

UMHLABUYALINGANA LOCAL MUNICIPALITY



MID-YEAR BUDGET & PERFORMANCE ASSESSMENT REPORT FOR 2022/2023 FINANCIAL YEAR

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PART 1

1.1 Corporate statement

Vision

**To be a people centered premier socio-economic development
and environmentally service delivery municipality**

Mission

**Creating an enabling environment and sustainable development
which promotes quality life**

Core Values

**Integrity
Quality Service
Good Governance
Benchmarking
Leadership
Honesty
Commitment
Interpersonal Skills
Responsibility
Accountability
Transparency
Learning
Dialogue and Diversity
Partnership
Professionalism
Consultation/Participation**

2. Strategic Objectives

<ul style="list-style-type: none"> • To attract and retain qualified and experienced staff across the staff establishment • To provide the optimal institutional structure to render effective and efficient services 	KPA 1. Municipal Transformation and Institutional Development
<ul style="list-style-type: none"> • To facilitate bulk infrastructure development in support of economic development initiative • To develop long term infrastructure development plans • To facilitate an improvement in access to community/public facilities to minimum standards • To provide access and facilitate vehicular movement in UMhlabuyalingana • To facilitate delivery of basic service to RDP Standard • To comply fully with all municipal legislations • Improved Access to Basic Services 	KPA 2. Basic service delivery and infrastructure development
<ul style="list-style-type: none"> • To create an environment conducive for investment and economic growth • To promote and support ecotourism as a means to increase market share • To create safe, healthy and sustainable living environment 	KPA 3. Social and Economic Development
<ul style="list-style-type: none"> • To develop and maintain systems and procedures for effective and sound management of municipal finances • To improve revenue generation by 5% per annum over the next 5 years • To be 100% compliant with SCM Regulations 	KPA 4. Financial viability and financial management
<ul style="list-style-type: none"> • To run the municipality in an open, transparent and accountable manner • To develop and maintain systems and procedures and sound management of municipal finances • To communicate with stakeholders using print and electronic media • To provide for an effective involvement of the public in municipal affairs • To comply fully with all municipal legislation 	KPA 5. Good Governance, Public Participation
<ul style="list-style-type: none"> • To promote productive, harmonious and sustainable land use • To run the municipality in an open, transparent and accountable manner • To create functional structure for effective development and delivery of services 	KPA 6. Cross Cutting Interventions

3. MAYOR'S REPORT

Our duty as political principals of the municipality is to ensure meaningful contribution in the eradication of the three social ills namely: Poverty, unemployment and inequality in our municipal area. This can only be achieved through playing constructive oversight role over administration in their performance in the implementation of council approved service delivery budget and implementation plans.

As the Mayor of the Municipality, I take pride in presenting this mid- year report which reflects on the performance of both service delivery and budget, for the past two quarters of the 2022/2023 financial year. In terms of Local government: municipal performance Regulations 2001 and 2006, it is a legislative requirement that we report on the institutional performance in terms of Regulation 2001. In accordance with the Council approved organizational scorecard mid- year targets, the municipality had set itself 43 targets. The overall performance as at 31 December 2022 depicts 53% overall achievement of targets. I am hopeful that as we approach the end of our financial year we will improve for the better for the benefit of the current and future generations of uMhlabuyalingana.

Finally, I would like to take this opportunity to thank the members of the public who are continuously supportive and understanding in all aspects with one intention, to have a better future for all.

Councillor TS Khumalo

Mayor: uMhlabuyalingana Municipality

4. Resolution

5. Executive summary

Below is the table with the summary of the budget performance for the past six month of the 2022/2023 financial year.

EXECUTIVE SUMMARY			
DESCRIPTION	ORIGINAL BUDGET	ACTUAL INCOME & EXPENDITURE	%
REVENUE			
Operating grants	260,272,828	157,332,929	60%
Capital grants	43,788,172	22,776,352	52%
Own Income	26,374,524	14,125,941	54%
Interest Income	2,145,919	2,952,533	138%
	332,581,443	197,187,755	59%
EXPENDITURE			
Employee related costs	84,701,375	39,204,699	46%
Remuneration of councillors	16,162,277	7,493,895	46%
Debt impairment	7,252,969	47,215	1%
Depreciation and asset impairment	22,521,075	11,159,272	50%
Finance charges	995,472	2,049	0%
Inventory consumed	2,321,850	527,926	23%
Contracted services	42,424,020	23,729,554	56%
Transfers and subsidies	11,000,000	8,033,267	73%
Other expenditure	46,833,444	29,527,680	63%
	234,212,482	119,725,557	51%
CAPITAL EXPENDITURE			
Roads	31,554,932	15,951,842	51%
Community Halls and Markets	8,260,868	4,285,124	52%
Other assets	11,717,566	1,492,747	13%
	51,533,366	21,729,713	42%

Total revenue collection including conditional grant for the past six months of the 2022/2023 financial year is R197 187 755 or 59% of the total revenue budget. Operating grants includes conditional grants amounting to R4 576 929 and Equitable share of R152 756 000. Capital grants includes R20 125 287 from MIG, R2 580 077 from EDTEA and a donation of R70 988 from Department of Arts and Culture. Total operating expenditure for the past six month of 2022/2023 financial year is R119,725,557 or 51% of the total budget. Capital expenditure for the past six months of the 2022/2023 financial year is R21 729 713 or 42% of the total budget exclusive of VAT however there are orders that are due for delivery of plant (Grader) and vehicles valued at R5,2 million.

6. In-year budget statement tables

6.1 Table 1 – C1 monthly budget statement summary

KZN271 Umhlabuyalingana - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment									
Description	2021/22	Budget Year 2022/23							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	23,053	20,986	–	1,911	11,466	10,493	973	9%	20,986
Service charges	624	437	–	39	235	219	16	8%	437
Investment revenue	2,681	2,146	–	740	2,953	1,073	1,880	175%	2,146
Transfers and subsidies	196,901	221,519	–	70,434	157,333	110,759	46,574	42%	221,519
Other own revenue	6,999	4,952	–	231	2,424	2,476	(52)	-2%	4,952
Total Revenue (excluding capital transfers and contributions)	230,258	250,039	–	73,355	174,411	125,020	49,391	40%	250,039
Employee costs	73,950	84,701	–	9,388	39,205	42,351	(3,146)	-7%	84,701
Remuneration of Councilors	13,815	16,162	–	1,192	7,494	8,081	(587)	-7%	16,162
Depreciation & asset impairment	28,069	22,521	–	1,580	11,159	11,261	(101)	-1%	22,521
Finance charges	236	995	–	1	2	498	(496)	-100%	995
Inventory consumed and bulk purchases	1,783	2,322	–	0	528	1,161	(633)	-55%	2,322
Transfers and subsidies	16,123	10,250	–	370	8,033	5,125	2,908	57%	10,250
Other expenditure	110,816	96,510	–	7,196	53,304	48,255	5,049	10%	96,510
Total Expenditure	244,791	233,462	–	19,727	119,726	116,731	2,994	3%	233,462
Surplus/(Deficit)	(14,533)	16,577	–	53,628	54,685	8,288	46,397	560%	16,577
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,266	43,788	–	2,838	20,125	21,894	(1,769)	-8%	43,788
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)	1,622	–	–	–	2,651	–	2,651	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions	23,355	60,365	–	56,466	77,462	30,182	47,279	157%	60,365
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	23,355	60,365	–	56,466	77,462	30,182	47,279	157%	60,365
Capital expenditure & funds sources									
Capital expenditure	42,131	51,533	–	2,722	21,730	25,767	(4,037)	-16%	51,533
Capital transfers recognised	38,246	38,077	–	2,722	20,237	19,038	1,199	6%	38,077
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	3,886	13,457	–	–	1,493	6,728	(5,236)	-78%	13,457
Total sources of capital funds	42,131	51,533	–	2,722	21,730	25,767	(4,037)	-16%	51,533
Financial position									
Total current assets	112,360	118,019	–	–	204,044	–	–	–	118,019
Total non current assets	346,479	415,872	–	–	356,481	–	–	–	415,872
Total current liabilities	29,564	11,274	–	–	80,113	–	–	–	11,274
Total non current liabilities	26,367	24,694	–	–	16	–	–	–	24,694
Community wealth/Equity	402,908	497,923	–	–	480,396	–	–	–	497,923
Cash flows									
Net cash from (used) operating	63,035	47,624	–	60,535	89,836	23,812	(66,024)	-277%	47,624
Net cash from (used) investing	(44,750)	(46,709)	–	(2,722)	(21,730)	(23,355)	(1,625)	7%	46,709
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	102,442	103,457	–	–	170,549	102,999	(67,549)	-66%	196,775
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	1,438	1,313	1,072	(457)	1,198	1,144	3,900	51,747	61,355
Creditors Age Analysis									
Total Creditors	1,322	2,289	455	(3,025)	(2,130)	1,955	(174)	(71)	621

The above table shows the municipality's summary of financial performance, capital expenditure, financial position, cash flow, debtor's balances and creditor's balances as at 31 December 2022

Financial performance of the municipality as at 31 December 2022 is sitting at a surplus of R77,4 million. Where by the total revenue excluding capital transfers is R174,4 million, total operating expenditure is R119,7 million and capital transfers is R22,7 million

Capital expenditure as at 31 December 2022 is R21,7 million, funding sources of this capital expenditure are as follows: Capital transfers from National and Provincial Government is R20,2 million, and internally generated funds is R1,4 million.

Financial position as at 31 December 2022 shows that the municipality's current assets are R204,0 million, non-current assets are R356,4 million, current liabilities are R80,1 million, non-current liabilities are R16 thousand rand and accumulated surplus is R480,3 million.

Cash flow balances as at 31 December 2022 are as follows:

Net cash from operating activities is R89,8 million,

Net cash from investing activities is (R21,7)) million, and

Cash and cash equivalents at the end of the period is R170,5 million

Debtors balances as at 31 December 2022 is R61,3 million and

Creditors balance as at 31 December 2022 is R621 thousand rands

6.2 Table 2 – C2 monthly budget statement – Financial Performance (functional classification)

KZN271 Umhlabuyalingana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		216,051	240,821	-	72,204	167,948	120,411	47,537	39%	240,821
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		216,051	240,821	-	72,204	167,948	120,411	47,537	39%	240,821
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6,912	4,988	-	224	3,884	2,494	1,390	56%	4,988
Community and social services		6,912	4,988	-	224	3,884	2,494	1,390	56%	4,988
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		44,518	47,582	-	3,725	25,091	23,791	1,300	5%	47,582
Planning and development		4,908	6,939	-	457	5,030	3,470	1,560	45%	6,939
Road transport		39,610	40,642	-	3,268	20,061	20,321	(260)	-1%	40,642
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		665	437	-	39	264	219	46	21%	437
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		665	437	-	39	264	219	46	21%	437
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	268,146	293,827	-	76,193	197,187	146,914	50,274	34%	293,827
Expenditure - Functional										
<i>Governance and administration</i>		150,720	136,143	-	11,604	74,908	68,072	6,836	10%	136,143
Executive and council		43,860	41,718	-	3,567	27,075	20,859	6,216	30%	41,718
Finance and administration		104,477	92,250	-	6,837	46,585	46,125	460	1%	92,250
Internal audit		2,383	2,175	-	1,199	1,247	1,088	160	15%	2,175
<i>Community and public safety</i>		44,328	41,503	-	3,255	21,901	20,751	1,149	6%	41,503
Community and social services		40,471	39,714	-	3,135	21,595	19,857	1,738	9%	39,714
Sport and recreation		(28)	-	-	-	-	-	-	-	-
Public safety		3,885	1,789	-	120	305	894	(589)	-66%	1,789
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		37,985	52,201	-	3,781	18,070	26,101	(8,030)	-31%	52,201
Planning and development		22,632	35,824	-	2,659	11,582	17,912	(6,330)	-35%	35,824
Road transport		15,353	16,377	-	1,122	6,489	8,188	(1,700)	-21%	16,377
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		11,382	8,667	-	1,087	4,672	4,333	339	8%	8,667
Energy sources		302	-	-	24	102	-	102	#DIV/0!	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		11,080	8,667	-	1,063	4,571	4,333	237	5%	8,667
<i>Other</i>		348	100	-	-	174	50	124	249%	100
Total Expenditure - Functional	3	244,763	238,613	-	19,727	119,726	119,307	419	0%	238,613
Surplus/ (Deficit) for the year		23,383	55,214	-	56,466	77,462	27,607	49,855	181%	55,214

The table above shows financial performance per function of the municipality as at 31 December 2022

6.3 Table 3 –C3 monthly budget statement – Financial performance by municipal vote

KZN271 Umhlaluyalingana - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Finance and Admin		216,051	240,821	243,696	72,204	167,948	120,411	47,537	39.5%	240,821
Vote 2 - Executive and council		–	–	–	–	–	–	–	–	–
Vote 3 - Community and social services		6,912	4,988	2,958	224	3,884	2,494	1,390	55.7%	4,988
Vote 4 - Internal Audit		–	–	–	–	–	–	–	–	–
Vote 5 - Waste Management		665	437	498	39	264	219	46	21.0%	437
Vote 6 - Energy Sources		–	–	–	–	–	–	–	–	–
Vote 7 - Planning and Development		4,638	6,939	184	457	2,450	3,470	(1,020)	-29.4%	6,939
Vote 8 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 9 - Roads		35,202	37,587	40,098	3,130	18,690	18,794	(104)	-0.6%	37,587
Vote 10 - Sport and Recreation		4,679	3,055	6,228	138	3,952	1,528	2,424	158.7%	3,055
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	268,146	293,827	293,662	76,193	197,187	146,914	50,274	34.2%	293,827
Expenditure by Vote	1									
Vote 1 - Finance and Admin		104,477	92,000	–	6,837	46,415	46,000	415	0.9%	92,000
Vote 2 - Executive and council		43,860	41,718	–	3,567	27,075	20,859	6,216	29.8%	41,718
Vote 3 - Community and social services		38,537	37,342	–	3,120	21,018	18,671	2,347	12.6%	37,342
Vote 4 - Internal Audit		2,383	2,175	–	1,199	1,247	1,088	160	14.7%	2,175
Vote 5 - Waste Management		11,080	8,667	–	1,063	4,571	4,333	237	5.5%	8,667
Vote 6 - Energy Sources		302	–	–	24	102	–	102	#DIV/0!	–
Vote 7 - Planning and Development		22,632	33,543	–	2,659	11,582	16,772	(5,190)	-30.9%	33,543
Vote 8 - Public Safety		45	–	–	–	–	–	–	–	–
Vote 9 - Roads		5,219	3,150	–	60	2,031	1,575	456	28.9%	3,150
Vote 10 - Sport and Recreation		16,256	20,019	–	1,197	5,684	10,009	(4,325)	-43.2%	20,019
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	244,790	238,613	–	19,727	119,726	119,307	419	0.4%	238,613
Surplus/ (Deficit) for the year	2	23,355	55,214	293,662	56,466	77,462	27,607	49,855	180.6%	55,214

The above table shows the financial performance of the municipality as at 31 December 2022 per municipal vote

6.4 Table 4 – C4 monthly budget statement – Financial Performance (revenue and expenditure)

KZN271 Umhlabyalingana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		23,053	20,986	–	1,911	11,466	10,493	973	9%	20,986
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		624	437	–	39	235	219	16	8%	437
Rental of facilities and equipment		412	407	–	35	210	204	7	3%	407
Interest earned - external investments		2,681	2,146	–	740	2,953	1,073	1,880	175%	2,146
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3,006	1,305	–	0	460	652	(192)	-29%	1,305
Licences and permits		2,897	2,867	–	138	1,320	1,434	(113)	-8%	2,867
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		196,901	221,519	–	70,434	157,333	110,759	46,574	42%	221,519
Other revenue		734	373	–	59	433	187	247	132%	373
Gains		(50)	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		230,258	250,039	–	73,355	174,411	125,020	49,391	40%	250,039
Expenditure By Type										
Employee related costs		73,950	84,701	–	9,388	39,205	42,351	(3,146)	-7%	84,701
Remuneration of councillors		13,815	16,162	–	1,192	7,494	8,081	(587)	-7%	16,162
Debt impairment		11,036	7,253	–	–	47	3,626	(3,579)	-99%	7,253
Depreciation & asset impairment		28,069	22,521	–	1,580	11,159	11,261	(101)	-1%	22,521
Finance charges		236	995	–	1	2	498	(496)	-100%	995
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–
Inventory consumed		1,783	2,322	–	0	528	1,161	(633)	-55%	2,322
Contracted services		47,929	42,424	–	2,920	23,730	21,212	2,517	12%	42,424
Transfers and subsidies		16,123	10,250	–	370	8,033	5,125	2,908	57%	10,250
Other expenditure		51,850	46,833	–	4,276	29,528	23,417	6,111	26%	46,833
Losses		2	–	–	–	–	–	–	–	–
Total Expenditure		244,791	233,462	–	19,727	119,726	116,731	2,994	3%	233,462
Surplus/(Deficit)		(14,533)	16,577	–	53,628	54,685	8,288	46,397	0	16,577
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		36,266	43,788	–	2,838	20,125	21,894	(1,769)	(0)	43,788
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		271	–	–	–	2,580	–	2,580	#DIV/0!	–
Transfers and subsidies - capital (in-kind - all)		1,351	–	–	–	71	–	71	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions		23,355	60,365	–	56,466	77,462	30,182			60,365
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		23,355	60,365	–	56,466	77,462	30,182			60,365
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		23,355	60,365	–	56,466	77,462	30,182			60,365
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		23,355	60,365	–	56,466	77,462	30,182			60,365

The above table shows the detailed financial performance of the municipality as at 31 December 2022

Revenue

Revenue recognized by the municipality is R197,0 million as at 31 December 2022 including capital transfers

Property rates income

The municipality has recognized R11,4 million from property rates income. Property rates income has contributed 7% of the total operating revenue raised since July to December 2022. This revenue has been raised against business and commercial debtors, residential debtors and government debtors. Looking at the financial performance of this revenue stream we do need to adjust it in the adjustment budget because the actual amount raised is more than the projected budget for this period. Property rates revenue budget was understated in the budget because the SV used in the budget estimates was still in progress and it was only finalized after the budget was adopted by council. The municipality will adjust the revenue projections during the adjustment budget.

Refuse removal income

The municipality has recognized R235 thousand rand from refuse removal income. Refuse removal income contributed less than 1% of the total operating revenue raised since July to December 2022. Currently the municipality is billing few properties which includes Manguzi Hospital, Mseleni Hospital, Manguzi Agricultural Office, 1 School, and other properties which are business or commercial debtors. The municipality does not offer this service to residential properties yet because of limited resources it has to provide this service. Looking at the performance of this revenue stream the municipality will have to adjust this revenue stream in the adjustment budget because it looks as if the budget was understated when looking at the year to date actual performance against the year to date budget.

Rental of facilities and equipment

The municipality has recognized R210 thousand rand from rental of facilities and equipment income. Rental income has contributed less than 1% of the total revenue raised since July to December 2022. Rental income comes from rental of market stalls and office space rented out by IEC and Department of Public Works. Looking at the performance of this revenue stream the municipality does not need to adjust it in the adjustment budget.

Interest on investments

The municipality has raised revenue of R2,9 million against this revenue stream. It has contributed less than 1% to the total revenue raised since July to December 2022. Performance of this revenue stream is higher than the projected budget because the municipality has managed to invest R5 million as a short term deposit investment to take advantage of the increasing interest rates and that has increased the interest earned from short term investment accounts. This line item revenue will have to be adjusted in the adjustment budget.

Interest on outstanding debtors

Interest on outstanding debtors is nil.

Fines, penalties and forfeits

The municipality has recognized R460 thousand rand against traffic fines issued. This revenue stream performance against the budget is very poor. There has been a decline on the graph for revenue generated from traffic fines for the past few years despite the COVID-19 pandemic. The municipality needs to investigate the root cause of this decline and come up with the plan on how to increase it. The municipality will adjust this revenue stream in the adjustment budget after getting the root cause of the decline and come up with the plan to increase this revenue projection going forward.

Licenses and permits

The municipality has recognized R1,3 million against this revenue stream. It has contributed less than 1% of the total revenue recognized since July to December 2022. Again there has been a decline on the graph for revenue generated from licenses and permits for the past few years despite the COVID-19 pandemic. The municipality needs to investigate the root cause of this decline and come up with the plan on how to increase it again. The municipality will adjust this revenue stream in the adjustment budget after getting the root cause of the decline and come up with the plan to increase this revenue projection going forward.

Transfers and subsidies

The municipality has recognized R157,3 million against this revenue stream since July to December 2022. This amount includes R152,7 million from Equitable Share as well as other operational conditional grants amounting to R4,6 million.

Other revenue

The municipality has recognized R433 thousand rand from this revenue stream which includes sale of tender documents, commission received, photocopying fees and insurance refunds. Hi collection is a result of insurance refund paid to the municipality in July, August and November and skills development levy refund paid to the municipality in November and December.

Expenditure

Total operating expenditure as at 31 December 2022 is R119,7 million.

Employee related costs

The municipality has recognized expenditure of R39,2 million for employee related costs from July to December 2022. Expenditure is less than the projected budget because there are vacant positions not yet filled and other vacancies were only filled in towards end of quarter 1 and others were filled in in quarter 2 and payment of performance bonuses for senior managers has not been effected yet. Vacant positions will be filled in the next quarter of the financial year.

Councilor's remuneration

The municipality has recognized expenditure of R7,4 million against this line item. Their salaries were increased in the month of November with back pays from July after the MEC has approved their upper limits. The actual is less than the projected budget hence this line item will be adjusted in the adjustment budget.

Debt impairment

The municipality has recognized R47 thousand rands for debt impairment as a result of few properties that were written off by the municipality. (Please indicate which month was the council resolution)

Depreciation and asset impairment

The municipality has recognized R11,1 million against this line item from July to December 2022 as per the Fixed Asset Register of the municipality.

Finance charges

Expenditure of R2 048 on finance charges recognized relates to penalties charged to the municipality for late payment of accounts by Eskom and Telkom. This emanates from that invoices are not mailed to the correct personnel by Eskom and Telkom and those invoices end up being paid later than the date indicated in the invoice for payment due dates.

Inventory consumed

Expenditure on inventory consumed as at 31 December 2022 is R528 thousand, this expenditure looks too low at this point in time, it will be investigated because there might be misallocations relating to this line item.

Contracted services

Contracted services expenditure as at 31 December 2022 is sitting at R23,7 million. This expenditure includes maintenance of assets like roads and transport assets, consultants used by the municipality in the preparation of AFS, maintenance of financial system and provision of security services. Expenditure is above the projected budget for this period but the municipality will monitor it so that it does not exceed the total budget by end of the financial year to avoid incurring unauthorized expenditure.

Transfers and subsidies

Transfers and subsidies expenditure as at 31 December 2022 is R8,0 million. This expenditure includes social relief programs, poverty alleviation programs, burial support programs and disaster relief programs, where the municipality will buy and donate food parcels to identified communities as the needy one's and start up kits for families who have lost their household items due to fire disaster's or other natural disasters like storms and floods. Expenditure is above the projected budget because most of the projects implemented are once off projects. The municipality is not intending to adjust this line item because projects budgeted for are once off and they have been implemented in the past 6 months.

Other expenditure

Other expenditure as at 31 December 2021 it was R29,5 million. Expenditure is a little bit above the projected budget for this period, the municipality will have to monitor it so that it does not exceed the budget at the end of the financial year to avoid incurring unauthorized expenditure.

6.4 Table 5 – C5 monthly budget statement – Capital expenditure

KZN271 Umhlabuyalingana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	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]		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Finance and Admin		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Vote 2 - Executive and council		-	-	-	-	-	-	-		-
Vote 3 - Community and social services		9,529	8,911	-	-	4,285	4,455	(170)	-4%	8,911
Vote 4 - Internal Audit		-	-	-	-	-	-	-		-
Vote 5 - Waste Management		-	550	-	-	-	275	(275)	-100%	550
Vote 6 - Energy Sources		-	-	-	-	-	-	-		-
Vote 7 - Planning and Development		-	-	-	-	-	-	-		-
Vote 8 - Public Safety		-	1,000	-	-	-	500	(500)	-100%	1,000
Vote 9 - Roads		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
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]		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Total Capital Expenditure		42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Capital Expenditure - Functional Classification										
Governance and administration		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		9,529	9,261	-	-	4,285	4,630	(345)	-7%	9,261
Community and social services		9,529	8,261	-	-	4,285	4,130	155	4%	8,261
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	1,000	-	-	-	500	(500)	-100%	1,000
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
Planning and development		-	-	-	-	-	-	-		-
Road transport		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
Environmental protection		-	-	-	-	-	-	-		-
Trading services		-	550	-	-	-	275	(275)	-100%	550
Energy sources		-	-	-	-	-	-	-		-
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	550	-	-	-	275	(275)	-100%	550
Other		-	650	-	-	-	325	(325)	-100%	650
Total Capital Expenditure - Functional Classification	3	42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Funded by:										
National Government		36,750	33,294	-	2,722	17,993	16,647	1,346	8%	33,294
Provincial Government		1,496	4,783	-	-	2,244	2,391	(148)	-6%	4,783
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		38,246	38,077	-	2,722	20,237	19,038	1,199	6%	38,077
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		3,886	13,457	-	-	1,493	6,728	(5,236)	-78%	13,457
Total Capital Funding		42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533

Capital expenditure as at 31 December 2022 is R21,7 million

The municipality has managed to spend 42% of the projected budget as at end of December 2022. Low expenditure is a result of few projects that got delayed in the implementation stages due to community challenges with those projects and it affected the implementation of those projects. The second reason for low expenditure is a result of bidders becoming none-responsive during the tender stage and leading to re-advertisement of other projects. The municipality has issued purchase orders for the purchase of the plant and equipment (Grader) as well as two vehicles in October and November to the value of R5,8 million and there were delays in the delivery of these assets. We have spent R17,9 million against national government grants and R2,2 million against provincial government and R1,4 million against internally generated funds

6.6 Table 6 – monthly budget statement – financial position

KZN271 Umhlabuyalingana - Table C6 Monthly Budget Statement - Financial Position - Mid-Year

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		27,159	86,543	–	100,984	86,543
Call investment deposits		75,283	19,029	–	75,728	19,029
Consumer debtors		9,026	5,075	–	9,901	5,075
Other debtors		727	7,089	–	14,750	7,089
Current portion of long-term receivables		–	–	–	35	–
Inventory		165	282	–	2,646	282
Total current assets		112,360	118,019	–	204,044	118,019
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		346,204	411,658	–	356,338	411,658
Biological		–	–	–	–	–
Intangible		275	4,213	–	143	4,213
Other non-current assets		–	–	–	–	–
Total non current assets		346,479	415,872	–	356,481	415,872
TOTAL ASSETS		458,838	533,891	–	560,525	533,891
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		–	–	–	2	–
Trade and other payables		27,465	11,274	–	80,110	11,274
Provisions		2,099	–	–	–	–
Total current liabilities		29,564	11,274	–	80,113	11,274
Non current liabilities						
Borrowing		–	–	–	–	–
Provisions		26,367	24,694	–	16	24,694
Total non current liabilities		26,367	24,694	–	16	24,694
TOTAL LIABILITIES		55,931	35,968	–	80,129	35,968
NET ASSETS	2	402,908	497,923	–	480,396	497,923
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		402,908	497,923	–	480,396	497,923
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	402,908	497,923	–	480,396	497,923

6.7 Table 7 – monthly budget statement – Cash flow

KZN271 Umhlabuyalingana - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		23,443	20,986		186	9,060	10,493	(1,433)	-14%	20,986
Service charges		640	306		56	244	153	91	60%	306
Other revenue		4,765	4,879		220	1,972	2,440	(468)	-19%	4,879
Transfers and Subsidies - Operational		183,757	221,519		69,481	161,059	110,759	50,299	45%	221,519
Transfers and Subsidies - Capital		49,681	43,788		8,000	31,765	21,894	9,871	45%	43,788
Interest		2,681	2,146		740	2,953	1,073	1,880	175%	2,146
Dividends		-	-		-	-	-	-		-
Payments										
Suppliers and employees		(201,696)	(245,004)		(18,147)	(117,214)	(122,502)	(5,288)	4%	(245,004)
Finance charges		(236)	(995)		(1)	(2)	(498)	(496)	100%	(995)
Transfers and Grants		-	-		-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		63,035	47,624	-	60,535	89,836	23,812	(66,024)	-277%	47,624
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		(44,750)	(46,709)	-	(2,722)	(21,730)	(23,355)	(1,625)	7%	46,709
NET CASH FROM/(USED) INVESTING ACTIVITIES		(44,750)	(46,709)	-	(2,722)	(21,730)	(23,355)	(1,625)	7%	46,709
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		18,284	915	-	57,813	68,107	457			94,333
Cash/cash equivalents at beginning:		84,158	102,542	-	-	102,442	102,542			102,442
Cash/cash equivalents at month/year end:		102,442	103,457	-	-	170,549	102,999			196,775

On property rates we have collected R7,09 million from government debtors , R376 775 thousand rands from residential debtors and R1,5 million from business and commercial debtors which includes collection from long outstanding debts. Total collection on property rates is R9,06 million from July to December 2022. The municipality has collected 43% to the budgeted collection rate of 73%.

We have collected R244 thousand from refuse removal which also includes collection from long outstanding debts from July to December 2022. Revenue collected includes prior year debt and it will be adjusted in the adjustment budget

Other revenue collection of R1,9 million includes revenue from rental of facilities of R229 thousand rand, R94 thousand rand from fines and penalties, R1,2 million from licenses and permits and the balance is for vat refunds and other income. We have collected 56% on rental income against the budgeted collection rate of 70%, on licensing income we have collected 46% against the budgeted collection rate of 100%. The municipality will have to adjust this revenue in the adjustment budget.

Transfers and subsidies operational includes grants received from Equitable Share of R152 million, FMG of R1,8 million, EPWP of R1,3 million, MIG (PMU) of R1,2 million, Library grants of R2,9 million and housing grant of R901 thousand rands only

Transfers and subsidies capital includes grants received from MIG for R30,7 million from MIG and R1 million from EDTEA

We have received R2,9 million from Interest on Investments and other bank accounts.

Payment of suppliers and employees includes payment of salaries for employees which is sitting at 46% and the municipality is not going to adjust this line item in the adjustment budget. Expenditure on contracted services is sitting at 55%. The municipality will not be adjusting this category in the adjustment budget. Expenditure on transfers and subsidies is sitting at 78% and the municipality is not going to adjust this category in the adjustment budget. Other expenditure is sitting at 63% of the budget and it will be monitored closely so that it does not constitute unauthorized expenditure.

Capital expenditure is sitting at 46% in the cash flow and it will be adjusted in the adjustment budget.

6.8 Table SC1 material variance explanations

KZN271 Umhlabuyalingana - Supporting Table SC1 Material variance explanations - Mid-Year Assessment				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Interest on investments	175%	Interest on investment increased because there was an increase on	Revenue will be adjusted in the adjustment budget
	Other revenue	132%	Other revenue increased because of insurance refunds received	Revenue will be adjusted in the adjustment budget
	Transfers and subsidies	42%	Transfers and subsidies increased because of EQS funds received	Revenue will not be adjusted
	Fines and penalties	-29%	Fines revenue are less than the projected budget because there is a backlog in the capturing of traffic fines to the financial system as from	
	Licences and permits	-15%	Licences and permits are less than the projected budget because less people are coming to traffic department to get services rendered as	
2	Expenditure By Type			
	Finance charges	-100%	Expenditure is less than the projected budget because interest on land fill sites will be calculated at year end	
	Debt impairment	-99%	Expenditure is less than the projected budget because debt impairment will be calculated at year end	
	Depreciation and asset impairment	-66%		
	Inventory consumed	-55%		
3	Capital Expenditure			
	Finance and admin	-69%	Expenditure on finance and admin is less than the projected budget because procurement and delivery of other assets is planned for Q3	
	Waste management	-100%	Expenditure on waste management is less than the projected budget because it is planned for q3	
	Public safety	-100%	Expenditure is less than the projected budget because it is planned for q3	
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
7	Municipal Entities			

6.9 Table SC2 Monthly budget statement – performance indicators

KZN271 Umhlabuyalingana - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment							
Description of financial indicator	Basis of calculation	Ref	2021/22	Budget Year 2022/23			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.1%	10.1%	0.0%	0.0%	7.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		6.8%	2.3%	0.0%	16.7%	2.3%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	380.1%	1046.8%	0.0%	254.7%	1046.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		346.5%	936.4%	0.0%	220.6%	936.4%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		4.2%	4.9%	0.0%	14.2%	4.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		32.1%	33.9%	0.0%	22.5%	33.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		12.3%	9.4%	0.0%	0.0%	6.9%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

6.10 Table SC3 Monthly budget statement – aged debtors

KZN271 Umhlabuyalingana - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment													
Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.l.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	1,355	1,260	1,025	(496)	1,152	1,110	3,153	48,496	57,056	53,415	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	45	22	16	16	16	11	76	467	670	586	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	38	31	31	22	30	23	162	512	848	749	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	510	2,272	2,782	2,782	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	2000	1,438	1,313	1,072	(457)	1,198	1,144	3,900	51,747	61,355	57,532	–	–
2021/22 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	749	748	526	(941)	709	694	781	26,828	30,095	28,071	–	–
Commercial	2300	648	518	501	442	447	408	3,096	24,600	30,659	28,992	–	–
Households	2400	3	3	3	3	3	3	23	318	362	352	–	–
Other	2500	38	43	42	38	39	39	–	–	240	116	–	–
Total By Customer Group	2600	1,438	1,313	1,072	(457)	1,198	1,144	3,900	51,747	61,355	57,532	–	–

Current year mid-year debtors balance is sitting at R61,3 million when compared to last year balance which was 54,6 million.

This balance is made up of the following breakdown:

- Property rates debtors owes R57,0 million
- Refuse removal debtors owes R670 thousand
- Rental debtors owes R848 thousand
- Interest on outstanding debts amounts to R2, 2 million

Government debtors balance at mid-year is R30,0 million, Business and commercial debtors balance is R30,6 million residential debtors balance is R362 thousand

6.11Table SC 4 Monthly budget statement – aged creditors

KZN271 Umhlabuyalingana - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment											
Description	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	293	408	213	(992)	(622)	326	(110)	(1)	(486)	(486)
Auditor General	0800	–	1,262	–	–	–	–	–	–	1,262	1,262
Other	0900	1,030	619	242	(2,033)	(1,507)	1,628	(63)	(70)	(155)	(155)
Total By Customer Type	1000	1,322	2,289	455	(3,025)	(2,130)	1,955	(174)	(71)	621	621

The municipality is adhering to section 65 of the municipality finance management act, where it is stated that creditors should be paid within 30 day of receipt of the invoice. The municipality have two payment run on the 15th and 30th of the month to settle the liability of submitted invoice. The municipality ensures that payment are made within 30 days since most of our suppliers are within the category of SMME's this is done to assist them sustain their cash position since they are still small entities

6.12 SC5 Monthly budget statement investment portfolio

KZN271 Umhlabyalingana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment														
Investments by maturity Name of institution & investment ID	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
R thousands		Yrs/Months												
Municipality														
FNB - 74275256516		Months	Call account	No	Variable		n/a		30 June 2023	5,510	177			5,687
NEDBANK - 28702097		Months	Call account	No	Variable		n/a		30 June 2023	39	1			40
FNB - 74622621601		Months	Call account	No	Variable		n/a		30 June 2023	8,059	237			8,296
STD Bank - 068824491		Months	Call account	No	Variable		n/a		30 June 2023	22	1			22
FNB - 62266899825		Months	Call account	No	Variable		n/a		30 June 2023	1,406	29			1,435
FNB - 62424086785		Months	Call account	No	Variable		n/a		30 June 2023	2,076	58			2,134
NEDBANK - 7881177756		Months	Call account	No	Variable		n/a		30 June 2023	-	30		5,000	5,030
FNB - 62055161146		Months	Call account	No	Variable		n/a		30 June 2023	2,049	44			2,093
Municipality sub-total										19,161		-	5,000	24,738
Entities														-
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									19,161		-	5,000	24,738

The above table shows the balance on our short term deposits accounts because the municipality does not have long term investments but only short term deposits accounts that can be recalled or accessed immediately or by placing a 32 days' notice.

6.13 SC 6 Monthly budget statement –transfers and grants receipts

KZN271 Umhlabuyalingana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		191,898	218,586	–	69,917	155,432	109,293	45,737	41.8%	218,586
Local Government Equitable Share	–	188,289	213,526	–	69,481	152,756	106,763	45,993	43.1%	213,526
EPWP Incentive	–	1,759	1,975	–	344	1,752	988			1,975
Finance Management	–	1,850	1,850	–	33	563	925			1,850
Infrastructure Skills Development Grant	–	–	–	–	–	–	–			–
Integrated National Electrification Programme	–	–	–	–	–	–	–			–
Local Government Equitable Share	3									
MIG -PMU			1,235		59	362	617	(256)	-41.4%	1,235
Provincial Government:		2,795	41,687	–	517	2,802	20,844	(18,041)	-86.6%	41,687
Housing	–	–	38,754	–	–	902	19,377	(18,475)	-95.3%	38,754
Provincialisation of Libraries	–	1,871	1,964	–	308	1,106	982	124	12.7%	1,964
Community Library Grant	–	924	969	–	209	794	485	310	63.9%	969
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Operating Transfers and Grants	5	194,693	260,273	–	70,434	158,235	130,136	27,696	21.3%	260,273
Capital Transfers and Grants										
National Government:		49,047	43,788	–	2,838	22,776	21,894	(99)	-0.5%	43,788
Municipal Infrastructure Grant (MIG)	–	36,754	38,288	–	2,838	20,125	19,144			38,288
Integrated City Development Grant	–	–	–	–	–	–	–			–
Rural Transport Services and Infrastructure	–	–	–	–	–	–	–			–
Water Services Infrastructure Grant	–	–	–	–	–	–	–			–
Integrated National Electrification Programme Grant	–	10,302								
Tourism Grant (Kosi Bay Fish Market)	–	1,720	1,000				500	(500)	-100.0%	1,000
Tourism Grant (Manguzi Market Stalls)	–	271	4,500			2,580	2,250	330	14.7%	4,500
Other capital transfers [insert description]						71		71	#DIV/0!	
Provincial Government:		–	–	–	–	–	–	–		–
[insert description]										
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Capital Transfers and Grants	5	49,047	43,788	–	2,838	22,776	21,894	(99)	-0.5%	43,788
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	243,740	304,061	–	73,271	181,011	152,030	27,597	18.2%	304,061

KZN271 Umhlabuyalingana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		191,898	218,586	–	69,917	155,432	109,293	46,140	42.2%	218,586
Expanded Public Works Programme Integrated Grant	–	1,759	1,975	–	344	1,752	988	765	77.4%	1,975
Local Government Financial Management Grant	–	1,850	1,850	–	33	563	925	(362)	-39.2%	1,850
Finance Management	–	–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant	–	–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme	–	–	–	–	–	–	–	–	–	–
Local Government Equitable Share	–	188,289	213,526	–	69,481	152,756	106,763	45,993	43.1%	213,526
MIG -PMU	–	–	1,235	–	59	362	617	(256)	-41.4%	1,235
Provincial Government:		2,795	41,687	–	517	2,802	20,844	(18,041)	-86.6%	41,687
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–
Housing	–	–	38,754	–	–	902	19,377	(18,475)	-95.3%	38,754
Provincialisation of Libraries	–	1,871	1,964	–	308	1,106	982	124	12.7%	1,964
Community Library Grant	–	924	969	–	209	794	485	310	63.9%	969
District Municipality:		–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]	–	–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		194,693	260,273	–	70,434	158,235	130,136	28,098	21.6%	260,273
Capital expenditure of Transfers and Grants										
National Government:		49,047	43,788	–	2,838	22,776	21,894	882	4.0%	43,788
Municipal Infrastructure Grant	–	36,754	38,288	–	2,838	20,125	19,144	981	5.1%	38,288
Integrated National Electrification Programme Grant	–	10,302	–	–	–	–	–	–	–	–
Tourism Grant (Kosi Bay Fish Market)	–	1,720	1,000	–	–	–	500	(500)	-100.0%	1,000
Tourism Grant (Manguzi Market Stalls)	–	271	4,500	–	–	2,580	2,250	330	14.7%	4,500
Other capital transfers [insert description]	–	–	–	–	–	71	–	71	#DIV/0!	–
Provincial Government:		–	–	–	–	–	–	–	–	–
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
National Departmental Agencies-Immigrants Selection Board-Trans	–	–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		49,047	43,788	–	2,838	22,776	21,894	882	4.0%	43,788
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		243,740	304,061	–	73,271	181,011	152,030	28,981	19.1%	304,061

6.15 Table SC (2) monthly budget statement – expenditure against approved rollovers

KZN271 Umhlabuyalingana - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year

Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
EPWP Incentive					-	
Finance Management					-	
Infrastructure Skills Development Grant					-	
Integrated National Electrification Programme					-	
Local Government Equitable Share					-	
MIG -PMU					-	
Provincial Government:		-	-	-	-	
					-	
Housing					-	
Provincialisation of Libraries					-	
					-	
District Municipality:		-	-	-	-	
					-	
<i>[insert description]</i>					-	
Other grant providers:		-	-	-	-	
					-	
<i>[insert description]</i>					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
					-	
Water Services Infrastructure Grant					-	
Integrated National Electrification Programme Grant					-	
Tourism Grant (Kosi Bay Fish Market)					-	
Tourism Grant (Manguzi Market Stalls)					-	
Other capital transfers [insert description]					-	
Provincial Government:		-	-	2,580	(2,580)	#DIV/0!
Tourism Grant (Manguzi Informal Traders Market Stalls)				2,580	(2,580)	#DIV/0!
					-	
District Municipality:		-	-	-	-	
					-	
					-	
Other grant providers:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		-	-	2,580	(2,580)	#DIV/0!
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	2,580	(2,580)	#DIV/0!

6.16 Table SC8 Monthly budget statement – councilors and staff benefits

KZN271 Umhlabuyalingana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment										
Summary of Employee and Councillor remuneration	Ref	2021/22		Adjusted Budget	Monthly actual	Budget Year 2022/23				Full Year Forecast
		Audited Outcome	Original Budget			YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		9,136	10,642	—	795	5,095	5,321	(226)	-4%	10,642
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		1,659	1,973	—	133	839	987	(148)	-15%	1,973
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		3,020	3,547	—	265	1,560	1,774	(213)	-12%	3,547
Sub Total - Councillors	4	13,815	16,162	—	1,192	7,494	8,081	(587)	-7%	16,162
% increase	3		17.0%							17.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,968	5,319	—	251	1,280	2,659	(1,379)	-52%	5,319
Pension and UIF Contributions		15	1,687	—	1	3	844	(841)	-100%	1,687
Medical Aid Contributions		—	205	—	—	—	103	(103)	-100%	205
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	510	—	—	—	255	(255)	-100%	510
Motor Vehicle Allowance		661	828	—	42	208	414	(206)	-50%	828
Cellphone Allowance		115	143	—	7	35	71	(36)	-51%	143
Housing Allowances		430	538	—	25	130	269	(139)	-52%	538
Other benefits and allowances		46	71	—	2	12	35	(24)	-67%	71
Payments in lieu of leave		—	594	—	112	112	297	(185)	-62%	594
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	4	5,235	9,895	—	439	1,779	4,947	(3,168)	-64%	9,895
% increase	3		89.0%							89.0%
Other Municipal Staff	2									
Basic Salaries and Wages		46,771	48,780	—	4,178	24,834	24,390	445	2%	48,780
Pension and UIF Contributions		5,889	6,925	—	544	3,244	3,463	(219)	-6%	6,925
Medical Aid Contributions		2,568	3,680	—	232	1,379	1,840	(461)	-25%	3,680
Overtime		1,968	3,561	—	74	607	1,781	(1,174)	-66%	3,561
Performance Bonus		3,264	3,702	—	3,230	3,287	1,851	1,436	78%	3,702
Motor Vehicle Allowance		3,654	3,066	—	332	1,930	1,533	397	26%	3,066
Cellphone Allowance		956	934	—	86	506	467	39	8%	934
Housing Allowances		123	379	—	23	103	190	(87)	-46%	379
Other benefits and allowances		2,077	1,171	—	136	871	585	286	49%	1,171
Payments in lieu of leave		667	2,265	—	111	504	1,133	(629)	-55%	2,265
Long service awards		734	344	—	1	160	172	(12)	-7%	344
Post-retirement benefit obligations		43	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff	4	68,714	74,807	—	8,948	37,425	37,403	22	0%	74,807
% increase	2		8.9%							8.9%
Total Parent Municipality		87,764	100,864	—	10,580	46,699	50,432	(3,733)	-7%	100,864
Unpaid salary, allowances & benefits in arrears:			4.4 mil							4.4 mil
Board Members of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Board Fees		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Board Members of Entities	2	—	—	—	—	—	—	—	—	—
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities	2	—	—	—	—	—	—	—	—	—
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities	2	—	—	—	—	—	—	—	—	—
% increase	4									
Total Municipal Entities		—	—	—	—	—	—	—	—	—
TOTAL SALARY, ALLOWANCES & BENEFITS		87,764	100,864	—	10,580	46,699	50,432	(3,733)	-7%	100,864
% increase	4		14.9%							14.9%
TOTAL MANAGERS AND STAFF		73,950	84,701	—	9,388	39,205	42,351	(3,146)	-7%	84,701

6.19 Table SC9 Monthly budget statement – actual and revised targets for cash receipts

KZN271 Umhlabuyalingana - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment																
Description	Ref	Budget Year 2022/23											2022/23 Medium Term Revenue & Expenditure Framework			
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands	1															
Cash Receipts By Source																
Property rates		279	236	4,212	3,952	195	186	1,988	1,988	1,988	1,988	1,988	1,988	20,986		
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-		
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-		
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-		
Service charges - refuse		60	24	64	23	17	56	10	10	10	10	10	10	306		
Rental of facilities and equipment		25	24	19	24	120	18	30	30	30	30	30	30	407		
Interest earned - external investments		290	503	514	491	413	740						(807)	2,146		
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-		
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-		
Fines, penalties and forfeits		14	14	22	26	14	5	190	190	190	190	190	190	1,232		
Licences and permits		287	233	205	199	152	138	276	276	276	276	276	276	2,867		
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-		
Transfers and Subsidies - Operational		84,510	2,344	902	2,933	889	69,481			60,460				221,519		
Other revenue		88	191	22	24	49	59						(60)	373		
Cash Receipts by Source		85,553	3,570	5,960	7,673	1,850	70,682	2,492	2,492	62,953	2,492	2,492	1,626	249,836	-	-
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		12,765	1,000	10,000	-	-	8,000		-	12,023	-	-	-	43,788		
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		98,318	4,570	15,960	7,673	1,850	78,682	2,492	2,492	74,976	2,492	2,492	1,626	293,624	-	-
Cash Payments by Type																
Employee related costs		6,608	7,556	7,017	7,305	7,633	10,580	7,666	7,666	7,666	7,666	7,666	7,666	92,692		
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-		
Interest paid		0	0	0	1	-	1	166	166	166	166	166	166	995		
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-		
Acquisitions - water & other inventory		492	9	7	19	1	0	299	299	299	299	299	299	2,322		
Contracted services		5,819	4,978	3,652	3,554	2,806	2,920	11,405	11,405	11,405	11,405	11,405	11,405	92,157		
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-		
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-		
General expenses		11,488	5,239	5,076	4,038	7,073	4,647	3,379	3,379	3,379	3,379	3,379	3,379	57,833		
Cash Payments by Type		24,899	17,792	15,759	14,935	17,514	18,148	22,913	22,913	22,913	22,913	22,913	22,913	246,000	-	-
Other Cash Flows/Payments by Type																
Capital assets		4,084	5,603	4,781	1,901	2,639	2,722	4,163	4,163	4,163	4,163	4,163	4,163	46,709		
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Cash Flows/Payments		2,267	-	-	-	5,902	-	-	-	-	-	-	(8,169)	-		
Total Cash Payments by Type		31,250	23,395	20,540	16,837	26,055	20,870	27,077	27,077	27,077	27,077	27,077	18,907	292,709	-	-
NET INCREASE/(DECREASE) IN CASH HELD																
		67,069	(18,825)	(4,580)	(9,164)	(24,205)	57,813	(24,584)	(24,584)	47,899	(24,584)	(24,584)	(17,282)	915	-	-
Cash/cash equivalents at the month/year beginning:		102,442	169,511	150,686	146,105	136,941	112,736	170,549	145,964	121,380	169,279	144,695	120,111	102,442	103,357	103,357
Cash/cash equivalents at the month/year end:		169,511	150,686	146,105	136,941	112,736	170,549	145,964	121,380	169,279	144,695	120,111	102,829	103,357	103,357	103,357

6.20 Table SC10 Monthly budget statement-municipal entity

KZN271 Umhlabuyalingana - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Rental of facilities and equipment								-		
Interest earned - external investments								-		
Interest earned - outstanding debtors								-		
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits								-		
Agency services								-		
Transfers and subsidies								-		
Other revenue								-		
Gains								-		
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-		-
Expenditure By Type										
Employee related costs								-		
Remuneration of councillors								-		
Debt impairment								-		
Depreciation & asset impairment								-		
Finance charges								-		
Bulk purchases - electricity								-		
Inventory consumed								-		
Contracted services								-		
Transfers and subsidies								-		
Other expenditure								-		
Losses								-		
Total Expenditure		-	-	-	-	-	-	-		-
Surplus/(Deficit)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
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		-	-	-	-	-	-	-		-
Taxation								-		
Surplus/(Deficit) after taxation		-	-	-	-	-	-	-		-

The municipality does not have entities that is why this table is not populated.

6.21 Table SC11 Monthly budget statement – municipal entities

KZN271 Umhlabuyalingana - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Revenue	1	-	-	-	-	-	-	-		-
Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Expenditure	2	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the yr/period		-	-	-	-	-	-	-		-
Capital Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

The municipality does not have entities that is why this table is not populated.

6.22 Table SC12 Monthly budget statement – capital expenditure

KZN271 Umhlabuyalingana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment									
Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	11,844	4,294	–	4,084	4,084	4,294	211	4.9%	8%
August	11,844	4,294	–	5,603	9,687	8,589	(1,098)	-12.8%	19%
September	11,844	4,294	–	4,781	14,467	12,883	(1,584)	-12.3%	28%
October	11,844	4,294	–	1,901	16,369	17,178	809	4.7%	32%
November	11,844	4,294	–	2,025	18,394	21,472	3,078	14.3%	36%
December	11,844	4,294	–	2,722	21,116	25,767	4,651	18.1%	41%
January	11,844	4,294	–	–		30,061	–		
February	11,844	4,294	–	–		34,356	–		
March	11,844	4,294	–	–		38,650	–		
April	11,844	4,294	–	–		42,944	–		
May	11,844	4,294	–	–		47,239	–		
June	11,844	4,294	–	–		51,533	–		
Total Capital expenditure	142,131	51,533	–	21,116					

6.23 Table SC13a Monthly budget statement – capital expenditure on new assets

ASSESSMENT REPORT

KZN271 Umhlabuyalingana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year										
Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2022/23 YearTD actual	Budget Year 2022/23 YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		28,832	31,905	—	2,722	15,952	15,952	1	0.0%	31,905
Roads Infrastructure		28,832	31,556	—	2,722	15,952	15,777	(174)	-1.1%	31,556
Roads		28,832	31,556	—	2,722	15,952	15,777	(174)	-1.1%	31,556
Road Structures		—	—	—	—	—	—	—	—	—
Road Furniture		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Stormwater Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	—	—	—	—	—	—
Power Plants		—	—	—	—	—	—	—	—	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	—	—	—	—	—	—	—	—
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		—	—	—	—	—	—	—	—	—
Bulk Mains		—	—	—	—	—	—	—	—	—
Distribution		—	—	—	—	—	—	—	—	—
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
Pump Station		—	—	—	—	—	—	—	—	—
Retikulation		—	—	—	—	—	—	—	—	—
Waste Water Treatment Works		—	—	—	—	—	—	—	—	—
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	350	—	—	—	175	175	100.0%	350
Landfill Sites		—	—	—	—	—	—	—	—	—
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		—	—	—	—	—	—	—	—	—
Waste Drop-off Points		—	350	—	—	—	175	175	100.0%	350
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Piers		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Promenades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		9,529	3,478	—	—	4,285	1,739	(2,546)	-146.4%	3,478
Community Facilities		9,529	3,478	—	—	4,285	1,739	(2,546)	-146.4%	3,478
Halls		8,034	3,478	—	—	2,042	1,739	(302)	-17.4%	3,478
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		1,496	—	—	—	2,244	—	(2,244)	#DIV/0!	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
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		199	—	—	—	93	—	(93)	#DIV/0!	—
Operational Buildings		199	—	—	—	93	—	(93)	#DIV/0!	—
Municipal Offices		199	—	—	—	93	—	(93)	#DIV/0!	—
Pay/Entry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	—	—	—	—	—	—	—	—
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		—	500	—	—	—	250	250	100.0%	500
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		—	500	—	—	—	250	250	100.0%	500
Water Rights		—	—	—	—	—	—	—	—	—
Effluent Licences		—	—	—	—	—	—	—	—	—
Solid Waste Licences		—	—	—	—	—	—	—	—	—
Computer Software and Applications		—	500	—	—	—	250	250	100.0%	500
Load Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		140	887	—	—	889	443	(146)	-32.9%	887
Computer Equipment		140	887	—	—	889	443	(146)	-32.9%	887
Furniture and Office Equipment		157	1,040	—	—	196	520	324	62.3%	1,040
Furniture and Office Equipment		157	1,040	—	—	196	520	324	62.3%	1,040
Machinery and Equipment		2,461	5,233	—	—	—	2,616	2,616	100.0%	5,233
Machinery and Equipment		2,461	5,233	—	—	—	2,616	2,616	100.0%	5,233
Transport Assets		814	—	—	—	614	—	(614)	#DIV/0!	—
Transport Assets		814	—	—	—	614	—	(614)	#DIV/0!	—
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	42,131	43,043	—	2,722	21,730	21,521	(208)	-1.0%	43,043

6.24 Table SC13b Monthly budget statement –renewal of existing assets

KZN271 Umhlalabuyalingana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset											
R thousands	Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2022/23 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class											
	Infrastructure		28,832	—	—	—	—	—	—	—	—
	Roads Infrastructure		28,832	—	—	—	—	—	—	—	—
	Road Structures		—	—	—	—	—	—	—	—	—
	Road Furniture		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Storm water Infrastructure		—	—	—	—	—	—	—	—	—
	Drainage Collection		—	—	—	—	—	—	—	—	—
	Storm water Conveyance		—	—	—	—	—	—	—	—	—
	Attenuation		—	—	—	—	—	—	—	—	—
	Electrical Infrastructure		—	—	—	—	—	—	—	—	—
	Power Plants		—	—	—	—	—	—	—	—	—
	HV Substations		—	—	—	—	—	—	—	—	—
	HV Switching Station		—	—	—	—	—	—	—	—	—
	HV Transmission Conductors		—	—	—	—	—	—	—	—	—
	MV Substations		—	—	—	—	—	—	—	—	—
	MV Switching Stations		—	—	—	—	—	—	—	—	—
	MV Networks		—	—	—	—	—	—	—	—	—
	LV Networks		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
	Dams and Weirs		—	—	—	—	—	—	—	—	—
	Boreholes		—	—	—	—	—	—	—	—	—
	Reservoirs		—	—	—	—	—	—	—	—	—
	Pump Stations		—	—	—	—	—	—	—	—	—
	Water Treatment Works		—	—	—	—	—	—	—	—	—
	Bulk Mains		—	—	—	—	—	—	—	—	—
	Distribution		—	—	—	—	—	—	—	—	—
	Distribution Points		—	—	—	—	—	—	—	—	—
	PRV Stations		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
	Pump Station		—	—	—	—	—	—	—	—	—
	Pretreatment		—	—	—	—	—	—	—	—	—
	Waste Water Treatment Works		—	—	—	—	—	—	—	—	—
	Outfall Sewers		—	—	—	—	—	—	—	—	—
	Toilet Facilities		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
	Landfill Sites		—	—	—	—	—	—	—	—	—
	Waste Transfer Stations		—	—	—	—	—	—	—	—	—
	Waste Processing Facilities		—	—	—	—	—	—	—	—	—
	Waste Drop-off Points		—	—	—	—	—	—	—	—	—
	Waste Separation Facilities		—	—	—	—	—	—	—	—	—
	Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Rail Infrastructure		—	—	—	—	—	—	—	—	—
	Rail Lines		—	—	—	—	—	—	—	—	—
	Rail Structures		—	—	—	—	—	—	—	—	—
	Rail Furniture		—	—	—	—	—	—	—	—	—
	Drainage Collection		—	—	—	—	—	—	—	—	—
	Storm water Conveyance		—	—	—	—	—	—	—	—	—
	Attenuation		—	—	—	—	—	—	—	—	—
	MV Substations		—	—	—	—	—	—	—	—	—
	LV Networks		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Coastal Infrastructure		—	—	—	—	—	—	—	—	—
	Sand Pumps		—	—	—	—	—	—	—	—	—
	Piers		—	—	—	—	—	—	—	—	—
	Revetments		—	—	—	—	—	—	—	—	—
	Promenades		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
	Data Centres		—	—	—	—	—	—	—	—	—
	Core Layers		—	—	—	—	—	—	—	—	—
	Distribution Layers		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Community Assets		9,529	5,433	—	—	2,716	2,716	100.0%	—	5,433
	Community Facilities		9,529	5,433	—	—	2,716	2,716	100.0%	—	5,433
	Halls		8,034	—	—	—	—	—	—	—	—
	Centres		—	—	—	—	—	—	—	—	—
	Crèches		—	—	—	—	—	—	—	—	—
	Clinics/Care Centres		—	—	—	—	—	—	—	—	—
	Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
	Testing Stations		—	—	—	—	—	—	—	—	—
	Museums		—	—	—	—	—	—	—	—	—
	Galleries		—	—	—	—	—	—	—	—	—
	Theatres		—	—	—	—	—	—	—	—	—
	Libraries		—	—	—	—	—	—	—	—	—
	Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
	Police		—	—	—	—	—	—	—	—	—
	Parks		—	—	—	—	—	—	—	—	—
	Public Open Space		—	—	—	—	—	—	—	—	—
	Nature Reserves		—	—	—	—	—	—	—	—	—
	Public Ablution Facilities		—	—	—	—	—	—	—	—	—
	Markets		1,496	5,433	—	—	2,716	2,716	100.0%	—	5,433
	Stalls		—	—	—	—	—	—	—	—	—
	Abattoirs		—	—	—	—	—	—	—	—	—
	Airports		—	—	—	—	—	—	—	—	—
	Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
	Indoor Facilities		—	—	—	—	—	—	—	—	—
	Outdoor Facilities		—	—	—	—	—	—	—	—	—
	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		199	300	—	—	150	150	100.0%	—	300
	Operational Buildings		199	300	—	—	150	150	100.0%	—	300
	Municipal Offices		199	300	—	—	150	150	100.0%	—	300
	Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
	Building Plan Offices		—	—	—	—	—	—	—	—	—
	Workshops		—	—	—	—	—	—	—	—	—
	Yards		—	—	—	—	—	—	—	—	—
	Stores		—	—	—	—	—	—	—	—	—
	Laboratories		—	—	—	—	—	—	—	—	—
	Training Centres		—	—	—	—	—	—	—	—	—
	Manufacturing Plant		—	—	—	—	—	—	—	—	—
	Depots		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Housing		—	—	—	—	—	—	—	—	—
	Staff Housing		—	—	—	—	—	—	—	—	—
	Social Housing		—	—	—	—	—	—	—	—	—
	Capital Spares		—	—	—	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
	Intangible Assets		—	—	—	—	—	—	—	—	—
	Services		—	—	—	—	—	—	—	—	—
	Licences and Rights		—	—	—	—	—	—	—	—	—
	Water Rights		—	—	—	—	—	—	—	—	—
	Effluent Licences		—	—	—	—	—	—	—	—	—
	Solid Waste Licences		—	—	—	—	—	—	—	—	—
	Computer Software and Applications		—	—	—	—	—	—	—	—	—
	Load Settlement Software Applications		—	—	—	—	—	—	—	—	—
	Unspecified		—	—	—	—	—	—	—	—	—
	Computer Equipment		140	—	—	—	—	—	—	—	—
	Computer Equipment		140	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		157	—	—	—	—	—	—	—	—
	Furniture and Office Equipment		157	—	—	—	—	—	—	—	—
	Machinery and Equipment		2,461	258	—	—	129	129	100.0%	—	258
	Machinery and Equipment		2,461	258	—	—	129	129	100.0%	—	258
	Transport Assets		814	2,500	—	—	1,250	1,250	100.0%	—	2,500
	Transport Assets		814	2,500	—	—	1,250	1,250	100.0%	—	2,500
	Land		—	—	—	—	—	—	—	—	—
	Land		—	—	—	—	—	—	—	—	—
	Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
	Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
	Total Capital Expenditure on renewal of existing assets	1	42,131	8,491	—	—	4,245	4,245	100.0%	—	8,491

6.25 Table SC13c monthly budget statement – expenditure on repairs and maintenance

ASSESSMENT REPORT

KZN271 Umhlabuyalingana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Mid-										
Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2022/23 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		5,219	3,000	—	58	1,996	1,500	(496)	-33.0%	3,000
Roads Infrastructure		5,219	3,000	—	58	1,996	1,500	(496)	-33.0%	3,000
Roads		—	—	—	—	—	—	—	—	—
Road Structures		—	—	—	—	—	—	—	—	—
Road Furniture		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	—	—	—	—	—	—
Power Plants		—	—	—	—	—	—	—	—	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	—	—	—	—	—	—	—	—
Pump Stations		—	—	—	—	—	—	—	—	—
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		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		—	—	—	—	—	—	—	—	—
Waste Drop-off Points		—	—	—	—	—	—	—	—	—
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Piers		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Promenades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	—	—	—	—	—
Community Facilities		—	—	—	—	—	—	—	—	—
Halls		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
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		2,789	429	—	—	655	215	(440)	-205.0%	429
Operational Buildings		2,789	429	—	—	655	215	(440)	-205.0%	429
Municipal Offices		—	—	—	—	—	—	—	—	—
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	—	—	—	—	—	—	—	—
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Water Rights		—	—	—	—	—	—	—	—	—
Effluent Licences		—	—	—	—	—	—	—	—	—
Solid Waste Licences		—	—	—	—	—	—	—	—	—
Computer Software and Applications		—	—	—	—	—	—	—	—	—
Load Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		36	562	—	39	40	281	241	85.7%	562
Computer Equipment		36	562	—	39	40	281	241	85.7%	562
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
Machinery and Equipment		7,927	522	—	—	368	261	(107)	-40.9%	522
Machinery and Equipment		7,927	522	—	—	368	261	(107)	-40.9%	522
Transport Assets		1	3,000	—	—	—	1,500	1,500	100.0%	3,000
Transport Assets		—	—	—	—	—	—	—	—</	

6.26 Table Monthly budget statement – depreciation by asset class

ASSESSMENT REPORT

KZN271 Umhlabuyalingana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment										
Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2022/23 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		19,512	13,276	—	1,258	7,656	6,638	(1,018)	-15.3%	13,276
Roads Infrastructure		18,836	12,109	—	1,174	7,124	6,054	(1,069)	-17.7%	12,109
Roads		18,836	11,926	—	1,174	7,124	5,963	(1,161)	-19.5%	11,926
Road Structures		—	183	—	—	—	91	91	100.0%	183
Road Furniture		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	303	—	—	—	152	152	100.0%	303
Power Plants		—	—	—	—	—	—	—	—	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		—	303	—	—	—	152	152	100.0%	303
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	—	—	—	—	—	—	—	—
Pump Stations		—	—	—	—	—	—	—	—	—
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		677	864	—	84	532	432	(100)	-23.1%	864
Landfill Sites		617	494	—	83	507	247	(260)	-105.4%	494
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		59	370	—	1	25	185	160	86.7%	370
Waste Drop-off Points		—	—	—	—	—	—	—	—	—
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Piers		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Protegrades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		4,356	4,351	—	297	1,907	2,175	269	12.3%	4,351
Community Facilities		3,303	3,192	—	198	1,321	1,596	275	17.2%	3,192
Halls		—	—	—	—	—	—	—	—	—
Centres		3,307	2,377	—	156	1,010	1,189	178	15.0%	2,377
Crèches		—	36	—	—	—	18	18	100.0%	36
Clinics/Care Centres		(4)	45	—	—	—	22	22	100.0%	45
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	80	—	—	—	40	40	100.0%	80
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Puris		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		—	654	—	42	311	327	16	4.9%	654
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		1,054	1,159	—	99	586	579	(6)	-1.1%	1,159
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		1,054	1,159	—	99	586	579	(6)	-1.1%	1,159
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		1,299	1,281	—	102	629	641	11	1.8%	1,281
Operational Buildings		1,299	1,281	—	102	629	641	11	1.8%	1,281
Municipal Offices		1,299	1,281	—	102	629	641	11	1.8%	1,281
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	—	—	—	—	—	—	—	—
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		329	324	—	(18)	115	162	47	29.0%	324
Services		—	—	—	—	—	—	—	—	—
Licences and Rights		329	324	—	(18)	115	162	47	29.0%	324
Water Rights		—	—	—	—	—	—	—	—	—
Effluent Licences		—	—	—	—	—	—	—	—	—
Solid Waste Licences		—	—	—	—	—	—	—	—	—
Computer Software and Applications		329	324	—	(18)	115	162	47	29.0%	324
Local Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		377	312	—	(55)	75	156	81	52.2%	312
Computer Equipment		377	312	—	(55)	75	156	81	52.2%	312
Furniture and Office Equipment		122	167	—	(71)	(38)	84	122	145.8%	167
Furniture and Office Equipment		122	167	—	(71)	(38)	84	122	145.8%	167
Machinery and Equipment		1,214	1,004	—	36	448	502	54	10.8%	1,004
Machinery and Equipment		1,214	1,004	—	36	448	502	54	10.8%	1,004
Transport Assets		860	817	—	31	368	408	40	9.8%	817
Transport Assets		860	817	—	31	368	408	40	9.8%	817
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Depreciation	1	28,069	21,532	—	1,580	11,159	10,766	(393)	-3.7%	21,532

Table 6.27 Monthly budget statement – capital expenditure on upgrading of existing assets

KZN271 Umhlaluyalingana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset											
R thousands	Description	Ref 1	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2022/23 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class											
Infrastructure											
	Roads Infrastructure		-	-	-	-	-	-	-	-	-
	Roads		-	-	-	-	-	-	-	-	-
	Road Structures		-	-	-	-	-	-	-	-	-
	Road Furniture		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Storm water Infrastructure		-	-	-	-	-	-	-	-	-
	Drainage Collection		-	-	-	-	-	-	-	-	-
	Storm water Conveyance		-	-	-	-	-	-	-	-	-
	Attenuation		-	-	-	-	-	-	-	-	-
	Electrical Infrastructure		-	-	-	-	-	-	-	-	-
	Power Plants		-	-	-	-	-	-	-	-	-
	HV Substations		-	-	-	-	-	-	-	-	-
	HV Switching Station		-	-	-	-	-	-	-	-	-
	HV Transmission Conductors		-	-	-	-	-	-	-	-	-
	MV Substations		-	-	-	-	-	-	-	-	-
	MV Switching Stations		-	-	-	-	-	-	-	-	-
	MV Networks		-	-	-	-	-	-	-	-	-
	LV Networks		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
	Dams and Weirs		-	-	-	-	-	-	-	-	-
	Boreholes		-	-	-	-	-	-	-	-	-
	Reservoirs		-	-	-	-	-	-	-	-	-
	Pump Stations		-	-	-	-	-	-	-	-	-
	Water Treatment Works		-	-	-	-	-	-	-	-	-
	Bulk Mains		-	-	-	-	-	-	-	-	-
	Distribution		-	-	-	-	-	-	-	-	-
	Distribution Points		-	-	-	-	-	-	-	-	-
	PRV Stations		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
	Pump Station		-	-	-	-	-	-	-	-	-
	Retreatment		-	-	-	-	-	-	-	-	-
	Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
	Outfall Sewers		-	-	-	-	-	-	-	-	-
	Toilet Facilities		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
	Landfill Sites		-	-	-	-	-	-	-	-	-
	Waste Transfer Stations		-	-	-	-	-	-	-	-	-
	Waste Processing Facilities		-	-	-	-	-	-	-	-	-
	Waste Drop-off Points		-	-	-	-	-	-	-	-	-
	Waste Separation Facilities		-	-	-	-	-	-	-	-	-
	Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Rail Infrastructure		-	-	-	-	-	-	-	-	-
	Rail Lines		-	-	-	-	-	-	-	-	-
	Rail Structures		-	-	-	-	-	-	-	-	-
	Rail Furniture		-	-	-	-	-	-	-	-	-
	Drainage Collection		-	-	-	-	-	-	-	-	-
	Storm water Conveyance		-	-	-	-	-	-	-	-	-
	Attenuation		-	-	-	-	-	-	-	-	-
	MV Substations		-	-	-	-	-	-	-	-	-
	LV Networks		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Coastal Infrastructure		-	-	-	-	-	-	-	-	-
	Sand Pumps		-	-	-	-	-	-	-	-	-
	Piers		-	-	-	-	-	-	-	-	-
	Revetments		-	-	-	-	-	-	-	-	-
	Promenades		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
	Data Centres		-	-	-	-	-	-	-	-	-
	Core Layers		-	-	-	-	-	-	-	-	-
	Distribution Layers		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets											
	Community Facilities		-	-	-	-	-	-	-	-	-
	Halls		-	-	-	-	-	-	-	-	-
	Centres		-	-	-	-	-	-	-	-	-
	Crèches		-	-	-	-	-	-	-	-	-
	Clinics/Care Centres		-	-	-	-	-	-	-	-	-
	Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
	Testing Stations		-	-	-	-	-	-	-	-	-
	Museums		-	-	-	-	-	-	-	-	-
	Galleries		-	-	-	-	-	-	-	-	-
	Theatres		-	-	-	-	-	-	-	-	-
	Libraries		-	-	-	-	-	-	-	-	-
	Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
	Police		-	-	-	-	-	-	-	-	-
	Parks		-	-	-	-	-	-	-	-	-
	Public Open Space		-	-	-	-	-	-	-	-	-
	Nature Reserves		-	-	-	-	-	-	-	-	-
	Public Abolition Facilities		-	-	-	-	-	-	-	-	-
	Markets		-	-	-	-	-	-	-	-	-
	Stalls		-	-	-	-	-	-	-	-	-
	Abattoirs		-	-	-	-	-	-	-	-	-
	Airports		-	-	-	-	-	-	-	-	-
	Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
	Indoor Facilities		-	-	-	-	-	-	-	-	-
	Outdoor Facilities		-	-	-	-	-	-	-	-	-
	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											
	Operational Buildings		-	-	-	-	-	-	-	-	-
	Municipal Offices		-	-	-	-	-	-	-	-	-
	Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
	Building Plan Offices		-	-	-	-	-	-	-	-	-
	Workshops		-	-	-	-	-	-	-	-	-
	Yards		-	-	-	-	-	-	-	-	-
	Stores		-	-	-	-	-	-	-	-	-
	Laboratories		-	-	-	-	-	-	-	-	-
	Training Centres		-	-	-	-	-	-	-	-	-
	Manufacturing Plant		-	-	-	-	-	-	-	-	-
	Depots		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Staff Housing		-	-	-	-	-	-	-	-	-
	Social Housing		-	-	-	-	-	-	-	-	-
	Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets											
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets											
	Services		-	-	-	-	-	-	-	-	-
	Licences and Rights		-	-	-	-	-	-	-	-	-
	Water Rights		-	-	-	-	-	-	-	-	-
	Effluent Licences		-	-	-	-	-	-	-	-	-
	Solid Waste Licences		-	-	-	-	-	-	-	-	-
	Computer Software and Applications		-	-	-	-	-	-	-	-	-
	Local Settlement Software Applications		-	-	-	-	-	-	-	-	-
	Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment											
	Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment											
	Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment											
	Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets											
	Transport Assets		-	-	-	-	-	-	-	-	-
Land											
	Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals											
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets											
		1	-	-	-	-	-	-	-	-	-

This table is not populated because the municipality does not have any assets upgraded.

PART 2

Supporting documents

2.1 Debtor's analysis

Current year mid-year debtors balance is sitting at R61,3 million when compared to last year balance which was 54,6 million.

This balance is made up of the following breakdown:

- Property rates debtors owes R57,0 million
- Refuse removal debtors owes R670 thousand
- Rental debtors owes R848 thousand
- Interest on outstanding debts amounts to R2, 2 million

Government debtors balance at mid-year is R30,0 million, Business and commercial debtors balance is R30,6 million residential debtors balance is R362 thousand

KZN271 Umhlabayalingana - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment													
Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	1,355	1,260	1,025	(496)	1,152	1,110	3,153	48,496	57,056	53,415	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	45	22	16	16	16	11	76	467	670	586	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	38	31	31	22	30	23	162	512	848	749	–	–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	510	2,272	2,782	2,782	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	2000	1,438	1,313	1,072	(457)	1,198	1,144	3,900	51,747	61,355	57,532	–	–
2021/22 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	749	748	526	(941)	709	694	781	26,828	30,095	28,071	–	–
Commercial	2300	648	518	501	442	447	408	3,096	24,600	30,659	28,992	–	–
Households	2400	3	3	3	3	3	3	23	318	362	352	–	–
Other	2500	38	43	42	38	39	39	–	–	240	116	–	–
Total By Customer Group	2600	1,438	1,313	1,072	(457)	1,198	1,144	3,900	51,747	61,355	57,532	–	–

2.2 Creditor's analysis

The municipality is adhering to section 65 of the municipality finance management act, where it is stated that creditors should be paid within 30 day of receipt of the invoice. The municipality have two payment run on the 15th and 30th of the month to settle the liability of submitted invoice. The municipality ensures that payment are made within 30 days since most of our suppliers are within the category of SMME's this is done to assist them sustain their cash position since they are still small entities

KZN271 Umhlaluyalingana - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment											
Description	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	293	408	213	(992)	(622)	326	(110)	(1)	(486)	(486)
Auditor General	0800	-	1,262	-	-	-	-	-	-	1,262	1,262
Other	0900	1,030	619	242	(2,033)	(1,507)	1,628	(63)	(70)	(155)	(155)
Total By Customer Type	1000	1,322	2,289	455	(3,025)	(2,130)	1,955	(174)	(71)	621	621

2.3 Investment Portfolio analysis

Investments made with the various financial institutions are strictly in compliance with municipal Financial Management Act and the investment Regulations

The balance of investments/short term deposits at mid-year is R24,7 million. In November 2022 the municipality invested R5 million to one of banking institutions in a short term deposit investment account hence the increase when compared to the opening balance.

KZN271 Umhlaluyalingana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment														
Investments by maturity Name of institution & investment ID	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
R thousands		Yrs/Months												
Municipality														
FNB - 74275256516		Months	Call account	No	Variable		n/a		30 June 2023	5,510	177			5,687
NEDBANK - 28702097		Months	Call account	No	Variable		n/a		30 June 2023	39	1			40
FNB - 74622621601		Months	Call account	No	Variable		n/a		30 June 2023	8,059	237			8,296
STD Bank - 068824491		Months	Call account	No	Variable		n/a		30 June 2023	22	1			22
FNB - 62266899825		Months	Call account	No	Variable		n/a		30 June 2023	1,406	29			1,435
FNB - 62424086785		Months	Call account	No	Variable		n/a		30 June 2023	2,076	58			2,134
NEDBANK - 7881177756		Months	Call account	No	Variable		n/a		30 June 2023	-	30		5,000	5,030
FNB - 62055161146		Months	Call account	No	Variable		n/a		30 June 2023	2,049	44			2,093
Municipality sub-total										19,161		-	5,000	24,738
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									19,161		-	5,000	24,738

2.4 Allocation of grant received and expenditure on grants.

- The budget of the municipality is funded by grants including equitable share of which they fund 88% of the budget and the remaining 12% is funded by own revenue.
- Capital grants funding for capital expenditure is 80% of the total capital budget
- Operation revenue funding capital expenditure is 20% of the total capital budget.
- This is and indication that our municipality is grant dependent and it needs to improve in getting other revenue streams to fund its budget for operations and capital projects going forward.

KZN271 Umhlabuyalingana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		191,898	218,586	–	69,917	155,432	109,293	45,737	41.8%	218,586
Local Government Equitable Share	–	188,289	213,526	–	69,481	152,756	106,763	45,993	43.1%	213,526
EPWP Incentive	–	1,759	1,975	–	344	1,752	988			1,975
Finance Management	–	1,850	1,850	–	33	563	925			1,850
Infrastructure Skills Development Grant	–	–	–	–	–	–	–			–
Integrated National Electrification Programme	–	–	–	–	–	–	–			–
Local Government Equitable Share	3									
MIG -PMU			1,235		59	362	617	(256)	-41.4%	1,235
Provincial Government:		2,795	41,687	–	517	2,802	20,844	(18,041)	-86.6%	41,687
Housing	–	–	38,754	–	–	902	19,377	(18,475)	-95.3%	38,754
Provincialisation of Libraries	–	1,871	1,964	–	308	1,106	982	124	12.7%	1,964
Community Library Grant	–	924	969	–	209	794	485	310	63.9%	969
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>										
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>										
	–									
	–									
	–									
Total Operating Transfers and Grants	5	194,693	260,273	–	70,434	158,235	130,136	27,696	21.3%	260,273
Capital Transfers and Grants										
National Government:		49,047	43,788	–	2,838	22,776	21,894	(99)	-0.5%	43,788
Municipal Infrastructure Grant (MIG)	–	36,754	38,288	–	2,838	20,125	19,144			38,288
Integrated City Development Grant	–	–	–	–	–	–	–			–
Rural Transport Services and Infrastructure	–	–	–	–	–	–	–			–
Water Services Infrastructure Grant	–	–	–	–	–	–	–			–
Integrated National Electrification Programme Grant	–	10,302								
Tourism Grant (Kosi Bay Fish Market)	–	1,720	1,000				500	(500)	-100.0%	1,000
Tourism Grant (Manguzi Market Stalls)	–	271	4,500			2,580	2,250	330	14.7%	4,500
Other capital transfers <i>[insert description]</i>						71		71	#DIV/0!	
Provincial Government:		–	–	–	–	–	–	–		–
<i>[insert description]</i>										
	–									
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>										
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>										
	–									
Total Capital Transfers and Grants	5	49,047	43,788	–	2,838	22,776	21,894	(99)	-0.5%	43,788
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	243,740	304,061	–	73,271	181,011	152,030	27,597	18.2%	304,061

KZN271 Umhlabuyalingana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		191,898	218,586	–	69,917	155,432	109,293	46,140	42.2%	218,586
Expanded Public Works Programme Integrated Grant	–	1,759	1,975	–	344	1,752	988	765	77.4%	1,975
Local Government Financial Management Grant	–	1,850	1,850	–	33	563	925	(362)	-39.2%	1,850
Finance Management	–	–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant	–	–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme	–	–	–	–	–	–	–	–	–	–
Local Government Equitable Share	–	188,289	213,526	–	69,481	152,756	106,763	45,993	43.1%	213,526
MIG -PMU	–	–	1,235	–	59	362	617	(256)	-41.4%	1,235
Provincial Government:		2,795	41,687	–	517	2,802	20,844	(18,041)	-86.6%	41,687
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–
Housing	–	–	38,754	–	–	902	19,377	(18,475)	-95.3%	38,754
Provincialisation of Libraries	–	1,871	1,964	–	308	1,106	982	124	12.7%	1,964
Community Library Grant	–	924	969	–	209	794	485	310	63.9%	969
District Municipality:		–	–	–	–	–	–	–	–	–
District Municipality:	–	–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]	–	–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		194,693	260,273	–	70,434	158,235	130,136	28,098	21.6%	260,273
Capital expenditure of Transfers and Grants										
National Government:		49,047	43,788	–	2,838	22,776	21,894	882	4.0%	43,788
Municipal Infrastructure Grant	–	36,754	38,288	–	2,838	20,125	19,144	981	5.1%	38,288
Integrated National Electrification Programme Grant	–	10,302	–	–	–	–	–	–	–	–
Tourism Grant (Kosi Bay Fish Market)	–	1,720	1,000	–	–	–	500	(500)	-100.0%	1,000
Tourism Grant (Manguzi Market Stalls)	–	271	4,500	–	–	2,580	2,250	330	14.7%	4,500
Other capital transfers [insert description]	–	–	–	–	–	71	–	71	#DIV/0!	–
Provincial Government:		–	–	–	–	–	–	–	–	–
KwaZulu-Natal	–	–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
National Departmental Agencies-Immigrants Selection Board-Trans	–	–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		49,047	43,788	–	2,838	22,776	21,894	882	4.0%	43,788
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		243,740	304,061	–	73,271	181,011	152,030	28,981	19.1%	304,061

2.5 Councilor allowances and employee benefits

Councilor's remuneration/ allowances and employee related expenditure is 42% of the total operating expenditure as at 31 December 2022. Remuneration of councilor's expenditure is 7% below the projected budget at mid-year after the implementation of upper limits for councilors in November 2022.

Employee related costs expenditure is also 7% below the year to date expenditure for mid-year because there were vacancies that were filled in September, October and November and other are still vacant till today which then contributes to the low expenditure incurred by mid-year.

KZN271 Umhlabuyalingana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment										
Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9,136	10,642	–	795	5,095	5,321	(226)	-4%	10,642
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		1,659	1,973	–	133	839	987	(148)	-15%	1,973
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		3,020	3,547	–	265	1,560	1,774	(213)	-12%	3,547
Sub Total - Councillors		13,815	16,162	–	1,192	7,494	8,081	(587)	-7%	16,162
% increase	4		17.0%							17.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,968	5,319	–	251	1,280	2,659	(1,379)	-52%	5,319
Pension and UIF Contributions		15	1,687	–	1	3	844	(841)	-100%	1,687
Medical Aid Contributions		–	205	–	–	–	103	(103)	-100%	205
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	510	–	–	–	255	(255)	-100%	510
Motor Vehicle Allowance		661	828	–	42	208	414	(206)	-50%	828
Cellphone Allowance		115	143	–	7	35	71	(36)	-51%	143
Housing Allowances		430	538	–	25	130	269	(139)	-52%	538
Other benefits and allowances		46	71	–	2	12	35	(24)	-67%	71
Payments in lieu of leave		–	594	–	112	112	297	(185)	-62%	594
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		5,235	9,895	–	439	1,779	4,947	(3,168)	-64%	9,895
% increase	4		89.0%							89.0%
Other Municipal Staff										
Basic Salaries and Wages		46,771	48,780	–	4,178	24,834	24,390	445	2%	48,780
Pension and UIF Contributions		5,889	6,925	–	544	3,244	3,463	(219)	-6%	6,925
Medical Aid Contributions		2,568	3,680	–	232	1,379	1,840	(461)	-25%	3,680
Overtime		1,968	3,561	–	74	607	1,781	(1,174)	-66%	3,561
Performance Bonus		3,264	3,702	–	3,230	3,287	1,851	1,436	78%	3,702
Motor Vehicle Allowance		3,654	3,066	–	332	1,930	1,533	397	26%	3,066
Cellphone Allowance		956	934	–	86	506	467	39	8%	934
Housing Allowances		123	379	–	23	103	190	(87)	-46%	379
Other benefits and allowances		2,077	1,171	–	136	871	585	286	49%	1,171
Payments in lieu of leave		667	2,265	–	111	504	1,133	(629)	-55%	2,265
Long service awards		734	344	–	1	160	172	(12)	-7%	344
Post-retirement benefit obligations	2	43	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		68,714	74,807	–	8,948	37,425	37,403	22	0%	74,807
% increase	4		8.9%							8.9%
Total Parent Municipality		87,764	100,864	–	10,580	46,699	50,432	(3,733)	-7%	100,864
TOTAL SALARY, ALLOWANCES & BENEFITS		87,764	100,864	–	10,580	46,699	50,432	(3,733)	-7%	100,864
% increase	4		14.9%							14.9%
TOTAL MANAGERS AND STAFF		73,950	84,701	–	9,388	39,205	42,351	(3,146)	-7%	84,701

2.6 Material variances to the service delivery and budget implementation plan

KZN271 Umhlabuyalingana - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Interest on investments	175%	Interest on investment increased because there was an increase on	Revenue will be adjusted in the adjustment budget
	Other revenue	132%	Other revenue increased because of insurance refunds received	Revenue will be adjusted in the adjustment budget
	Transfers and subsidies	42%	Transfers and subsidies increased because of EQS funds received	Revenue will not be adjusted
	Fines and penalties	-29%	Fines revenue are less than the projected budget because there is a backlog in the capturing of traffic fines to the financial system as from 0	
	Licences and permits	-15%	Licences and permits are less than the projected budget because less people are coming to traffic department to get services rendered as	
2	Expenditure By Type			
	Finance charges	-100%	Expenditure is less than the projected budget because interest on land fill sites will be calculated at year end	
	Debt impairment	-99%	Expenditure is less than the projected budget because debt impairment will be calculated at year end	
	Depreciation and asset impairment	-66%		
	Inventory consumed	-55%		
3	Capital Expenditure			
	Finance and admin	-69%	Expenditure on finance and admin is less than the projected budget because procurement and delivery of other assets is planned for Q3	
	Waste management	-100%	Expenditure on waste management is less than the projected budget because it is planned for q3	
	Public safety	-100%	Expenditure is less than the projected budget because it is planned for q3	
		-100%		
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
7	Municipal Entities			

2.7 Financial performance

The municipality has recognized total operating revenue of R174,3 million as at 31 December 2022, which is made up of revenues from property rates income, rental income, refuse removal income, interest from investments, fines, licensing income, transfers and subsidies received and other revenue. Total operating expenditure of R111,0 million has been recognized as at 31 December 2022. Capital transfers of R21,7 million has been recognized as at 31 December 2022. The municipality has recognized a surplus of R86,0 million as at 31 December 2022.

Operating revenue is 39% above the projected budget at mid-year because of equitable share grant that has been received in July and December to the amount of R152,7 million. Other operating grants revenue is only recognized when its conditions have been met. The municipality has performed poorly in the following revenues: traffic fines, licensing income, interest on investments and interest on outstanding debtors. The municipality must consider adjusting these revenues in the adjustment budget because they did not perform well in the past six months.

Operating expenditure is 5% below the projected budget at mid-year because most operational projects were implemented in the beginning of the financial or in quarter 1 and 2 of the financial year.

KZN271 Umhlabuyalingana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		23,053	20,986	–	1,911	11,466	10,493	973	9%	20,986
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		624	437	–	39	235	219	16	8%	437
Rental of facilities and equipment		412	407	–	35	210	204	7	3%	407
Interest earned - external investments		2,681	2,146	–	740	2,953	1,073	1,880	175%	2,146
Interest earned - outstanding debtors		–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3,006	1,305	–	0	460	652	(192)	-29%	1,305
Licences and permits		2,897	2,867	–	138	1,320	1,434	(113)	-8%	2,867
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		196,901	221,519	–	70,434	157,333	110,759	46,574	42%	221,519
Other revenue		734	373	–	59	433	187	247	132%	373
Gains		(50)	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		230,258	250,039	–	73,355	174,411	125,020	49,391	40%	250,039
Expenditure By Type										
Employee related costs		73,950	84,701	–	9,388	39,205	42,351	(3,146)	-7%	84,701
Remuneration of councillors		13,815	16,162	–	1,192	7,494	8,081	(587)	-7%	16,162
Debt impairment		11,036	7,253	–	–	47	3,626	(3,579)	-99%	7,253
Depreciation & asset impairment		28,069	22,521	–	1,580	11,159	11,261	(101)	-1%	22,521
Finance charges		236	995	–	1	2	498	(496)	-100%	995
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–
Inventory consumed		1,783	2,322	–	0	528	1,161	(633)	-55%	2,322
Contracted services		47,929	42,424	–	2,920	23,730	21,212	2,517	12%	42,424
Transfers and subsidies		16,123	10,250	–	370	8,033	5,125	2,908	57%	10,250
Other expenditure		51,850	46,833	–	4,276	29,528	23,417	6,111	26%	46,833
Losses		2	–	–	–	–	–	–	–	–
Total Expenditure		244,791	233,462	–	19,727	119,726	116,731	2,994	3%	233,462
Surplus/(Deficit)		(14,533)	16,577	–	53,628	54,685	8,288	46,397	0	16,577
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		36,266	43,788	–	2,838	20,125	21,894	(1,769)	(0)	43,788
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		271	–	–	–	2,580	–	2,580	#DIV/0!	–
Transfers and subsidies - capital (in-kind - all)		1,351	–	–	–	71	–	71	#DIV/0!	–
Surplus/(Deficit) after capital transfers & contributions		23,355	60,365	–	56,466	77,462	30,182			60,365
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		23,355	60,365	–	56,466	77,462	30,182			60,365
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		23,355	60,365	–	56,466	77,462	30,182			60,365
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		23,355	60,365	–	56,466	77,462	30,182			60,365

2.8 Capital program performance

Total capital expenditure as at 31 December 2022 is R21,7 million. The municipality has spent R15,9 million on road projects, R2, million on construction of community halls and R2,2million construction of markets and R1,4 million on other assets.

KZN271 Umhlabyalingana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	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]		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Finance and Admin		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Vote 2 - Executive and council		-	-	-	-	-	-	-		-
Vote 3 - Community and social services		9,529	8,911	-	-	4,285	4,455	(170)	-4%	8,911
Vote 4 - Internal Audit		-	-	-	-	-	-	-		-
Vote 5 - Waste Management		-	550	-	-	-	275	(275)	-100%	550
Vote 6 - Energy Sources		-	-	-	-	-	-	-		-
Vote 7 - Planning and Development		-	-	-	-	-	-	-		-
Vote 8 - Public Safety		-	1,000	-	-	-	500	(500)	-100%	1,000
Vote 9 - Roads		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
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]		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Total Capital Expenditure		42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Capital Expenditure - Functional Classification										
Governance and administration		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		3,771	9,518	-	-	1,493	4,759	(3,266)	-69%	9,518
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		9,529	9,261	-	-	4,285	4,630	(345)	-7%	9,261
Community and social services		9,529	8,261	-	-	4,285	4,130	155	4%	8,261
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	1,000	-	-	-	500	(500)	-100%	1,000
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
Planning and development		-	-	-	-	-	-	-		-
Road transport		28,832	31,555	-	2,722	15,952	15,777	174	1%	31,555
Environmental protection		-	-	-	-	-	-	-		-
Trading services		-	550	-	-	-	275	(275)	-100%	550
Energy sources		-	-	-	-	-	-	-		-
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	550	-	-	-	275	(275)	-100%	550
Other		-	650	-	-	-	325	(325)	-100%	650
Total Capital Expenditure - Functional Classification	3	42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533
Funded by:										
National Government		36,750	33,294	-	2,722	17,993	16,647	1,346	8%	33,294
Provincial Government		1,496	4,783	-	-	2,244	2,391	(148)	-6%	4,783
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		38,246	38,077	-	2,722	20,237	19,038	1,199	6%	38,077
MID-YEAR REPORT 2022-2023	6	-	-	-	-	-	-	-		-
Internally generated funds		3,886	13,457	-	-	1,493	6,728	(5,236)	-78%	13,457
Total Capital Funding		42,131	51,533	-	2,722	21,730	25,767	(4,037)	-16%	51,533

2.9 Other supporting documents

Finance Department

Our first priority as the department of financial services is to ensure that funds are spent within the approved budget; reasonability of value for money is our second priority. We always emphasize the importance of compliance with the applicable legislation to avoid irregular, fruitless & wasteful expenditure in the process of implementing our budget. As we continue dealing with COVID 19 challenges even in the current financial year of 2022/2023 we are working hard as the department of financial services to ensure that we reclaim our status of obtaining clean administration after we have regressed in the prior years by ensuring that we implement our system and procedure effectively.

Revenue Management

The revenue base of the municipality is mainly carried by Grants and 12% of own revenue to implement service delivery services and projects within the area of uMhlabyalingana municipality. The municipality intends to increase its revenue base by collecting revenue due to the municipality through property rate, refuse removal and other revenues to be able to sustain provision of municipal services. The department commits itself to provide accurate information which will improve financial reporting and proper cash flow projection which will ensure sustainability of the municipality in future. Management has decided to revive revenue management committee that will have to meet on a monthly basis to discuss issue that relate to revenue generation and collection.

The municipality generates its own revenue from property rates, refuse removal, rental of facilities, interest from bank accounts and short term deposits accounts, traffic fines, licensing income as well as other income which includes sale of tender documents and commission fees.

Revenue management committee will also be looking at other possible revenue streams the municipality can implement to increase its revenue base going forward.

Property Rates

Property rates is one of the main source of own revenue for the municipality. We had projected that we will collect more than 95% of the total budget for property rates. As at 31 December 2022 we have actually collected 44% of the property rates budget. The target was based at the anticipated collection from government debtors which is mainly the Department of Public Works (Provincial) that normally pay their accounts in September, October and December and the commitment made by department of Rural Development.

Traffic Income

There is lower collection of traffic fines income based on projected collection. The collection currently is sitting at 32%. It was projected that in 6 months we will collect 50% of the target collection as per (B Schedule –SB15). Annual collection was estimated to be 99% of the total budget for fines and licencing income. Management must investigate why there is a low collection for the past 2-3 years in this revenue stream and come up with other plans to improve revenue generation and collection going forward.

Business Licensing

There is a very low collection rate for this category of revenue. The basis of the expected income through business licensing is dependent on both the Supplementary Valuation Roll (SVR); including both the new and existing businesses that do not currently appear on the Supplementary Valuation Roll (SVR). Non-compliance with the business licensing requirements as set on the Business Act is the main challenge of not maximizing the collection of revenue in business licensing from a few number of applications being received and that gets approved as most of them they fail to meet critical requirements. Interventions are being initiated since the development of the business licensing by-laws, of which, public participations have been conducted to all three key economic nodes as part of the gazette process which was finalized in the in 2016-17 financial year. Above that, notices have been served to businesses and to operators advising them to apply for business licenses with the requirements checklist attached for ease of reference.

Market Stalls (Manguzi Town)

This is one of the municipal revenue enhancement structures whereby rental is specifically used as a revenue collection to the municipality. Target was that we will collect 50% on market stalls by end of 6 months, and annual target is 99% of the total budget for rental of facilities but the actual collection is 57%

Cash Flow Projections

Cash flow projections reflects a positive cash position of the municipality, the cash balance at mid-year is R173,5 million. The available cash reflect that the municipality can operate for the next 6 months considering the current cash position

Debtors

Current year mid-year debtors balance is sitting at R61,3 million when compared to last year balance which was 54,6 million.

This balance is made up of the following breakdown:

- Property rates debtors owes R57,0 million
- Refuse removal debtors owes R670 thousand
- Rental debtors owes R848 thousand
- Interest on outstanding debts amounts to R2, 2 million

Government debtors balance at mid-year is R30,0 million, Business and commercial debtors balance is R30,6 million residential debtors balance is R362 thousand

Creditors

The municipality is adhering to section 65 of the municipality finance management act, where it is stated that creditors should be paid within 30 day of receipt of the invoice. The municipality have two payment run on the 15th and 30th of the month to settle the liability of submitted invoice. The municipality ensures that payment are made within 30 days since most of our suppliers are within the category of SMME's this is done to assist them to sustain their cash position since they are still small entities.

Investment Portfolio

Investments/ (Short term deposits) made with the various financial institutions are strictly in compliance with municipal Financial Management Act and the investment Regulations. The balance on investment/short term deposits at mid-year was R 24,7 million. The amount is invested to generate interest on monies not immediately needed to provide basic services and in addition the surplus funds at year-end are also invested. The investment balance reflects slight increase when compared to the opening balance

Borrowings

The municipality does not have borrowings.

Fruitless and Wasteful Expenditure

As at 31 December 2022 the value of fruitless and wasteful expenditure is R12 697 212 which includes opening balance from prior year of R12 695 785 relating to procurement of poverty alleviation program items and current year movement of R2 049 which relates to late payment of Eskom and Telkom accounts.

Irregular Expenditure

Irregular expenditure reported as at 31 December 2022 is R7 340 009.66 relating to the appointment of security services and internal audit services because SCM processes were not properly followed.

Allocation of grant received and expenditure on grants

- The budget of the municipality is funded by grants of which they fund 88% of the budget and the remaining 12% is funded by own revenue.
- Capital grants funding capital expenditure is 80% of the capital budget

Asset Management

The municipality have asset management policy, asset disposal policy, maintenance policy and asset register to manage the municipal asset. Currently the municipality have spent 43% of the budget for 2022-2023 financial year.

Supply Chain Management

An annual procurement plan for the 2022/2023 financial year has been approved to ensure an effective system of acquisition for goods and services supporting the strategic goals and operations of the municipality. The plans has improved timely planning, effective management of processes to ensure that commodities and services required by various user departments are quantified, budgeted for and effectively delivered at the right locations within critical delivery schedules in appropriate quantities.

Deviations

Deviations to the total rand value of R87 528 were incurred in terms of section 36 of the supply chain management regulation for the period under review. Most deviations are as a result of public notices in newspapers and radio slots to the community radio station. In future to avoid committing this type of expenditure the municipality must appoint an advertising agency.

Competitive bidding

Goods and service above the transaction value of R 200,000.00 including vat are only procured through a competitive bidding process as outlined in the municipal supply chain management policy. In an effort to enhance operational efficiency the bid committee system for competitive bidding was established. The committees comprise the bid specification, evaluation and adjudication to effectively manage the competitive bidding process.

Objections

There were no objections received in all tenders awarded.

MSCOA Implementation

The municipality managed to go live by the 1st of July 2017 meeting the compliance date for the implementation of MSCOA. IDP, BUDGET and SDBIP all of them are MSCOA compliant.

We are transacting on the Sage Evolution system which is mSCOA compliant supported by CCG Systems. Like any other systems we did experience some challenges during the implementation, below are some of the challenges we encountered.

Challenges

- Misallocation of accounts during the requisition process by departments
- Functionality of other module (costing, grants and contract management) is not yet implemented properly.
- Fixed asset register is still manual which is a huge risk in terms of ensuring the completeness and accuracy of all transaction relating to asset management

COMMUNITY SERVICES DEPARTMENT

Waste Management Section

In line with Constitution of the Republic of South Africa, 1996 read with National Waste Management Act, (Act 59 of 2008) the municipality has three waste management sites in three towns (Manguzi, Mbazwana and Skhemelele) only two (2) sites has been registered as a landfill sites (Manguzi and Mbazwana) and the remaining one (Skhemelele) site is in the process of rehabilitation or decommissioning.

Library Services

There are three (3) library access points across uMhlabuyalingana municipality, which are Manguzi, Skhemelele and Mseleni, which provides a range of services to the community. The main aim of the libraries is to enhance the lives of individuals and communities through uMhlabuyalingana municipality and promote a range of high quality library services and to provide equal access to information and resources and to support community discussions and lifelong learning.

The services are library promotions (outreach program), Internet access, free basic computer training, book exchange to have updated books and the circulation of books and audio. Our Mseleni library has a limited space. As a result of that we provide limited services. We have lodged the application to KZN Department of Arts and Culture (KZN DAC) for a Modular Library.

Traffic Law Enforcement Section

This section encompasses traffic law enforcement, drivers' licenses and Vehicle licensing. Law enforcement section enforces law in terms of NRTA 93 of 1996 and other legislation related to traffic matters. Licensing section offers the services of licensing as stipulated in NRTA 93 of 1996. There is an increase in the traffic within our roads however the limited number of traffic officers. The challenges in the traffic revenue collection.

Disaster Risk Management (incorporating Fire and Rescue Services) section

According to the DM Act 57 of 2002 as amended, the local authority has to provide for an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disasters mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery. Fire services and Occupational Health and Safety fall under this Disaster management. According to relevant ISO standards, the municipality need about 5 fire stations, each station to operate and cover the area within a radius 25km from the said fire station. No proper fire station has been built by municipality.

Youth Programs and Special Programs

The youth programs falls under the Department of Community services, the unity has a now appointed dedicated person for all youth programs. The following services are rendered: Career ExPo, University registration assistance program. Special Programs have Gender and Disability awareness campaigns.

Ward Committee

UMhlabuyalingana has 20 wards, and we have so far managed to establish ward committees all 20 wards. We have established 197 ward committee members in 20 wards. Each ward consists of 10 members who form a ward committee. The ward committees are functional in all wards and they hold monthly meetings

Animal pound

Animal pound is on the last phase of completion. The department has to review by-laws and be taken to council for adoption. Awareness campaign involving the community and stakeholders will be conducted regarding the operation of animal pound.

Land fill sites

UMhlabuyalingana Municipality got one operating landfill site which is Manguzi landfill site located at Thandizwe area. Mbazwana landfill site was illegally closed by the community. There are engagements with the community to re-open the landfill site.

Skhemelele landfill site is also closed due to challenges of illegal dumping. A plan will be developed of how to maintain the landfill sites.

TECHNICAL SERVICES**LOCAL ECONOMIC SECTION**

Local Economic Development (LED) section is the main municipal component that is under the Department of Technical Services. This section is responsible for stimulating local economic development of UMhlabuyalingana area through job creation, domestic tourism marketing, and SMME support. These are the main competencies of this section as set by the National Development Plan, Provincial Growth and Development Plan and Strategy, District Growth and Development Plan, and Delivery Agreement for Outcome 9.

Tourism Development and Promotion: in line with the NDP, PGDS and PSEDs, LED section embarked on tourism marketing campaigns aimed with a purpose of ensuring efficient marketing of its local tourism destinations. This is in response to the national 'Shot' Left tourism and we do tourism campaigns. LED also leads the indicator for job creation, as at mid-year 1 922 job opportunities have been created through CWP and 87 job opportunities through EPWP.

SMME Support

This program is designed to assist a startup in its development and growth phase. Also to provide opportunities to achieve sustainability and to create an enabling environment within the community. Through this program the municipality supports its local businesses by identifying potential but struggling entrepreneurs including Co-operatives and informal traders to assist them to become registered and also organize trainings and workshops so as to improve the understanding on how to run successful businesses.

Business licensing and informal trading by-laws enforcement

The Business licensing and informal trading by-laws were approved by the municipal council and were gazetted in 2017. An integrated compliance regulatory forum which was formulated by EDTEA and includes various sector departments is currently conducting inspections on quarterly basis in support of the implementation of the by-laws.

Community Workers Programme-CWP

Within this program a total number of 1 922 community work job opportunities have been created and are monitored on monthly basis and have been maintained from July to December 2022. This program is completely funded by the Department of Cooperative Governance and Traditional Affairs.

Extended Public Works Programme

This is the main job creation platform for UMhlabuyalingana municipality as it provides a blended approach wherein there is 12 months duration of short term employment and project based employment duration. This program is implemented both through the Public Works integrated grant and core funded by equitable share. As at essence, 87 job opportunities have been created.

PLANNING AND DEVELOPMENT SECTION

To date the municipality is focusing on the ongoing process of formalization of towns, to fast track this process the municipality has prepared the Spatial Development Framework (SDF) and Land Use Management System (LUMS) and as part of the formalization of towns Cogta funded the municipality to undertake a single land use scheme for the whole of uMhlabuyalingana.

Singe land use scheme (Wall to Wall scheme)

In terms of section 24 (1) of the Spatial Planning and Land Use Management Act No. 16 of 2013 (hereinafter refer to as the SPLUMA), a municipality, after public consultation, adopt and approve a single land use scheme for its entire area within five years from the commencement of this act. Schemes are understood to be tools used by Municipalities to guide and manage development rights and giving effect to the visions, objectives and broad strategic focus of IDPS and

Spatial Development framework

The SDF serves as a strategic framework that directs the implementation of the IDP and guides the overall spatial distribution of current and desirable land uses within a Municipality in order to give effect to the vision, goals and objectives of the municipal IDP. The Municipality's SDF represents a long term (+5 years) plan, and is revised in line with the IDP 5 year cycles. It is also a primary spatial response to the development context, needs and development vision of the municipality. It is a key land use management tool of the Municipality as it has an important role to play in guiding and managing municipal decisions relating to the use, development and planning of land. In terms of Section 20 of SPLUMA, the SDF is still recognized as part of the IDP, which in terms of the MSA has a varied set of criteria for what an SDF should entail. The current SDF review is being done in-house in conjunction with the IDP and Budget processes with the assistance of key sector departments.

Spatial Planning and Land Use Management Act no. 16 of 2013 (SPLUMA)

SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa. SPLUMA is a framework law, which means that the law provides broad principles for a set of provincial laws that will regulate planning. SPLUMA also provides clarity on how planning law interacts with other laws and policies.

UMhlabuyalingana has gazetted By-Laws and the uMkhanyakude District family of municipalities agreed on a joint MPT which has since through resolution been established. It is now fully operational in line with SPLUMA guidelines. With the foregoing, as from March 2018 only development applications done in terms of Spatial Planning and Land Use Management Act no. 16 of 2013 are being acknowledged in uMhlabuyalingana Local Municipality.

Environmental Planning

The municipality is largely an environmental sensitive region and as such observing the National Environmental Management Act No. 107 of 1998 becomes an important aspect in the business of Council.

Building Control

UMhlabuyalingana municipality follows the National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) when inspecting erected structures within their jurisdiction and accessing building plans. The Act states that

Local authorities are responsible for the administration of the National Building Regulations, and control the on-site activities on construction projects.

As from July 2022 to December 2022, thirteen (13) building plans have been submitted, of which eight (08) have been approved, with regards to serving notices to the non-complying buildings, thirty four (34) contravention notices have

been served. Chapter 7 of the Spatial Planning and Land Use Management Act No.16 of 2013 (enforcement By-Law) makes it obligatory for the municipality to enforce should a person use the land without the prior approval from the municipality or anyone who doesn't comply even after 3 notices have been served, therefore the municipality is in the process of applying the Law Enforcement.

Challenges encountered

When assessing the building plans the municipality follows the National Building Regulations and Building Standards Act 103 of 1977 and the challenge has been that applicants do not always submit engineering drawings. The common observation is that the local people have limited knowledge about this Act, therefore they do not comply with it, which makes it difficult to even issue them with notices and to even apply Law enforcement effectively. To respond to this, there are ongoing engagements/campaigns with the locals and with the custodians of the land, the Traditional Councils.

OFFICE OF THE MUNICIPAL MANAGER

Communication Strategy

In terms of chapter 4 of the Municipal Systems Act, the Municipalities are encouraged to strive for maximum participation of its citizens to its various programmes. Again the Promotion of Access to Information Act of 2000 further asserts the need for accessibility of the municipal information based on certain conditions as stipulated by the municipality. Furthermore the white paper on local government defines developmental local government as government that is committed in working with its citizens. Undoubtedly the central focus of the abovementioned legislation revolves around the effective communication between the municipality and its constituencies. In June 2017, the Council of uMhlabyalingana adopted this communication strategy which is reviewed annually. The purpose of the strategy is to present mechanisms and guidelines for communication between internal and external environment of the municipality. It is further in the interest of the strategy that could be used in formulating the municipal policy on communication. In order to ensure that the community is informed, we use national and local radio station to disseminate the information.

Internal Audit

The role of the Audit Committee is to provide independent assurance that a municipality's risk management, governance and internal control processes are operating effectively. We have a professional duty to provide an unbiased and objective view. It should further be noted that internal audit performs reviews which are risk based. 18.52 % of internal audits have been performed against the approved Internal Audit plan.

Audit Committee

The role of Audit Committee is to assist the municipality through playing an oversight role in ensuring full compliance with laws and regulations governing local government. They play an oversight role in terms of financial reporting, internal control systems and the risk management of the municipality. The Audit Committee has a Charter that has been approved by Council. As per the approved Audit Committee Charter, the Audit Committee has to meet quarterly, during 2022/2023 mid-year the Audit Committee has met four times.

MPAC

The function of the MPAC is to strengthen the oversight arrangements in the municipality. This is clarified out with a clear distinction between oversight and interference in the administration as defined in Section 5(b) and Section 103 of the Municipal Finance Management Act, No 56 of 2003. One MPAC meeting has been held so far. There were also trainings conducted for MPAC members.

IDP/Budget Process Plan

The council adopted the 2023/2024 IDP process plan in August 2022. The IDP/Budget process plan sets out the process for the planning formulation, review the IDP and budget. In terms of the process plan we are in phase 3 which includes prioritisation of projects and implementation strategy.

Risk Management

The municipality has established a risk management unit; through which strategic risk management documents have been developed in order to ensure a systematic process of risk management within the municipality. The risk profile for uMhlabuyalingana municipality remains within the medium range. The process is at its medium stage in terms of maturity and efforts still to be strengthened to improve the culture of risk management within the municipality. The municipality is currently sitting at 3.9 maturity level.

Management has also developed Risk Management Implementation Plan and its implementation is in progress. Management has also established risk mitigation action plans. These plans are monitored on a monthly basis. Progress is being made with all departments by reporting on mitigating risks in portfolio committee, ExCo and council meetings. The Risk Management Committee has since met once as at mid-year term (26/10/2022).

CORPORATE SERVICES DEPARTMENT**Staff Complement and filling of vacancies in the first two quarters (Mid- Year) :**

The UMhlabuyalingana Local Municipality has 5 Departments namely Office of the Municipal Manager, Department of Corporate Services, Department of Finance, Department of Community Services and Department of Technical Services. Each Department is headed by the Senior Manager (Director). Each Department has Section Manager/s (Each Section is headed by Section Manager). The uMhlabuyalingana Local Municipality has 161 positions as per approved organogram. Fourteen (14) positions have been filled as at mid-year (Municipal Manager, Director Technical Services, Director Corporate Services, Director Community, and Skills Development Facilitator, Technician, Youth Coordinator, Senior Clerk, Caretaker, Executive Secretary to Deputy Mayor, Deputy Director-Community Services, Administrator-HR, General workers x2)

Human Resources Policies

The department was unable to review some of the HR policies that were supposed to be reviewed (Subsistence and Travel Allowance policy, Cellphone Allowance Policy). Councillors requested a workshop on the policies before they could be adopted. IPMS policy and Implementation plan was adopted by council.

Registry

A service provider has been appointed to assist the municipality to move from manual filling to electronic filing system. A memorandum has been signed between the municipality and the services provider. Training has also been conducted by the service provider for registry staff. Further to that, the service provider also did assessments of volume of documents.

PERFORMANCE MANAGEMENT (ORGANISATIONAL REPORT)

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (MTID)

Performance highlights

The municipality was able to fill four critical vacant positions (Sec 54/56) with the exception of Chief Financial Officer. The position of Skills Development Facilitator was also filled. IPMS Policy and Implementation plan was adopted by LLF, ExCo and council.

Challenges

There were no significant challenges in the achievement of set indicators except that the position of Chief Financial Officer has not yet been filled. The position of CFO was advertised before and just before shortlisting the candidates COGTA released new regulations and the position had to be re-advertised to be in line with those regulations which clearly states that the position must be permanent.

There is a lack of storage space in the registry which make it impossible to have a proper functioning registry.

Measures taken to improve performance

The post of Chief Financial Officer has been re-advertised. IPMS Officer post was advertised and interviews and appointment will be concluded in quarter three.

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Performance highlights

The 2021/2022 Annual Financial Statements and Annual Performance Report was submitted to Auditor General within the due date.

Challenges

Business Continuity plan has not yet been fully implemented after it was discovered that there were gaps in our plan. The BCP has to be reviewed to cover critical business processes of the municipality.

With regard to AG action plans, internal audit findings and risk registers, some departments either don't provide portfolio of evidence or inadequate portfolio of evidence. It therefore becomes a challenge to measure the level of achievement in terms of eliminating or resolving AG, internal audit findings and risk mitigation.

Measures taken to improve performance

With regard to reviewing of BCP, Risk Manager did a benchmarking exercise at ILembe District municipality. The final BCP with all business processes will be completed in quarter three.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (BSDID)

Performance highlights

Ntshongwe community hall was completed within schedule. Construction of Mbazwana internal roads is progressing well.

Challenges

Manguzi Multi-purpose community hall not completed (Overall construction is at 88%) The contractor has suspended all works on site due to financial constraints which were caused by material cost escalation. The budget that was provided by the municipality was limiting service provider to complete the project in due time.

Construction of 2, 2 km of Manguzi Internal surfaced road (tarred road) has stopped due to non-performance by the contractor. The contractors had cash flow challenges and demonstrated that he does not have money to execute the project.

Indigent households

Auditor General was unable to obtain sufficient appropriate audit evidence for some of the indigent households receiving free basic electricity. This was due to lack of accurate and complete record. These records are not yet available and these households are still receiving free basic electricity.

Measures taken to improve performance

Director-Technical has written a letter to Municipal Manager and CFO requesting additional funding to complete the Manguzi Multi-Purpose project.

Contract between municipality and contractor for construction of Manguzi internal roads was terminated. Tender to be re-advertised and targets to be adjusted for the remainder of the financial year.

A meeting between the municipality and Eskom will be held on the 30th of January 2023 to address some of the challenges raised by AG and other issues that were picked up from the verification process. The municipality will also embark on the process of developing a new indigent register which will be used for 2023/2024 financial year.

Electricity Outages affecting functioning of key municipal facilities.

The load-shedding phenomenon has created inefficiencies in the functioning of some key municipal buildings e.g. the main office, libraries, traffic station. Energy back-up alternatives have to be explored as only the head office has a diesel back-up generator but due to the location of the municipality, even that often has challenges in terms of turn-around times when there are breakdowns needing professional maintenance.

Measures taken to improve performance

Diverse and area suitable energy alternatives to be explored and funding to be allocated in order to avert this challenge for the key municipal buildings.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (MFVM)

Challenges

Capital expenditure is sitting at 38%. "The main contributing factors are;

- Delays in the construction of Manguzi Internal Roads due to non-performance by the contractor

- Purchase of plant and vehicles - orders were issued for purchase of grader and two political office bearers vehicles and they are due for delivery in February 2023 due to limited stock availability in the market
- Non-expenditure of budget for Kosi Bay Fish Market.

25.79% of billed revenue has been collected by 31 December 2022, instead of 95% target. Business don't want to pay the rates. There is also the issue of non-payment by Ingonyama Trust Board which has not been resolved.

Measures taken to improve performance

Manguzi Internal roads to be re-advertised. 2. Plant and vehicles to be delivered in the 3rd quarter. 3. To conclude processes to commit the required funding to complete the Kosi Bay Fish Facility.

The municipality is in the process of appointing a panel of legal service providers to assist the municipality with debt collection. Management will engage rate payers and businesses to find amicable solutions

ORGANISATIONAL SCORECARD-ANNEXURE

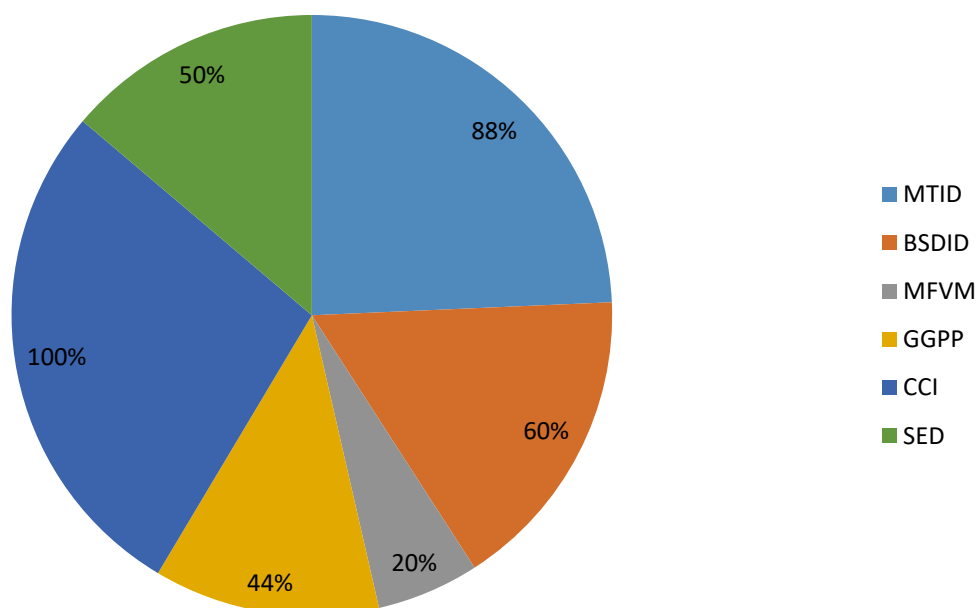
KPA	Total Number of KPI's for Q1 and Q 2	Targets achieved	Targets Not achieved	%
Municipal Transformation and Institutional Development	8	7	1	88%
Basic service delivery and infrastructure development	10	6	4	60%
Financial viability and financial management	5	1	4	20%
Good Governance, Public Participation	16	7	5	44%
Cross Cutting Interventions	1	1	0	100%
Social and Economic Development/LED	2	1	1	50%
Total	43	23	15	53%

Notwithstanding the challenges of the structure of the SDBIP including reports from the departments, the above table reflects the performance level of 23 targets achieved against the Midyear total targets of 43 which translates to 53%.

Acronyms

MTID	Municipal Transformation & Institutional Development
BSDID	Basic Service Delivery and Infrastructure Development
LED	Local Economic Development
GGPP	Good Governance and Public Participation (ward committee system)
FVFM	Financial Viability and Financial Management
CCI	Cross-Cutting Interventions
SED	Social and Economic Development

Targets Achieved



RECOMMENDATIONS BY THE ACCOUNTING OFFICER

1. That the Mid-Year Performance Assessment submitted in terms of section 72 of Municipal Finance Management Act (Act 56 of 2003) be noted for onward submission to National and Provincial Treasury;
2. That Departments to re-align the Mid-Year Review to Monthly Projections of expenditure on the Operational and Capital Budget based on the Mid-Year assessed SDBIP's;
3. That the Mid-Year Budget Review (as presented by the Mayor/Manager) and the Mid-year performance assessment, and the recommendation contained therein be approved for preparation of an Adjustment budget for the 2022/2023 and the review of the SDBIP's accordingly;
4. That revision on the SDBIP's forming part of the Mid-Year Assessments (where applicable) be approved, and Performance Agreements of section 54/56 employees be amended accordingly.

COST CONTAINMENT MEASURES

Cost Containment In-Year Report Measures								
Measures	Budget R'000	Adjustment Budget	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	Total R'000	Savings R'000
Use of consultants	11,973,290	-	3,307,779	1,086,048	-	-	4,393,827	7,579,463
Vehicle used for political office-bearers	250,000	-	270,893	290,637	-	-	561,530	(311,530)
Travel and Subsistence	2,351,435	-	898,019	1,453,417	-	-	2,351,436	(1)
Domestic Accommodation	1,509,800	-	926,232	583,568	-	-	1,509,800	(0)
Communication	250,000	-	170,000	-	-	-	170,000	80,000
Security services	12,176,241	-	3,348,891	3,237,598	-	-	6,586,489	5,589,752
Maintenance	8,229,675	-	5,142,780	1,840,684	-	-	6,983,464	1,246,211
Total	36,740,441	-	14,064,594	8,491,950	-	-	22,556,545	14,183,896

The above table shows cost containment measures implemented by the municipality in the second quarter of 2022/2023

Municipal Manager's quality certificate

I, NPE Myeni the Municipal Manager of uMhlabuyalingana Municipality hereby certify that-

☐

The monthly budget statement

☐

Quarterly report on the implementation of the budget and financial state affairs of the municipality

☒

Mid-year budget and performance assessment

has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: Nkosinathi Phumlani Emanuel Myeni

Municipal Manager of uMhlabuyalingana Municipality KZ271

Signature:

NPE in

Date:

25/01/2023