyalingana - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		150,623	171,329	219,737	193,354	190,877	190,877	218,307	230,798	247,878
Local Government Equitable Share		145,676	166,017	214,885	188,289	186,595	186,595	213,526	228,948	246,028
Finance Management		1,900	1,787	1,900	1,850	1,850	1,850	1,850	1,850	1,850
EPWP Incentive		3,047	3,525	2,952	1,759	1,759	1,759	1,975	-	-
					1,456	673	673	956		
Other transfers/grants [insert description]										
Provincial Government:		4,647	3,759	2,773	2,795	2,795	2,795	2,933	2,933	3,062
Sport and Recreation		17	29	5						
Other transfers/grants [insert description]		1,873	2,460	2,672	2,795	2,795	2,795	2,933	2,933	3,062
Other transfers/grants [insert description]		497	406	-						
Other transfers/grants [insert description]		1,000	864	-						
		5 408 095								
		200	-	97						
Other transfers/grants [insert description]		1,061	-	-						
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		155,270	175,088	222,511	196,149	193,672	193,672	221,240	233,731	250,940
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		34,236	19,544	47,774	35,298	40,801	40,801	38,567	41,177	42,936
Municipal Infrastructure Grant (MIG)		34,236	19,544	47,774	35,298	36,081	36,081	38,567	41,177	42,936
						1,720	1,720			
						3,000	3,000			
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	1,138	-	1,720	1,720	1,000	-	-
Other capital transfers/grants [insert description]				1,138		1,720	1,720	1,000		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	3,000	3,000	7,000	-	-
[insert description]						3,000	3,000	7,000		
Total capital expenditure of Transfers and Grants		34,236	19,544	48,912	35,298	45,521	45,521	46,567	41,177	42,936
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		189,506	194,633	271,423	231,447	239,193	239,193	267,807	274,908	293,876

Table 33 MBRR Table SA20 – Reconciliation between transfers, grant receipts and unspent funds

KZN271 Umhlaluyalingana - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		150,623	171,329	219,737	(193,354)	(190,877)	(190,877)	(218,307)	(230,798)	(247,878)
Conditions met - transferred to revenue		301,246	342,659	439,475	(386,708)	(381,753)	(381,753)	(436,614)	(461,596)	(495,756)
Conditions still to be met - transferred to liabilities		(150,623)	(171,329)	(219,737)	193,354	190,877	190,877	218,307	230,798	247,878
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		4,647	3,759	2,773	(2,795)	(2,795)	(2,795)	(2,933)	(2,933)	(3,062)
Conditions met - transferred to revenue		9,295	7,518	5,547	(5,590)	(5,590)	(5,590)	(5,866)	(5,866)	(6,124)
Conditions still to be met - transferred to liabilities		(4,647)	(3,759)	(2,773)	2,795	2,795	2,795	2,933	2,933	3,062
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Total operating transfers and grants revenue		310,541	350,177	445,022	(392,298)	(387,343)	(387,343)	(442,480)	(467,462)	(501,880)
Total operating transfers and grants - CTBM	2	(155,270)	(175,088)	(222,511)	196,149	193,672	193,672	221,240	233,731	250,940
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts		34,236	19,544	47,774	(35,298)	(40,801)	(40,801)	(38,567)	(41,177)	(42,936)
Conditions met - transferred to revenue		-	-	-	(70,596)	(81,602)	(81,602)	(77,134)	(82,354)	(85,872)
Conditions still to be met - transferred to liabilities		34,236	19,544	47,774	35,298	40,801	40,801	38,567	41,177	42,936
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	(1,720)	(1,720)	(1,000)	-	-
Conditions met - transferred to revenue		-	-	1,138	-	(3,440)	(3,440)	(2,000)	-	-
Conditions still to be met - transferred to liabilities		-	-	(1,138)	-	1,720	1,720	1,000	-	-
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts		-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts		34,236	19,544	48,912	-	-	-	7,000	-	-
Conditions met - transferred to revenue		34,236	19,544	48,912	-	-	(3,000)	7,000	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	3,000	-	-	-
Total capital transfers and grants revenue		34,236	19,544	50,051	(70,596)	(85,042)	(88,042)	(72,134)	(82,354)	(85,872)
Total capital transfers and grants - CTBM	2	34,236	19,544	46,636	35,298	42,521	45,521	39,567	41,177	42,936
TOTAL TRANSFERS AND GRANTS REVENUE		344,776	369,721	495,072	(462,894)	(472,385)	(475,385)	(514,614)	(549,816)	(587,752)
TOTAL TRANSFERS AND GRANTS - CTBM		(121,035)	(155,544)	(175,875)	231,447	236,193	239,193	260,807	274,908	293,876

Table 34 MBRR Table SA 21 Transfers and grants made by the municipality

KZN271 Umhlaluyalingana - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
Cash Transfers to other municipalities											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>		337	12	-	500	200	200	-	750	-	-
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Organisations		337	12	-	500	200	200	-	750	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>		1,907	8,478	13,624	8,510	13,337	13,337	8,429	10,300	9,814	10,255
		-	-	-	-	-	-	-	-	-	-
Total Cash Transfers To Groups Of Individuals:		1,907	8,478	13,624	8,510	13,337	13,337	8,429	10,300	9,814	10,255
TOTAL CASH TRANSFERS AND GRANTS	6	2,243	8,490	13,624	9,010	13,537	13,537	8,429	11,050	9,814	10,255
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Insert description</i>	3	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Insert description</i>	4	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Insert description</i>	5	-	-	-	-	-	-	-	50	52	55
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	50	52	55
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	50	52	55
TOTAL TRANSFERS AND GRANTS	6	2,243	8,490	13,624	9,010	13,537	13,537	8,429	11,100	9,866	10,310

The above table is indicating the grants in kind made by the municipality to communities as programmes donated to communities.

2.8 Councilor and employee benefits

Table 35 MBRR Table SA 22 – Summary of councilor and staff benefits

KZN271 Umhlabuyalingana - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		8,203	8,604	8,580	10,873	9,199	9,199	10,642	11,319	11,941
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	2,493	2,168	2,168	2,416	2,585	2,727
Cellphone Allowance		1,536	1,554	1,549	2,025	1,645	1,645	1,973	2,103	2,219
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2,734	2,868	2,860	1,131	1,016	1,016	1,131	1,188	1,253
Sub Total - Councillors		12,472	13,026	12,988	16,523	14,028	14,028	16,162	17,195	18,141
% increase	4		4.4%	(0.3%)	27.2%	(15.1%)	-	15.2%	6.4%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,059	4,098	4,214	5,319	4,472	4,472	5,319	5,554	5,803
Pension and UIF Contributions		125	125	113	397	365	365	1,847	1,928	2,015
Medical Aid Contributions		38	40	32	132	128	128	205	214	224
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1,219	603	443	460	407	407	579	604	631
Motor Vehicle Allowance	3	666	680	707	828	720	720	882	921	962
Cellphone Allowance	3	115	116	122	143	143	143	167	174	182
Housing Allowances	3	400	633	513	538	351	351	538	561	587
Other benefits and allowances	3	48	51	52	71	71	71	81	84	88
Payments in lieu of leave		158	-	161	562	345	345	641	669	699
Long service awards		2	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		6,830	6,346	6,356	8,449	7,002	7,002	10,257	10,710	11,192
% increase	4		(7.1%)	0.2%	32.9%	(17.1%)	-	46.5%	4.4%	4.5%
Other Municipal Staff										
Basic Salaries and Wages		44,109	45,764	48,111	52,605	47,880	47,880	48,362	50,490	52,762
Pension and UIF Contributions		4,653	5,233	5,729	8,973	6,125	6,125	6,754	7,053	7,370
Medical Aid Contributions		1,925	2,250	2,483	4,173	2,432	2,432	3,680	3,842	4,015
Overtime		1,535	2,393	2,445	3,891	2,542	2,542	3,561	3,719	3,886
Performance Bonus		2,591	2,912	3,128	4,157	4,237	4,237	3,566	3,723	3,891
Motor Vehicle Allowance	3	2,166	3,137	3,672	3,360	3,685	3,685	3,012	3,145	3,287
Cellphone Allowance	3	624	787	980	991	1,006	1,006	910	950	979
Housing Allowances	3	109	-	109	259	353	353	367	384	401
Other benefits and allowances	3	970	1,475	1,562	1,256	1,861	1,861	1,161	1,212	1,266
Payments in lieu of leave		659	1,222	1,092	4,451	1,304	1,304	2,230	2,329	2,433
Long service awards		391	536	587	408	313	313	344	359	375
Post-retirement benefit obligations	6	50	57	413	-	-	-	-	-	-
Sub Total - Other Municipal Staff		59,781	65,764	70,310	84,525	71,738	71,738	73,947	77,206	80,666
% increase	4		10.0%	6.9%	20.2%	(15.1%)	-	3.1%	4.4%	4.5%
Total Parent Municipality		79,083	85,137	89,654	109,497	92,768	92,768	100,366	105,111	109,999
			7.7%	5.3%	22.1%	(15.3%)	-	8.2%	4.7%	4.7%
TOTAL SALARY, ALLOWANCES & BENEFITS		79,083	85,137	89,654	109,497	92,768	92,768	100,366	105,111	109,999
% increase	4		7.7%	5.3%	22.1%	(15.3%)	-	8.2%	4.7%	4.7%
TOTAL MANAGERS AND STAFF	5,7	66,611	72,111	76,666	92,975	78,740	78,740	84,204	87,916	91,858

A provision of 7% increase on employee related costs. There are no new positions but it includes vacant positions that were vacated by employees who got promotional post in the current year as well as the vacant position of Director Technical Services that has been vacant since April 2021. Councilor's allowances provision is per the upper limits on councilor's remuneration gazette issued in November 2022.

Table 36 MBRR Table SA24 – Summary of personnel numbers

KZN271 Umhlabuyalingana - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2020/21			Current Year 2021/22			Budget Year 2022/23			
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)			35	–	35	35	–	35	35	–	35	
Board Members of municipal entities	4											
Municipal employees												
Municipal Manager and Senior Managers	5											
Other Managers	3		5	1	4	5	1	4	5	1	4	
Professionals	7		–	–	–	–	–	–	–	–	–	
Finance			524	127	397	531	134	397	527	130	397	
Spatial/town planning			25	19	6	26	20	6	22	16	6	
Information Technology			4	2	2	4	2	2	4	2	2	
Roads			7	3	4	7	3	4	7	3	4	
Electricity						–	–	–	–	–	–	
Water												
Sanitation												
Refuse			126	24	102	132	30	102	132	30	102	
Other			362	79	283	362	79	283	362	79	283	
Technicians			–	–	–	–	–	–	–	–	–	
Finance												
Spatial/town planning												
Information Technology												
Roads												
Electricity												
Water												
Sanitation												
Refuse												
Other												
Clerks (Clerical and administrative)												
Service and sales workers												
Skilled agricultural and fishery workers												
Craft and related trades												
Plant and Machine Operators												
Elementary Occupations												
TOTAL PERSONNEL NUMBERS			9	564	128	436	571	135	436	567	131	436
% increase						1.2%	5.5%	–	(0.7%)	(3.0%)	–	
Total municipal employees headcount			6, 10									
Finance personnel headcount			8, 10									
Human Resources personnel headcount			8, 10									

2.9 Monthly targets for revenue, expenditure and cash flow

Table 37 MBRR Table SA 25 – Budgeted monthly revenue and expenditure

KZN271 Umhlabyalingana - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source																
Property rates		1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	20,986	21,909	22,895
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		36	36	36	36	36	36	36	36	36	36	36	36	437	652	681
Rental of facilities and equipment		34	34	34	34	34	34	34	34	34	34	34	34	407	425	444
Interest earned - external investments		179	179	179	179	179	179	179	179	179	179	179	179	2,146	2,240	2,341
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		109	109	109	109	109	109	109	109	109	109	109	109	1,305	1,362	1,423
Licences and permits		239	239	239	239	239	239	239	239	239	239	239	239	2,867	2,993	3,128
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		18,437	18,437	18,437	18,437	18,437	18,437	18,437	18,437	18,437	18,437	18,437	18,437	221,240	233,731	250,940
Other revenue		31	31	31	31	31	31	31	31	31	31	31	31	373	389	407
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contribution)		20,813	20,813	20,813	20,813	20,813	20,813	20,813	20,813	20,813	20,813	20,813	20,813	249,760	263,702	282,260
Expenditure By Type																
Employee related costs		7,017	7,017	7,017	7,017	7,017	7,017	7,017	7,017	7,017	7,017	7,017	7,017	84,204	87,916	91,858
Remuneration of councillors		1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	1,347	16,162	17,195	18,141
Debt impairment		604	604	604	604	604	604	604	604	604	604	604	604	7,253	7,347	12,976
Depreciation & asset impairment		1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	22,521	34,367	37,020
Finance charges		83	83	83	83	83	83	83	83	83	83	83	83	995	1,039	1,086
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		193	193	193	193	193	193	193	193	193	193	193	193	2,322	2,424	2,533
Contracted services		3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	45,438	47,408	49,467
Transfers and subsidies		925	925	925	925	925	925	925	925	925	925	925	925	11,100	9,866	10,310
Other expenditure		4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	48,917	50,635	56,028
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	238,913	258,197	279,420
Surplus/(Deficit)		904	904	904	904	904	904	904	904	904	904	904	904	10,848	5,505	2,840
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,567	41,177	42,936
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776

Table 38 MBRR – Table 26 – Budgeted Monthly income and expenditure revenue (municipal vote)

KZN271 Umhlabyalingana - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand																
Revenue by Vote																
Vote 1 - Finance and Admin		20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	240,821	257,363	275,638
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		291	291	291	291	291	291	291	291	291	291	291	291	3,488	2,990	3,122
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		36	36	36	36	36	36	36	36	36	36	36	36	437	652	681
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		763	763	763	763	763	763	763	763	763	763	763	763	9,160	(1,849)	(1,932)
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	39,366	42,533	44,353
Vote 10 - Sport and Recreation		255	255	255	255	255	255	255	255	255	255	255	255	3,055	3,189	3,333
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		24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	296,327	304,879	325,196
Expenditure by Vote to be appropriated																
Vote 1 - Finance and Admin		8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036	8,036	96,438	109,712	119,873
Vote 2 - Executive and council		3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	41,821	42,562	44,635
Vote 3 - Community and social services		3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	3,145	37,735	39,404	41,177
Vote 4 - Internal Audit		181	181	181	181	181	181	181	181	181	181	181	181	2,175	2,271	2,373
Vote 5 - Waste Management		618	618	618	618	618	618	618	618	618	618	618	618	7,415	9,397	10,927
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	26,325	26,659	30,974
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		513	513	513	513	513	513	513	513	513	513	513	513	6,150	6,421	6,710
Vote 10 - Sport and Recreation		1,738	1,738	1,738	1,738	1,738	1,738	1,738	1,738	1,738	1,738	1,738	1,738	20,854	21,772	22,751
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		19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	238,913	258,197	279,420
Surplus/(Deficit) before assoc.		4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776

Table 39 MBRR Table SA27 – Budgeted Income and expenditure (standard classification)

KZN271 Umhlabyalingana - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand																
Revenue - Functional																
<i>Governance and administration</i>		20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	240,821	257,363	275,638
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	20,068	240,821	257,363	275,638
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		291	291	291	291	291	291	291	291	291	291	291	291	3,488	2,990	3,122
Community and social services		291	291	291	291	291	291	291	291	291	291	291	291	3,488	2,990	3,122
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	51,582	43,874	45,755
Planning and development		763	763	763	763	763	763	763	763	763	763	763	763	9,160	(1,849)	(1,932)
Road transport		3,535	3,535	3,535	3,535	3,535	3,535	3,535	3,535	3,535	3,535	3,535	3,535	42,421	45,723	47,686
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		36	36	36	36	36	36	36	36	36	36	36	36	437	652	681
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		36	36	36	36	36	36	36	36	36	36	36	36	437	652	681
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	24,694	296,327	304,879	325,196
Expenditure - Functional																
<i>Governance and administration</i>		11,724	11,724	11,724	11,724	11,724	11,724	11,724	11,724	11,724	11,724	11,724	11,724	140,683	154,805	167,154
Executive and council		3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	3,485	41,821	42,562	44,635
Finance and administration		8,057	8,057	8,057	8,057	8,057	8,057	8,057	8,057	8,057	8,057	8,057	8,057	96,688	109,973	120,146
Internal audit		181	181	181	181	181	181	181	181	181	181	181	181	2,175	2,271	2,373
<i>Community and public safety</i>		3,491	3,491	3,491	3,491	3,491	3,491	3,491	3,491	3,491	3,491	3,491	3,491	41,896	43,747	45,716
Community and social services		3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	3,342	40,107	41,880	43,765
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		149	149	149	149	149	149	149	149	149	149	149	149	1,789	1,867	1,951
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	48,819	50,142	55,514
Planning and development		2,549	2,549	2,549	2,549	2,549	2,549	2,549	2,549	2,549	2,549	2,549	2,549	30,591	31,113	35,629
Road transport		1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	1,519	18,228	19,030	19,885
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		618	618	618	618	618	618	618	618	618	618	618	618	7,415	9,397	10,927
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		618	618	618	618	618	618	618	618	618	618	618	618	7,415	9,397	10,927
<i>Other</i>		8	8	8	8	8	8	8	8	8	8	8	8	100	104	109
Total Expenditure - Functional		19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	19,909	238,913	258,197	279,420
Surplus/(Deficit) before assoc.		4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	46,682	45,776

Table 39 MBRR Table SA28 – Budgeted Income and expenditure (standard classification)

KZN271 Umhlabuyalingana - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Finance and Admin		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Roads		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Finance and Admin		567	567	567	567	567	567	567	567	567	567	567	567	6,798	6,254	6,535
Vote 2 - Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Community and social services		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Waste Management		33	33	33	33	33	33	33	33	33	33	33	33	400	209	218
Vote 6 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		208	208	208	208	208	208	208	208	208	208	208	208	2,500	-	-
Vote 8 - Public Safety		83	83	83	83	83	83	83	83	83	83	83	83	1,000	1,044	1,091
Vote 9 - Roads		3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	38,067	41,177	42,936
Vote 10 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	2	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	56,765	48,683	50,780
Total Capital Expenditure	2	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	4,730	56,765	48,683	50,780

Table 39 MBRR Table SA29 – Budgeted monthly capital expenditure (functional classification)

KZN271 Umhlabuyalingana - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand																
Capital Expenditure - Functional	1															
Governance and administration		567	567	567	567	567	567	567	567	567	567	567	567	6,798	6,254	6,535
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		567	567	567	567	567	567	567	567	567	567	567	567	6,798	6,254	6,535
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		750	750	750	750	750	750	750	750	750	750	750	750	9,000	1,044	1,091
Community and social services		667	667	667	667	667	667	667	667	667	667	667	667	8,000	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		83	83	83	83	83	83	83	83	83	83	83	83	1,000	1,044	1,091
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services		3,381	3,381	3,381	3,381	3,381	3,381	3,381	3,381	3,381	3,381	3,381	3,381	40,567	41,177	42,936
Planning and development		208	208	208	208	208	208	208	208	208	208	208	208	2,500	-	-
Road transport		3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	3,172	38,067	41,177	42,936
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		33	33	33	33	33	33	33	33	33	33	33	33	400	209	218
Energy sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		33	33	33	33	33	33	33	33	33	33	33	33	400	209	218
Other		54	54	54	54	54	54	54	54	54	54	54	54	650	-	-
Total Capital Expenditure - Functional	2	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	48,683	50,780
Funded by:																
National Government		3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	3,214	38,567	41,177	42,936
Provincial Government		458	458	458	458	458	458	458	458	458	458	458	458	5,500	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(National / Provincial Departmental allocations) (National / Provincial Departmental allocations)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		3,672	3,672	3,672	3,672	3,672	3,672	3,672	3,672	3,672	3,672	3,672	3,672	44,067	41,177	42,936
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112	13,348	7,506	7,844
Total Capital Funding		4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	48,683	50,780

Talble 40 MBR SA 30 – Budgeted monthly cash flow

KZN271 Umhlabyalingana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand															
Cash Receipts By Source															
Property rates	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	1,749	20,986	21,909	22,895
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	25	25	25	25	25	25	25	25	25	25	25	25	306	456	477
Rental of facilities and equipment	34	34	34	34	34	34	34	34	34	34	34	34	407	425	444
Interest earned - external investments	179	179	179	179	179	179	179	179	179	179	179	179	2,146	2,240	2,341
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	102	102	102	102	102	102	102	102	102	102	102	102	1,227	1,281	1,338
Licences and permits	239	239	239	239	239	239	239	239	239	239	239	239	2,867	2,993	3,128
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	21,666	259,994	272,485	289,694
Other revenue	31	31	31	31	31	31	31	31	31	31	31	31	373	389	407
Cash Receipts by Source	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	24,025	288,305	302,179	320,724
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,567	49,177	54,885
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	27,906	334,872	351,356	375,609
Cash Payments by Type															
Employee related costs	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	8,364	100,366	105,111	109,999
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	83	83	83	83	83	83	83	83	83	83	83	83	995	1,039	1,086
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	193	193	193	193	193	193	193	193	193	193	193	193	2,322	2,424	2,533
Contracted services	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	7,016	84,192	84,447	83,217
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	925	925	925	925	925	925	925	925	925	925	925	925	11,100	9,866	10,310
Other expenditure	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	4,076	48,917	50,635	56,028
Cash Payments by Type	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	20,658	247,892	253,522	263,173
Other Cash Flows/Payments by Type															
Capital assets	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	4,785	57,415	48,683	50,780
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	25,442	305,307	302,205	313,953
NET INCREASE/(DECREASE) IN CASH HELD	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	2,464	29,565	48,151	61,656
Cash/cash equivalents at the month/year begin:	46,435	48,899	51,363	53,826	56,290	58,754	61,218	63,681	66,145	68,609	71,073	73,536	46,435	76,000	125,151
Cash/cash equivalents at the month/year end:	48,899	51,363	53,826	56,290	58,754	61,218	63,681	66,145	68,609	71,073	73,536	76,000	76,000	125,151	186,807

2.10 SDBIP's – Internal departments

Draft SDBIP for 2022/2023 financial year are attached to this report

2.11 Capital expenditure details

The tables below indicates the capital expenditure by asset class, repairs and maintenance expenditure by asset class, depreciation by asset class, future implication of capital budget and detailed capital budget.

Table 41 MBRR Table SA 34a – Capital expenditure on new assets by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		164,626	187,441	69,802	30,170	35,081	35,081	38,267	41,386	43,154
Roads Infrastructure		159,073	184,579	69,802	30,170	32,081	32,081	38,067	41,177	42,936
Roads		159,073	184,579	69,802	30,170	32,081	32,081	38,067	41,177	42,936
Road Structures		0	0	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		2,691	-	-	-	-	-	-	-	-
Drainage Collection		2,691	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2,862	2,862	-	-	3,000	3,000	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		2,862	2,862	-	-	3,000	3,000	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		46,423	44,334	35,472	10,500	13,720	13,720	10,500	-	-
Community Facilities		46,102	44,334	35,472	10,500	13,720	13,720	10,500	-	-
Halls		40,825	41,284	33,541	6,500	5,000	5,000	2,500	-	-
Centres		-	-	-	4,000	4,000	4,000	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	200	209	218
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	200	209	218
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

<i>Libraries</i>		2,162	2,162	-	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-	-	-	-	-	-	-	-
<i>Police</i>		-	-	-	-	-	-	-	-	-
<i>Parks</i>		888	888	888	-	-	-	2,500	-	-
<i>Public Open Space</i>		-	-	-	-	-	-	-	-	-
<i>Nature Reserves</i>		-	-	-	-	-	-	-	-	-
<i>Public Ablution Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Markets</i>		2,227	-	1,043	-	4,720	4,720	5,500	-	-
<i>Stalls</i>		-	-	-	-	-	-	-	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-
<i>Airports</i>		-	-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		321	-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		321	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>		1,559	1,934	-	1,068	588	588	500	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		1,559	1,934	-	1,068	588	588	500	-	-
<i>Water Rights</i>		-	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		1,559	1,934	-	1,068	588	588	500	-	-
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>		1,632	1,601	26	300	150	150	300	313	327
<i>Computer Equipment</i>		1,632	1,601	26	300	150	150	300	313	327
<u>Furniture and Office Equipment</u>		1,007	883	224	523	300	300	1,440	1,503	1,571
<i>Furniture and Office Equipment</i>		1,007	883	224	523	300	300	1,440	1,503	1,571
<u>Machinery and Equipment</u>		1,446	4,902	93	2,318	1,940	1,940	2,950	2,871	3,000
<i>Machinery and Equipment</i>		1,446	4,902	93	2,318	1,940	1,940	2,950	2,871	3,000
<u>Transport Assets</u>		898	2,640	335	523	1,403	1,403	-	-	-
<i>Transport Assets</i>		898	2,640	335	523	1,403	1,403	-	-	-
<u>Land</u>		-	-	-	-	-	-	-	-	-
<i>Land</i>		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	217,591	243,736	105,953	45,400	53,182	53,182	53,957	46,073	48,053

Table 42 MBRR Table SA34c Repairs and maintenance expenditure by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
Roads Infrastructure		3,543	3,851	4,826	3,658	4,915	4,915	6,000	6,264	6,546
Roads		-	-	-	3,658	4,915	4,915	6,000	6,264	6,546
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		3,543	3,851	4,826	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		328	-	-	-	-	-	-	-	-
Community Facilities		328	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		328	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	784	1,055	1,055	836	873	913
Operational Buildings		-	-	-	784	1,055	1,055	836	873	913
Municipal Offices		-	-	-	784	1,055	1,055	836	873	913
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Computer Equipment		48	77	52	99	99	99	562	587	613
Computer Equipment		48	77	52	99	99	99	562	587	613
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		175	-	287	460	460	460	212	221	231
Machinery and Equipment		175	-	287	460	460	460	212	221	231
Transport Assets		-	-	-	679	172	172	3,000	3,132	3,273
Transport Assets		-	-	-	679	172	172	3,000	3,132	3,273
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	4,094	3,928	5,165	5,680	6,701	6,701	10,611	11,078	11,576
R&M as a % of PPE		1.4%	1.3%	1.6%	1.6%	1.9%	1.9%	1.5%	2.8%	2.8%
R&M as % Operating Expenditure		2.0%	1.8%	2.2%	2.6%	3.0%	3.0%	6.4%	4.6%	4.5%

Table 43 MBRR Table SA34d – Depreciation by asset class

KZN271 Umhlabuyalingana - Supporting Table SA34d Depreciation by asset class

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
<u>Depreciation by Asset Class/Sub-class</u>										
Infrastructure		13,209	12,889	15,957	14,767	15,920	15,920	13,276	20,307	21,221
Roads Infrastructure		12,885	12,452	15,381	10,173	15,056	15,056	12,109	17,405	18,188
Roads		6,909	12,359	15,381	9,990	15,056	15,056	11,926	14,405	15,053
Road Structures		5,976	94	-	183	-	-	183	3,000	3,135
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		238	24	-	303	-	-	303	2,000	2,090
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		238	24	-	303	-	-	303	2,000	2,090
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		43	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		43	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		44	412	575	4,291	864	864	864	902	943
Landfill Sites		-	383	516	3,921	494	494	494	516	539
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		44	30	59	370	370	370	370	387	404
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

Community Assets	4,193	5,932	4,551	4,020	4,271	4,271	4,351	6,459	6,749
Community Facilities	2,538	4,769	3,358	2,744	3,112	3,112	3,192	5,249	5,485
Halls	-	-	-	-	-	-	-	-	-
Centres	1,763	1,458	2,072	1,850	2,377	2,377	2,377	2,482	2,593
Crèches	23	21	23	31	36	36	36	38	39
Clinics/Care Centres	27	29	29	32	45	45	45	47	49
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	725	2,362	-	80	-	-	80	2,000	2,090
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Stalls	-	899	1,234	750	654	654	654	683	714
Abattoirs	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	1,655	1,163	1,192	1,276	1,159	1,159	1,159	1,210	1,264
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	1,655	1,163	1,192	1,276	1,159	1,159	1,159	1,210	1,264
Capital Spares	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other assets	1,715	1,155	1,309	1,172	1,281	1,281	1,281	1,338	1,398
Operational Buildings	1,715	1,155	1,309	1,172	1,281	1,281	1,281	1,338	1,398
Municipal Offices	-	1,155	1,309	1,172	1,281	1,281	1,281	1,338	1,398
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Capital Spares	1,715	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	441	426	337	512	324	324	324	338	353
Servitudes	-	-	-	-	-	-	-	-	-
Licences and Rights	441	426	337	512	324	324	324	338	353
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	441	426	337	512	324	324	324	338	353
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
Computer Equipment	320	284	387	470	312	312	312	326	340
Computer Equipment	320	284	387	470	312	312	312	326	340
Furniture and Office Equipment	393	408	147	400	167	167	167	174	182
Furniture and Office Equipment	393	408	147	400	167	167	167	174	182
Machinery and Equipment	1,602	1,153	1,059	406	1,004	1,004	1,004	1,048	1,095
Machinery and Equipment	1,602	1,153	1,059	406	1,004	1,004	1,004	1,048	1,095
Transport Assets	878	799	839	1,279	817	817	817	853	891
Transport Assets	878	799	839	1,279	817	817	817	853	891
Land	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Depreciation	1	22,750	23,046	24,584	23,027	24,096	24,096	21,532	32,231

2.12 Legislation compliance status

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

- In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved.
- Internship programme
The municipality is participating in the Municipal Financial Management internship programme and has employed 5 interns undergoing training on various divisions of the Financial Services Department.
- Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
- Audit Committee
An Audit Committee has been established as is fully functional
- Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage a final plan will be finalized after the approval of the 2022/2023 MTERF in May 2022
- Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirement, draft annual report
- Policies
Budget related policies are being reviewed currently and will be finalized and approved by council in May 2022

2.13 Other supporting documents

IDP copy is attached to this document as annexure

2.14 Municipal manager's quality certificate

I, **Nonhlanhla P. Gamede**, municipal manager of Umhlabuyalingana Municipality, hereby certify that the Municipal Finance Management Act and the regulation made under the Act, and that the 2022/2023 draft annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name - **Nonhlanhla P Gamede**

Municipal manager of Umhlabuyalingana Municipality (KZN 271)

Signature

Date
